



CIB SUSTAINABLE FINANCE

March 2023





Outline

- **Introduction**
- **CI B Sustainable Finance**
- **Sustainable Finance Products**
- **Green Buildings**
- **Eligibility Criteria & Application Process**
- **Conclusion**



Introduction

- CIB is the leading private-sector bank in Egypt
- Offering a broad range of financial products and services to its customers, which include more than 500 of Egypt's largest corporations, enterprises of all sizes, institutions, and households.
- CIB has succeeded in becoming the most profitable commercial bank operating in Egypt for more than 40 years.
- CIB recognizes the vital role of financial institutions in supporting the economy's global transition to net-zero emissions.
- CIB affirms its position to achieve carbon neutrality by 2050.
- As a founding member of the Net-Zero Banking Alliance (NZBA), convened by the UN Environment Program Finance Initiative (UNEPFI), CIB commits to align its lending and investment portfolio with net-zero emissions by 2050, in accordance with the Paris Agreement Goals.





CIB SUSTAINABLE FINANCE INSTITUTIONAL PILLARS



Sustainability Governance

- ✓ Sustainable Finance Steering Committee
- ✓ Chief Sustainability Officer
- ✓ Sustainable Finance Department
- ✓ Sustainability Finance Focal Points

COMPLETED



Sustainable Finance Policy Frameworks & Architecture

- ✓ Sustainable Finance Policy
- ✓ Sustainable Finance Policy Statement
- ✓ National, Regional and International Frameworks & Standards

COMPLETED



Sustainability Management Systems

- ✓ Policies
- ✓ Procedures
- ✓ Internal Processes & documentation
- ✓ Capacity Building
- ✓ Data Management
- ✓ Monitoring (KPIs)
- ✓ Auditing
- ✓ Reporting

COMPLETED



Sustainable Finance Strategy

- ✓ ESG Risk
- ✓ Revenue Generation
- ✓ Ecological Footprint (Environmental & Social)
- ✓ Reputation - - - -

COMPLETED



Sustainability Communication & Education

- ✓ Internal Communication
- ✓ External Communication
- ✓ Education

IN PROGRESS



Sustainable Finance Innovation

- ✓ ESG Data
- ✓ Sustainability Accounting
- ✓ Sustainability Education

IN PROGRESS



CIB Sustainable Finance Policy Frameworks & Architecture

COMPREHENSIVE FRAMEWORKS ARCHITECTURE CIB JOINING NEW GLOBAL FRAMEWORKS

TO INSTILL ESG STANDARDS AND THEMATIC COMMITMENTS



Global Compact



UN Principles for Responsible Investment



Social & Environmental Risk Management



Climate Change Risk



Net-Zero Banking Alliance

BUILDING ON EARLIER FRAMEWORKS



CIB ...Co-founder of the Principles for Responsible Banking in 2018



Global Reporting Initiative
CIB 5th Anniversary



Social & Environmental Risk Management



European Bank
for Reconstruction and Development



Carbon Disclosure Project
CIB is the only Egyptian bank to disclose its environmental impact through CDP



Constituent of the FTSE4Good Index for the 5th consecutive year



The new Low Carbon Select Index in the MENA launched by the Arab Federation of Exchanges & Refinitiv



Included in Bloomberg Gender Equality Index for the 2nd consecutive year





CIB SUSTAINABLE FINANCE STRATEGY



CIB SUSTAINABLE FINANCE STRATEGY PILLARS

**RISK
MANAGEMENT**

**CLIENT
TRANSITION**

**INTERNAL
OPERATION**





Risk Management

ESG RISK STRATEGIC DIRECTION



ESRM System

CIB upgraded its Environmental and Social risk management system (ESRM) to meet national and international standards (IFC and EBRD).

PRB

CIB released its first comprehensive Principles for Responsible Banking (PRB) Progress Report covering the full portfolio.

EPs

In a further push towards sustainable finance best practices, **CIB has adopted the Equator Principles (EPs).** The 1st [EP report](#) has been submitted in July 22

NZBA

As a **founding member of the Net Zero Banking Alliance (NZBA)**, hosted by the United Nations Environment Programme Finance Initiative (UNEP-FI). ***CIB represents Africa in the Outreach & Recruitment track.***

TCFD

CIB is **the first bank** in Egypt to join the **Task Force for Climate Related Financial Disclosure (TCFD)** supporting the transition to a low-carbon economy.



CIB SUSTAINABLE FINANCE STRATEGY PILLARS

**RISK
MANAGEMENT**

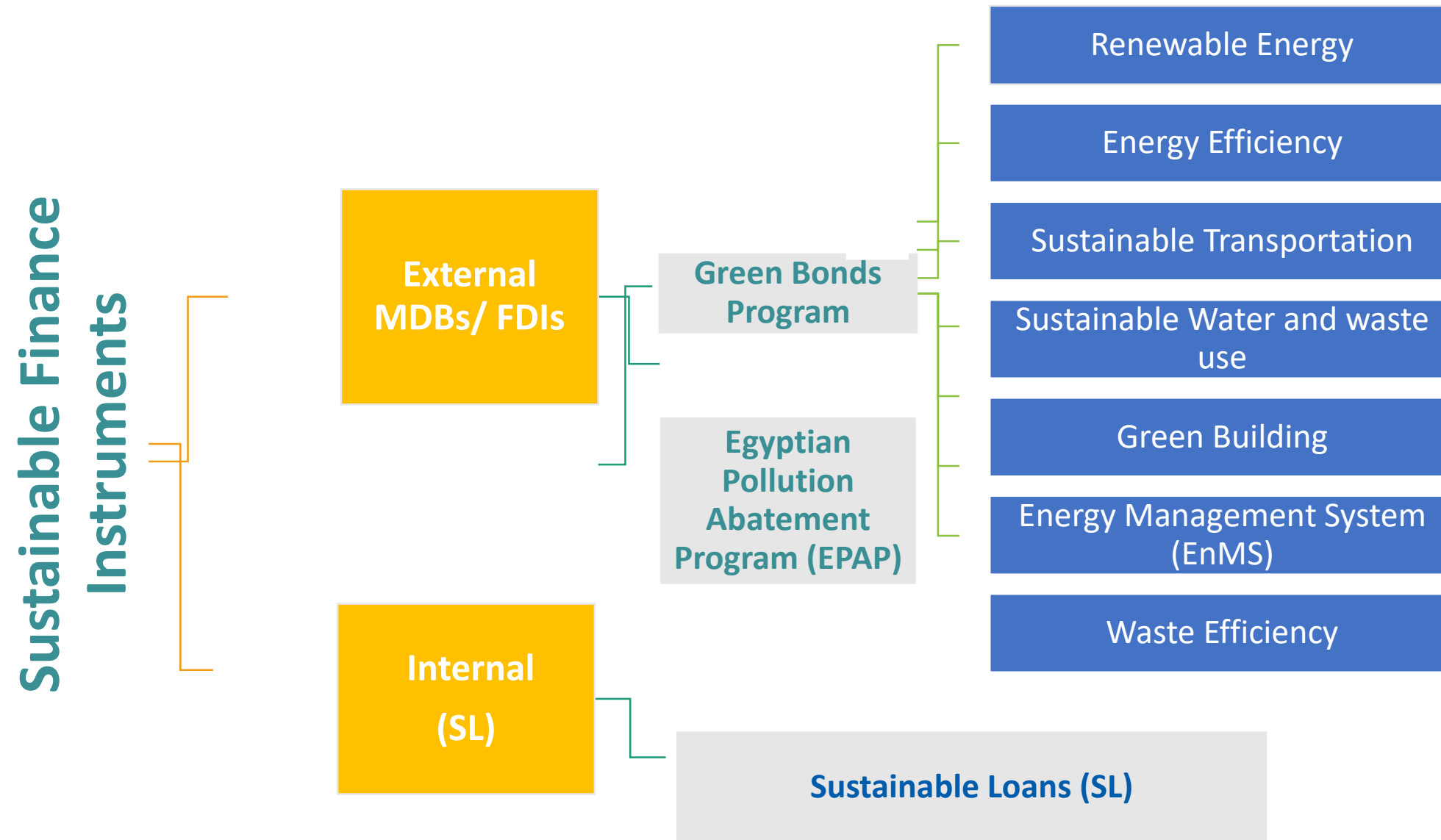
**CLIENT
TRANSITION**

**INTERNAL
OPERATION**





Sustainable Finance Products / Programs





Sustainable Finance Products/Programs

Highlights

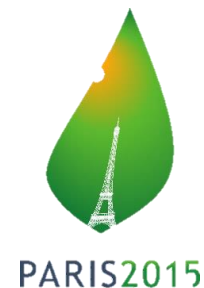
ESG Product **Framework Finalized**

- ESG Products **SOP is in Process**
- **12 new ESG Products** developed & technically formulated with the help of IFC, covering:
 1. Energy efficiency
 2. Renewable energy
 3. Sustainable transportation
 4. Sustainable Tourism
 5. Sustainable water & waste use
 6. Green building
 7. Energy Management System
 8. Waste Efficiency
 9. Pollution prevention and control
 10. Retrofit building
 11. Desalination water treatment
 12. Non energy GHG emission reduction

1st

Bank Issuing Green
Bond for Climate
Finance

Aligned with:





CIB SF – Green Bond

In cooperation with IFC, CIB issued Egypt's first Green Bond with a total amount of \$100 Mn

& published its Framework in May 21

The CIB [Green Bond Framework](#) reflects the Bank's strong commitment to advance sustainable finance agenda and establish itself as a leading example in the banking sector of Egypt.

SDG Alignment:

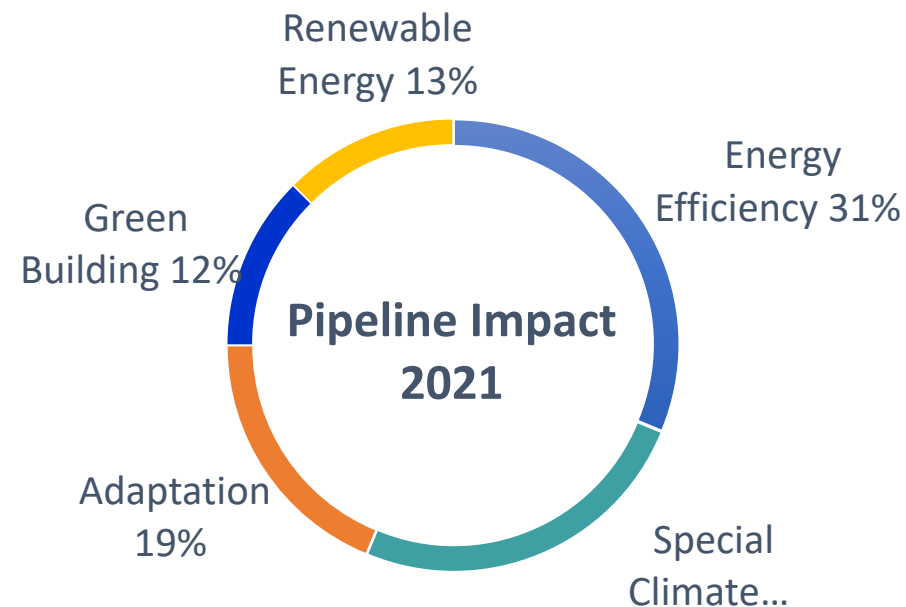
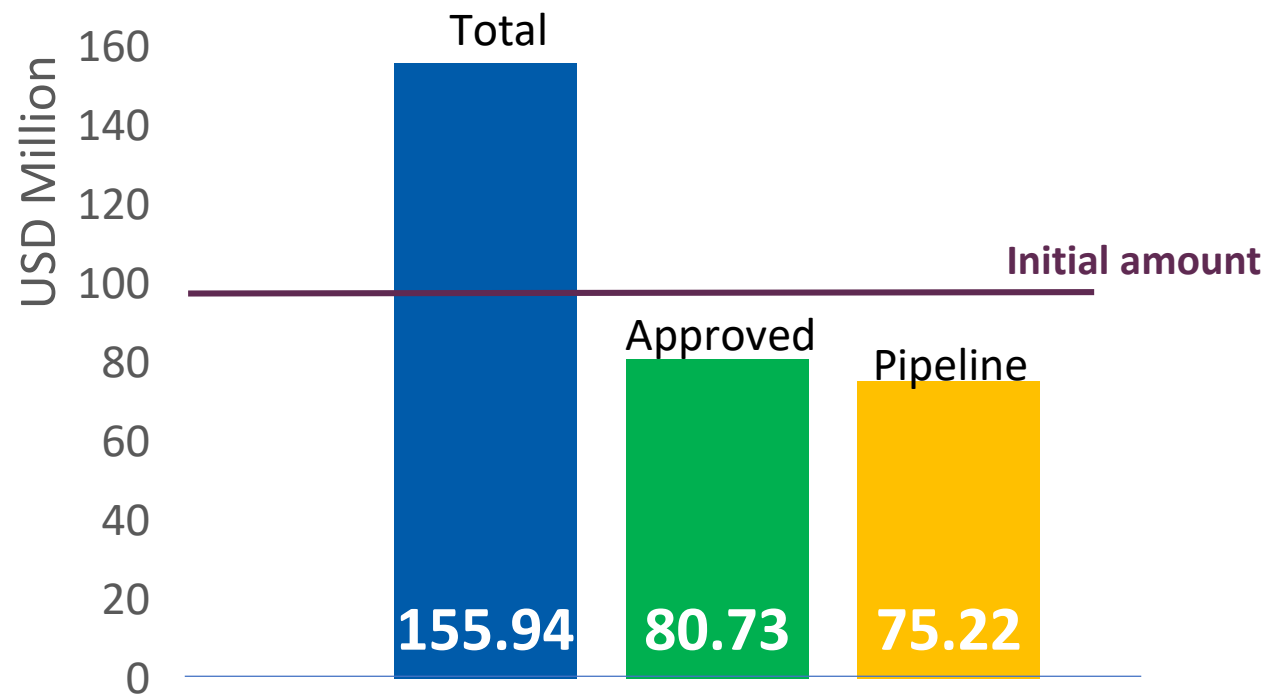
CIB's green bonds' proceeds will be used in consistence with ICMA's Green Bond Principles and will align with several UN SDGs that are relevant to CIB's strategy, namely:





CIB SF – Green Bond

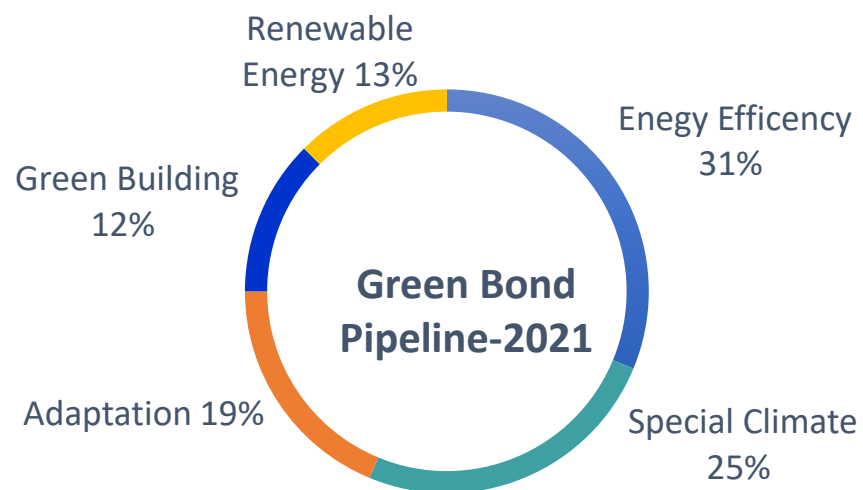
150% of issued Green Bond Finance Utilized





CIB SF – Green Bond

Financed Projects



Impact Overview



GHG Emission Reduction
12,984 ton CO₂eq/yr



Energy Savings
57,522,011 kWh/yr



Desalinated Water
7,300,000 m³/yr



Wastewater Treated
12,775,000 m³/yr



CIB SF – Green Buildings

CIB New HQ



Estimated Reductions

GHG Emission Reduction
805.4 ton CO₂eq/yr

Energy Savings
41.7%

Water Savings
29.6%

Material Savings
25.2%



CIB SF – Green Buildings

Leading by Example

Estimated Reductions

USD +20 Million
EGP +500 Million



Energy Savings
160,000 MWh/yr



Water Savings
24,000,000 m³ /yr



Material Savings
25.2%





CIB SF – Green Buildings

Leading by Example

- EDGE EXPERT TRAINING
- 12 CERTIFIED EDGE EXPERT





Driving Sustainable System Transformation beyond funding

- **Capacity Building** (Sustaining Sector Program/ 3 sessions covering F&B, Green Building, Textile)
- **Sector Studies** (Food and Beverage, Textile, green building)
- **Walkthrough Audits** (10 Audits have been conducted)
- **Certifications** (EDGE, ISO 50001)



CIB SF – Eligibility Criteria



ENERGY: Energy efficiency, renewable energy,



Sustainable transportation



Sustainable water and waste use



Pollution prevention and control



Green building



Low pollution energy



Sustainable Agriculture



ECO Cities



Climate Change Adaptation



Circular Economy



CIB SF – Eligibility Criteria

Criteria	Requirements
Energy Efficiency	Reduce absolute energy consumption by at least 15%
Renewable Energy	Solar, wind, geothermal, biomass, biogas, and waste-to-energy;
Sustainable Transport	Vehicle Efficiency to be assessed by CAFI tool
Green Buildings	Buildings that comply with green buildings standards – Certification (LEED- BREEAM-EDGE)
Waste and Water Efficiency	Decrease in water utilization from baseline by 10%
Energy Management Systems (EnMS)	Compliance with ISO 50001 or equivalent certification
Non-energy GHG Reductions Energy Management Systems (EnMS)	Retrofit existing industrial, commercial and residential infrastructure to switch to a cooling agent (ammonia) with a lower potential impact on climate change.



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