

Corporate Governance Report 2020

Credit Agricole Egypt

(CAE)

Introduction

Credit Agricole Egypt (CAE) believes that it is necessary to adhere to the best practices in the field of good governance that the Bank adopts as a general culture, vision and long-term strategy. This strategy is applied in a sustainable manner and not only in the short term, with the aim of maximizing the value of the institution to shareholders, maintaining the confidence of both customers and investors and protecting the rights of all.

CAE always aspires to maintain the highest standards of governance, publish the reports of business results accurately and transparently. CAE adheres strictly to the laws and regulations that govern its business activities.

This report - issued as a document accompanying the Bank's Board Report for 2020 - reflects the Bank's efforts to comply with the regulatory requirements and regulations issued by the Central Bank of Egypt (CBE), the Financial Regulatory Authority (FRA), the Egyptian Exchange (EGX), and Misr for Clearing and Depository (MCDR).

Bank Information

Name of Company	Credit Agricole Eg SAE SAE		
Purpose of Company	Financial and Banking Activities		
Duration of Company	50 Years	Listing Date	July 3, 1996
Governing Law	Investment Law	Nominal Value per Share	EGP 4
Latest Authorized Capital	EGP 3,500,000,000 (*)	Latest Issued Capital	EGP 1,243,668,000
Latest Paid-up Capital	EGP 1,243,668,000	Ref. & Date of Commercial Registration	Commercial Register number 20051 - Cairo
Investor Relations Officer	Hany Nassef (Chief Financial Officer) - Hala Ragab (General Counsel & Corporate Secretary)		
Head Office Address	9 /13 Fifth Settlement – Cairo - Egypt		
Telephone no.	26050541 / 23224230	Fax no.	25410051
Email Address:	hany.nassef@ca-egypt.com / hala.ragab@ca-egypt.com		

(*) CAE has increased its authorized capital to EGP 6bn. CBE final approval obtained on 6th January 2021. Waiting for GAFI/Security Authorization of the minutes of the General Assembly.

General Assembly of Shareholders

The General Assembly duly constituted represents all shareholders and convenes in either in Giza or Cairo Governorates physically or electronically as permitted by CBE/GAFI.

Each shareholder possessing 100 shares shall have the right to attend the General Assembly.

All shareholders were notified with the Agenda of the meeting by publishing in 2 widely issued newspapers at least 30 days prior to convening the General Assembly.

Other documents as required by the Companies Law No. 159/1981, its Executive Regulations No 96/82 and Law No. 4/2018, and its Executive Regulations No. 16/2018 all documents are also available in the Bank premises for shareholders' review.

On May 3rd 2018, CAE bylaws approving holding the Boards and General Assemblies by electronic means were approved and authenticated by GAFI. shareholders are also allowed to vote remotely/electronically.

On March 19th 2019, the cumulative voting mechanism was added to the articles of the bylaws. CBE approved amendment. GAFI approval obtained on August 4th 2020.

Ownership Structure

Shareholders having at least 5% of Company's Shares	Beneficial Owner	Number of Shares as at the Date of Financial Statements End of December, 2018	Percentage %
CREDIT AGRICOLE SA		147,329,416	47.39 %
CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK (CIB)	CREDIT AGRICOLE SA	40,625,052	13.066 %
ROLACCO INVESTMENTS L.L.C. Individual establishment	ALI HASSAN DAYEKH L.L.C.	23,575,294	7.583 %
Dr. Ali Hassan Ali Dayekh		37,052	0.012%
Total		211,529,762	68.055%

Board of Directors

Composition of the Board of Directors

- The Board, in consultation with the Governance Nomination and Remuneration Committee prepares a profile of its size and composition considering the nature of the Bank's Business and its subsidiaries, and subsequently, the desired expertise and background of its members.
- CAE is a bank with a Board that splits the roles of Chairman and Managing Director in accordance with the Credit Agricole (CA) Group practice and local best practice as per (CBE) Governance/FRA Regulations namely separating the oversight functions from the Management functions.
- The Board is composed of 11 members elected by the General Assembly in 2019 for 3 years. New elections will take place in March 2022.
- The Board Members have variety of experiences in Accounting, Finance, Investment Banking, Corporate Governance, Strategic Management, Risk Management, Corporate Banking, Operations, Information Technology, Digital Banking,

- Multinational Companies, Small and Medium Enterprises (SMEs), Structured Finance, Compliance, Audit, Leasing, Insurance, both on local and international levels.
- The Directors combined professional experience of Credit Agricole France/ Egyptian and Regional Directors forms the basis of the board of director's collective expertise which in turn enriches the discussions in key areas of banking business, such as financial markets, accounting, auditing, risk, technology, innovation, governance, local and global economies, Corporates as well as Corporate Social Responsibilities (CSR).
- The Board has a good balance: (1) Executive member (10) Non-Executive Members including (2) independent Directors as per Central Bank of Egypt Corporate Governance Regulations issued in 2011.
- Meetings of the Board were held in 2020 by modern means of communications, Telephone/Video conference as per CBE/FRA instructions during 2020/2021 subject to the security guidelines issued by the Central Bank in August 2018.






Board Profile, Size, Expertise and Independence:

Ser. No.	Name of Member	Title of Member (Executive/ Executive/ Independent)	Number of Shares held	Date of Appointment in the Board	Representing	Remarks
1	Assem Ragab	Chairman – Non-Executive	None	30/8/2017	Not-shareholder	
2	Michel Mathieu	Vice Chairman – Non-Executive	147329416 (*CASA Group shares)	1/2/2016	CASA	Resigned on 31/3/2020
	Didier Reboul	Non-Executive	147329416 (*CASA Group shares)	15/7/2020	CASA	Replaced Mr. Michel Mathieu As of May 2020
3	Pierre Finas	Managing Director – Executive	147329416 (CASA Group shares)	30/8/2017	CASA	Retired end of 2020.

Ser. No.	Name of Member	Title of Member (Executive/ Executive/ Independent)	Number of Shares held	Date of Appointment in the Board	of Representing	Remarks
4	Francois-Edouard Drion	Non-Executive	147329416 (CASA Group shares)	30/8/2017	CASA	
5	Paul Carite	Non-Executive	147329416 (CASA Group shares)	3/11/2016	CASA	
6	Jean Paul Kerrien	Non-Executive	147329416 (CASA Group shares)	31/10/2017	CASA	
7	Philippe Enjalbal	Executive	147329416 (CASA Group shares)	18/7/2016	CASA	Resigned on 11/2/2020
8	Thierry Simon	Non-Executive	2150661 (*CACIB shares)	10/2/2019	CACIB	
9	Mona Mostafa Baradei	Member Non-Executive	None	24/11/2013	Non-shareholder	Her term ended on 31/3/2020
10	Ali Dayekh	Non-Executive Independent	37052	18/7/2016	Public Subscription – Independent	
11	Adel Danish	Non-Executive Independent		8/9/2019	Independent	

*Credit Agricole SA (CASA).

*Credit Agricole Investment Bank (CACIB).

 Assem Ragab CV.docx	 Michel Mathieu CV..docx	 Pierre Finas CV.docx	 FRANCOIS DRION CV.docx	 Paul Carite CV.docx	 Jean-Paul Kerrien CV.docx	 Philippe Enjalbal CV.docx	 Thierry Simon CV.docx	 Mona El-Baradei CV.docx
 Dr. Ali Bin Hassan Bin Ali Dayekh.docx	 Dr. Adel Danish.docx	 Mr. Didier REBOUL, CV.doc						

Roles and Responsibilities of the Board:

- The Board oversees the General Business of the Bank by virtue of the mission assigned to it by the General Assembly.
- Board members act in the best interest of the Bank. They perform their duties independently taking into consideration the interest of all Bank Shareholders and other stakeholders.
- The Board validates the Bank Strategy and objectives, supervises its implementation and dissemination to all employees.
- The board discusses the business Risks and reports presented by the Internal Control Departments.
- In Supervision of Management, the Board considers achievement of the Bank's objectives, Strategy and Risks in the Bank Activities, Structure, Operation of the Internal Risk Management, Audit and Control systems, financial reporting process, compliance with laws and regulations or any other matters that comes to its attention, as shown in the Committees Charters. In this respect, Board ensures the existence of effective internal policies and procedures, regular guidelines and strong code of conduct for all employees.
- Board approves the Bank Organization Chart and appointment of Senior Executives. The Board of Directors is responsible for the bank performance, as well as obtaining all information from the Management, internal auditors and external auditors, so that it can carry out its tasks; and it may seek the assistance of whoever it sees in this regard. The Board is also entitled to access all Bank records.

- Resolutions subject to Board Approval:
 - Annual and quarterly Financial Statements and ensuring its accuracy through the Audit Committee, External Auditors as well as the Group in France.
 - Financial and Operational Strategic Bank Objectives of the Bank and related budget.
 - Key performance indicators.
 - Addressing Conflicts of Interest.
 - Establishing different committees and defining their roles.
 - Bank performance, nomination of board members and committees.
 - All duties regarding appointment and dismissal of External Auditors as imposed by the regulations.
 - Policies and procedures related to Risk, IT Security, Financial Liquidity, and Compliance.
 - Annual AML report to be presented to MLCU.
 - Annual Internal Control Report
 - New Products and Services as required
- Board evaluation and Self-Assessment by the Board members.
- Board appointed a Corporate Secretary who is familiar with the Bank business with an organizational unit to assist in following up the Board/ General Assembly/ Committees work as described below.
 - For Information Security, Board ensure to put the measures for data accuracy/quality and protection:
 - Conducting penetration tests on periodical basis to detect any additional measures required to be applied to secure the whole environment.
 - DLP to detect data leak.
 - Using the latest encryption protocol and ciphers. Applied and verified via regular pen test
 - Using Email Encryption for exchanging external sensitive data.
 - Align with Group Standards (CARs, Internet Access Point (IAP)).
 - Integrating with Group SOC (Security Operation Center) to detect and report any security incident. Applied
 - CAE has internal control process to ensure the data accuracy in which all reports and financials are accurate.
 - Source of data used for reporting to CBE and Credit Agricole Group and used for the preparation of Financial reports is the same one used for monthly closing and matching with results communicated to Executive Committee and Board.

- Main Decisions that has been taken by the Board during 2020:
 - Approving the Financial Results of 2019, the letter to shareholders, external auditors' appointment, proposal of board members allowances, related party transactions, dividend distribution and staff profit share rules, subject to General Assembly validation.
 - Called for the General Assembly to approve the above on the 31st of March 2020.
 - Called the EOGA on December 10th, 2020 to approve the sale of a land as per New Cairo Municipality request.
 - Board approved the Bank Strategy and Medium Term Plan. (IMPACT)/Priorities KPIs
 - Board approved the Risk Strategy and Policy.
 - Update of IFRS9 and Methodology applied.
 - New Products
 - Credit Delegations
 - CAE committees and the Organization chart updates.
 - Compliance Annual Report
 - Whistleblowing and Anti-Corruption Compliance Policies
 - Financial Inclusion Strategy
 - Semi and Annual Internal Control Report/significant and incident threshold.
 - Review of Annual ICAAP Report
 - Financial and Liquidity Policy
 - IT Security Policy
 - Write offs
 - Board/Management appointments
 - Board Dates 2021

Role and Responsibilities of the Chairman of the Board:

Role:

- The Chairman of the Board is primarily responsible for the activities of the board and its committees. The Chairman also presides over the General Assembly.
- The Chairman ensures that board members when appointed participate in an induction program and receive at all times the necessary information that enables them to perform their duties.

- Ensures that shareholders are provided with adequate and accurate information.
- Calls the board as required and determines its agenda in consultation with the Managing Director and the Corporate Secretary.
- Ensures that Board Committees are functioning properly and board satisfying its duties.
- Meeting at least once a year with the bank external auditors, non-executive board members, internal audit, and compliance without the executive management.
- Addressing internal conflicts and conflict of interest in the board, if any.

In 2020:

- Chairman continued to chair the CAE foundation and being a member in the Audit and Risk Committees.
- During 2020, the Chairman presided the general assembly of shareholders held on 31st March 2020, and the EOGA held on December 10th, 2020.
- Chairman called for eight Board Meetings according to CBE Governance regulations.
- Chairman ensured that self-assessment is carried out by the Board members.
- Ensured Audit / Risk / Governance/Remuneration/Nominations Committees reports were presented to Board members.
- Ensured during 2020 that all members attending by video have received their documentation and have proper access to the meetings.

Responsibilities of the Managing Director

- The Managing Director has the broadest powers to manage the Bank, except for what is stated in the bylaws for the Board of Directors or the General Assembly.
- The Managing Director, with the assistance of the Executive Committee prepares the Bank's Strategy.
- Running day to day business of the Bank, overseeing the workflow, taking all decisions to ensure implementing the strategy in compliance with the policies, procedures, bylaws and regulations while increasing the customer's satisfaction.
- Overseeing the Bank Financial and non-Financial results, and assessment of performance.
- Reviewing and monitoring all replies to Internal, External Auditors Group and CBE audits.
- Developing the Culture, Ethics and Values as per Local and Group standards.
- Developing succession plan to ensure employees loyalty.

- Approving Bank Organization Chart as well Duties and responsibilities of different divisions while ensuring segregation of duties.

Role of the Board Secretary:

Governance Department / Corporate Secretary (C.S.):

The Corporate Secretary heads both the Governance and Legal Departments, is a member in the Bank's Executive Committee (EXCO), C.S. contributes in achieving the Strategy set by the Board.

The Corporate Secretary plays a very important role in the Bank and in assisting the Board members for any advice or use of her services.

- (a) Assist the Board, the Executive committee ("EXCO") and the Board's other committees in the conduct of their meetings, (b) drafts and keeps minutes of all meetings of the EXCO, Board, General Assemblies and all related records, (c) Ensures the Bank's compliance with Corporate and Securities laws and regulations and (d) develops and periodically reviews the Bank's Corporate Governance policies and practices.
- Manages the Board annual chart of the topics and reviews it annually, and assists the Chairman or Managing Director on the agenda topics as per the schedule and the regulations.
- Advises meeting dates before the beginning of the year and collates, sends/delivers board papers to directors in good time.
- Follows up the implementation of the Board's decisions and action plans under the related mechanism.
- Reviews with the Managing Director to ensure good information flows within the Board and its committees and effective communication and between senior management and directors.
- Coordinates with the Governance/Nomination and Remuneration Committee evaluation of the performance of the Board members and the committees, as well as the proposals submitted by the board to the general assembly in terms of nominating or replacing a member.
- Updates the Board members on any supervisory or legal responsibilities created due to evolution of the Bank's operations/activities; CBE, FRA regulations.
- Ensures changes in membership are handled correctly.

- Ensures that the Board, Executive Committee (EXCO), and the Board's other committees follow the Bank's rules and policies as determined by the articles of association, charters, by-laws and other internal documents, including in the conduct of their meetings.
 - Prepares and conducts the general assemblies with the Legal, Finance, Custody, Procurement, and Communication departments in accordance with law, articles of association, Charters, by-laws and other internal documents of the Bank.
 - Ensures that shareholders, Senior Managers, Board members, auditors and authorities are given proper and timely notice of the general assembly and any required notices in the press are made;
 - Prepares and ensures access for shareholders to all materials made available for the general assembly;
 - Answers with Finance Head and external auditors any questions regarding the procedural questions during the general assembly, and take measures to resolve any conflicts arising when preparing and conducting the general assembly.
 - The Corporate Secretary helps to organize induction trainings for newly elected members of the board to educate such members on their duties and responsibilities.
 - Communication. The Corporate Secretary shall assist in establishing and maintaining clear communication among the various governing bodies of the Bank, in particular between the board of directors and the EXCO. Corporate Secretary is the appointed coordinator with the Central Bank of Egypt.
 - Information Disclosure. The Corporate Secretary as the alternate Investors Relations Officer shall ensure the proper disclosure of information about the Bank to CBE, FRA and EGX.
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Third: Board Committees:

Composition of Committees:

Name of Member	Name of Committee			Governance, Nomination, and Remuneration Committee	Title of Member (Non-Executive/Independent)	Position in Committee	Date of Appointment in Committee
	Audit Committee	Risk Committee					
Paul Carite	√	√		Non-Executive	Chairman	4/10/2017	
Assem Ragab	√	√		Non-Executive	Member	4/10/2017	
Mona El Baradei	√	√		Non-Executive	Member	7/6/2018. Her Board Membership term ended on 31/3/2020.	
Didier Reboul	√	√		Non-Executive	Member	Replaced Dr. Mona El Baradei in both committees since 15/7/2020	
Francois-Edouard Drion			√	Non-Executive	Chairman	4/10/2017	
Jean-Paul Kerrien			√	Non-Executive	Member	4/10/2017	
Adel Danish			√	Non-Executive - Independent	Member	8/9/2019	

Procedures of Meetings of Board of Directors & Board Committees:

Table showing Attendance of Directors at Meetings of Board, Committees and General Assemblies:

Ser. No.	Name of Member	Board Directors	Audit Committee	Governance, Nomination & Remuneration Committee	Risk Committee
1	Assem Ragab	8/8	4/4		4/4
2	Michel Mathieu	0/2			
3	Pierre Finas	8/8			
4	Francois-Edouard Drion	8/8		2/2	
5	Jean-Paul Kerrien	8/8		2/2	
6	Paul Carite	8/8	4/4		4/4
7	Thierry Simon	8/8			
8	Mona El Baradei	2/2	1/1		1/1
	Didier Reboul	4/4	2/2		2/2
9	Ali Dayekh	8/8			
10	Adel Danish	8/8		2/2	

Audit Committee:

The Committee members will be appointed by the Board of Directors in accordance with the CBE/FRA Regulations. It comprises of three non-executive and independent Board of Directors Members who should have appropriate diversified experience, knowledge and sufficient awareness of financial, accounting, auditing, Compliance background. One of the members will be appointed by the Board of Directors to chair the Committee. Each Audit Committee Member will have counted vote. Expert appointed will not have voting power

In order to monitor the control environment & risk management within CAE, the Audit committee reviews on quarterly basis all the reports raised to its attention from CAE control functions (Internal Audit, Legal, Compliance, Risk & Permanent Control), in addition to the observations received from Central Bank, CAE External Auditors and GA Group Audit (IGL).

In this respect, the Audit Committee has defined a dashboard which list all the documents, regular updates and analysis required to be regularly presented to the Audit committee, in accordance with the local/Group regulations.

The Committee has authority to conduct or authorize examinations into any matters within its scope of responsibility. The Committee, to the extent it deems necessary or appropriate, will carry out the following specific responsibilities:

- Discuss whatever issues the Committee may consider with the External Auditors, Chief Financial Officer, Head of Internal Audit, the Bank's Compliance Officer or Legal Counsel, in addition to any issue deemed necessary to be discussed in the Committee with whomever the Committee sees.
- Review the main Audit findings included in the summary reports/ presentations prepared by the Internal Audit Department, in addition to following up the response of the Bank's Management and the corrective actions taken to implement the Audit's recommendations.
- Review the audit findings and the status of the implementation of the recommendations previously stated in reports "Central Bank of Egypt, Internal & External audit reports", and ensure that corrective action has been taken by the Bank's Management in this regard.
- Review the Quarterly reports prepared by the Bank's Compliance and Financial Security Head concerning the adherence to the Group & Local regulations and any violations "if any", which took place to such regulations.
- Review the Bank's Internal Audit's report on the adequacy of qualified staff at this department, the qualification level of the compliance officer job at the Bank, as well as the level of training and qualification of the said staff.
- Approve the internal audit department's charter.
- Approve the risk-based internal audit plan on annual basis.

- Approve the internal audit department's resource plan. Make appropriate inquiries of Management and the Head of Internal Audit to determine whether there is inappropriate scope or resource limitations.
- Receive communications at least annually from the Head of Internal audit on the internal audit department's performance relative to its plan and other matters.
- Approve decisions regarding the appointment, removal and appraisal of the Head of Internal Audit.
- Review the Legal cases raised against or from the Bank and the Bank's Legal risks.
- Review the measures adopted by the Bank's Management to comply with the control criteria and the regulations set by the Central Bank of Egypt and ensure that corrective measures have been taken to remove any violations thereof.
- Ensure that the Bank's Executive Management shall periodically review the values of the Collaterals taken against finance & credit facilities.
- Recommending the appointment of external auditors, assessing their performance, and express opinion on allowing them to do additional services from auditing the Bank's financial statements.
- Ask the external Auditors to present to the Committee their scope of work, and agree with them on it.
- Coordinates between external & internal Auditors reviews.
- Based on the reports presented to the Committee from the Bank's Internal Audit, Compliance, Legal, Chief Risk Officer, Chief Financial Officer, and external Auditors, the Committee will review and discuss with Management (if necessary) and the external auditors any significant accounting and financial reporting issues, including complex or unusual transactions and judgments concerning significant estimates or significant changes in the bank's selection or application of accounting principles, and recent professional, accounting and regulatory pronouncements and initiatives, and understand their impact on the bank's financial statements.
- Review with Management and the external auditor the results of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with Management.
- Review the financial reports of the Bank and material accounting policies prior submitting it to the Board of Directors ensuring its compliance with CBE Regulations.
- Ensure that the Bank has established a control system and has adopted executive measures to combat money-laundering operations.
- Review the reports prepared by the compliance officer at the bank, particularly with respect to violations of the applied legislations, the bank's internal bylaws and the instructions of the Central Bank.
- Approve the risk-based Compliance action plan on annual basis.

Risk Committee

The Committee is appointed by the Board of Directors in accordance with the CBE Governance regulations. Committee will be formed of three non-executive Board of Directors Members. The Risk Committee performs the following functions:

- Setting executive frameworks, measures and rules approved by the Board, as necessary for addressing different types of risks that may face the Bank, including strategic risks, operational risks, market risks, credit risks, reputational risks, risks related to information systems and data protection, and any other risks that are likely to negatively affect the Bank's activity and sustainability;
- Assisting the Board of Directors to identify and evaluate the Bank's risk appetite, and ensuring that the Bank does not overstep those limits;
- Supervising and checking the effectiveness of Risk Management Department in performing the tasks assigned thereto, and ensuring that it efficiently performs its duties within the powers and functions mandated to it, in addition to ensuring the independence of the Risk Management employees from the Executive Management; and
- Preparing periodic reports on its outcomes and recommendations for submission to the Board of Directors to take the necessary action. During 2020, Risk Committee convened 4 times (quarterly) in order to review the activities and results of control functions including all related risks (credit, finance, market, liquidity, etc.) as far as risk management is concerned. Minutes and main debrief are addressed just after to the Board of Directors. Risk Strategy and Appetite (including credit, financial, operational, market risks, etc.) are updated on yearly basis and presented for validation or Board of Directors decision, while a quarterly status of respect of risk limits is also presented. Moreover, main credit manuals are updated periodically when need be during the year, as well as Financial Policy and presented for validation to local governing bodies (Credit Risk Committee, Risk Committee, Board of Directors).

Governance/ Nomination and Remuneration Committee:

Governance/ Nomination:

During 2020, the Committee convened twice and reviewed the following:

- Board report presented to shareholders according to the Company's law requirements in addition to the new listing rules issued in March 2019 by FRA.

- The self-Assessment of the implementation of the Governance regulations and the New Banking Law related action plan for 2020.
- Self-Assessment for Implementation of FRA/EGX regulations (2020)
- Results of the evaluation/Self- Assessment done by the Board Members showed good satisfaction among Directors regarding the following issues:
 - Sufficient access to Key Executives outside Board meetings.
 - Board focusing on protecting the interests of the Bank and all of its shareholder
 - Board has the right size, i.e. is the number of board members consistent with the needs of the Bank
 - The financial information provided prior to board meetings give the necessary information to understand the important issues and trends in the business
- Board, together with management, focus on major risk issues that could have a significant impact on the Bank
- CBE semi-annual Governance Report
- Review of Corporate Governance Report 2019
- Credit Delegations
- CAE Committees and Organization Chart
- Video conferencing policy as required by CBE regulations. Updated Disclosure policy
- Board Induction 2020:
- Credit Agricole S.A. conducted a training for a new Board member which included:
 - Group Presentation
 - Guarantees coverage
 - Compliance
- Presentation of the CBE New Banking Law 194/2020 to the Board was done in September 2020.

Remuneration:

Human Resource Head presents to the Remuneration Committee on annual basis the proposals related to CAE staff remuneration for the following:

- Review policies of salaries and remuneration
- Staff Profit Share Distribution Rules
- Review Board Members allowances for General Assembly
- Review of Human Resources/Turnover, Initiatives and KPIs

Other Committees:

Main Committees assisting the Board to fulfil its duties are:

The Executive Committee is the body that handles all the matters relating to proposing, monitoring of the Bank's Strategy relevant to the Bank commercial development, and monitoring of the risk/ reward objectives. It delegates some of its duties to the Internal Credit Risk Committee (CRC), Human Resources Committee (HR), Investments and Substandard and Doubtful Debt Committee (SDDC).

Credit Risk Committee (CRC): on weekly basis, decides under its local delegation on credit requests / limits renewal and review credit risk reporting and performance.

Substandard & Doubtful Debt Committee (SDDC): periodically reviews the progress of the Recovery Portfolio, evaluates and recommends levels of provisions and approves overall policies for recovery process. CRC is an alert tool for potential downgrades for corporate, enterprise banking, Retail clients and possible provisioning requirements, as well as legal provisions.

Human Resource Committee:

Continuous monitoring of HR policies.

Review of specific staff issues as delegated by EXCO

Main Topics discussed in the HR Committees during 2020:

- Salary increase proposal for 2020

- TREND of Annual leaves consumptions 2019 vs 2020
- Engagement Recommendation Index
- 2020 Group Employee Shares Offer
- Commercial staff loan revamp
- Head Count Evolution
- Covid-19 updates (cases and expenses)

Investment Committee: Defines and validates the investment and purchasing policy.

- Validates all purchase/investment/contracts over 2M LE.
- Reviews all branches delivery
- Reviews Head Office Projects
- Validates and reviews major IT investments

- **Health and Safety Committee (H&S):** is formed to meet the local law that require to have such committee for any location exceeding 50 employees.

- Meeting the Group Safety and Security requirements.
- Hammering on Health and Safety best practices
- Discussions related to H&S topics, findings, situations... etc. with regards to the Head Office in order to reach agreements & decisions.
- The committee is held once a month at least..
- Members from Human Resource, BCP, Logistics, Health & Safety, Security and building Facility Management.

In 2020, additional committees were formed for managing the COVID-19 pandemic starting March 2020 as follows:

Daily: Mini Cell

- ✓ follow-up on the actions
- ✓ Sharing best practices
- ✓ Quick decisions for any obstacles

Weekly:

- ADHOC meetings
- EXCO meetings
- Operational Crisis Management Team

To :

- ✓ Follow-up on the MTP actions
- ✓ Share tactics
 - a. Strong Health measures
 - b. Remote Organization
- ✓ Activate Business continuity plans
- ✓ Validate new actions
- ✓ Take decisions for any obstacles
- ✓ Try to anticipate next steps / measures

Monthly:

- Crisis Management meetings/ updates to track & govern all actions.

Sustainable Development Committee

Headed by the Bank's Managing Director and composed of senior heads from the different Bank's departments.

Meets at least twice year or as often as deemed necessary.

Committee role is to enforce the Sustainability pillars: Environment, Social and Governance, based on the macro regulations, the Group and CAE's strategy and ambitions.

Mission:

- Overlooks the bank's sustainability activities being the cornerstone of Impact the Banks's strategy
- Ensures cohesion between CAE activities and the Group in relation to the 3 pillars of Sustainability
- Sets priority actions and reviews the Sustainability KPIs progression
- Guides towards the creation of new policies as per the Group and CAE strategy

During 2020, the Sustainable Development Committee reviewed the strategic KPIs related to sustainability, out of which the carbon foot print measurement, the efficiency in resources consumption, the risk policy to accompany our customers in their energy transition, and projects engaged by CAE Foundation for Development. The committee was also updated on the recycling initiative in cooperation with NGO Ressalah, where the outcome will finance the purchase of artificial limbs.

The Sustainable Development committee followed the progress of the bank's sustainability report until validation and release. Committee also validated the proposed communication plan for the report.

- The committee examined the progress of the actions listed on the FReD program (CA Group's own CSR program) and validated the various actions to be maintained or to be added in the 2020 action plan, in alignment with the Group's strategic direction and commitment

Control Environment:

Internal Control System:

Internal control consists of all the procedures, mechanisms and systems designed to control business activities and risks of all kinds and ensure that transactions and operations are carried out in compliance with CBE Local regulations, securely and effectively.

This definition, applies to every entity within Crédit Agricole Egypt, as it does to each Group entity. The internal control system applies to all the Bank's activities, headquarter and networks, subsidiaries and outsourced essential activities.

The internal control system aims to achieve the following:

- Identification and control of risks.
- Financial performance through effective and proper use of the Bank's assets and resources, and protection against risk of loss.
- Comprehensive, accurate and ongoing knowledge of the data required to make decisions and manage risks.
- Compliance with laws and regulations, professional and ethical standards and internal and Group standards.
- Financial security and fraud prevention.
- Accuracy and completeness of accounting records and timely production of reliable accounting and financial information.
- Quality and reliability of information provided to executive bodies, general management, BOD and Audit committee.

The risks that must be taken into consideration are particularly (but not exclusive) Credit and Counterparty risks (incl. concentration risks), Operational risks, Financial & Market risks, Compliance and Legal risks, Information Systems Security risks.

Internal Audit Department (IA):

Internal auditing is an independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of Credit Agricole Egypt (CAE).

It assists CAE in accomplishing its objectives by bringing a systematic and disciplined risk based approach to evaluate and improve the effectiveness of the organization's risk management, control, Compliance and governance processes.

The Head of Internal Audit will report to the following:

- Main reporting, directly (i.e. solid line) to the Audit Committee as stipulated in the local regulations,
- Directly (i.e. solid line) to a representative of CASA Internal Audit Line of Business (IGL) based in Paris whom are responsible of supervising the Internal Audit Department.
- Functionally (i.e. dotted line) to the Bank's Managing Director.

The Internal Audit Head determine the resources required by CAE IA to carry out its assignments, particularly in terms of human resources and budget. CAE Managing Director ensures that the corresponding resources are allocated to the function. In order for CAE Internal Audit to carry out its activity impartially/ independently and to avoid all risk of conflict of interest, Audit department is exempted from any operational responsibilities in the areas of its audit responsibility.

The Head of Internal Audit submits regular reports (at least quarterly) to the Audit committee covering mainly the following:

- The update on the accomplishment of the Audit plan after being approved by Audit Committee.
- The major conclusions of the conducted significant Audit missions along with discussing the major recommendations issued to enhance the internal control environment & mitigate the Risks noted within the Audit missions.
- The results of the semi-annually follow up Audit missions on the stock of the issued recommendations including the main points of attentions, as Internal Audit is following all Audit recommendations twice a year (i.e. end of March & end of September of each year).

- Discussing the staffing of the Internal Audit and their training plan.

The scope of internal Audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the Audit Committee, management, and outside parties on the adequacy and effectiveness of governance, risk management, and control processes for CAE. Internal Audit assessments include evaluating whether:

- Risks relating to the achievement of CAE's strategic objectives are appropriately identified and managed.
 - The actions of CAE's officers, directors, employees, and contractors are in compliance with CAE's policies, procedures, and applicable laws, regulations, and governance standards.
 - The results of operations or programs are consistent with established goals and objectives.
 - Operations or programs are being carried out effectively and efficiently.
 - Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact CAE.
 - Information and the means used to identify, measure, analyze, classify, and report such information are reliable and have integrity.
 - Application of any other missions, reviews as requested by CBE.
 - Resources and assets are acquired economically, used efficiently, and protected adequately.
- The Head of Internal Audit also coordinates activities, where possible, and considers relying upon the work of other internal and external assurance and consulting service providers as needed. The internal Audit department may perform advisory services, the nature and scope of which will be agreed with the management, provided the internal Audit department does not assume management responsibility.

Due to covid-19 pandemic, and after obtaining Group Audit approval and final Audit Committee concurrence, the Internal Audit has adjusted the 2020 Audit plan using a risk-based approach, where Audit remotely performed Audit reviews on selective topics that need special attentions and vigilance during this exceptional pandemic time. (ex. Fraud Risk, Operational risk and cyber risks,... etc.). For the Branches Audit missions, Audit performed offsite thematic missions on important and risky operations/topics in branches as a replacement of the Branches onsite visits, which can't be done during this period.

Risk Management Department:

Risk Management (including Permanent Control function) operates within budgeted resources and covers the expected scope of such function based on Credit Agricole Group standards and local statutory requirements (Independent Risk Management and 2.2 Permanent Control tasks). The function is 1) hierarchically attached to CA S.A./BPI-RPCR function directly reporting to CA S.A. Group Risk Division (DRG) as well as, for local reporting line (and as per Central Bank of Egypt governance regulation), with a "solid reporting line" to CAE Non-Executive Risk Committee and 2) functionally attached to the Bank's Managing Director (MD).

The Head of Risk Management - the CRO, is member of the Executive Committee of the Bank and benefits from the independence necessary for the exercise the missions. As such, he cannot be removed without the prior consent of the Board of Directors and of his hierarchal reporting lines. He has no commercial, financial or accounting decision-making responsibilities, but expressing regularly and on different thematic of risks independent risk opinions and analysis (escalation process in place in case there is negative opinion).

The CRO presents regularly and independently his activities, risk results to Audit /Risk Committees and Board of Directors. He can also escalate any risk concerns directly to the Risk Committee and/or the Board of Director as well as to the Parent company (CA S.A. Group Risk Division and BPI/RPCR function) whenever needed and without referring to Executive management. Yearly update of Risk Strategy and Risk Appetite is supervised under his Authority along with involved operational business lines and status is directly reporting to local governing bodies and to the Group. CRO expresses also his opinion on periodic update of main risk manuals and policies (credit, finance, market risks, etc.).

The CRO ensures on a monthly basis the correctness of loans portfolio classification and provisioning calculation according to Group and regulatory guidelines as well as to Group and Local IFRS9 rules and developed models, before Finance function booking cost of risk in financial statements. During the year, he performs also, along with Corporate business lines and Group's support, some portfolio reviews in order to identify any early risk signals on portfolio risk evolution and profile, so as to take prompt remedial action to mitigate credit risks if any need be. Results are presented to Bank's governing bodies. Supervision and monitoring of Permanent control device is also part of the Risk Management function. All levels of control (1, 2.1 and 2.2) are regularly updated based on a risk mapping challenged and updated with the contribution of each operational business line. It covers all activities, risks (including IT security and outsourced activities) and entities on a consolidated basis (considering the Scope of companies supervised on a consolidation basis - PSC).

The results of controls are regularly reported according to Group and local standards forms and presented to local governing bodies and to the Group at least on a quarterly basis. Risk Strategy and Appetite are part of the risk mitigation device, including global and operational set of limits monitored on a quarterly basis and anytime when a breach might occur. Again, measurement and monitoring of risks are regularly reported to local and Group governing bodies and in the bi-annual Internal Control Report (including also ICAAP update exercise).

The effective managers remain fully and primarily responsible for managing and controlling risks. The CRO ensures that the risk level is compatible with the directions, policies, and limits set by the local supervisory authorities, as well as the Group's directions in terms of risk appetite. He ensures the proper deployment, coherence, and pertinence within his/her scope of supervision of a risk management, monitoring, and control framework.

Compliance Department:

As per the Group and CBE regulation, the Head of Compliance and Financial Security (directly reporting) to the Group Head of Compliance and the CAE Audit Committee and functionally (dotted line) to the Managing Director of CAE.

The Compliance Department in CAE is structured into the following units:

- Regulatory & Controls monitoring & FATCA
- International Sanctions including OFAC
- Fraud Prevention
- Anti-Money Laundering

The Compliance units work in different aspects however the main and common target is monitoring the consistency and efficiency of prevention and control plans for non-compliance risks to ensure that the activities and operations of CAE complies with both local regulations and the international regulations as well as the internal rules of the Group.

The Head of Compliance of Crédit Agricole Egypt is obliged to communicate to his Executive Management, governance bodies and to the Group Compliance Department any information necessary to prevent and control non-compliance risks on a consolidated basis.

Compliance function has the necessary independence, authority, resources and expertise to access all relevant information needed. For this purpose, it is equipped with the human and technical means required to carry out its different duties.

Compliance Department defines the normative framework applicable with regard to non-compliance risks, defines and introduces an adequate and suitable system to:

- Fight against money laundering and the financing of terrorism, and comply with "International Sanctions" (OFAC, embargos, freezing of assets, etc.)
- Prevent internal and external fraud and fight against corruption
- Respect the integrity of the financial markets
- Ensure customer Protection
- Full review of staff monitoring on monthly basis to ensure compliance from AML & Fraud perspective. Compliance assists, the managers and employees of the bank and ensures the application of the laws, regulations, procedures and internal standards and formulates "opinions" as required in coordination with the Legal Department / Corporate Secretary.
 - Under the responsibility of its Head, the Compliance Department:
 - Adopts Group standards, to be reflected in operational procedures specific to Compliance as long as it does not contradict with local regulations.
 - Participates in the consistency and singularity of interpretation of the laws and regulations in coordination with the legal Department and Corporate Secretary as needed.
 - Provides an advisory role and issues opinions, on the referral of the business lines (notably opinions on sensitive files with regard to the fight against money laundering/financing of terrorism and International Sanctions, New Activities, and New Products processes, opinions with regard to compliance of investment); issues, where applicable, positions on atypical files detected during controls.
 - Processes operational alerts generated by centralized tools to the Compliance Department such as **FircoSoft File Filter (FFF)**, **FircoSoft Message Filter (FMF)** & **NORKOM** alerts
 - Issues entity's positions on specific files concerning several Group entities and facilitates the sharing of information within Crédit Agricole Group on compliance subjects, as applicable to the local relevant regulations.
 - Coordinates and supervises the subsidiaries under CAE business lines as well as specialized subsidiaries.
 - Provides to the governance bodies an overall outlook of non-compliance risks.
 - Handles the relation with the AML supervisory authority (MLCU)
 - In coordination with the Corporate Secretary, and as applicable to the Compliance function Compliance replies to CBE requests or follows up on CAE business internal requests, noting that the CAE General Counsel & Corporate Secretary is the main coordinator and contact point with CBE.
 - For AML supervisory authority, Head of Compliance is the contact point

- Carries out a consultative role on the introduction of monitoring tools, sharing information and alerts linked to non-compliance risks, as well as an administration, expertise and deployment role for the Group tools of the Compliance business line;
- Manages regulatory projects;
- Follows up the KYC progress with the concerned LOBs in order to ensure having good quality and updating the customer's KYC based on the risk based approach which reflects on the customer risk methodology to classify the customers in three risk levels (High/ Medium and low) including the Political Exposed Persons (PEPs) as high risk.
- Head of Compliance draws up the Compliance report and any reporting requested by the Compliance business line
- Non-compliance risk mapping is a component of the annual Compliance Report, in which a summary as well as the resulting action plans feature. Supplemented by the ICAAP and the risk appetite procedure, non-compliance risk mapping enables Executive Management, assisted by its Head of Compliance to manage its exposure to non-compliance risk.
- The Head of Compliance is responsible for the final assessment of non-compliance risks borne by the areas and processes concerned of the entity and the rating of the risks and related controls.
- Ensures the introduction and efficiency of a control plan after the compliance of the operations carried out, according to an area and periodicity taking into account the assumed degrees of risks.
- Alerts his Managers as to the significant breaches and malfunctions that he notes or that are reported to him.
- Compliance and Human Resources Departments are working to Improving and developing the Bank's business and work principles through strong code of conduct and ethics such as:
 - CAE staff to follow the bank gift policy that prohibits accepting directly or indirectly any money or object of value or any preferential treatment from any person or enterprise which has, or is seeking business with the Bank which may influence, or appear to influence its business judgment.
 - All CAE staff are strictly prohibited from taking part in any corrupt act (Passive /Active)
 - The Bank Code of Conduct supports its employees engaging in charitable activities that do not conflict with the interests of the bank, interfere with the responsibilities of its employees or damage or misuse the reputation.
- Bank maintains a policy to regularize the conflict of interest for CAE staff in addition applying the Group Code of ethics.

- Conflict of interest is assessed by the Compliance Department in coordination with the LOB/Functional Head, prior to appointment or transfer of the concerned employee.
- Relatives are permitted to work in the same Division/LOB in different departments provided there is no conflict of interest in their activities or in the responsibilities assigned to them.
- Conflict of interest should be considered even if each of the relatives is working in a different division, CAE staff can be granted a power of attorney by first and second degree relatives to run their accounts with CAE with notification to Compliance however CAE staff is prohibited from having internal POAs on Company accounts and/or customer's account within CAE.
- CAE staff are prohibited to perform any commercial transaction for customer's account.
- Compliance policies are reviewed and approved by the Board.

Current complaint handling process at Credit Agricole Egypt Organization:

- The complaints management is considered as a major way to ensure customer satisfaction and to mobilize all the concerned stakeholders to achieve the permanent improvement of services and processes.
- For this purpose and in order to support the customer centricity approach applied by CA group, complaints departments are reporting to business or operation in most of the group entities
- The complaints team is reporting to the Relationship Excellence Unit, part of the **Voice of the Customer Department** reporting directly to the Head of Development and Innovation reporting to the Deputy Managing Director for Commercial Sector.

Aligned with Credit Agricole Group strategy and CBE customer protection regulations, focusing on the customer relationship, the Voice of the customer department's main objective is to gather all the feedback from the complaints, call center and other alternative channels to have a wider scope to identify pain points and follow up the corrective actions.

- Customers can report their complaints easily through different channels (Branch – Email – Website/Mobile Compliant form – Call Center – Physical Mail)
- Complaints could be received as well from the Managing Director or CBE through the Corporate Secretary or CA Head Office in Paris
- All the complaints received are logged in the system
- Complaints officers assign the complaints to the proper department and keep following up it until solving it

- Complaints officers provide the customer with the final answer and close the complaint as per CBE regulations.
- Complaints received from CBE are also followed up by the Governance Department.

Also customers are informed through our digital channels or statements that they can direct their complaints to the CBE.

- A monthly complaints report is sent to all the concerned parties including:
 - all the Executive committee and General Management Committee members,
 - IT Business development, IT Technology System and Production, IT Digital Channels Management,
 - Transformation and Organization Performance, Operations,
 - Marketing, Digital and Transactional banking, Innovation, Communication,
 - Retail Management (including branch managers), Retail Organization and Support, Private Banking, Enterprise and Small Business, Corporate,
 - Compliance & Financial Security, Operational Risk & Permanent Control, Internal Audit,

This report includes the details about the month's complaints, number of complaints and its evolution month over month, segregated by reasons, source, handling time, action taken, action plan, problems status... etc.,

And as per CBE request, on quarterly basis Head of Compliance and Financial Security reports to the Audit committee the total number of complaints received each quarter by month, LOB, gender, network

This system with its advanced features, will allow the customers to submit and follow their complaints online through our website and to have an instant update about their complaint status and feedback, for a better customer experience and multiple controls and escalation of complaints to senior management and compliance.

External Auditors:

- External Auditors appointments and remuneration have to be approved by the General Assembly after Audit Committee and Board recommendation.
- External auditors are rotated as required by CBE regulations. Audit Firm term is 10 years and partner 5 years. First Change in External Audit firms took place in 2017 following the CBE regulations.
- In 2020 Mazars Auditing Firm has been assigned replacing KPMG due to fulfilling the rotation term.
- CAE assigns its external auditors via a tender process to pass the technical & professional assessment.
- The selected firms are selected within CBE listed firms. In addition, selected firms should have presented their previous experience to audit Banks.

- Firms having conflict of interest are excluded from the process. External auditors should not be involved in any operational or consultancy tasks, especially according to European regulation related to potential conflict of interest. Prior to submission of new CBE Law as well as the external auditor assignment to the Board clearance of Credit Agricole Group recommendation of / CAE Audit Committee clearance/recommendation approvals should be obtained as needed.
- Following General Assembly approval an annual letter of engagement is signed with the audit firm.
- External Auditors report is presented to the General Assembly for ratification.

Investor Relations:

The Investor Relations Officer is appointed by the Board of Directors (BOD). Currently is the Chief Financial Officer (CFO). Alternate Investor Relation Officer (IRO) is also appointed by the Board of Directors, the (Corporate Secretary). (CS)

The Investor Relations function is directly reporting to the Managing Director (MD) of the Bank, as key activity for the implementation of the principles of Corporate Governance.

Its role considered a strategic and independent function, which aims to activate and strengthen the relationship with existing and potential shareholders, through regular one-to-one meetings. In addition, IRO (CFO) provides the required disclosure and transparency to create a positive impact on the investor's perception of the performance of the bank.

- The Investor Relations Officer elaborates the financial communication strategy with the financial market, opening of communication channels with investors, and communicating the market views and the concerns of investors to the Board of Directors Developing a Strategy for the investor relations program through understanding the market and the Bank's requirements.
- Help retain the existing investors and attract new investors or increase holding of CAE shares of existing shareholders by raising awareness in the market about the Bank's activities and opportunities for its future growth, and identify the factors that affect the Bank's profitability.
- Communicate with analysts, investors and media representatives; and provides information to curb rumors and shocks that lead to fluctuations of the trading volumes and prices.
- In coordination with the Corporate Secretary and Communication Dept., organizes the information released by the Bank in accordance with the applicable disclosure rules.
- Establishes and monitors the investors' database.
- Organizes press /analyst events and attends international investor's conferences with the Managing Director.

- Prepares and updates the website content for Investor Relations as needed.
- Communicates with investors through various communication channels such as the Bank website, bank presentation, press reports... etc.

- Both CFO/CS Communicate with the shareholders regarding General Assembly questions and replies.

In 2020:

CFO attended:

- The Ci Capital 4th annual MENA Investor Conference in Jan 2020
- together with the Managing Director attended The EFG Hermes 1st virtual conference in June 2020
- together with the Managing Director attended The EFG Hermes 2nd virtual conference in Sep 2020

Disclosure and Transparency:

- CAE Finance Department is responsible for the preparation and fair presentation of Bank's financial statements in accordance with the rules of preparation and presentation issued by the Central Bank of Egypt on 16 December 2008 as amended by the regulation issued on February 26, 2019 and prevailing Egyptian laws and regulations.
- This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.
- The Finance Department is also responsible to disclose any material event in its financial statements that might affect the Shareholders' decisions making.
- After receiving External auditor's signatures and Board approval on the Annual Financial Statements, the Bank publishes its financial statements standalone/consolidated in two widely spread newspapers in addition to the Bank website to be available to all shareholders.
- Management takes all necessary procedures to guarantee secrecy of financial information and to ban leakage of confidential information before delivering it to FRA/EGX and dissemination to the whole market.
- Finance Department provides to CBE/FRA/EGX with Financial statement as approved by the Board, board report and auditors report, notes to the accounts prior to the following EGX trading session.
- Finance Department provides FRA /EGX with a statement approved by the Board of Directors on the most important results compared to the corresponding period the previous year as per EGX form.

- Finance Department to advise FRA with the annual Financial Statements and Auditors report one month before convening the General Assembly.
- Finance Department provides FRA/EGX with the copy of the Quarterly Financial Statements after Board approval attached to it limited review of the auditors prior to the first trading session and within 45 days maximum of the end of the quarter.
- Publication of full summary of the Board of Directors report and annual Financial Statements, notes to the account, auditors report, FRA comments, in 2 widely spread newspapers standalone and consolidated.
- Notification to EGX of any amendment of the Financial Statements by the General Assembly prior to next trading session and publishing them in 2 newspapers within one week.
- Bank discloses material information following each board meeting and prior to next Trading session through the Corporate Secretary.
- Summary of General Assembly decisions are sent to EGX and FRA prior to next trading session through the Corporate Secretary.
- Minutes of General Assembly are sent and signed by Chairman within one week of the General Assembly meeting.
- The General Assembly minutes are sent to FRA/EGX within 3 days following authorities' approval.
- Disclosure to EGX of the cash or in kind dividend distributions by the Custody Department.
- Advising EGX with 15 days prior to distribution of dividends by the Custody Department.
- Advising EGX of shareholder structure over 5% within 10 days at end of each Month by Finance Department.
- Disclosure policy was updated in 2020 Governance Committee, to be in line with the FRA/EGX latest requirements and approved by the Board.

Material Information; Financial and Non-Financial Disclosure:

The Bank uses different means of communication channels to ensure the dissemination of financial and non-financial information to the different stakeholders.

Financial statements include all essential and important disclosures complying with CBE regulations dated December 2008 as amended by the regulation issued on February 26, 2019 as reviewed by external auditors.

The Bank discloses all material information, quarterly and annual financial statements to the FRA/EGX following the Board/General Assembly Meeting prior to any disclosure to the public through the Investor Relations Officer or alternate.

- **To Shareholders** through the letter to shareholders (Board report) via direct communication on yearly basis including the Bank's yearly main achievements and highlighting goals and future plans.
- **All stakeholders** on CAE website which is bilingual English and Arabic showing the following info:
 - CAE Profile
 - Contact Details of the Bank
 - Credit Agricole Group Information
 - CAE Mission, Vision and Ambition
 - Managing Director word on the Strategy and future plans.
 - Name and Details of the Investor Relations Officer and Alternate
 - Shareholders structure owning 5% or more of the CAE shares
 - Governance structure
 - Composition of the Board of Directors, Committees
 - Audit Committee Summary Reports
 - Compliance with international sanctions and regulatory requirements.
 - Sustainability Strategy
 - Stock Information
- CAE website avails a special link to post questions, queries and customers' complaints. There is a special procedure with defined roles and responsibilities to circulate the emails internally and ensure proper handling and replies
- No judgments were issued against any member of the Board in 2020.

Human Resources / Training:

CAE follows an extensive practice on annual basis to assess the level of its staff and prepare their training plan accordingly as follows:

- Clear job descriptions with basic requirement of competencies is set for each Job within the Organization.
- Annual performance review whereby all managers are required to set the training needs for each employee considering his/her current competency level against the requirement of the job as well as his/her career progression plan to prepare employee to any future growth.

- Huge efforts are put to bring to our staff the best training in line with market best practices and the international standards.
- Exposure to the Group through classroom training, On-The-Job training and other means to ensure the right level of development for our employees.
- A set of Mandatory e-learning courses is in place to ensure staff awareness on compliance, risk & cyber security topics.
- In the light of COVID situation online training including e-learning and virtual classes is adopted heavily.

On the Reward side, a review of our salary evolution is done on annual basis with consideration to Market benchmarks. In addition to different studies to cover retention efforts within the organization

On Employee engagement side, Human Resources Department launched an Engagement survey sponsored by CA group and managed by Willis Tower Watson. This year's survey measured staff satisfaction and engagement on different topics including work organization, bank strategies / objectives, bank ethics / values, group customer, human and social projects.

After a structured communication campaign involving all management layers that took place before and during the survey, staff participation increased by 16% compared to previous year bringing Credit Agricole Egypt to be among the top three countries across CA Group which reflects staff active engagement and their strong belonging to the bank.

Survey results shows increase in favorable score for all the addressed issues with high results in Customer Focus, Ethics & Values and bank objectives

Disclosure Materials:

Annual Report: No annual report was issued in 2020 as all required data are disclosed in the Website. www.ca-egypt.com

Board of Directors Report:

CAE issued Board Report according to the provisions of the Companies Law No.159 of 1981 and its amendments and the Listing Rules and its amendments, which is submitted to the General Assembly of Shareholders and the Regulatory Authorities signed by the Chairman of CAE. The report, includes all Companies Law/FRA and EGX requirements as follows:

- General Status of the bank, Results and future business.
- Dividends Distribution Proposal.

- Any proposal for transfer of reserves.
- Main activities of the bank and its subsidiaries
- Change of ownership during the year.
- Current value of lands if there is a big difference from market value.
- Any major change in fixed asset for the bank or any subsidiary.
- Size of business and net profit and loss distributed on different activities of the bank.
- Percentage of the size of business and net profit and loss distributed on different activities.
- No of employees and total salaries.
- Donations list.
- Shares and bonds issued during the year.
- Related Party Transactions.
- Board Structure and number of Board Meetings.
- Committees Structure and number of meetings.
- Average number of employees during the year and the average income of the employee for the period.
- Any other important matter

Sustainability Report

Credit Agricole Egypt has published its first sustainability report covering the period 2017-2019. The report follows the integrated reporting framework and is compliant with the GRI standards (Global Reporting Initiative). The purpose of this report is to highlight the Bank's responsibility and shared values across the reporting period in favor of its various stakeholders.

The report identifies the bank's integrated business framework to ensure a responsible business growth and a sustainable value creation over-time, through:

- Capturing the strengths of its most valuable assets: Human, Intellectual and Manufacturing Capitals
- Creating Financial stability and profitability
- Committing to its responsibilities in preserving and empowering Natural and Social Capitals

Through an exhaustive sustainability framework, an integrated thinking approach, associated from top to bottom through governance and strategies, has been reflected via multiple dimensions:

- Mapping the bank against its external environment
- Capitalizing on CAE sustainability strength points
- Recognizing potential opportunities and challenges to enhance and support daily operations.
- Engaging bank's stakeholders and their insights and needs for the future.
- Empowering needed practices across all activities

This report includes the following:

- Bank's governance Policy and labor practices;
- Bank's strategy and objectives in line with the Group's medium term plan
- Sustainability of operations, risk and crisis management and protection of information;
- Bank's policy on the environment in which it operates and its impact thereon;
- Bank's policy on labor relations and human rights, and non-discrimination policies;
- Product/service quality responsibility and complaint mechanism;
- Combating of fraud and corruption; and
- Corporate Social Responsibility (CSR).

Complete report is available on www.ca-egypt.com

Codes and Charters

Code of Ethics and Code of Conduct

The Code of Conduct /Ethics is under the responsibility of the Compliance and Human Resources Departments and it is updated in coordination with Policies & Assurance department and the Validation Committee.

The Code of Ethics expresses Credit Agricole Group's and all subsidiaries commitment to the behavior that reflects its values vis-à-vis its customers, shareholders, suppliers and all stockholders, respect and support and fairness with customers, having a universal customer based model and data protection policy, safeguarding market integrity, CSR policy as shown hereunder, Human resources policy ensuring non-discrimination, equality, encouraging personal development, ethical and professional conduct, compliance with laws and regulations, confidentiality and integrity of information, prevention of conflict of interest,

vigilance in safeguarding interests of customers , combating Money laundering and terrorist financing, and complying with international sanctions.

Abidance by the Code of Conduct/ Ethics is monitored through different departments; Compliance, Human Resources and Internal Audit whereby appropriate actions are taken towards any violation.

Code of Conduct is signed by all new hires and awareness on the content is presented within the induction program that is set for new hires as well. Effective 2021, there will be an annual awareness campaign to all staff to remind them of the content of the Code of Ethics/conduct

Succession Planning Policy:

On annual basis, Human Resources dept. conducts the succession planning practice whereby a meeting is held between the Human Resources Head and the Business Line Head, followed by a meeting with the Managing Director in order to discuss/ assess and validate the succession plan which is subject to Group CA review as well.

Whistleblowing Policy:

CAE maintains Whistleblowing procedure in order for the staff to report the anomaly identified or pressure exerted to compliance, line management as applicable.

The policy purpose is to enhance risk prevention by granting the employees the means to report any facts that may characterized as breaches, corrupt acts, offences or any other fact that employee may become aware of in connection with his/her duties.

The policy describes the rules and situations where the employees may elect to use his/her whistleblowing rights and the proper channels which by any means all communications are totally confidential, this confidentiality must also cover any other persons involved in the reported breach.

Whistleblowers report their concerns on a confidential basis with all relevant documents available vis email to the Compliance Head who will establish the circumstances of the breach and any persons involved, determine any action to be taken or information to be reported to the relevant bodies at the appropriate level.

On the other Hand; a designated new whistleblowing system (BKMS) came into effect during 2020 and is applicable to the bank's employees in order to insert their alerts through it, where a Group tool was provided to all entities and upon its application Compliance department received 2 alerts via BKMS tool and were investigated.

Insider Trading, Related Party Transactions and Affiliates Policy:

In compliance with the Capital Market Law and its Executive Regulations and FRA regulations it is not allowed for Insiders (employees, major shareholders, Board members, external auditors and their related parties) to deal on the Bank's shares if they have any information that has a significant effect on the price of the share or the investment decision to deal on the shares. Major Shareholders **above 10% and** their related parties, Board members should notify EGX 1 working day at least prior to execution of any transactions that is not in the prohibited periods. Any insider dealing has to be previously approved by the Head of Compliance, reviewed by the Corporate Secretary and signed by the Managing Director or delegate in case of absence. All insiders are banned from trading at least five working days before and one working day after publishing any material information. Stricter rules are applied to permanent insiders and sensitive staff inside the Bank considering both local and Group regulations.

Compliance Department monitors sensitive staff transactions.

All related party transactions with the Group or the Egyptian Housing Finance Company (EHFC) subsidiary are approved by the General Assembly prior to implementation.

The following Model represents a guideline for monitoring such transactions:

Table of Monitoring Insider Trading for the Board members/ Shareholders:

Ser. No.	Name	Number of Shares Held at the Beginning of Year	Shares purchased during the Year with Date (to be added)	Shares sold during the Year with Date (to be subtracted)	Balance of Shares at End of Year
1	Rolaco	21,050,000	2,525,294	0	23,575,294
2	Ali Hassan Ali Dayekh	37052			37052

Corporate Social and Environmental Responsibility Policy (CSR):

Crédit Agricole Egypt is strongly committed towards its corporate social responsibility aiming to create a shared value and impact for all its stakeholders. Thus, and in alignment with CA Group's values and vision, and CBE regulations, the bank has set the guiding lines for his actions and activities as follows:

Confirm our values of usefulness to our community

The Bank will engage in projects that should have a positive societal and environmental impact for the support of the deprived segments in Egypt.

Implement the Group's policy:

FReD is the global tool for steering and measuring the Group's progress in terms of CSR for all of its subsidiaries. Its three pillars are trust (FIDES), respect for people and territory (RESPECT), and preservation of the environment (DEMETER). Its aim is to involve and mobilize entities, stimulate their initiatives, and spread the use of CSR practices in the core of the entities activities.

Give special attention to the national goals and serving the economy:

The bank should take into consideration the national goals set by the Egyptian government and participate if possible in important projects that will serve the community.

Seek successful partnership:

The bank will partner with NGOs that have more expertise and enjoy large network, in order to make a better impact and ensure a better reach to the deprived segments.

Involve our Human Capital

The Bank's staff will be called to participate and volunteer in the different projects to show their solidarity and share their experience and expertise. Staff can participate with material donations as well as their time.

Respect the Environment:

The bank will follow green practices for efficient usage of natural resources and encourage the usage of renewable energy to protect the environment.

Financial inclusion:

The Bank will deploy efforts and avail modern digital services in order to spread the banking service for the Egyptian community.

Respect the regulations:

The Bank respects local and international regulations. It is also committed to business ethics.

Customer satisfaction:

The Bank prioritizes customer satisfaction and seeks innovation in order to accompany customers in their roads of life.

CAE Foundation:**Mission:**

To serve the community by designing, supporting and executing self-sustaining projects which are aligned with the bank innovation-driven strategy, leveraging on the bank global expertise to a reach that is in-line with Egypt national agenda

Vision:

To create an impact on society through a scalable and sustainable platform that is consistently capable of changing peoples' lives. A recognizable impact on the community focusing on youth and leveraging on our international branding and networking.

The foundation has a clear and strict policy to undertake sustainable and scalable social development projects that have the maximum possible impact.

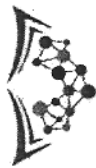
The strategy revolves around creating measurable impact on social development with special focus on 4 pillars, namely: Health, Education, Social Entrepreneurship and Environment.

In adherence to foundation policy, strategy as well as the direction of our nation, some examples of our most significant contribution may be summarized by pillar into:



1- Health:

- As a responsive initiative against the COVID-19 crisis, the foundation contributed to the nation health system by providing medical equipment as well as doctors' protective shields in association Ahl Misr Foundation.
- Equipping Magdy Yacoub Hospital with Gama Room and sponsoring a large number of surgical operations at the hospital every year.



2- Education:

- Sponsoring community schools with Misr Al Kheir. Foundation financed unprivileged children education throughout six-year-elementary school completion. This year our pupils graduate elementary school.
- Launching the Ebhar Misr Program in 2018 with Education First Foundation, which is still running, fulfilling its purpose of finding and grooming talented youth.



3- Environment:

The foundation is currently studying a large environmental project with foundations recommended by the CBE in order to collaborate on the most efficient and impactful projects.



4- Social Entrepreneurship:

- Participating in women empowerment efforts with Ministry of Social Solidarity.
- Conducting Social Innovation Initiative with Education First in search of brilliant projects/inventions with a social benefit that are to be executed.

Corporate Secretary

Credit Agricole Egypt
Corporate Governance Report Summary for 2020

The Corporate Governance Report is a document attached to the Bank's annual report; it outlines the Bank's efforts to comply with the regulatory instructions issued by the Central Bank of Egypt (CBE), The Financial Regulatory Authority (FRA) and the Egyptian Exchange (EGX). Furthermore, it demonstrates the Bank's compliance with the best practices in the field of good governance that is applied in a sustainable manner with the aim of maximizing the value of the institution for shareholders, customers, investors and bank employees.

The report is issued according to the FRA Decree dated 27th March 2018. It includes the following:

- **Bank Information:** Credit Agricole Egypt SAE –Commercial Register number 20051 – Cairo.
***Authorized Capital:** EGP 3,500,000,000
Issued and Paid-up Capital: EGP 1,243,668,000
Main Investor Relations Officer: Mr. Hany Nassef (Chief Financial Officer)
Alternate Investor Relations Officer: Mrs. Hala Ragab (General Counsel & Corporate Secretary)

- **General Assembly for Shareholders:** The General Assembly is constituted in accordance with the law. Notification to shareholders with the meeting agenda and documentation is done on time. Invitation is published in 2 daily newspapers 30 days prior to convening the General Assembly. All required documents, in accordance with the law, are available at Bank premises for shareholders' review.
- On May 3rd 2018, CAE bylaws approving holding the Boards and General Assemblies by electronic means were approved and authenticated by GAFI.. shareholders are also allowed to vote remotely/electronically.
- On March 19th 2019, the cumulative voting mechanism was added to the articles of the bylaws. CBE approved amendment. GAFI approval obtained on August 4th 2020.
- **Ownership Structure:** The report shows Shareholders holding at least 5% of the Bank's shares. Credit Agricole Group owns 47.39% of the shares. Credit Agricole CIB owns 13.07%. Rolaco I.G.B Investment L.L.C. owns 7.583% (fully owned by Dr. Ali Hassan Ali Ben Dayekh, who also owns 37,052 shares in his personal name.

*The CAE Extra-Ordinary General Assembly on 31st March 2020 has approved to increase its authorized capital to EGP 6bn. Minutes under approval by the Security Authorities and GAFI.

- **Board of Directors Composition:**

The Board separates between the roles of the Chairman and the Managing Director, the Board is composed of 11 board members elected by the General Assembly. New elections will be held in March 2022. The Directors combined local and international professional background and their collective expertise, which enriches the Board discussions.

The Board has a good balance of (1) Executive member and (10) Non-Executive Members including (2) independent members.

- **Roles and Responsibilities of the Board:** are included in the Governance report in addition to the most important Board approvals during 2020 including the Financial Statements, Bank's Strategy, Mid-Term Plan, Compliance and Internal Control Annual Reports, Capital Adequacy Ratio, Financial and Liquidity Policies, Information Technology Security Policy, and Compliance Policies, as well as Risk strategies, and Risk Management Policy, and IFRS9 methodology.
- Board of Directors members' attendance sheet for Board and its Committees is included in the report.

- **Audit Committee** is formed of three non-executive Board members including independent members. The Committee convened 4 times on a quarterly basis in accordance with the laws and regulations issued by the Central Bank of Egypt and the Credit Agricole Group. The most important tasks of the Committee are to assist the Board of Directors in carrying out its supervisory responsibilities on the Bank's accounting matters, preparing financial reports, reviewing reports by all of the internal control functions; Audit, Legal, Compliance, Risk, and Permanent Control. The Committee reviews the Control Environment & Risk Management within CAE. The Committee also follows all internal / Group Audit/ Central Bank and External auditors' observations and related corrective actions. The Compliance Officer and the Internal Auditor report directly to the Audit Committee.

- The Audit Committee Charter has been updated in 2019 in order to comply with the new Laws and local regulations. The Audit Committee recommendations are presented to the Board of Directors.

Risk Committee: Risk Committee is formed of three non-executive board members including independent members.

Preparing periodic reports on its outcomes and recommendations for submission to the Board of Directors to take the necessary action. During 2020, Risk Committee convened 4 times (quarterly) in order to review the activities and results of control functions including all related risks (credit, finance, market,

liquidity, etc.) as far as risk management is concerned. Minutes and main debrief are addressed just after to the Board of Directors. Risk Strategy and Appetite (including credit, financial, operational, market risks, etc.) are updated on yearly basis and presented for validation or Board of Directors decision, while a quarterly status of respect of risk limits is also presented. Moreover, main credit manuals are updated periodically when need be during the year, as well as Financial Policy and presented for validation to local governing bodies (Credit Risk Committee, Risk Committee, Board of Directors).

Governance/ Nomination and Remuneration Committee: During 2020, the Committee convened twice and reviewed the following:

- Board report presented to shareholders according to the Company's law requirements in addition to the new listing rules issued in March 2019 by FRA.
- The self-Assessment of the implementation of the Governance regulations and the New Banking Law related action plan for 2020.
- Self-Assessment for Implementation of FRA/EGX regulations (2020)
- Results of the evaluation/Self- Assessment done by the Board Members showed good satisfaction among Directors regarding the following issues:
- Sufficient access to Key Executives outside Board meetings.
- Board focusing on protecting the interests of the Bank and all of its shareholder
- Board has the right size, i.e. is the number of board members consistent with the needs of the Bank
- The financial information provided prior to board meetings give the necessary information to understand the important issues and trends in the business
- Board, together with management, focus on major risk issues that could have a significant impact on the Bank
- CBE semi-annual Governance Report
- Review of Corporate Governance Report 2019
- Credit Delegations
- CAE Committees and Organization Chart
- Video conferencing policy as required by CBE regulations. Updated Disclosure policy

Board Induction 2020:

- Credit Agricole S.A. conducted a training for a new Board member which included:
 - Group Presentation
 - Guarantees coverage
 - Compliance

- Presentation of the CBE New Banking Law 194/2020 to the Board was done in September 2020.
- Board members' induction, delegations, and Board self-evaluation which showed a high level of satisfaction among Directors. Board Charter was also updated to comply with the Regulations, as well as Board Checklist, dates for Board and Committees Meetings. The Committee also reviewed all employees' remuneration policies, incentives and bonuses.

- **The Main Committees assisting the Board of Directors in achieving its tasks:**

The Executive Committee is responsible for proposing Bank's Strategy and its commercial development. It delegates to Credit Risk, Restructure and Recovery, Human Resources and Investment Committees some of its tasks, as well as the Health & Safety Committee for ensuring best local practices in the Health and Security field; the Sustainable Development Committee was formed as well for entering the sustainability pillars into force in terms of environmental, social and governance in line with local regulations and Credit Agricole S.A. Strategy.

- **Control Environment:**

Internal control system consists of all the procedures, mechanisms and systems designed to control business activities and risks of all kinds and ensuring that Bank operations are carried out in compliance with the regulations, including the financial performance, data quality, and professional and ethical standards, and internal Group standards. The risks must be taken into consideration are particularly Credit, Operational, Financial, Transversal, Compliance and Legal, and reputational risks.

- **Internal Audit Department:** directly reports to the Audit Committee of the Board and CA Group Audit. It assists CAE in accomplishing its objectives by bringing a systematic and disciplined risk based approach. The Internal Audit Head presents its reports to the Audit Committee on a quarterly basis.

- **Risk Management Department:** The Risk Management consists of three lines of defense: the first and the Second lines are in the business departments, the Second level of the Risk Management and Compliance departments, and the third line is the Audit Department. The Risk Head reports directly to the Risk Committee and presents its reports relating to (Credit, Finance, and market risks, etc.), and ensures the proper classification of the portfolio, and updates it periodically.

- Risk Management Department (including Permanent Control function) covers the expected scope of such function based on Credit Agricole Group standards and local statutory requirements. The function is hierarchically attached to CA

S.A./BPI-RCPR function directly reporting to CA S.A. Group Risk Division (DRG), and functionally attached to the Bank's Managing Director.

Compliance & Financial Security Department:

As per the Group and CBE regulation, the Head of Compliance and Financial Security (directly reporting) to the Group Head of Compliance and the CAE Audit Committee and functionally (dotted line) to the Managing Director of CAE.

The Compliance Department in CAE is structured into the following units:

- Regulatory & Controls monitoring & FATCA
- International Sanctions including OFAC
- Fraud Prevention
- Anti-Money Laundering

Customers' Complaints:

- The complaints team is reporting to the Relationship Excellence Unit, part of the **Voice of the Customer Department** reporting directly to the Head of Development and Innovation reporting to the Deputy Managing Director for Commercial Sector.
- Customers can report their complaints easily through different channels (Branch – Email – Website/Mobile Compliant form – Call Center – Physical Mail)
- A monthly complaints report is sent to the Executive Committee.
- This report includes the details about the month's complaints, number of complaints and its evolution month over month, segregated by reasons, source, handling time, action taken, action plan, problems status... etc.,
- And as per CBE request, on quarterly basis Head of Compliance and Financial Security reports to the Audit committee the total number of complaints received each quarter by month, LOB, gender, network
- **External Auditors:** External Auditors appointments and remuneration have to be approved by the General Assembly after Audit Committee and Board recommendation. The Auditors to be chosen from the CBE Auditors list and for a period of time as stated by Central Bank of Egypt regulations. The term of one of the External Auditors expired by the end of 2019, another Auditor was appointed after the General Assembly approval in 2020.
- **Investor Relations (IRO):** is appointed by the Board of Directors. Currently, the Chief Financial Officer is the Investor Relations Officer. The Investor Relations Officer is directly reporting to the Managing Director of the Bank, being one of the most prominent activities to implement the Corporate Governance principles. This role has an independent strategy aiming at

promoting and strengthening the relationship with the current and potential shareholders through direct meetings. Besides, the Investor Relations Officer provides the necessary disclosure and transparency to positively impact the investors' vision of the Bank's performance.

- CFO attended: The Ci Capital 4th annual MENA Investor Conference in Jan 2020 as well as The EFG Hermes 1st and 2nd virtual conferences.
- **Disclosure and Transparency:** The financial statements are prepared in accordance with the accounting standards issued by the Central Bank of Egypt. Any material event to be disclosed in the financial statements. The financials to be published after the approval of the Board of Directors and the External Auditors, while maintaining the confidentiality and secrecy of the data and banning leakage of such information.
- The Bank submits disclosure reports in accordance with the rules prescribed by the Financial Regulatory Authority (FRA) for the Board of Directors, the General Assembly, and the Board committees and the Executive Management.
- **Material Information, Financial and Non-Financial Disclosure:** The Bank uses different means of communication channels to ensure the dissemination of information to Financial Regulatory Authority (FRA) and Egyptian Exchange (EGX) on the scheduled dates or through the summary report of the Board of Directors or the Bank's website.
The Bank uses different means of communication channels to ensure the dissemination of financial and non-financial information to the different stakeholders.

The Bank discloses all material information, quarterly and annual financial statements to the FRA/EGX following the Board/ General Assembly Meeting prior to any disclosure to the public through the Main Investor Relations Officer or alternate.

- **Human Resources / Training:** CAE follows an extensive practice on annual basis to assess the level of its staff and prepare their training plan as per their job description which includes the basic requirements of the competencies, and review of the annual performance report and training needs; especially training through lectures and E-Learning and through the internet in light of the Corona Virus crisis.

On the Reward side, a review of our salary evolution is done on annual basis with consideration to Market benchmarks. In addition to different studies to cover retention efforts within the organization

On Employee engagement side, Human Resources Department runs annual Engagement surveys to cover staff satisfaction on the organization, benefits, management, bank strategies, medical services provided..etc. The surveys are

done locally, plus one survey that is done through the Group generated by Willis Towers Watson.

After a structured communication campaign involving all management layers that took place before and during the survey, staff participation increased by 16% compared to previous year bringing Credit Agricole Egypt to be among the top three countries across CA Group which reflects staff active engagement and their strong belonging to the bank.

- **Disclosure Materials:**

Annual Report: All required data are disclosed in the Website. www.ca-egypt.com

Board of Directors Report:

CAE issues Board Report according to the provisions of the Companies Law No.159 of 1981 and the Listing Rules, which is submitted to the General Assembly of Shareholders and the Regulatory Authorities signed by the Chairman of CAE.

Sustainability Report:

Credit Agricole Egypt published its first sustainability report covering the period 2017-2019. The report follows the integrated reporting framework and is compliant with the GRI standards (Global Reporting Initiative). The purpose of this report is to highlight the Bank's responsibility and shared values across the reporting period in favor of its various stakeholders.

The report identifies the bank's integrated business framework to ensure a responsible business growth and a sustainable value creation over-time, through:

- Capturing the strengths of its most valuable assets: Human, Intellectual and Manufacturing Capitals
- Creating Financial stability and profitability
- Committing to its responsibilities in preserving and empowering Natural and Social Capitals

capturing the strengths of its most valuable assets; Creating Financial stability and profitability; Committing to its responsibilities in preserving Natural and Social Capitals

Codes and Charters:

Code of Conduct/Ethics: expresses Credit Agricole Group's and all subsidiaries commitment to the behavior that reflects its values to its customers, shareholders, suppliers and all stockholders, respect and support and fairness with customers, having a universal customer based model and data protection policy, safeguarding market integrity, CSR policy and Human resources policy. Abidance by the Code of Conduct/ Ethics is monitored through different

departments; Compliance, Human resources, Internal Audit whereby appropriate actions are taken.

Code of Conduct is signed by all new hires and awareness on the content is presented within the induction program that is set for new hires as well. Effective 2020, there will be an annual awareness campaign to all staff to remind them of the content of the Code of Ethics/conduct.

Succession Planning Policy: Human Resources department conducts the succession planning practice with the Managing Director, subject to Credit Agricole Group review as well.

Whistleblowing Policy: CAE maintains Whistleblowing procedure to allow the staff to report the anomaly identified or pressure exerted to Compliance, line management as applicable, ensuring employee protection in case of reporting corruption of breach cases.

On the other Hand; a designated new whistleblowing system (BKMS) came into effect during 2020 and is applicable to the bank's employees in order to insert their alerts through it, where a Group tool was provided to all entities and upon its application Compliance department received 2 alerts via BKMS tool and were investigated.

- **Insider Trading, Related Party Transactions and Affiliates Policy:** is applied in accordance with the rules stated in the Capital Market Law and its Executive Regulations as well as the FRA regulations. It is also prohibited for the insiders to deal 5 working days before and one working day after the publication day of any material information.

The General Assembly prior approval shall be obtained on all related parties transactions.

- **Corporate Social and Environmental Responsibility Policy (CSR):** The Bank started to have a Corporate Social Responsibility Committee since 2013 that was responsible for the selection of the development projects and assessing the progress of the implementation of each project. Starting mid-2017, all the CSR Mega Projects Management were carried by the new established bank's Foundation and a new committee was formed under the name of Sustainable Development Committee that is to managing the internal CSR /sustainability initiatives that is of relevance to internal operation or staff engagement.

Financed projects are in the fields of Education, Community schools, National Communities, Health, Business Pioneer, women empowerment, environment, and financial inclusion.

Credit Agricole Egypt S.A.E.

