

RELEASE

CAIRO – June 30th, 2021

FRA gives a preliminary approval for CIB to be the first issuer of a Green Bond in Egypt

CIB is proud to announce that it has opened subscription for the first green bond to be issued in the local market after having received initial approval from the Financial Regulatory Authority on 21 June 2021. The private placement is valued at USD 100 million in non-callable fixed rate bonds. The tenor of the issue is five years and proceeds will be used to fund a portfolio of green loans extended by CIB to its corporate as well as medium- and small-enterprise clients in addition to funding CIB's green building capital expenditure for up to 20% of the proceeds. International Finance Corporation (IFC) will subscribe to the full value of the issue.

The bond proceeds will further be directed to various categories of climate supporting initiatives, including green buildings, energy efficiency, renewable energy, water and wastewater management and clean transportation. The issuance is part and parcel of CIB's mission to support clients looking to make sustainable investment choices and will also entrench the cost of environmental impact into the fabric of its credit policy and decision making with respect to lending and investment decisions.

CIB is also set to publish its Green Bond Framework this week, which sets out the parameters for the use of proceeds, eligibility, selection criteria for the projects funded by loans extended to clients, the management of proceeds as well as reporting and impact evaluation. The framework has been audited by Moody's affiliate Vigeo Eiris and deemed compliant with the Green Bond Principles published by the International Capital Markets Association in 2018.

As a founding signatory of the UNEP-FI Principles for Responsible Banking, the issuance also underscores the Bank's commitment to strategically align its business with the Sustainable Development Goals and the Paris Agreement on Climate Change. CIB is also committed to ensuring its reporting aligns with numerous sustainable reporting standards, including the Global Reporting Initiative, to provide concrete quantification of greenhouse gas reduction strategy and moving to a net-zero carbon economy in the medium term.

CIB is acting as lead manager of the issuance, Zulficar Law Office as legal advisor, and Deloitte as auditor.

END OF RELEASE

