بنك بيت التمويل الكويتي
KFH
EGYPT

2025 Sustainability Report

Action with Impact

Table of **Contents**

01

Introduction

02

KFH - Egypt Sustainability Pathway

03

Stakeholders Engagement & Materiality Assessment

04

Governance and Ethics: Guiding Our Path

05

Financial Capital: Responsible Growth and Sustainable Finance

06

Manufactured Capital: Ensuring Accessibility and Inclusive Services

07

Intellectual Capital: Digital Transformation and Innovation

08

Human Capital: Inclusive Culture, Development and Well-Being

09

Social and Relationship Capital: Strengthening Trusted Connections

10

Natural Capital: Environmental Footprint Management

11

ESG Appendices

kfh.com

01 Introduction

بنك بيت التمويل الكويتي
KFH
EGYPT

About the Report

Kuwait Finance House Bank-Egypt S.A.E. (KFH-Egypt) Sustainability Report 2025 presents the Bank's approach to Environmental, Social, and Governance (ESG) practices, alongside its key performance indicators and strategic initiatives.

The report reflects KFH-Egypt's commitment to transparency, accountability, and structured stakeholder engagement.

As the Bank continues to advance its sustainability journey, it remains committed to publishing this annual disclosure to communicate its progress, challenges, and achievements.

Scope and Reporting Period

This report provides an overview of KFH-Egypt's ESG performance, focusing on its most material topics. Unless otherwise stated, the information disclosed covers the Bank's operations in Egypt. The reporting period spans from January 1st to December 31st, 2025. Where relevant, events occurring after the reporting period are referenced to provide additional context.

Reporting Standards and Frameworks

KFH-Egypt has prepared this report in accordance with the 2021 GRI Standards. The report is also aligned with the United Nations Sustainable Development Goals (UN SDGs), the Sustainability Accounting Standards Board (SASB) Standards for Commercial Banks and Consumer Finance, the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations, and the United Nations Global Compact (UNGC) Principles.

Forward-Looking Statements

This report may include certain forward-looking statements related to the Bank's operations. These statements can be identified by terms like "will", "planned", "expected", and "initiated". They reflect the Bank's current views about future events and are subject to various risks, uncertainties, and assumptions. Numerous factors could cause the Bank's actual results, performance, decisions, or achievements to differ materially from those suggested by these forward-looking statements. Any errors and typographical mistakes present in the published report are not intentional and the bank commits to correcting them on its website.

Assurance

Masader Environmental and Energy Services S.A.E, a corporate sustainability consulting firm, has provided a limited assurance statement on the content of this report.

Limited Assurance Statement.

Contact Points

Hany El Rifaie

Head of Sustainable Finance & Sustainability

Hany.Elrifaie@kfh.com

Marwa Khairat

Sustainable Finance Manager

Marwa.Khairat@kfh.com

Khaled Hamza

Head of Marketing, Corporate Communication & CSR

khaled.hamza@kfh.com

Head Office 81 El-Tesseen Street Sector A, Cairo, Egypt.

Message from the Chief Executive Officer

Dear Stakeholders,

I am pleased to present KFH-Egypt's third Sustainability Report, reflecting a year of Action with Impact, where our focus evolved from commitment to measurable delivery and from ambition to tangible results. Sustainability remains integral to our Shari'a-compliant banking model, guiding how we create value, manage risk, and contribute to Egypt's long-term development.

As part of Kuwait Finance House Group, one of the world's leading Islamic financial institutions, we are guided by principles rooted in ethical conduct, transparency, accountability, and shared prosperity. These principles continue to shape how we serve our customers, support communities, and deliver sustainable growth.

In 2025, KFH-Egypt advanced its sustainability agenda with measurable outcomes. We set a target to reduce Scope 1 and Scope 2 emissions by 42% by 2030 and initiated the first financed emissions assessment by an Shari'a-compliant banking in Egypt, strengthening our ability to manage climate-related risks and opportunities.

KFH-Egypt also translated its commitments into tangible business impact. Sustainable finance reached EGP 27 billion, representing 24% of our portfolio; exceeding our strategic target of 20%. We expanded sustainable Islamic finance solutions, including our "Your Green Wallet" retail finance program, while strengthening ESG governance, conducting ESG screening for 100% of corporate and SME credit proposals, and further integrating climate considerations into our framework and decision-making.

At KFH-Egypt, our commitment to people and inclusion remains central to our purpose. We achieved customer satisfaction rate of 90% and opened 4,075 new accounts through our financial inclusion initiatives, surpassing our targets while promoting entrepreneurship, digital inclusion, and accessibility.

As an Islamic financial institution, we believe that sustainability and responsible finance are intrinsically linked. The principles that underpin Shari'a-compliant banking fairness, transparency, accountability, and shared value; guide how we support individuals, businesses, and communities while contributing to a more resilient and prosperous future.

Looking ahead, we will continue to integrate sustainability across our operations, financing activities, and customer solutions. Guided by our Islamic values and supported by the strength of Kuwait Finance House Group, we remain committed to supporting Egypt's sustainable development priorities while creating lasting value for all our stakeholders.

Sincerely,

Hala Sadek

Chief Executive Officer & Board Member
Kuwait Finance House Bank - Egypt

KFH-Egypt Overview

Kuwait Finance House Bank-Egypt S.A.E. (KFH-Egypt) is a Shari'a-compliant financial institution serving individuals, businesses, and institutions across Egypt through a comprehensive portfolio of retail banking, corporate finance, SME solutions, and investment banking services. Our approach to banking is rooted in Islamic finance principles, combining ethical financial practices with a commitment to innovation, customer excellence, and sustainable growth.

As a subsidiary of Kuwait Finance House Group, one of the world's most largest Shari'a-compliant banking institutions, KFH-Egypt benefits from decades of global expertise in Shari'a-compliant banking while maintaining deep local market knowledge and responsiveness to the Egyptian context. This dual foundation allows us to draw upon international best practices in risk management, product development, and customer service while remaining closely attuned to the specific needs, preferences, structured expansion and regulatory, of the Egyptian market.

Our affiliation with Kuwait Finance House Group provides us with access to institutional capabilities, technological platforms, and Shari'a-compliant banking expertise developed across multiple markets, which we adapt and deploy to serve our customers in Egypt effectively. At the same time, our local presence, understanding of Egypt's economic landscape, and relationships with Egyptian customers, businesses, and communities enable us to deliver tailored solutions that are both globally aligned and locally relevant.

Our Evolution and Market Presence

The bank was incorporated in Egypt on 1977 under the name of Delta International Bank. In 2006 a group of investors led by Ahli United Bank Group successfully acquired Delta International Bank. AUB share started by 49% back in 2006, then it increased its stake gradually over the years to reach 95.68% in 2020 which reflects the confidence in the bank's management and the strong support.

2022 Q4 Kuwait Finance House Group completed the acquisition of Ahli United Bank BSC Bahrain. Following which, the latter became a fully owned subsidiary of Kuwait Finance House KSCP.

September 2024, Ahli United Bank (Egypt) S.A.E. converted it's conventional banking activities to a fully sharia-compliant products and service.

January 29, 2025 Ahli United Bank (Egypt) S.A.E. successfully changed its legal name to Kuwait Finance House Bank-Egypt S.A.E (KFH-Egypt).

Our Operations in 2025

Throughout 2025, KFH-Egypt has continued to strengthen its service delivery model by expanding both physical and digital touchpoints, enhancing product offerings, and investing in people capabilities. The Bank currently operates **45** branches strategically located across approximately 15 governorates, complemented by **103** ATMs that extend our reach and provide customers with convenient access to banking services. Our workforce of **1,357** employees brings together banking expertise, local market insight, and a customer-first mindset that defines our service culture.

Our operational infrastructure represents our commitment to making Shari'a-compliant banking accessible across Egypt's diverse geographic and demographic landscape. Complementing our physical presence, we continue to advance our digital banking capabilities, recognizing that modern customers expect seamless experiences that allow them to bank on their terms. We are modernizing our core banking systems, enhancing digital platforms, and implementing tools that improve both customer experience and operational efficiency.

45
Branches Across Egypt

103
ATMs

1,357
Employees

Our Regulatory Framework

KFH-Egypt operates under the regulatory oversight of the Central Bank of Egypt (CBE) and in full compliance with applicable banking laws and Sharia-compliant finance standards. Our governance model reflects our dual identity as both a local Egyptian bank and a member of an international banking group. While we draw upon the institutional strength, risk management frameworks, and Shari'a-compliant banking expertise of Kuwait Finance House Group, our governance structures ensure independent oversight, local accountability, and responsiveness to Egypt's regulatory environment and market dynamics.

Our Business Model

How We Create Value

Input

Financial Capital

EGP 22.3 Bn Shareholders' Equity	**EGP 141.4 Bn** Customers Deposits	**EGP 2,838 Bn** Annual Operating Expenditure	**EGP 935 Mn** Employee Expenses

Manufactured Capital

45 Branches	**103** ATMs	**9** PwDs Accessible Branches	**32** PwDs Accessible ATMs

Human Capital

1,357 Employees	**33%** Women Representation in the Workforce	**29,734** Training Hours Delivered to our Employees	**EGP 14.3 Mn** Trainings-Related Expenditures	**198** New Hires

Intellectual Capital

USD 97,300 R&D Budget	**36** Number of Digital Platforms/ Applications Deployed	**USD 3.1 Mn** Spent on IT and Digital Infrastructure	**100%** Employees trained on Cybersecurity Related Topics

Social & Relationship Capital

EGP 5 Mn CSR-Related Investments	**151,688** Total Number of Retail Customers	**1,850** Total Number of Corporate Customers	**71** Total Number of SME Clients Served	**EGP 19.05 Bn** Sustainable Finance (Social Projects)

Social & Relationship Capital

9,804 MWh Total Energy Consumption	**8,358 MWh** Total Electricity Consumption	**1,446 MWh** Total Energy Consumption from Fuels	**83,555 m³** Water Consumption	**EGP 1.7 Bn** Sustainable Finance (Environmental Projects)

Creating Value Through Our Business Model

KFH Strategic Directions

- Global Ambition
- Financing the Transition to Sustainability
- Inclusiveness
- Financial Sector Resilience and Contribution

Our Purpose

To deliver sustainable value and create a better future for our customers, communities, and shareholders.

Outcome

Financial Capital

EGP 171.8 Bn Total Assets	**EGP 28.5 Bn** Total Revenues	**EGP 4.1 Bn** Net Profit	**EGP 27 Bn** Total Sustainable Financing Portfolio
21.1% Return on Average Common Equity (ROAE)		**EGP 104.78 Mn** Total Finance Portfolio	**27.7%** Sustainable Finance Penetration

Manufactured Capital

2,917 Corporate Digital Banking Customers	**120** PoS Terminals	**115,861** Retail Transactions Processed via Digital Banking Channels
533,284 Corporate Transactions Processed via Digital Banking Channels		**Operating across 15 Governorates**

Human Capital

36% Employee Engagement Index	**196** Number of Employee Promotions	**12.1%** Employee Turnover Rate	**21.9** Training Hours per Employee	**34%** Female Represen-tation in Senior Management

Intellectual Capital

4,982 Number of Subscribers on the KFH-Egypt Digital Wallet Mobile Application	**90%** Customer Satisfaction Score	**62** Customer Net Promoter Score (NPS)	**EGP 2 Mn** Financial Value of Attempted Cyber Incidents Detected and Resolved

Social & Relationship Capital

4,081 Number of New-to-Bank no cost accounts	**100%** Complaints resolution rate	**+50,000** Number of Beneficiaries of CSR Investments	**+326,000** Number of Beneficiaries Reached Through Social Innovation and Entrepreneurship

Natural Capital

42% Reduction in Scope 1+2 Emissions Target by 2030	**4,742 $mtCO_2e$** Total Absolute Scope 1+2 Emissions	**982 $mtCO_2e$** Scope 3 Emissions	**0.26 MWh/m²** Energy Intensity	**42 Tons** Total Paper Waste Recycled

2025 Sustainability Performance Highlights

Financing the Transition to a Sustainable Economy

EGP 27.029 Bn
Total environmental and social financing portfolio (24.12% of total financing portfolio)

EGP 23.747 Bn
Total social financing portfolio

EGP 3.282 Bn
Total environmental financing portfolio

Creating Shared Value for our Customers and Communities

EGP 5.0 Mn
Total community donations and investments

EGP 3.8 Mn
Total community donations in the health sector

EGP 1.2 Mn
Total community donations in the education sector

26
Financial literacy sessions conducted

62
Net Promoter Score (NPS)

Digital and Inclusive Banking

42,778
Total number of retail online banking customers

4,440
Total number of corporate online banking customers

115,861
No. of retail online banking transactions

574,627
No. of corporate online banking transactions

EGP 8.7 Bn
Volume of retail online banking transactions

EGP 159 Bn
Volume of corporate online banking transactions

Empowering our People

33%
Representation of female employees in our workforce

41 %
Of our total new hires are under 30 years old

13.7%
Of employees received ESG induction session

1,620
Total no of training hours on Health and Safety

28%
Female representation in New Hires

1,800
Total no of employees who received training on Health and Safety

32%
Female representation in management positions (middle and senior levels)

Sustainability Governance, Ethics, and Risk Management

99%
Of our employees received ethics & compliance -related training

2
Independent members representation in the board

22.2%
Female representation in the board

Managing our Environmental Footprint

9,804 MWh
Total energy consumed in 2025

4,396 mtCO_2e
Total absolute scope 1+2 emissions

982 mtCO_2e
Total absolute scope 3 emissions

42%
Scope 1+2 emissions reduction target by 2030 from a 2021 baseline

Awards and Recognition 2025

Gold Award for "Best Certification Program"

In 2025, KFH-Egypt received the Gold Award for "Best Certification Program" from Brandon Hall Group, a globally recognized authority in evaluating organizational and institutional performance.

This prestigious international recognition highlights the bank's commitment to investing in employee development and building a highly skilled workforce.

The award acknowledges KFH-Egypt's certification programs that aim to enhance employees' professional competencies, strengthen technical and leadership capabilities, and support continuous learning across the organization.

Receiving this global HR award reflects KFH-Egypt's dedication to adopting international best practices in talent development and underscores its efforts to create a culture of excellence, innovation, and professional growth within the organization.

02

KFH - Egypt Sustainability Pathway

بنك بيت التمويل الكويتي
KFH
EGYPT

Governance and Accountability

Why it Matters

Corporate governance is essential to ensuring transparency, accountability, and disciplined decision-making across KFH-Egypt. It provides a structured framework that aligns operations with regulatory requirements, ethical standards, and strategic objectives, while supporting effective oversight of risk and compliance. A strong governance framework also reinforces stakeholder confidence, improves the quality of decisions, and strengthens the Bank's ability to respond to evolving regulatory and market conditions, ultimately supporting long-term stability and value creation.

In relation to sustainability, the Board-level committee provides oversight of all sustainable finance and sustainability-related matters, including the review of performance, progress against strategic objectives, and emerging sustainability priorities. The committee also endorses Sustainable Finance and Sustainability (SFS) reports and related disclosures, ensuring accountability and alignment with the Bank's sustainability commitments and governance framework.

Our Approach and Progress

KFH-Egypt operates a governance framework aligned with CBE requirements and international best practices, supported by clearly defined roles, structured oversight mechanisms, and continuous policy enhancements. Governance effectiveness is reinforced through Board-level oversight, committee structures, and formalized processes for decision-making, monitoring, and follow-up on key resolutions, ensuring accountability across all levels.

In 2025, governance practices were further strengthened through enhanced transparency, improved reporting mechanisms, and structured tracking of governance actions.

The Bank also advanced governance awareness across the Bank through targeted training programs, contributing to stronger compliance culture and improved understanding of governance principles. These efforts collectively reinforced governance discipline, improved oversight effectiveness, and supported alignment with evolving regulatory expectations.

Policies & Procedures

- Corporate Governance Policy
- Corporate Governance Framework

2025 Highlights

22.2%

Female Representation across Board of Directors

2

Independent Board Members

6

Board Meetings

Corporate Governance Framework

KFH-Egypt maintains a strong corporate governance framework designed to ensure transparency, accountability, and effective oversight across all operations. The framework aligns with the requirements of the CBE and relevant regulatory authorities, while incorporating international best practices to support sound decision-making and long-term value creation.

Governance practices are continuously enhanced through regular policy reviews, structured monitoring, and clear definition of roles and responsibilities. In 2025, the Bank achieved full alignment of governance policies and charters with regulatory requirements, with no material observations reported. Governance reporting mechanisms were further strengthened, enabling improved tracking of governance indicators and proactive identification of risks.

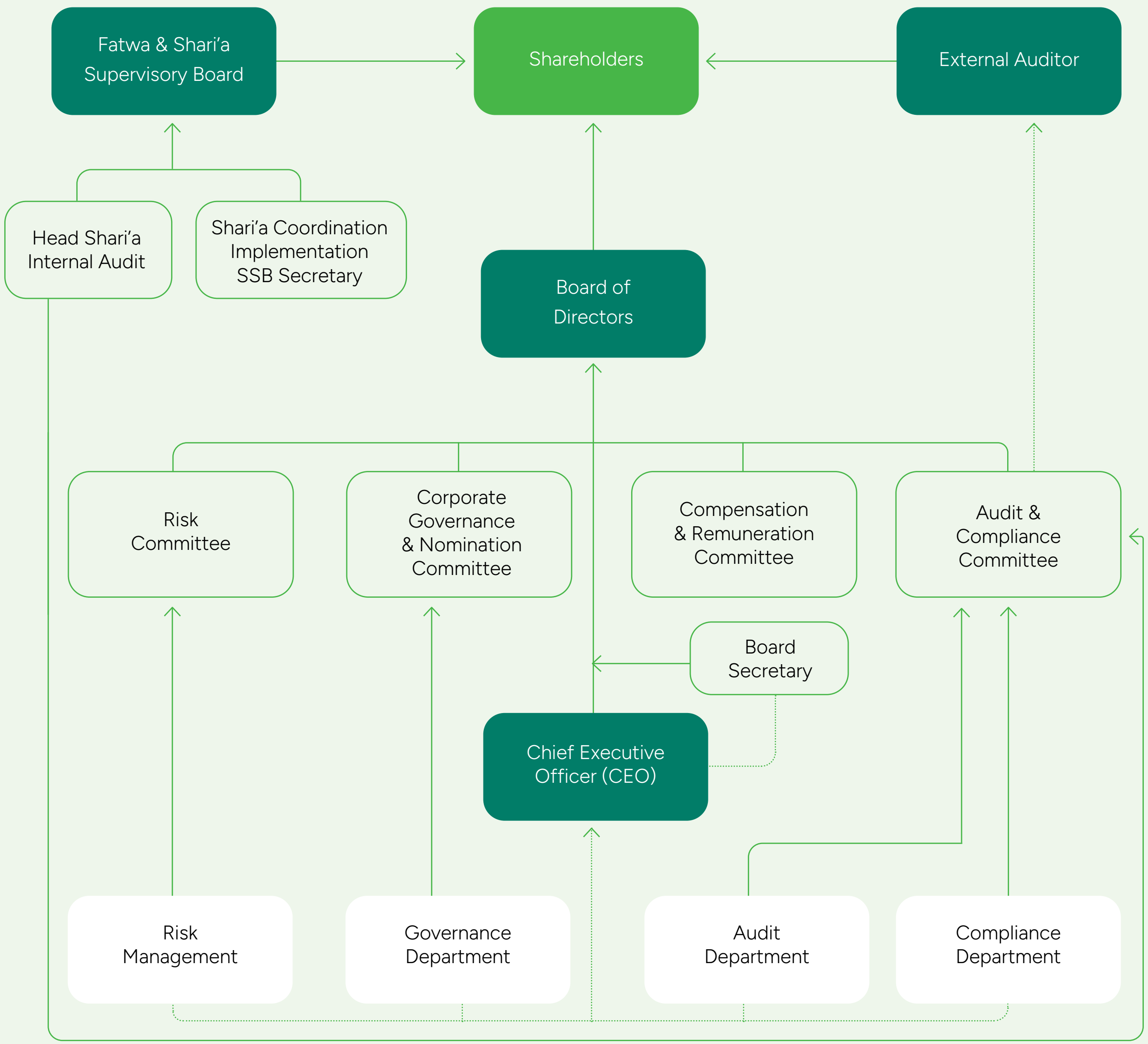
Governance Awareness & Training Programs

KFH-Egypt promotes governance awareness across the Bank through structured training programs aimed at strengthening understanding of governance principles, policies, and regulatory requirements. These initiatives are designed to reinforce a strong culture of compliance and accountability while enhancing employee engagement in governance practices. In 2025, Corporate Governance Awareness training sessions were delivered, through which 160 employees were trained, contributing to improved governance understanding, reduced compliance risks, and strengthened governance culture across the organization.

160

Participants in Corporate Governance Awareness Training Sessions

Governance Structure



Board of Directors

77.8%
Male

22.2%
Female

Board Members Breakdown

By Independence Status

2 Independent Members
22.2%

7 Other Members
77.8%

By Executive Status

1 Executive Member
12.5%

8 Other Members
87.5%

Average Tenure

6 Years

Board Meetings

6 Meetings

Board Composition as of Dec 31, 2025

Mr. Hamad Abdul Mohsen Al-Marzouq

Chairman
Non-Executive Board Member
Joining Date: 09-10-2023
6/6 Board Meetings

Mr. Abdulaziz Yacoub Al-Nafisi

Deputy Chairman
Non-Executive Board Member
Joining Date: 09-10-2023
6/6 Board Meetings

Mr. Fahad Ali M TH Alghanim

Non-Executive Board Member
Joining Date: 09-10-2023
6/6 Board Meetings

Mr. Khaled Yousef Al-Shamlan

Non-Executive Board Member
Joining Date: 24-12-2025
- Board Meetings[1]

Mrs. Hala Hatem Sadek

Chief Executive Officer (CEO)
Executive Board Member
Joining Date: 31-03-2019
6/6 Board Meetings

Mr. Sherif Hisham Mohamed Elkholy

Independent
Non-Executive Board Member
Joining Date: 06-06-2021
6/6 Board Meetings

Mr. Abdullah Yousef Ahmed Saif AlSaif

Non-Executive Board Member
Joining Date: 09-10-2023
6/6 Board Meetings

Mrs. Iman Wajih Hussain Al-Madani

Non-Executive Board Member
Joining Date: 24-03-2024
6/6 Board Meetings

Mr. Ahmed Mohamed Zulficar

Independent
Non-Executive Board Member
Joining Date: 04-06-2025
3 Board Meeting[2]

[1] Mr. Khaled Al-Shamlan did not attend any Board meetings during 2025, having joined the Board upon CBE approval issued on 29 December 2025.

[2] Appointment of Mr. Ahmed Zulfikar as a Board member upon CBE approval on 4 June 2025.

BoD's Responsibilities

The Board of Directors is responsible for setting the Bank's strategic direction, overseeing management performance, and ensuring compliance with applicable regulatory, governance, and ethical standards. It plays a central role in approving key policies, monitoring risk management practices, and safeguarding the integrity of both financial and non-financial reporting. The Board is also regularly informed of regulatory developments and emerging legal obligations, ensuring that oversight remains aligned with the evolving regulatory environment.

Board operations are supported by structured governance procedures that ensure effective decision-making, transparency, and accountability. These procedures cover meeting preparation, agenda setting, quorum verification, voting processes, and documentation, with all Board and General Assembly meetings in 2025 conducted in full compliance with governance requirements and supported by timely circulation of materials. In addition, structured resolution tracking mechanisms are in place to monitor the implementation of Board decisions across the Bank, supported by regular reporting that enhances visibility and strengthens accountability over execution progress.

Board Digitalization & Effectiveness

KFH-Egypt continues to strengthen Board effectiveness through a set of integrated governance initiatives aimed at improving transparency, efficiency, and decision-making quality. These initiatives include the digitalization of Board processes through a unified platform to streamline the management of Board resolutions and reports, enhancing accessibility and supporting faster, more informed decision-making.

In addition, a standardized Board pack and agenda timeline has been implemented to ensure the timely and complete delivery of information to Board members, supporting the quality of deliberations and reinforcing compliance with governance procedures.

The Bank also applies a structured action-item tracking mechanism to monitor the implementation of Board decisions and ensure timely follow-up and closure of outstanding items. These efforts are complemented by continuous development initiatives for Board members through targeted training programs aligned with Group-level governance standards.

Board Secretariat's Responsibilities

The Board Secretariat supports strong corporate governance through the effective coordination of Board processes and ensuring alignment with applicable governance requirements and standards.

It is responsible for enabling efficient Board operations, supporting informed decision-making, and strengthening governance oversight across the Bank. Looking ahead, the Board Secretariat is focused on enhancing governance effectiveness through the digitalization of Board processes via the KFH Group unified platform, strengthening the resolution tracking framework to improve monitoring of Board decision implementation, and supporting the effectiveness of the Board and its Sub-Committees through structured annual evaluations, specialized training needs assessment, and the training of 70 employees under Board Secretariat induction and governance awareness programs.

Additional priorities include the issuance of a Board Charter, including a dedicated Board Secretariat Policy, and integration with the Group-wide digital platform to further enhance consistency, efficiency, and governance alignment.

70

Participants in Board Secretariat Induction Training (E-Learning)

Board Nomination and Evaluation

KFH-Egypt adopts a structured approach to Board nomination, onboarding, and effectiveness to ensure governance continuity and strong Board integration. New Board members are provided with comprehensive induction materials and orientation support to facilitate their understanding of governance processes, roles, and responsibilities. Directors are also regularly updated on evolving regulatory and supervisory requirements relevant to the Bank's operations, ensuring informed and effective participation in oversight and decision-making.

In line with the governance instructions issued by the CBE, the Board conducted a comprehensive evaluation of its performance as an integrated unit during 2025. The evaluation assessed key governance dimensions, including Board effectiveness, decision-making efficiency, attendance and engagement, quality of information provided, independence of judgment, management of conflicts of interest, diversity of expertise, coordination with sub-committees, strategic oversight, and adaptability to regulatory and economic developments. This structured assessment, conducted using a defined rating scale, confirmed the Board's continued effectiveness in fulfilling its supervisory and strategic responsibilities and supported ongoing enhancement of governance practices and oversight quality.

Individual Board Assessment

An individual evaluation was conducted for each Board member to assess performance, engagement, and alignment with governance expectations. The assessment followed a structured self-evaluation framework aimed at supporting continuous improvement and strengthening Board effectiveness. The evaluation covered multiple key areas, including collaboration among members and compliance with governance requirements, with results supporting the identification of improvement areas and reinforcing the effectiveness of Board oversight.

Board Committees

Audit & Compliance Committee

Supports in overseeing the integrity of financial reporting, internal control systems, compliance frameworks, and risk management practices. It is also responsible for reviewing financial statements and monitoring adherence to applicable laws, regulations, and internal policies. In addition, the Committee reviews internal and external audit findings and ensures that appropriate corrective actions are implemented, strengthening governance, transparency, and accountability across the Bank.

Head

Mr. Ahmed Mohamed Zulficar

Members

Mr. Fahad Ali M TH Alghanim

Mr. Sherif Hisham Mohamed Elkholy

5 Meetings

Risk Committee

Oversees the Bank's overall risk management framework, including credit, market, liquidity, operational, and emerging risks. It is responsible for reviewing risk reports, assessing the effectiveness of risk controls, and ensuring that risk appetite is appropriately defined and adhered to. The Committee provides regular updates and recommendations to the Board, supporting proactive risk identification, mitigation, and continuous strengthening of the Bank's risk governance framework.

Head

Mr. Sherif Hisham Mohamed Elkholy

Members

Mrs. Hala Hatem Sadek

Mr. Ahmed Mohamed Zulficar

4 Meetings

Corporate Governance & Nomination Committee

Assists in establishing and maintaining sound corporate governance practices and frameworks in line with regulatory requirements and best practices. It is responsible for reviewing governance policies, recommending updates where necessary, and ensuring alignment with CBE guidelines. The Committee also oversees Board composition and succession planning, including the nomination, appointment, and re-election of Board members, while supporting the evaluation of Board effectiveness and committee structures.

Head

Mr. AbdulAziz Yaqoub Yousef AlNafisi

Members

Mr. Abdullah Yousef Ahmed Saif AlSaif

Mrs. Iman Wajih Hussain Al-Madani

3 Meetings

Compensation & Remuneration Committee

Defines and oversees compensation policies for senior management and employees across the Bank. It ensures that remuneration frameworks are aligned with regulatory requirements, market practices, and the Bank's long-term strategic objectives. The Committee reviews and recommends all elements of compensation, including salaries, allowances, benefits, and incentive structures, ensuring fairness, competitiveness, and alignment with performance and risk outcomes.

Head

Mr. Hamad Abdul Mohsen Al-Marzouq

Members

Mr. Khaled Yousef Al-Shamlan

Mrs. Iman Wajih Hussain Al-Madani

1 Meeting

Other Committees

Portfolio Management Committee (PMC)

The Portfolio Management Committee (PMC) ensures that all projects are aligned with KFH-Egypt's strategic objectives by reviewing, prioritizing, and approving business cases within the project pipeline.

It oversees the full project portfolio lifecycle, from initiation to completion, ensuring effective delivery in terms of time, quality, and budget, while also confirming the availability of required resources across all phases.

The Committee monitors project performance, risks, and benefits, and provides strategic guidance on project progression, including scaling, closure, or postponement decisions. It also reviews annual CAPEX plans and project value realization, including return on investment and strategic benefits, before submission to the Board of Directors.

The PMC meets quarterly and ensures that all decisions and follow-up actions are clearly documented and tracked for implementation.

Permanent Members

- **Chief Executive Officer & Board Member (Chairperson)**
- Deputy CEO, Wholesale Banking, Corporate Banking
- Chief Risk Officer
- Head of Project Management Office
- **DCEO – Technology & Operations (Deputy Chairperson)**
- DCEO – Head of Retail Banking
- Head of Finance

Invitees

- Head of Compliance
- Head of Operations
- Head of GTB
- Head of HR
- Head of IT

Fatwa & Shari'a Supervisory Board

KFH-Egypt is guided by a Fatwa & Shari'a Supervisory Board that ensures all activities and transactions are conducted in full compliance with the principles of Islamic Shari'a. The Board issues Shari'a opinions and fatwas on the Bank's products, services, and transactions, and reviews relevant policies and frameworks to ensure alignment with Shari'a principles and regulatory expectations.

The Board also provides independent oversight of the Bank's activities to ensure adherence to approved Shari'a guidelines, reinforcing transparency and integrity across operations. As part of its governance role, it submits an annual report included within the Bank's annual report and presented to the General Assembly, expressing its opinion on the Bank's activities and the extent of compliance with issued fatwas and resolutions.

5

Fatwa & Shari'a Supervisory Board Meetings

94.4%

Attendance rate

Professor Dr. Atta Abdel Aaty El-Sonbaty

Chairman

5/5 Meetings

Professor Dr. Abdulaziz Khalifa Al-Qassar

Executive Board Member

5/5 Meetings

Professor Dr. Ali Ibrahim Al-Rashid

Board Member

5/5 Meetings

Fatwa and Shari'a Supervisory Board Evaluation

The Fatwa and Shari'a Supervisory Board conducts regular self-assessments to evaluate its effectiveness and ensure the continued strength of its governance and oversight role. The evaluation is based on a structured framework using a defined rating scale and covers key aspects including Board composition, adherence to regulatory requirements, and the clarity of mandates and responsibilities.

The assessment also considers the effectiveness of member onboarding and continuous professional development, oversight of internal Shari'a audit activities, and supervision of transactions and products to ensure full compliance with Islamic Shari'a principles.

In addition, the evaluation reflects the Board's role in maintaining independent and impartial judgment, as well as its oversight of management, supporting continuous improvement and reinforcing strong Shari'a governance practices across the Bank.

KFH-Egypt Strategic Sustainability Direction

Anchored in the 2023–2025 Sustainability Strategy

KFH-Egypt's sustainability direction in 2025 was guided by the Bank's Sustainable Finance and Sustainability Strategy 2023–2025, which established the framework for embedding sustainability considerations across the Bank's financing activities, operations, governance, and stakeholder engagement.

The strategy was designed to support the financial system's transition toward a more sustainable economy by aligning the Bank's role with national priorities, including Egypt Vision 2030, and the United Nations Sustainable Development Goals.

The strategy identifies four primary areas of focus: global ambition, financing the transition to sustainability, inclusiveness, and financial sector resilience and contribution. Together, these areas define how the Bank advances responsible finance, support broader access to financial services, strengthens resilience, and contributes to environmental and social outcomes through its Shari'a-compliant banking model.

01

Global Ambition

KFH-Egypt's sustainability strategy recognizes the importance of contributing to the wider sustainable finance agenda beyond local implementation. Through this direction, the Bank seeks to support international cooperation and align its sustainability efforts with global development priorities, while maintaining relevance to Egypt's national context and regulatory expectations.

This direction reflects the Bank's commitment to positioning sustainability as part of its long-term institutional development, supporting the transition toward more responsible and inclusive financial systems.

02

Financing the Transition to Sustainability

A core focus of the Bank's strategy is to support the transition to sustainability through financing activities. This direction aims to equip economic actors across different sectors with the financial support and advisory needed to develop transition plans and progress toward climate and environmental targets.

For KFH-Egypt, this means integrating sustainability considerations into financing decisions, policies, and procedures, while guiding business and risk teams to identify opportunities that support sustainable economic activities.

The strategy identifies opportunities in sectors such as renewable energy, energy efficiency, recycling, waste management, and green buildings, while moving beyond traditional risk screening to provide clients with tailored sustainable finance advisory that converts potential risks into actionable, resilience-building solutions.

03

Inclusiveness

Inclusiveness is a key component of KFH-Egypt's sustainability direction, reflecting the Bank's role in expanding access to sustainable finance for individuals and small and medium-sized enterprises. This direction supports the Bank's broader contribution to financial inclusion and inclusive economic growth by helping underserved or emerging segments access appropriate Shari'a-compliant financial solutions.

Through this direction, the Bank connects sustainable finance with social value creation, ensuring that its strategy considers the needs of different customer groups and contributes to more equitable access to financial services.

04

Financial Sector Resilience and Contribution

The strategy emphasizes the role of the financial sector in contributing to sustainability objectives while strengthening its own resilience. This direction focuses on how the Bank supports environmental and climate-related goals while managing risks and improving its ability to respond to emerging sustainability challenges.

For KFH-Egypt, this includes integrating environmental, social, and governance considerations into risk management, strengthening portfolio understanding, and identifying both risks and opportunities linked to sustainable finance. The strategy highlights the importance of portfolio analysis to determine associated challenges, solutions, and potential opportunities to extend sustainable finance to customers.

Strategic Enablers for ESG Implementation

To translate these strategic directions into practice, KFH-Egypt's Sustainable Finance and Sustainability Strategy 2023-2025 identified several implementation enablers:

01

Capacity Building

Strengthening employees' capabilities in sustainable finance and sustainable development remains a key priority. During 2025, the Bank delivered 720 hours of ESG and climate-related training to 173 employees, enhancing internal expertise and equipping teams with the knowledge needed to support the Bank's sustainability objectives. Beyond formal training, the Bank continued to foster a strong ESG culture through a monthly digital green newsletter, featuring sustainability updates, awareness content, and interactive monthly contests designed to increase employee engagement and encourage active participation in environmental and social initiatives.

02

Integration and Embedding

Incorporating sustainable finance components within financing and investment activities, and reinforcing their integration into policies, procedures, and departmental activities. This supports a more consistent approach to sustainability across business lines and internal functions, enabling the Bank to better identify eligible opportunities, manage risks, and respond to evolving regulatory requirements.

03

Measurement and Governance

Establishing systems to track sustainable finance performance, measure environmental and social impacts, and strengthen data governance to support informed decision-making and transparent reporting.

Strategy Implementation Outcomes

Sustainable Finance Penetration

The implementation of KFH-Egypt's Sustainable Finance Strategy (2023 -2025) has translated into tangible business outcomes. The Bank initially targeted increasing sustainable financing to represent 20% of its financing portfolio by the end of the three-year strategy period. As of December 2025, sustainable finance accounted for 24.12% of the total portfolio, exceeding the strategic target ahead of schedule and reflecting the successful integration of sustainability considerations into financing and investment activities across the Bank.

Looking Ahead

The 2026–2028 Strategy

As 2025 marked the closing year of the 2023–2025 Sustainable Finance and Sustainability Strategy cycle, KFH-Egypt initiated the update of its Sustainable Finance and Sustainability Strategy for 2026–2028. This updated strategy will serve as a comprehensive framework guiding the next phase of the Bank's sustainability journey, with a strengthened focus on climate change and the integration of defined KPIs across all departments to drive measurable progress toward our sustainability and sustainable finance goals.

The new strategy builds on the existing foundation and introduces a more structured approach to sustainable and responsible Shari'a-compliant banking, climate change mitigation and adaptation, inclusive growth, environmental stewardship, ESG and climate risk management, responsible procurement, operational environmental performance, and sustainability data governance.

This forward-looking strategy represents the Bank's next phase, while this 2025 report remains anchored in the 2023–2025 strategy.

In this way, 2025 is positioned as both the final year of the existing strategy cycle and a transition point toward a more comprehensive sustainability and climate agenda beginning in 2026.

E&S Risk Management and ESG Integration

Why it Matters

For KFH-Egypt, effective risk management is central to responsible Shari'a-compliant banking and long-term value creation. As environmental, social, and climate-related risks continue to affect businesses, communities, and financial institutions, integrating ESG considerations into the financing process helps the Bank strengthen portfolio resilience, support informed decision-making, and align with regulatory expectations.

This approach also ensures that financing activities are assessed not only from a financial perspective, but also in terms of their potential environmental and social impacts, ethical considerations, and contribution to sustainable development.

Our Approach and Progress

KFH-Egypt integrates ESG considerations into financing and investment decisions through a structured policy framework and Environmental and Social Management System.

This approach ensures environmental and social considerations are systematically integrated into financing decisions, from initial screening through ongoing monitoring.

In 2025, the Bank continued to apply this framework across its financing activities, assessing clients through its standardized ESMS process and commencing the enhancement of its three-year ESG strategy to incorporate climate risk considerations and department-level KPIs.

Policies & Procedures

- ESMS Policy and Procedures
- Opportunity Led ESDD
- Financed Emissions Calculation & Procedures (in progress)
- Enhancing SFS Strategy to incorporate climate risk considerations and defined KPIs (in final stage)

ESG Governance Framework

The Bank has established a strong position in Environmental, Social, and Governance (ESG) practices through the development of a comprehensive framework of policies, procedures, and governance mechanisms aligned with national vision, leading international standards and best practices.

As part of its Sustainability Framework and institutional setup, the Bank has formalized its approach through the development of Sustainable Finance and Sustainability policy, procedures, and strategy approved by the Board of Directors. These documents provide clear guidance on integrating sustainability considerations into it's internal operational practices and financing activities have been duly submitted to the Central Bank of Egypt, ensuring regulatory alignment and oversight.

Environmental & Social Management System (ESMS)

KFH-Egypt applies a structured ESMS governance model with centralized oversight to ensure consistent implementation and continuous improvement. The framework is implemented by the Sustainable Finance and Sustainability Team, leveraging dedicated expertise responsible for the application of ESMS policies across financing activities, and is overseen by Senior Management. This setup ensures coordination across origination, risk assessment, and compliance processes, while maintaining alignment with ESG requirements, Central Bank regulations, and international sustainability standards.

E&S Risk Assessment Framework

KFH-Egypt applies a structured Environmental and Social Due Diligence (ESDD) approach under its ESMS framework to assess and manage environmental and social risks associated with financing activities. All proposals are categorized based on their potential risk exposure, ranging from high to minimal impact, as well as financial intermediary exposures and exempted cases defined under internal guidelines. This classification enables a risk-based review process, ensuring that appropriate due diligence, mitigation measures, and monitoring requirements are applied in line with national regulations and international best practices.

In 2025, KFH-Egypt assessed 448 clients through its standardized ESMS framework, demonstrating the consistent application of E&S risk management across the Bank's financing portfolio. This milestone reflects the Bank's progress in embedding ESG risk screening into financing decision-making and strengthening the practical implementation of its E&S risk management framework.

448

Clients assessed through standardized ESMS framework

ESMS Risk Categorization

01

Category A

High potential E&S risks with significant, diverse, or irreversible impacts requiring enhanced due diligence & strict monitoring.

02

Category B

Moderate E&S risks with site-specific and largely reversible impacts managed through mitigation measures.

03

Category C

Minimal or no E&S risks with limited or no adverse impacts.

Category FI

Financing provided through financial intermediaries, subject to ESMS screening and applicable risk assessment procedures.

Category Exempt

Activities excluded from ESMS assessment in line with internal exclusion criteria.

ESG Screening & Exclusion Criteria

As a foundational safeguard, KFH-Egypt applies an ESG screening process supported by an Exclusion List that defines activities not eligible for financing. This includes activities that are non-Shari'a-compliant, violate applicable laws or standards, involve labor or human rights violations, or result in significant environmental harm. This screening ensures that all financing activities remain aligned with Islamic finance principles, regulatory requirements, and responsible banking practices.

Risk Mitigation and Monitoring

KFH-Egypt's ESMS incorporates continuous monitoring and reporting mechanisms to ensure effective oversight of environmental and social risks throughout the financing lifecycle. Where risks are identified, appropriate mitigation measures are embedded within the assessment process and reflected in financing documentation, with corrective action plans developed as needed, including defined actions, responsibilities, milestones, and timelines.

Ongoing monitoring is supported through follow-up on corrective actions, review of environmental and social performance, and periodic reporting to relevant governance forums. Key information is consolidated for management review, while all related documentation is securely maintained in digital form to ensure traceability, auditability, and compliance with retention requirements. This structured approach reinforces responsible financing practices and strengthens the Bank's ability to manage ESG-related risks in a transparent and disciplined manner.

Turning ESG Due Diligence into a Sustainable Finance Engine

During 2025 through the implementation of the bank's ESMS Policy and Procedures- a comprehensive and standardized framework for pre-appraisal and due diligence- the ESRM team conducted 448 standardized assessments. But the true innovation lies in the methodology: Unlike conventional ESDD processes that focus solely on identifying risks and proposing mitigations, KFH-Egypt's approach goes further.

We conduct a customized opportunity mapping exercise and integrate tailored sustainable finance advisory into every ESDD, uncovering opportunities for decarbonization, energy efficiency, water optimization, waste reduction, circularity, and green technology. These opportunity insights are then communicated by Business Teams to all 448 clients, enabling them to transform potential risks into actionable, bankable solutions.

This empowers our clients and enhances their competitiveness, productivity, and positioning them for long-term resilience and alignment with global sustainability goals. This approach not only strengthens clients' alignment with global sustainability pathways- it turns KFH–Egypt into a partner for transformation. We don't just assess sustainability; we actively enable it.

Future Outlook

Going forward, KFH-Egypt aims to continue strengthening the integration of ESG & Climate change and environmental and social risk considerations across its financing processes. Building on the 2025 implementation of its ESMS framework, the Bank will continue enhancing internal alignment, improving monitoring and reporting practices, and reinforcing accountability through clearer ESG-related responsibilities and performance indicators.

To further embed sustainability at the core of its operations, KFH-Egypt commenced the enhancement of its three-year independent ESG strategy in 2025 to incorporate climate risk considerations and establish department-specific Key Performance Indicators (KPIs), supporting measurable progress toward its sustainability and sustainable finance objectives. These developments will strengthen the integration of ESG and climate-related considerations across decision-making processes and reinforce the Bank's governance and accountability framework.

KFH-Egypt also achieved a significant milestone in 2025 by becoming the first Shari'a-compliant banking in Egypt to measure its financed emissions, advancing climate transparency within the Islamic finance sector. By applying internationally recognized methodologies and developing client-level emissions assessment capabilities, the Bank has enhanced its ability to evaluate climate-related risks and opportunities across its financing portfolio.

This approach also supports clients in monitoring and managing their emissions, strengthening KFH-Egypt's role as a strategic partner in the transition toward a lower-carbon economy and contributing to Egypt's broader climate ambitions.

This continued development will support the Bank's transition toward a more mature ESG and climate risk management approach, enabling it to respond to evolving regulatory expectations, strengthen portfolio resilience, improve climate-related data and disclosures, and further embed responsible Shari'a-compliant financing within its sustainability journey.

03

Stakeholders Engagement & Materiality Assessment

بنك بيت التمويل الكويتي
KFH
EGYPT

Stakeholder Engagement

Stakeholder Group	Description	Engagement Methods	Related Material Topics
KFH Group and Board of Directors	Maintaining close alignment with KFH Group and the Board of Directors through governance channels, strategic oversight, and regular reporting to support accountability, effective decision-making, and alignment with Group strategy, values, and sustainability direction.	Performance updates; Board and committee meetings; Regular reporting; Strategy alignment discussions	ESG Governance & Climate Risk Integration; Business Ethics, Compliance & Resilience; Responsible Growth Strategy; Sustainable & Transition Finance; Environmental Footprint Management
Customers & Clients	Engaging with retail, SME, and corporate customers to understand their needs, enhance service quality, strengthen protection, and provide accessible and responsible banking solutions.	Branch interactions; Digital banking platforms; Customer service channels; Surveys and feedback mechanisms; Targeted outreach	Consumer Financial Protection & Fair Treatment; Financial Inclusion, Accessibility, and Literacy; Data Privacy and Cybersecurity; Digital Transformation & Innovation; Sustainable & Transition Finance
Employees	Engaging employees through continuous communication, capacity building, and feedback channels to support performance, wellbeing, inclusion, and a strong ethical culture.	Regular meetings; Performance reviews; Training programs; Employee engagement surveys; Awareness sessions	Equal Opportunity & Inclusive Culture; Human Capital Development, Skills & Wellbeing; Business Ethics, Compliance & Resilience; Data Privacy and Cybersecurity; Digital Transformation & Innovation

Stakeholder Group	Description	Engagement Methods	Related Material Topics
Shareholders	Engaging shareholders through formal governance and disclosure channels to provide transparent information on performance, strategy, risks, and long-term value creation.	General Assembly meetings; Board meetings; Periodic performance reviews; Financial and sustainability reports; Investor relations channels	Responsible Growth Strategy; Sustainable & Transition Finance; ESG Governance & Climate Risk Integration; Business Ethics, Compliance & Resilience; Environmental Footprint Management
Regulators and Governmental Entities	Maintaining constructive engagement with regulators and governmental entities to support compliance, supervisory alignment, and responsible participation in national financial sector priorities.	CBE engagement; Regulatory meetings; Compliance submissions; Audit responses; Official correspondence	Business Ethics, Compliance & Resilience; Data Privacy and Cybersecurity; ESG Governance & Climate Risk Integration; ESG Integration in Credit Risk; Sustainable & Transition Finance
Suppliers	Engaging suppliers through structured procurement and contract management processes to ensure service quality, reliability, confidentiality, and alignment with ethical and responsible business standards.	Supplier onboarding; Contract management; Performance reviews; Regular meetings; Digital collaboration platforms	Supplier ESG & Third-Party Risk Management; Business Ethics, Compliance & Resilience; Environmental Footprint Management; Data Privacy and Cybersecurity
Communities	Engaging with communities to understand social needs, support financial inclusion, and contribute to initiatives that create positive societal and environmental impact.	Community initiatives; NGO and foundation partnerships; Financial inclusion outreach; Awareness campaigns; Social media channels	Community Relations & Social Investment; Financial Inclusion, Accessibility, and Literacy; Environmental Footprint Management; Equal Opportunity & Inclusive Culture

Materiality Assessment

KFH-Egypt views double materiality as the process through which we identify the sustainability matters that are most significant both for the economy, environment and people, and for the resilience and long-term value creation of our business. In 2025, we used this lens to connect our current performance with the closing year of our 2023–2025 Sustainable Finance and Sustainability Strategy and with the direction of travel set in our 2026-2028 Sustainable Finance & Sustainability and Climate Change Strategy.

This reflects the Bank's transition from the foundational sustainable finance agenda approved for 2023–2025 to a more integrated forward-looking strategy focused on sustainable portfolio growth, climate-risk integration, inclusive growth, responsible operations and stronger sustainability data governance.

This assessment section is grounded in four internal inputs: our 2023–2025 strategy, our 2025 material-topic achievement pack, our 2025 ESG highlights, and our 2026–2028 strategy. Where selected quantitative KPIs in the 2026–2028 strategy remain under internal calibration, the future-outlook column maps each material topic to the relevant strategic pillar, objective and intended direction, rather than assuming final numerical targets.

KFH-Egypt applies a double materiality lens by considering both impact materiality and financial materiality. Impact materiality helps us assess how our activities, financing decisions, operations and business relationships affect the economy, environment and people. Financial materiality helps us assess how sustainability-related risks and opportunities may influence the Bank's resilience, portfolio quality, customer relationships, regulatory alignment, access to capital and long-term value creation.

For KFH-Egypt, materiality is not limited to our direct operational footprint. As a Sharia-compliant bank, our most significant sustainability influence often sits in the way we mobilize capital, screen and engage clients, integrate ESG and climate considerations into credit decisions, protect customers, enable financial inclusion, develop our people, and work with suppliers and communities. Accordingly, our assessment considers both our own operations and the wider outcomes connected to our financing portfolio and stakeholder ecosystem.

Our approach is anchored in the sustainable finance architecture established under our 2023–2025 strategy and strengthened through our 2025 implementation progress. During 2025, we continued to embed ESG and climate considerations into decision-making, including through ESMS and ESDD implementation, sustainable finance advisory, department-level KPIs and the first steps toward financed-emissions measurement. This helped us use materiality not only as a reporting exercise, but also as a management tool that supports risk identification, value creation and client transformation.

Looking ahead, the 2026–2028 Sustainable Finance & Sustainability Strategy provides the forward-looking framework for how we will manage, monitor and advance our material topics.

The strategy links our material priorities to clear pillars across sustainable finance, digital transformation, climate and ESG risk management, human capital, financial inclusion, environmental footprint, procurement, governance and sustainability data quality. Through this approach, KFH-Egypt aims to ensure that materiality remains dynamic, strategy-led and aligned with the Bank's role in supporting a resilient, inclusive and sustainable financial ecosystem.

Materiality Assessment Steps

Defined scope and reference framework

We assessed topics using GRI 3 for impact materiality and IFRS S1/S2 for financial materiality, so that the assessment captures both outward impacts and enterprise-value effects.

Understood our operating context

We reviewed the content of our 2023-2025 strategy, our 2025 performance evidence, and the strategic pillars and KPIs in our 2026-2028 strategy, alongside the expectations created by Egyptian sustainable finance regulation.

Identified the topic universe

We started from the 2025 material topics already reflected in our achievement pack and ESG highlights, including sustainable finance, climate risk integration, credit-risk ESG screening, customer protection, inclusion, digital transformation, people, community, environmental footprint, and supplier management.

Assessed impact materiality

In line with GRI 3, we considered actual and potential positive and negative impacts across our activities and business relationships, and assessed their significance using the concepts of scale, scope, irremediability and likelihood. GRI also emphasises that materiality should be informed by relevant stakeholders and experts and reviewed in each reporting period.

Assessed financial materiality

In line with IFRS/ISSB, we evaluated how each topic can create risk or opportunity for our cash flows, access to finance, cost of capital and strategic resilience. For climate-related matters, this includes both physical and transition risks as well as climate-related opportunities. IFRS/ISSB also expects entities to use all reasonable and supportable information available without undue cost or effort and to reassess significance when there is a major change in circumstances.

Prioritised, grouped and mapped to strategy

We then grouped topics into three bands; most material, material and less material, based on where impact significance and financial relevance converge most strongly. Each topic was mapped back to delivery under the 2023-2025 strategy and forward to the 2026-2028 strategy.

Materiality Results

The prioritisation below reflects a banking-specific reading of double materiality. Topics are ranked highest where our largest financed and customer-related impacts intersect with the strongest financial exposures, regulatory expectations, and strategic opportunities. Topics classified as “less material” remain relevant and continue to be managed; the label simply indicates that, in 2025, they are more enabling or operational in nature than the subjects placed in the upper bands.

Most Material

Material topic	Description of the topic in brief in our perspective	Impact materiality according to GRI	Financial materiality according to IFRS/ISSB	Current status quo* and our progress in 2025	Future outlook: Our 2026-2028 strategy
Sustainable and transition finance	Sharia-compliant financing, advisory and product innovation that directs capital towards social and environmental outcomes, while supporting clients’ transition and resilience.	Highest leverage through the financing portfolio: strong positive impacts where capital supports healthcare, education, energy efficiency, water treatment, recycling and other sustainable uses; material negative impacts can also arise if financed activities are not properly screened or are overstated as “green”.	Risk Greenwashing, sector transition exposure, portfolio misclassification and concentration risk. Opportunity Portfolio growth, new sustainable products, client acquisition, stronger market positioning and better long-term resilience.	We increased sustainable financing to EGP 27 billion, equal to 24% of the total portfolio as of December-2025, significantly exceeding the 20% strategic ambition under the 2023-2025 strategy. We also launched the “Your Green Wallet” Murabaha programme to finance energy-efficient home appliances, EV chargers and other green goods.	Maps primarily to the **Economic Pillar, Objective 1, Outcome 1.1:** annual growth in sustainable finance penetration, at least one new sustainable product or programme for business and retail segments, and a transition-finance pathway for non-compliant assets with bank support.

*Status quo refers to the current state or existing condition

Material topic	Description of the topic in brief in our perspective	Impact materiality according to GRI	Financial materiality according to IFRS/ISSB	Current status quo* and our progress in 2025	Future outlook: Our 2026-2028 strategy
Climate risk and ESG integration in financing decisions	Integration of environmental, social and climate considerations into client screening, due diligence, sector assessment, portfolio monitoring and financing decisions.	High because it helps prevent, mitigate and manage harmful financed impacts across our value chain, while creating positive client outcomes through decarbonisation, resource-efficiency and resilience opportunities.	Risk Weaker credit quality, stranded exposure, climate transition and physical risk, regulatory non-compliance and reputational damage if ESG risks are not embedded. Opportunity Stronger portfolio quality, earlier risk identification, improved resilience and better client engagement.	During 2025, we assessed 448 clients through our Environmental and Social Management System and Environmental and Social Due Diligence processes, and embedded ESG screening into all new corporate credit proposals. We also enhanced our three-year ESG 2026-2028 strategy to incorporate climate-risk considerations and department-level KPIs, and initiated our first financed-emissions calculation. This initiative reinforces the Bank's commitment to responsible banking by strengthening governance and risk management practices, supporting the integration of sustainability considerations into decision-making processes, and identifying areas for further development and alignment with evolving market expectations.	Maps to the **Risk Pillar, Objective 1, Outcomes 1.1 and 1.2**: up-to-date ESG and climate risk classification, automated ESG due diligence, monitoring of high-risk sectors, annual climate stress testing, annual assessment of direct-finance climate risk, and policy updates embedding ESG and climate risk management.
Financial inclusion, accessibility and literacy	Expanding fair access to formal banking, especially for underserved groups such as women, youth, people with disabilities and SMEs, while strengthening financial capability.	High positive impact through wider access to finance, economic participation, empowerment and accessibility; negative impacts may arise where barriers to access persist.	Risk Missed growth, weaker franchise relevance and possible misalignment with regulatory and inclusion expectations. Opportunity Customer growth, deposit base expansion, deeper client relationships and stronger social license to operate.	We exceeded our 2025 target of 3,200 new accounts by reaching 4,081 through 18 initiatives across schools, universities and clubs. We equipped 9 branches and 32 ATMs with voice guidance and Braille keypads and supported 12,000 university students and 1500 women through targeted empowerment and upskilling initiatives. This builds directly on the 2023-2025 strategy's inclusiveness agenda.	Maps to the **Economic Pillar, Outcome 1.2 and Social Pillar, Outcome 2.2**: segmentation of SME data by women and youth ownership, additional underserved touchpoints, growth in women/youth/ PwD retail clients, possible microfinance expansion, low-cost account development and continued financial literacy initiatives.

*Status quo refers to the current state or existing condition

Material topic	Description of the topic in brief in our perspective	Impact materiality according to GRI	Financial materiality according to IFRS/ISSB	Current status quo* and our progress in 2025	Future outlook: Our 2026-2028 strategy
Consumer financial protection, cyber security and fair treatment	Protecting customers through secure banking channels, responsible data handling, service quality, fair treatment and trusted digital use.	High because customer harm can be immediate and significant where privacy, security, transparency or fair treatment break down; positive impacts are strong where services are safe, transparent and reliable.	Risk Cyber breaches, fraud, conduct issues, regulatory action, litigation, reputational damage and customer attrition. Opportunity Trust, retention, cross-sell, stronger digital adoption and franchise resilience.	We maintained a 90% customer satisfaction rate and a Net Promoter Score of 62, mitigated 2 million attempted cyber-attacks and maintained PCI DSS certification for secure transactions. These outcomes reinforce the legacy strategy's governance, transparency and safe banking ambitions, while supporting customer confidence in our growing digital channels.	Maps to **Objective 2, Outcome 2.2** in the 2026-2028 strategy: stronger systems to safeguard customer data, shorter response time to security breaches, phishing and fraud prevention, disclosure of customer data breaches, and customer awareness messages on privacy and protection. It also links to the customer-satisfaction procedure under **Outcome 2.1.**
Business ethics, compliance and governance	Maintaining integrity, anti-corruption, AML discipline, transparent governance and accountable decision-making across the Bank.	High because misconduct, corruption and weak governance can create direct negative impacts on customers, markets, employees and public trust; sound governance is a foundational positive impact.	Risk Fines, regulatory sanctions, license-to-operate pressure, funding and reputation damage. Opportunity Higher trust, stronger governance quality, lower compliance risk and better strategic execution.	In 2025, we recorded zero confirmed incidents of corruption and zero regulatory breaches related to AML alert handling, and achieved 100% collection and review of Board conflict-of-interest declarations. This reflects the governance structures, transparency and periodic-reporting priorities embedded in our 2023-2025 strategy.	Maps to the **Governance Pillar, Objective 1** and the **Risk Pillar, Objective 2**: Board and senior management ESG training, integration of ESG and climate knowledge into governance processes, creation of a Sustainable Finance and Sustainability Committee, ESG-linked executive accountability, zero E&S penalties, and annual policy updates aligned with regulations and best practice.

*Status quo refers to the current state or existing condition

Material topic	Description of the topic in brief in our perspective	Impact materiality according to GRI	Financial materiality according to IFRS/ISSB	Current status quo* and our progress in 2025	Future outlook: Our 2026-2028 strategy
Digital transformation and innovation	Digital channels, platforms and process redesign that improve access, efficiency, accuracy and scalability across customer and internal journeys.	Positive through faster, more accessible and lower-friction services; negative where outages, exclusion or poorly designed systems impair service or access.	Risk Technology failure, implementation risk and service disruption. Opportunity Scale, cost efficiency, faster processing, product innovation and stronger customer acquisition and retention.	Our Corporate Online Banking platform processed EGP 159 billion across 574,627 transactions in 2025.We launched Phase One of the BLiNK platform in February 2025 and successfully rolled out Phase Two in March 2025, further standardising retail facility processing through a streamlined digital interface that improves efficiency, accuracy, and resource optimisation while advancing the 2023–2025 strategy's paper-to-digital direction.	Maps to **Objective 2, Outcome 2.1:** a 10% increase in transactions through digital channels, introduction of new mobile-app features, a customer-satisfaction procedure for the app experience, an increase in active digital clients and minimum 99% platform uptime.
Human capital development, skills and wellbeing	Building the capabilities, engagement and wellbeing of employees so they can deliver strategy responsibly and sustainably.	Positive through better employee development, more capable decision-making and healthier working conditions; negative impacts arise where development, wellbeing or workload are poorly managed.	Risk Talent loss, execution gaps, lower productivity and weaker control environment. Opportunity Stronger retention, performance, leadership pipeline and implementation capacity for sustainability and climate goals.	We delivered 29,476 total training hours across 1,276 employee engagements, including 720 ESG and climate-focused hours for 173 employees. These achievements extend the 2023-2025 strategy's focus on capacity-building, awareness and internal culture.	Maps to the **Social Pillar, Objective 1:** ESG and climate training hours, wider employee training and certification on ESG topics, stronger work-life arrangements and targets for employee satisfaction, overtime management and leave utilisation. Where draft KPI values are still open, the strategic direction is clear even if the numerical threshold is still being calibrated.

*Status quo refers to the current state or existing condition

Material topic	Description of the topic in brief in our perspective	Impact materiality according to GRI	Financial materiality according to IFRS/ISSB	Current status quo* and our progress in 2025	Future outlook: Our 2026-2028 strategy
Equal opportunity and inclusive culture	Creating an inclusive workplace that supports gender balance, youth development, fair opportunity and representation, including for people with disabilities.	Positive social impact through equal opportunity, empowerment and representation; negative impacts can arise through exclusion, bias or unequal advancement.	**Risk** Weaker talent attraction and retention, poorer decision quality and reputational concerns. **Opportunity** Broader talent pool, more innovative teams, stronger leadership diversity and better alignment with inclusion expectations.	We were led in 2025 by a female Chief Executive Officer, with women holding key senior positions across banking, risk and sustainability. Female workforce representation rose to 33%, up from 31.2% in 2024, and 41% of new hires were under 30. This is consistent with the 2023-2025 strategy's emphasis on empowerment, especially for women.	Maps to the **Social Pillar, Outcome 1.2**: growth in employees with disabilities and formal targets for female representation in new hires and senior management. Some numerical thresholds in the draft strategy remain to be finalised, but the inclusion direction is already explicit.
Environmental footprint management	Managing our direct operational footprint through decarbonisation, waste diversion, paper reduction, resource efficiency and greener buildings.	Positive where our own operations reduce emissions, waste and resource use; negative impacts arise from energy use, waste generation and building-related footprint.	**Risk** Higher operating cost, regulatory pressure, asset inefficiency and reputational downside. **Opportunity** Cost savings, greener asset base, stronger operational resilience and climate credibility.	We committed to a 42% reduction in Scope 1 and 2 emissions by 2030 from a 2025 baseline, began the EDGE green-building certification process for our New Cairo Head Office, diverted 42 tonnes of paper waste from landfill through recycling partnerships, and planted 33 urban trees through our "Growing Together" initiative. This advances the 2023-2025 strategy's commitments on carbon footprint, waste, water, energy efficiency and paperless operations.	Maps to the **Environmental Pillar, Objective 1:** annual reduction in Scope 1 and 2 emissions, increased renewable energy share, waste measurement, a 40% waste diversion rate, recycling initiatives, water measurement and future water-reduction targets.

*Status quo refers to the current state or existing condition

Material topic	Description of the topic in brief in our perspective	Impact materiality according to GRI	Financial materiality according to IFRS/ISSB	Current status quo* and our progress in 2025	Future outlook: Our 2026-2028 strategy
Community relations and social investment	Partnerships, donations, and social programs that address key societal priorities, including education, healthcare, food security, and overall community well-being.	Positive impacts can be broad and meaningful for beneficiaries and local communities; direct negative impacts are lower than for core financing topics, but programme quality and targeting still matter.	**Risk** Misalignment with community needs or ineffective program execution may impact stakeholder trust and reduce perceived value **Opportunity** Stronger community trust, and well-targeted community engagement enhances brand equity, reinforces social relevance, and builds long-term relationship capital with key stakeholders and communities.	In 2025, we reached more than 326,000 beneficiaries through our partnership with Enactus, donated an advanced microtome device to Baheya Foundation, and delivered 1,000 Ramadan food boxes and 15,000 hot meals, alongside other solidarity and Eid initiatives. We also advanced women and youth empowerment through capacity-building programs, training 1,500 women through AI Masterclasses across multiple domains and supporting entrepreneurship and innovation initiatives that reached over 12,000 youth. These efforts are aligned with the social development orientation within our legacy strategy.	Maps to the Social Pillar, Outcomes 2.1 and 2.4: review and update of the CSR strategy, partnerships with NGOs, initiatives promoting financial inclusion, innovation, and economic empowerment for women and youth, and the establishment of a stronger pipeline of community events and awareness initiatives.

*Status quo refers to the current state or existing condition

Less Material

Material topic	Description of the topic in brief in our perspective	Impact materiality according to GRI	Financial materiality according to IFRS/ISSB	Current status quo* and our progress in 2025	Future outlook: Our 2026-2028 strategy
Supplier ESG and third-party risk management	Managing environmental, social, governance, confidentiality and Sharia-related expectations across third-party relationships.	Relevant because supplier practices can create indirect labour, environmental, ethical and data-protection impacts across the value chain.	**Risk** Third-party disruption, data leakage, conduct failures and reputational exposure. **Opportunity** Stronger supply-chain resilience, better procurement quality and more consistent standards.	In 2025, we managed 185 direct suppliers, integrated Sharia reviews into contract evaluations, and required non-disclosure agreements from all suppliers to protect confidentiality and data integrity. The topic is relevant, but relative to our financing portfolio it is currently more indirect in both impact and financial effect.	Maps to the **Social Pillar, Outcome 2.3** and the **Environmental Pillar, Objective 2:** social screening criteria for vendors, awareness sessions for existing vendors, child-labour and forced-labour assessments, environmental criteria for new vendors and green-practice training for suppliers.
Sustainability data governance and reporting	Building reliable systems, evidence trails and governance for timely, accurate and decision-useful sustainability information.	Primarily an enabling topic: its main impact is indirect, through better transparency, accountability and management of other material matters.	**Risk** Weak disclosures, compliance gaps, poor management decisions and lower confidence from investors, regulators and other stakeholders. **Opportunity** Stronger reporting quality, faster decision-making, better controls and more credible external communication.	In 2025, we began enhancing our ESG strategy to include climate risk and department-level KPIs, laying the groundwork for more structured sustainability data capture and management. This remains an area of maturity-building rather than a fully completed capability in 2025.	Maps directly to the **Governance Pillar, Objective 2:** integration of sustainability data into core systems and MIS, evidence and documentation controls, timely submission of sustainability data and stronger data quality and accuracy for internal and external reporting.

This assessment will be reviewed annually, and earlier where there is a significant change in strategy, portfolio structure, regulation or stakeholder expectations, so that our material topics continue to reflect our most significant impacts and the sustainability-related risks and opportunities most relevant to long-term value creation.

*Status quo refers to the current state or existing condition

04

Governance and Ethics

Guiding Our Path

بنك بيت التمويل الكويتي
KFH
EGYPT

Business Ethics, Compliance and Resilience

Why it Matters

Strong governance, compliance, and ethical conduct are fundamental to maintaining trust, protecting stakeholders' interests, and ensuring the long-term sustainability of KFH-Egypt's operations. These frameworks help safeguard the Bank from regulatory, legal, and reputational risks while reinforcing transparency, accountability, and integrity across all activities.

By embedding clear standards of behaviour and robust control mechanisms, the Bank ensures consistent decision-making, regulatory adherence, and a strong culture of compliance across the Bank.

Our Approach and Progress

KFH-Egypt applies an integrated governance and compliance framework supported by the Code of Conduct, Conflict of Interest management, Whistleblowing mechanisms, and a COSO-aligned internal control system. These structures ensure ethical behaviour, transparency in decision-making, and effective oversight of governance and compliance risks, including related-party transactions and potential conflicts of interest.

In 2025, the Bank strengthened its compliance environment through enhanced regulatory engagement, timely implementation of regulatory updates, and improved AML/CFT controls, including full adherence to alert handling timelines. Internal Audit provided independent assurance through a risk-based approach covering governance, compliance, operational, and technology risks, supported by structured monitoring of corrective actions and overall satisfactory control effectiveness.

Policies & Procedures

- Conflict of Interest Policy
- Whistleblowing Policy
- Compliance Regulatory Manual
- AML/CFT Policy
- FATCA Policy
- Group Internal Audit Policy

2025 Highlights

99%

Percentage of Employees Completed AML and Anti-Corruption Training

0

Whistleblowing Cases

0

Corruption Cases

Code of Conduct

KFH-Egypt maintains a Code of Conduct that sets out the principles and standards governing ethical and professional behaviour across the Bank. The Code reflects the Bank's commitment to honesty and integrity, compliance with applicable laws and regulations, and the consistent application of efficiency and accuracy in all activities. It also defines clear expectations for dealing with stakeholders, safeguarding the confidentiality of information, and ensuring appropriate workplace behaviour. In addition, the Code includes guidance on the acceptance of gifts, reinforcing a culture of transparency, accountability, and responsible conduct across all operations.

Ethical Work Environment

- Professional Excellence
- Related-Party Transactions
- Honesty, Integrity & Compliance
- Confidentiality
- Unacceptable Practices
- Gift Policy

Conflict of Interest and Related-Party Transactions

Transparency and integrity are key pillars of KFH-Egypt's Corporate Governance framework. The Bank maintains a Conflict of Interest Policy that ensures all Board members and relevant stakeholders act in a manner that avoids actual or potential conflicts between personal interests and the interests of the Bank. Board members are required to disclose any situations that may give rise to a conflict of interest and to abstain from participation in related discussions or decision-making processes where applicable.

Whistleblowing Policy

KFH-Egypt maintains a Whistleblowing Policy that promotes a speak-up culture and reinforces ethical behaviour across the Bank. The policy provides a secure, confidential, and anonymous reporting channel that enables employees to report misconduct, inappropriate practices, fraud, or regulatory breaches at an early stage.

This supports timely investigation and the implementation of appropriate corrective actions, while ensuring alignment with the Bank's Code of Conduct, HR policies, and applicable regulatory and governance requirements.

The policy also plays a key role in safeguarding whistleblowers by ensuring protection against retaliation, thereby encouraging openness, accountability, and integrity across the Bank. By enabling early risk detection, it helps reduce potential financial, legal, and reputational exposure. It further strengthens employee trust and engagement while enhancing the Bank's ethical standing and credibility among stakeholders.

Reporting Channels

16811

Egypt.Whistleblowing@kfh.com

0

Whistleblowing Cases

Compliance and Regulatory Adherence

KFH-Egypt maintains a comprehensive compliance framework to ensure full adherence to applicable laws, regulations, and regulatory guidelines, safeguarding the Bank from regulatory risks while protecting customer interests and reinforcing transparency and accountability.

This framework is supported by a strong Compliance Policy and Regulatory Manual that clearly define roles, responsibilities, and processes for identifying, monitoring, and mitigating compliance risks. During 2025, key policies were updated, including the Compliance Policy, AML/CFT Policy, and Compliance Regulatory Manual, ensuring continued alignment with evolving regulatory requirements and international standards.

The Bank maintains proactive and transparent engagement with regulatory authorities, including the CBE, through continuous monitoring of regulatory developments, conducting gap assessments against new or updated regulations, and implementing required enhancements in a timely manner. These efforts are supported by structured remediation plans to address regulatory observations and are complemented by a strong focus on embedding a culture of compliance through awareness initiatives, training programs, and structured reporting mechanisms.

Employees are encouraged to report potential non-compliance issues, supported by clear escalation and corrective action processes, while regular communication with senior management and relevant committees ensures transparency and timely resolution of compliance matters.

Group Compliance Training

KFH-Egypt employees have completed the 15-hour training requirement set by the Group, ensuring full alignment with Group-wide training standards. This achievement reflects the Bank's commitment to maintaining high levels of employee competency and regulatory awareness. The completion of the required training has contributed to enhanced technical and regulatory knowledge, strengthening overall capabilities and supporting consistent adherence to applicable compliance requirements.

16

Participants in Group Compliance Training

Anti-Money Laundering (AML) Policy

KFH-Egypt continues to enhance its Anti-Money Laundering and Counter-Terrorism Financing (AML/CFT) framework through strengthened monitoring systems and control mechanisms. In 2025, enhancements included recalibration of monitoring thresholds and improved oversight of outsourced activities, contributing to a stronger control environment and strengthened detection capabilities.

The Bank ensures strict adherence to regulatory timelines in the handling of AML alerts, with all alerts reviewed and closed within the turnaround time set by the regulator. This resulted in zero regulatory breaches related to alert handling, demonstrating the efficiency of monitoring processes and reducing exposure to compliance risks and potential penalties.

Zero Regulatory Breaches related to Alert Handling

Ongoing efforts are focused on streamlining the AML framework in alignment with Group standards, including revisiting alert management processes to enhance monitoring effectiveness. These initiatives support continuous improvement in compliance practices and ensure alignment with evolving regulatory expectations.

99%

Percentage of Employees Completed AML and Anti-Corruption Training

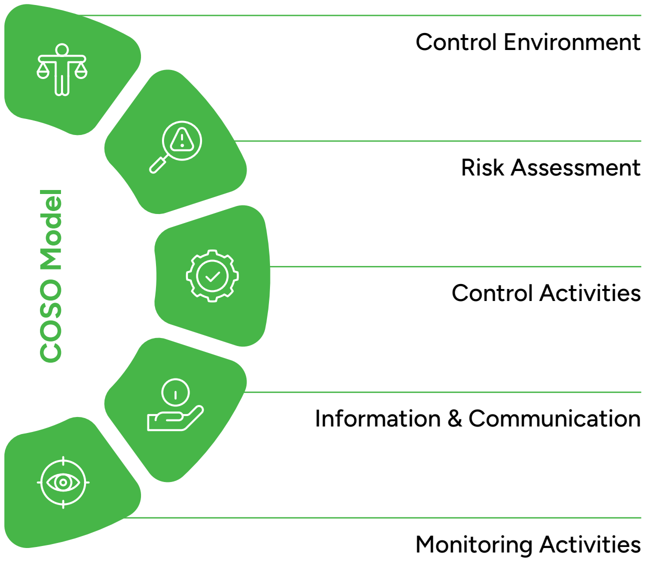
Zero

Corruption Cases

Internal Control System

KFH-Egypt maintains an internal control framework aligned with the COSO model and CBE requirements, ensuring effective oversight of internal controls, risk management, and compliance processes. The Board of Directors oversees the effectiveness of the internal control system and ensures the independence of both internal audit and risk management activities, while promoting a culture of transparency and integrity across the Bank.

The framework is built on the five COSO components, including control environment, risk assessment, control activities, information and communication, and monitoring activities, which collectively support a structured and effective governance environment.



Internal Audit

KFH-Egypt maintains a strong internal control environment supported by a risk-based Internal Audit framework aligned with the Group Internal Audit Policy and the Global Internal Audit Standards issued by the Institute of Internal Auditors (IIA). Internal audit activities are designed to provide independent assurance on the effectiveness of governance, risk management, and internal control processes across the Bank.

It's responsible for developing the annual risk-based audit plan through enterprise-wide risk assessments, taking into consideration the Bank's strategy, regulatory requirements, and Audit Committee expectations. Audit engagements are prioritized based on risk rating, materiality, and regulatory impact, with the Annual Audit Plan reviewed and approved by the Audit Committee. Internal audit activities also cover regulatory and compliance reviews to support adherence to CBE requirements and reduce regulatory risks and supervisory findings.

In addition, the Internal Audit framework includes dedicated reviews of technology and cybersecurity risks, covering areas such as access management, segregation of duties, data integrity, system interfaces, and business continuity and disaster recovery arrangements. Follow-up activities are conducted to monitor management action plans, validate the closure of audit findings, and escalate overdue or high-risk issues where necessary.

KFH-Egypt also maintains a structured, risk-based Compliance Monitoring Plan approved by the Audit and Compliance Committee, focusing on testing adherence to key regulatory requirements through desk-based reviews, branch visits, and targeted regulatory testing. In 2025, the effectiveness of the Bank's compliance controls was reflected in the absence of high-risk findings in internal audit assessments, with an overall satisfactory rating achieved, reinforcing the robustness of the Bank's governance and control environment.

Integrated Risk Management and Operational Resilience

Why it Matters

An effective risk management framework is essential to safeguarding KFH-Egypt's financial stability, operational resilience, and long-term sustainability. It enables the Bank to anticipate, assess, and mitigate a wide range of financial and non-financial risks in a structured and forward-looking manner.

By embedding risk considerations into decision-making processes, the Bank strengthens capital adequacy, protects asset quality, and ensures compliance with regulatory requirements.

The integration of ESG factors further enhances the ability to identify emerging risks that traditional financial analysis may not capture, supporting more resilient and sustainable growth.

Our Approach and Progress

KFH-Egypt applies an integrated risk management framework covering all key financial and non-financial risks, ensuring alignment with the Bank's strategy, risk appetite, and regulatory requirements. The framework is supported by strong governance, continuous monitoring, and enhanced automation of risk reporting, improving the accuracy and timeliness of risk insights.

Capital adequacy is reinforced through ICAAP, while stress testing and scenario analysis are used to assess resilience under adverse conditions and support forward-looking decision-making.

The Bank has further strengthened credit, market, operational, and fraud risk management through structured policies, early warning systems, and continuous monitoring processes. ESG considerations are increasingly embedded in credit assessments to enhance risk identification and support sustainable financing.

Operational resilience is reinforced through business continuity planning and training initiatives, while fraud risk processes and awareness programs continue to enhance detection, prevention, and response capabilities across the Bank.

Policies & Procedures

- Credit Policy
- Market Risk Procedures
- Retail Assets Policy
- ORM Permanent Control Procedure
- Anti Fraud Policy/Procedures
- Operational Risk framework

2025 Highlights

100%
Completion Rate of Operational Risk Training

Risk Management

KFH-Egypt maintains an integrated risk management framework designed to identify, assess, monitor, and manage all material financial and non-financial risks across the Bank. The framework is embedded within governance structures and aligned with the Bank's strategy, risk appetite, and regulatory requirements, ensuring sound decision-making and financial resilience under both normal and stressed conditions.

Environmental, Social, and Governance (ESG) factors are increasingly integrated into the Bank's risk management framework. This enhances the identification of emerging risks that may not be captured through traditional financial analysis, supporting a more comprehensive assessment of counterparties' long-term sustainability and resilience. It also strengthens the Bank's ability to identify regulatory and reputational risks at an early stage.

Types of Risks

Automation of Risk Reporting

KFH-Egypt has introduced automation initiatives within its risk reporting processes to enhance efficiency, accuracy, and timeliness. This has reduced manual intervention in data processing, minimized operational errors, and improved the consistency and speed of reporting. As a result, management benefits from more reliable and timely risk insights, supporting faster and more informed decision-making.

ICAAP and Capital Adequacy

The Internal Capital Adequacy Assessment Process (ICAAP) is regularly prepared and updated in line with CBE requirements. It ensures that the Bank maintains sufficient capital to cover material risks under forward-looking scenarios, including credit, market, liquidity, and operational risks. ICAAP is fully integrated into the governance framework and aligned with the Board-approved risk appetite, supporting strategic decision-making, regulatory compliance, and capital resilience.

Stress Testing and Scenario Analysis

Stress testing and scenario analysis are key components of KFH-Egypt's risk management framework, supporting the assessment of the Bank's resilience under adverse market and economic conditions.

These exercises evaluate the potential impact of potential stress scenarios across key risk areas, including market, credit, conduct annual climate risk stress testing, and liquidity risks, providing a forward-looking view of the Bank's overall risk profile.

The results are integrated into risk reporting and decision-making processes to support timely risk mitigation actions and enhance visibility over potential vulnerabilities. Back-testing activities are also conducted to validate the effectiveness of risk models and strengthen risk measurement practices in line with regulatory expectations.

Enterprise Risk Management (ERM)

KFH-Egypt's Enterprise Risk Management framework provides a comprehensive approach to managing risks across the Bank. It ensures that risk considerations are embedded in decision-making processes and aligned with strategic objectives and regulatory requirements. The framework supports the development of risk policies, methodologies, and tools in line with applicable standards, while enabling continuous monitoring and reporting of the Bank's overall risk profile and emerging vulnerabilities.

Adherence to internal risk limits and regulatory requirements is continuously overseen through established control mechanisms and structured escalation procedures for any identified breaches. The framework is further reinforced through periodic reviews and ongoing assessments to maintain its effectiveness, accuracy, and alignment with governance requirements.

Credit Risk Management

KFH-Egypt's Credit Risk framework ensures sound credit assessment, approval, and portfolio management in line with the Bank's risk appetite and CBE regulations. It covers secured and unsecured facilities, credit approvals is supported with appropriate risk mitigants, and compliance with established policies, authority matrices, documentation standards, and renewal procedures.

The framework also includes credit risk rating, country risk assessment, and controls over higher-risk exposures. Portfolio monitoring, post-approval reviews, and early warning signals are used to proactively manage credit deterioration, supporting sustained asset quality and operational continuity.

E&S Risk Integration in Credit Assessment (ESMS)

KFH-Egypt integrates environmental and social risk considerations into its credit decision-making process through its Environmental and Social Management System (ESMS). Under this framework, Environmental and Social Due Diligence (ESDD) assessments are conducted, and their findings, together with any associated corrective action plans, are incorporated into credit evaluations. For financing facilities with exposures exceeding EGP 200 million and tenors of more than one year, an external ESG assessment report prepared by an independent certified environmental consultant is required to provide additional assurance and oversight. Through these practices, KFH-Egypt strengthens its commitment to sustainable finance, regulatory compliance, and the continuous enhancement of the quality and resilience of its credit portfolio.

Retail Credit Risk Management

KFH-Egypt's Retail Credit Risk function (RCR) is responsible for the end-to-end processing and risk assessment of all retail asset applications in line with the approved Retail Assets Policy. The process covers all acquisition channels, including branches, direct sales, and private banking, starting from application origination through to final credit approval. This ensures that retail credit decisions are made in a controlled, consistent, and policy-driven manner, supporting sound credit quality and alignment with the Bank's risk appetite.

Market Risk Management

KFH-Egypt's Market Risk framework focuses on managing exposure to financial market movements, including interest rate risk, foreign exchange risk, and price volatility. The framework ensures that market risk exposures are effectively identified, measured, monitored, and controlled in line with the Bank's risk appetite and regulatory requirements.

Market risk is actively monitored through established methodologies and risk measurement tools. The Bank performs regular analysis and reporting to provide visibility over market risk exposures and potential vulnerabilities. KFH-Egypt continuously enhances its market risk measurement systems and reporting tools to improve accuracy, efficiency, and decision-making capabilities. Risk controls are regularly reviewed to ensure compliance with internal limits and regulatory guidelines, with escalation procedures in place for any breaches.

Operational Risk Management

KFH-Egypt maintains an Operational Risk Management framework designed to identify, assess, monitor, and mitigate operational risks across all business activities, while ensuring the effectiveness of internal controls and alignment with regulatory and Group requirements. The framework supports regular control testing and operational risk assessments through Permanent Control Reports (PCR), Operational Risk Self-Assessments (ORSA), incident and loss event management, key risk indicators, and structured regulatory reporting.

Operational risk oversight also includes continuous reviews across branches, centralized operations, and outsourced service providers to assess the effectiveness of control design and implementation. In addition, the framework covers areas such as change management, refund processes, social media risk assessments, and operational risk acceptance mechanisms, contributing to enhanced operational resilience and stronger governance practices across the Bank.

Operational Risk Awareness & Training Sessions

KFH-Egypt places strong emphasis on strengthening risk awareness and promoting a proactive risk culture through structured training and awareness initiatives. In 2025, the Bank conducted awareness sessions covering Operational Risk Management, Business Continuity Management, COSO Framework, and the Risk of Shari'a Non-Compliance, achieving a 100% training completion rate.

Additional workshops and awareness sessions focused on risk and control self-assessment, branch operational controls, and internal control frameworks, supporting employees' understanding of operational risks and reinforcing control discipline.

These initiatives contributed to enhancing risk awareness, reducing operational errors, and embedding risk management practices into day-to-day operations.

100%

Training Completion Rate

Business Continuity Management

Business Continuity Management forms an integral part of KFH-Egypt's operational risk framework, supporting the Bank's ability to maintain critical operations and respond effectively to potential disruptions. The framework includes regular monitoring, reporting, and continuity planning processes aligned with regulatory and Group requirements.

Business continuity awareness was further reinforced through dedicated training sessions and integration within broader operational risk awareness programs, supporting preparedness, operational resilience, and continuity of services under different scenarios.

Fraud Risk Management

KFH-Egypt maintains a Fraud Risk Management framework designed to strengthen the prevention, detection, investigation, and mitigation of internal and external fraud risks. Embedded within the Bank's broader operational risk framework, the approach includes fraud monitoring activities, risk assessments, investigations, escalation procedures, and card fraud management, all aligned with established policies and governance requirements.

The framework is reinforced through continuous monitoring processes, periodic fraud risk assessments, and structured investigation procedures to ensure timely identification and response to potential incidents.

In 2025, the Bank recorded fraud incidents, all of which were appropriately investigated in line with established procedures. The Bank achieved a 100% resolution rate for investigated fraud cases, demonstrating the efficiency of its investigative and remediation processes. In addition, fraud risk assessments were conducted to proactively identify potential vulnerabilities and strengthen preventive controls across operational areas.

Permanent Control Unit

Permanent Control remains a key component of KFH-Egypt's operational risk management approach. Through risk-based reviews and field visits, the unit assesses the effectiveness of the control framework across branches, departments, and units. Its activities focus on identifying and mitigating operational risks, ensuring compliance with policies and procedures, escalating risk findings to the relevant parties, and following up until resolution. The unit also oversees operational risks associated with outsourcing providers, contributing to the Bank's overall risk governance framework.

Fraud Risk Awareness & Training Sessions

KFH-Egypt continued to strengthen fraud risk awareness through targeted training programs and specialized workshops during 2025. Training initiatives covered fraud investigation processes, banking crimes, fraud prevention techniques, and fraud risk assessment practices, helping employees enhance their ability to identify and respond tosuspicious activities.

The Bank also participated in specialized industry events, including the Arab Fraud Combating Summit, which addressed emerging fraud risks and evolving financial crime practices within the banking sector. These initiatives achieved high participation and completion rates, contributing to stronger fraud awareness, enhanced preventive controls, and a reinforced culture of integrity across the Bank.

100%

Training Completion Rate

Data Privacy and Cybersecurity Governance

Why it Matters

Cybersecurity is critical to safeguarding KFH-Egypt's digital ecosystem, protecting sensitive customer data, and ensuring the continuity and resilience of banking operations.

As cyber threats continue to grow in scale, maintaining strong security controls is essential to preserve trust, comply with regulatory requirements, and protect the Bank's reputation. A resilient cybersecurity posture also enables safe digital transformation and supports the secure delivery of innovative banking services.

Our Approach and Progress

KFH-Egypt has established a comprehensive cybersecurity framework covering governance, prevention, detection, and response capabilities to ensure protection across its systems and digital channels. This includes continuous threat monitoring, secure architecture design, structured security assessments, and the integration of cybersecurity controls across all technology initiatives.

Cybersecurity awareness has been significantly strengthened through organization-wide simulation exercises and targeted training programs, reinforcing a strong security-first culture across the Bank. In parallel, key advancements in Security-by-Design, secure system validation, fraud prevention controls, and information security governance have further enhanced the Bank's overall security posture and operational resilience.

Policies & Procedures

- Cryptography Policy
- Information Security Policy

2025 Highlights

100%
of Cyber-Attacks Mitigated

100%
Of Employees Participated in Phishing Simulation & Cybersecurity Awareness Training.

Cybersecurity at KFH-Egypt

KFH-Egypt continues to strengthen its cybersecurity posture through a comprehensive framework designed to protect the confidentiality, integrity, and availability of its information systems and digital services. The Bank safeguards its infrastructure against evolving cyber threats through continuous monitoring, secure architecture design, and compliance with regulatory requirements, including CBE directives and international standards.

In 2025, the Bank recorded 2 million attempted cyber-attacks, all of which were effectively monitored and mitigated through its security controls and prevention mechanisms. This reflects the strength of the Bank's cybersecurity infrastructure and its ability to protect critical systems and customer data.

Cybersecurity governance is embedded across all technology and business operations, supported by structured risk management, secure system design, and continuous enhancement of detection and response capabilities.

Cybersecurity Awareness & Training

KFH-Egypt places strong emphasis on fostering a security-aware culture through targeted awareness and training programmes that enhance employees' ability to identify and respond to cyber threats. Phishing simulation campaigns were conducted across all departments, covering 100% of employees, followed by tailored awareness sessions that improved recognition of phishing attempts and reduced exposure to social engineering risks.

Additional training initiatives focus on cybersecurity awareness, secure data handling, and regulatory compliance, reinforcing employees' role as the first line of defence. These efforts contribute to strengthening the overall security culture and reducing operational and reputational risks associated with cyber incidents.

100%

Of Employees Participated in Phishing Simulation & Cybersecurity Awareness Training.

Security-by-Design Approach

KFH-Egypt embeds a Security-by-Design approach across all digital transformation initiatives to ensure that cybersecurity requirements are integrated from the earliest stages of design and development. Security considerations are incorporated into system architecture, business requirements, and solution design in coordination with relevant stakeholders and external vendors, ensuring that controls are not retrofitted but inherently built into digital solutions.

Security Assessment & Validation

All new digital solutions undergo comprehensive security assessments to ensure alignment with the Bank's cybersecurity standards and regulatory requirements. This includes penetration testing, secure code reviews, threat modelling, and cybersecurity risk assessments conducted prior to production deployment. Findings are addressed through structured remediation and validation processes to ensure all identified risks are mitigated effectively. No system is approved for go-live without formal security clearance, reinforcing strong control over the digital delivery lifecycle and reducing potential exposure to cyber risks.

Fraud and Security Controls

KFH-Egypt strengthens its cybersecurity and fraud prevention capabilities through advanced security controls embedded across its digital channels and banking infrastructure. A key initiative includes the deployment of ATM anti-fraud solutions, designed to enhance the detection and prevention of fraudulent transactions at the transaction level.

Fraud prevention is further reinforced through continuous monitoring and integration with broader cybersecurity systems to ensure early detection of suspicious activities. These measures support the Bank's commitment to protecting customers, safeguarding digital channels, and ensuring the integrity and security of banking transactions, while reducing exposure to cyber-enabled fraud and strengthening overall service resilience.

Information Security

KFH Egypt's Information Security framework ensures the protection of data and systems through a structured approach based on confidentiality, integrity, and availability. It is supported by secure backup arrangements, encryption controls, and strict access management to safeguard critical information assets. The framework is aligned with relevant regulatory and international standards, including CBE requirements, PCI DSS, and SWIFT CSP. Information security policies are regularly reviewed and updated to reflect evolving regulatory expectations and emerging cyber risks, ensuring continuous alignment with industry best practices.

A key milestone in 2025 was the successful achievement of PCI DSS (Payment Card Industry Data Security Standard) certification, reflecting enhanced governance, closure of identified gaps, and the implementation of a fully established Information Security Management System.

Third-party oversight, conducted by a qualified security assessor, is embedded within the framework to ensure that external service providers comply with the Bank's security, regulatory, and contractual requirements specially in cards payment services. In parallel, the Bank has also initiated efforts toward achieving ISO 27001 certification, underscoring its commitment to broader information security governance and continuous improvement.

PCI DSS

Future Outlook

KFH-Egypt will further strengthen its cybersecurity posture by enhancing its approach to third-party risk management and secure technology adoption.

The Bank plans to implement more comprehensive assessments of suppliers, vendors, and service providers to ensure compliance with strict security, regulatory, and ethical requirements, including alignment with ESG principles related to responsible data handling and governance practices.

Going forward, continuous monitoring mechanisms will be reinforced to provide ongoing assurance over vendor performance, compliance status, and remediation of identified risks. In parallel, stronger secure integration controls will be applied to ensure that all third-party systems, APIs, and digital services are safely embedded within the Bank's ecosystem without introducing additional cybersecurity vulnerabilities.

05

Financial Capital

Responsible Growth and Sustainable Finance

Financial Resilience

Why it Matters

Financial resilience is fundamental to KFH-Egypt's ability to maintain stability, protect stakeholder value, and support sustainable growth in a changing economic environment. For an Shari'a-compliant banking, resilience is not only measured by financial performance, but also by the strength of Sharia-compliant financial intermediation, prudent resource management, and the ability to respond to evolving customer, market, and regulatory expectations.

A resilient financial position enables the Bank to continue serving its customers, mobilizing resources effectively, and supporting economic activity while maintaining sound liquidity, disciplined growth, and responsible risk management. It also strengthens the Bank's capacity to invest in transformation, enhance customer experience, expand access to financial services, and align growth with long-term sustainability priorities.

For KFH-Egypt, financial resilience is therefore a core enabler of responsible value creation. It supports the Bank's ability to balance growth with prudence, business expansion with Sharia principles, and financial strength with long-term value creation for shareholders, customers, employees, regulators, and the wider economy.

Our Approach and Progress

KFH-Egypt's approach to financial resilience is built around disciplined growth, effective resource mobilization, sound liquidity management, and the expansion of Sharia-compliant financial solutions. The Bank works to strengthen its financial position while maintaining a prudent approach to risk, portfolio quality, and customer relationship management.

During 2025, KFH-Egypt continued to expand its financial base, supported by growth in total assets, total revenue, shareholders' equity, deposits, and financing activities. The Bank also continued to diversify its activities across retail, corporate, SME, treasury, and financial institutions, helping to reinforce business continuity and broaden its contribution to the economy.

The continued expansion and enhancement of the Bank's Shari'a-compliant banking operations remained an important part of this approach. KFH-Egypt worked on converting and mapping products into Sharia-compliant alternatives, expanding Islamic financial institution relationships, and developing mechanisms such as Wakala and Murabaha agreements to support Sharia-compliant liquidity and settlement activities.

KFH-Egypt's approach is supported by a set of internal policies and procedures covering credit, treasury, retail product development, financial institutions, CBE reporting, internal controls, expense control, profit distribution, and Sharia-related income treatment. During 2025, selected policies were updated, including the Expense Control Policy, Accounting Policy, Profit Distribution Policy, and Non-Sharia-Compliant Income Procedures. KFH Finance Company also updated its policies to comply with the conversion to Sharia, introduced a leasing-related policy, and updated its Risk Policy in line with new Financial Regulatory Authority (FRA) regulations.

Policies & Procedures

- Credit Policy
- Treasury Policy Guide
- Retail Product Development Procedure
- Financial Institutions Policies and Procedures
- Internal Control Procedure
- Profit Distribution Policy
- Non-Sharia-Compliant Income Procedures

2025 Highlights

EGP 28.540 Bn
Total Revenue

EGP 9.876 Bn
Individual Financing

EGP 37.97 Bn
Individual Deposits

EGP 22.266 Bn
Total Equity

EGP 88.4 Bn
Corporate Financing

EGP 141.35 Bn
Total Deposits

EGP 6.73 Bn
SMEs Finance

EGP 104.78 Bn
Total Financing

EGP 171.805 Bn
Total Assets

EGP 4.084 Bn
Net Profit

EGP 103.38 Bn
Corporate Deposits

EGP 7.64 Bn
Net Financing Income

Financing Portfolio Overview

KFH-Egypt's financing portfolio is a key pillar of the Bank's financial resilience, reflecting its ability to serve individuals, SMEs, and corporates through Sharia-compliant financial solutions that respond to diverse customer and business needs. In 2025, the Bank continued to manage its financing activities with a focus on disciplined growth, portfolio quality, sectoral diversification, customer accessibility, and alignment with Shari'a-compliant banking principles. This section provides a closer view of KFH-Egypt's retail, SME, and corporate financing activities, highlighting how each segment contributes to the Bank's resilience, market presence, and long-term value creation.

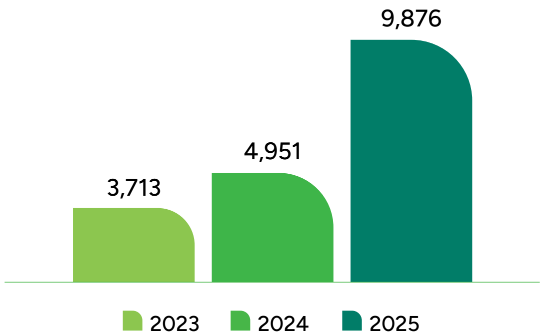
Retail Banking

KFH-Egypt's retail banking services play an important role in expanding access to Sharia-compliant financial solutions for individuals. The Bank's retail operations provide accessible banking products and services that respond to diverse customer needs, support customer acquisition, and contribute to the Bank's financial resilience.

Retail Financing Portfolio

In 2025, KFH-Egypt's retail financing portfolio reached EGP 9,876 billion, compared to EGP 4,951 billion in 2024, reflecting a year-on-year increase of approximately 99.5%. This expansion demonstrates the Bank's growing presence in the individual customer segment and its continued ability to respond to customer demand through Sharia-compliant financing solutions. The increase also reflects the Bank's focus on product development, customer acquisition, and wider access to retail financial services.

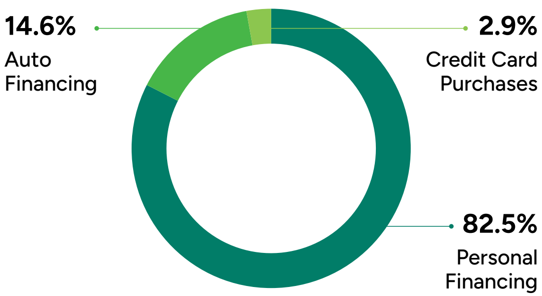
KFH-Egypt Retail Finance Volume (EGP Bn)



Retail Portfolio Breakdown

The 2025 retail financing portfolio was driven primarily by personal financing, which reached EGP 8,148 million and represented the largest component of the portfolio. Auto financing reached EGP 1,447 million, while credit cards financing amounted to EGP 281 million. Together, these products reflect KFH-Egypt's ability to address different customer needs through a diversified Sharia-compliant retail offering.

Retail Portfolio Breakdown EGP (Mn)



Retail Customer Reach

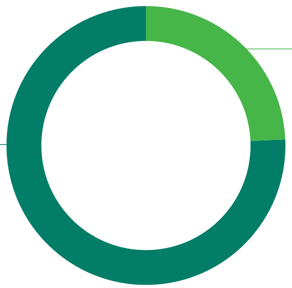
Beyond portfolio growth, KFH-Egypt continued to expand its retail customer base. In 2025, the Bank served 151,668 retail clients and recorded 12,813 retail financing transactions. The Bank also welcomed 34,670 new-to-bank customers, reflecting continued demand for its Sharia-compliant retail offerings and supporting the Bank's wider financial inclusion objectives.

Total Retail Clients	151,668
Total Retail Financing Transactions	12,813
New-to-Bank Customers	34,670
Active Credit Card Accounts	21,568

Promoting Retail Gender Diversity

KFH-Egypt continued to promote financial inclusion across different retail customer segments, with particular focus on women and youth. In 2025, the Bank served 36,880 women customers across active and inactive accounts, representing approximately 24.3% of its total retail customer base. Additionally, KFH-Egypt served 7,255 youth customers under 21 years old, supporting the next generation's access to Sharia-compliant banking services. The Bank also reached 21,568 customers with active credit card accounts, providing convenient payment solutions aligned with customer needs and Shari'a-compliant banking principles

Retail Customers



Your Green Wallet

Green Finance Program

In 2025, KFH-Egypt launched **"Your Green Wallet,"** a dedicated green consumer finance program designed to support sustainable consumption among retail customers. The program provides Sharia-compliant financing for eligible sustainable consumer products, including power-efficient home appliances, electric vehicle chargers, and other environmentally responsible goods.

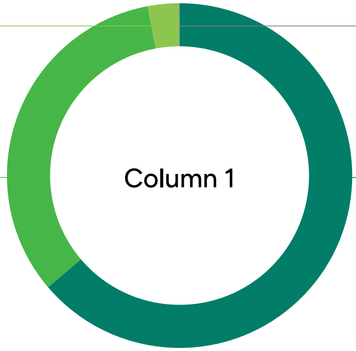
Through this initiative, the Bank expanded its sustainable retail product offering while encouraging customers to shift toward more energy-efficient and low-carbon lifestyle choices. The program also strengthens customer awareness and demand for sustainable products, supports national sustainability and energy efficiency priorities, and creates environmental and social value alongside financial inclusion.

SME Banking

KFH-Egypt's financing portfolio is a key pillar of the Bank's financial resilience, reflecting its ability to serve individuals, SMEs, and corporates through Sharia-compliant financial solutions that respond to diverse customer and business needs. In 2025, the Bank continued to manage its financing activities with a focus on disciplined growth, portfolio quality, sectoral diversification, customer accessibility, and alignment with Shari'a-compliant banking principles. This section provides a closer view of KFH-Egypt's retail, SME, and corporate financing activities, highlighting how each segment contributes to the Bank's resilience, market presence, and long-term value creation.

SME Financing Portfolio

In 2025, KFH-Egypt's total SME financing reached EGP 6,530 million, serving 71 SME clients across different sectors. The portfolio reflects the Bank's continued focus on supporting SMEs through Sharia-compliant financing solutions across multiple economic activities. The SME portfolio covered several sectors, including commercial, service, industrial, agricultural, and other activities. In 2025, SME direct exposure included EGP 3,404.8 million in the commercial sector, EGP 296.2 million in the service sector, and EGP 6.4 million in the agricultural sector, with additional exposures recorded across other sectors.



Geographically, the SME portfolio covered Greater Cairo, Giza, Alexandria, Delta and Sinai, and Upper Egypt. In 2025, the Bank served 40 SME clients in Greater Cairo, 18 in Giza, 12 in Alexandria, Delta and Sinai, and one client in Upper Egypt. This distribution reflects the Bank's continued presence across key economic areas while maintaining access beyond the main business hubs.

Women-Owned SMEs

KFH-Egypt continued to support women-owned SMEs in 2025. Financing provided to women-owned SMEs increased to EGP 285.8 million, compared with EGP 151.6 million in 2024, reflecting an increase of approximately 88.5% year-on-year, while the Bank served 11 women-owned SME clients. This progress reflects the Bank's contribution to inclusive business finance and women's economic participation.

+88.5%

Financing to Women-Owned SMEs compared to 2024

Corporate Banking

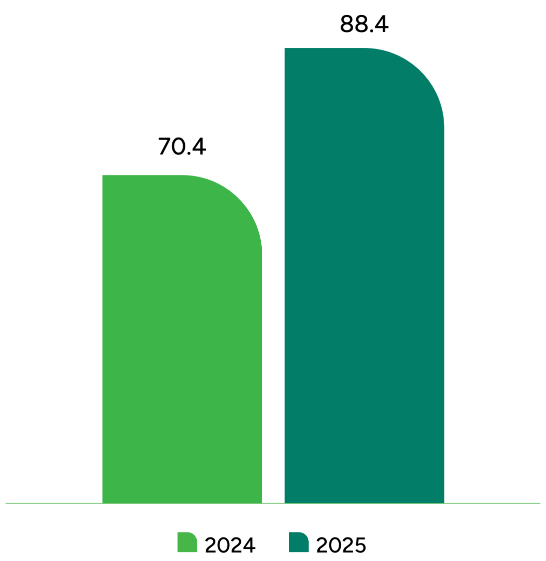
KFH-Egypt's corporate banking activities play an important role in supporting the Bank's financial resilience by providing Sharia-compliant financial solutions to medium and large corporates. The Bank's corporate offering responds to clients' operational and strategic needs through working capital, CAPEX, trade finance, treasury, FX, and structured financing solutions, while supporting portfolio diversification, relationship management, and financing activity across key economic sectors.

Corporate Financing Portfolio

In 2025, KFH-Egypt's corporate financing sectoral portfolio reached EGP 88.4 billion, compared with EGP 70.4 billion in 2024, reflecting an increase of 25.6% year-on-year. This growth reflects the Bank's continued role in supporting corporate clients and financing economic activity through Sharia-compliant structures.

Corporate financing portfolio

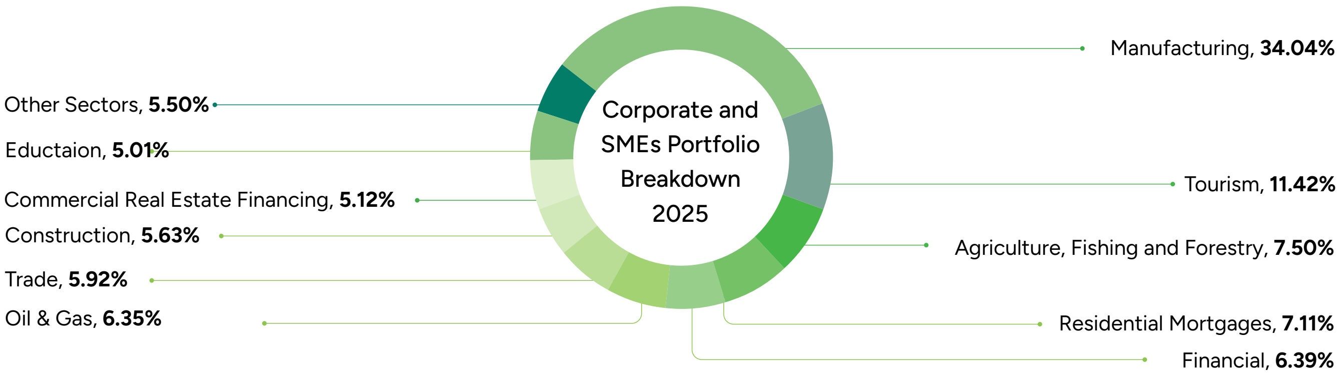
EGP (Bn)



Diversified Sector Portfolio

KFH Egypt's corporate and SME financing portfolio increased to EGP 94.9 billion in 2025, compared with EGP 80.0 billion in 2024, reflecting year-on-year growth of approximately 18.6%. The portfolio remained diversified across multiple sectors, with Manufacturing representing the largest exposure, followed by Tourism, Agriculture, Fishing and Forestry, Residential Mortgages, Financial, Oil & Gas, Trade, Construction, Commercial Real Estate Financing, and Education. This distribution reflects the Bank's broad corporate financing base and its focus on maintaining a balanced sectoral portfolio.

This sectoral distribution reflects KFH-Egypt's role in financing productive sectors while maintaining a diversified corporate portfolio. It also supports the Bank's financial resilience by reducing concentration risk and broadening exposure across different areas of the economy.



Sustainable Finance Ambitions and Strategic Partnerships

KFH–Egypt's strategic partnership with the European Bank for Reconstruction and Development (EBRD) commenced in December 2021, with the objective of supporting funding programs that contribute to Egypt's transition toward a more resilient and resource-efficient economy.

As part of its broader commitment to expanding sustainable lending and financing projects with a positive environmental impact, the Bank secured a senior unsecured financing package from EBRD totaling USD 82 million. This package comprises a USD 52 million direct facility and a USD 30 million contingent facility.

Accelerating Business Competitiveness and Green Value Chains

This facility is designed to support SMEs capital investments that enhance competitiveness, improve productivity, and help businesses address rising energy and water costs through more sustainable operating models. In addition, advancing Green Value Chain (GVC) projects across Egypt, enabling businesses to strengthen operational efficiency while reducing their environmental footprint.

Supporting the Transition to a Low-Carbon Economy

Through this partnership, KFH- Egypt is helping businesses adopt more sustainable practices, invest in resource-efficient technologies, and strengthen their long-term resilience. Beyond supporting private sector growth, these financing solutions contribute to national climate priorities and global sustainability objectives by facilitating the transition toward greener and more environmentally responsible economic activity.

Sustainable Finance

Why it Matters

Sustainable finance is a strategic lever for KFH-Egypt to align financial growth with lasting environmental and social value creation. By directing capital toward activities that address climate challenges, enhance resource efficiency, and support inclusive development, the Bank strengthens portfolio resilience while expanding access to solutions that enable greener choices and operational improvements.

Beyond institutional benefits, this capital allocation channels investment toward critical sectors, creating economic opportunities and addressing pressing societal needs. In doing so, sustainable finance becomes not merely a responsibility but a catalyst for shared prosperity, connecting the Bank's financial objectives with the wellbeing of the communities and environment it serves.

Our Approach and Progress

KFH-Egypt applies a structured sustainable finance approach that integrates environmental and social considerations into financing activities and portfolio monitoring. The Bank classifies sustainable finance activities across defined environmental and social categories to better track portfolio composition and ESG related outcomes.

The environmental finance portfolio covers Waste Management, Sustainable Infrastructure, Climate Smart Agriculture, Green Products and Materials, Water Use, and Energy Efficiency. The social finance portfolio covers Education, Digital Services and Communications, Health, Handicrafts, and Infrastructure.

Through this approach, KFH-Egypt directs financial resources toward activities that generate positive environmental and social outcomes while supporting responsible portfolio growth and alignment with ethical banking principles.

2025 Highlights

EGP 27.029 Bn
Environmental and Social Portfolio
34.2% YoY Growth

24.12%
Total Portfolio Share of E&S

EGP 3.282 Bn
Environmental Portfolio
43% YoY Growth

EGP 23.747 Bn
Social Portfolio
33.1 YoY Growth

Environmental and Social Financing

In 2025, KFH-Egypt's sustainable finance portfolio reached EGP 27.029 Bn, compared to EGP 20.141 Bn in 2024, representing a 34% year-on-year increase. The portfolio represented 24% of the Bank's total portfolio in 2025, compared to 22% in 2024, exceeding the Bank's strategic sustainable finance target of 20% for the three-year period ending 2025.

The number of sustainable finance projects increased from 93 projects in 2024 to 100 projects in 2025, marking a 7.5% year-on-year increase. This progress reflects the continued integration of environmental and social finance activities within the Bank's overall portfolio.

Environmental Projects

KFH-Egypt's environmental finance portfolio reached EGP 3.282 Bn in 2025, compared to EGP 2.295 Bn in 2024, reflecting an 43% increase. The number of environmental finance projects increased from 17 projects in 2024 to 25 projects in 2025, representing a 47% increase.

The portfolio covered six environmental categories: Waste Management, Sustainable Infrastructure, Climate Smart Agriculture, Green Products and Materials, Water Use, and Energy Efficiency. Water Use represented the largest share of environmental finance, followed by Waste Management, Energy Efficiency, Sustainable Infrastructure, Green Products and Materials, and Climate Smart Agriculture.

2025 Environmental Portfolio

EGP 3.282 Bn
In financing

25
Projects

Waste Recycling
5 Project

Sustainable Infrastructure
1 Projects

Climate-smart Agriculture
1 Project

Green Products and Materials
4 Projects

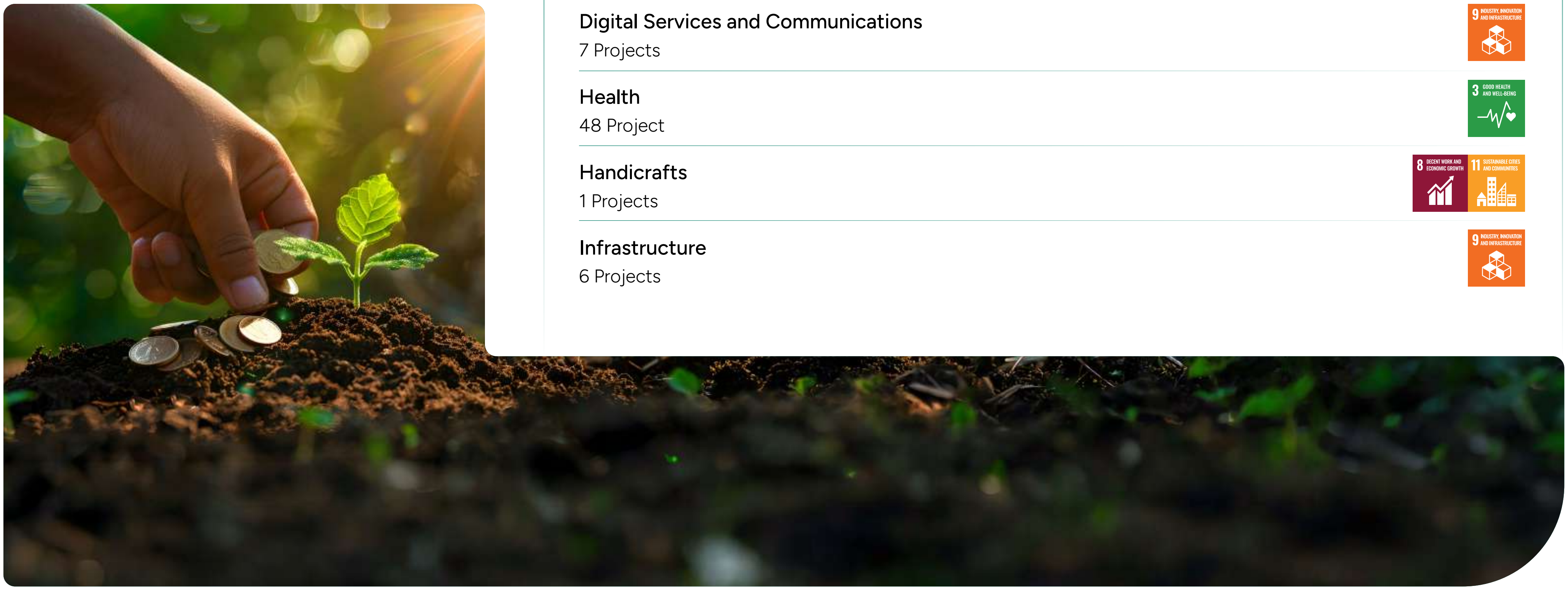
Water Treatment
4 Projects

Energy Efficiency
10 Projects

Social Finance Portfolio

KFH-Egypt's social finance portfolio reached EGP 23.747 Bn in 2025, compared to EGP 17.846 Bn in 2024, reflecting a 33% increase. The number of social finance projects stood at 75 projects in 2025, compared to 76 projects in 2024.

The portfolio covered five social categories: Education, Digital Services and Communications, Health, Handicrafts, and Infrastructure. Healthcare represented the largest share of social finance, followed by Education, Infrastructure, Digital Services and Communications, and Handicrafts.



2025 Social Portfolio

EGP 23.747 Bn
In financing

75
Projects

Education
13 Project

Digital Services and Communications
7 Projects

Health
48 Project

Handicrafts
1 Projects

Infrastructure
6 Projects

Capacity Building and Employee Engagement

Sustainable Finance Integration in Learning Programs

KFH-Egypt strengthened its internal capabilities by integrating a Sustainable Finance Module into its in-house credit course program, ensuring that ESG and sustainable finance principles are embedded within core credit assessment training.

Climate Risk Awareness and Technical Upskilling

As part of ongoing internal capacity-building efforts, the Sustainable Finance and Sustainability Department conducted Carbon Border Adjustment Mechanism (CBAM) awareness sessions throughout 2025 for relevant departments. In addition, a comprehensive full-day session led by a reputable ESG consultant has been scheduled for all relevant departments to be delivered in early 2026. Although this session falls outside the reporting period, it reflects the Bank's continued commitment to strengthening internal expertise on evolving climate-related regulatory frameworks and their implications for financing decisions and risk management practices.

Internal Capacity Building and ESG Culture Enhancement

KFH-Egypt delivered 1,276 training engagements totaling 29,476 training hours, including 720 ESG and climate-focused hours provided to 173 employees. To further reinforce engagement, the Bank issued a monthly digital green newsletter featuring educational content and sustainability-focused employee competitions.

Ongoing Awareness and Implementation Support

The Sustainable Finance and Sustainability (SFS) team conducted regular awareness sessions, one-to-one meetings, and continuous communication with Business and Risk teams. These efforts supported the effective implementation of the Environmental and Social Management System (ESMS) and Environmental and Social Due Diligence (ESDD) processes, enhanced understanding of sustainable finance trends and opportunities, and ensured alignment with applicable compliance requirements.

06 Manufactured Capital

Ensuring Accessibility and Inclusive Services

بنك بيت التمويل الكويتي
KFH
EGYPT

Branches and ATMs Network: Enabling Accessibility and Inclusive Banking

Why it Matters

Accessible banking infrastructure enables customers to carry out essential financial transactions efficiently and without barriers. A well-positioned network of branches and ATMs ensures continuity of service, supports financial inclusion, and extends access to individuals across different locations.

Optimizing branch operations is essential to ensuring efficient service delivery, consistent performance, and effective resource utilization. A well-managed operational model enables the Bank to streamline processes, reduce inefficiencies, and respond more effectively to customer needs, supporting faster service, improved productivity, and stronger control over operational risks.

For KFH-Egypt, maintaining and optimizing this network strengthens customer reach, ensures service consistency across locations, and enables the Bank to adapt to evolving business requirements while delivering a more efficient and reliable banking experience through both in-person and self-service channels.

Our Approach and Progress

KFH-Egypt manages its physical banking network through a structured approach that emphasizes effective coverage, reliability, and consistent service delivery, guided by CBE guidelines. The Bank adopts a comprehensive management framework focusing on standardization, continuous monitoring, and process improvement.

Daily operations are guided by established procedures to ensure consistency across all locations, while monthly performance tracking, supported by quarterly consolidation and analysis, enables informed decision-making and enhanced productivity through optimized staff allocation and streamlined processes.

Accessibility is embedded into service design, with ongoing efforts to ensure that banking services are usable by customers with disabilities. Through continuous evaluation and enhancement, including branch relocations, new openings, and operational adjustments, KFH-Egypt maintains a reliable and accessible service environment that supports a diverse customer base and aligns with evolving customer demand and geographic needs.

Policies & Procedures

- Branches Services & Operations
- Tellers Section
- EGP & FCY Daily Maximum Withdrawal Limits Policy

2025 Highlights

45
Branches across **15** governorates

103
ATMs distributed across Egypt

9
Branches Accessible for PwD

120
PoS distributed across Egypt

Branches and ATMs Network

KFH-Egypt's branch network represents a key channel for delivering its services across the country, with 45 branches across 15 governorates. This footprint reflects the Bank's focus on maintaining a strong physical presence to support customer access and engagement.

Through its branches, the Bank provides a wide range of Shariaa-compliant financial services, serving individuals, small and medium-sized enterprises (SMEs), and large corporates. Each location is positioned to support the specific needs of the communities it serves.

The placement of branches is carefully considered, taking into account factors such as economic activity, population trends, and customer demand. This targeted approach supports broader efforts to expand access to financial services and strengthens the Bank's connection with different regions across Egypt.

KFH-Egypt's ATM network plays a key role in extending access to banking services beyond branch locations, providing customers with convenient, self-service options for their day-to-day transactions. As of 2025, the Bank operates 103 ATMs across different locations, supporting broader service reach and availability.

Point of Sale (PoS) Network

KFH-Egypt extends access to its banking services through a growing Point of Sale (PoS) network, enabling customers to perform transactions conveniently beyond traditional branch locations. As of 2025, the Bank operates 120 PoS terminals, supporting wider service reach across various merchant locations.

The PoS network facilitates electronic payments and everyday transactions, enhancing efficiency and reducing reliance on cash-based interactions. This contributes to the promotion of financial inclusion and supports the adoption of digital payment solutions.

By complementing the Bank's physical infrastructure, the PoS network provides customers with flexible and accessible service options, contributing to a more integrated and convenient banking experience.

45 Branches
Covering 15 Governorates across Egypt.

103 ATMS
Distributed across Egypt

120 PoS terminals
Distributed across Egypt

Delta Region & Alexandria

12 Branches
26.7% of total

25 ATMS
24.3% of total

Red Sea & Suez

4 Branches
8.9% of total

12 ATMS
11.7% of total

Greater Cairo

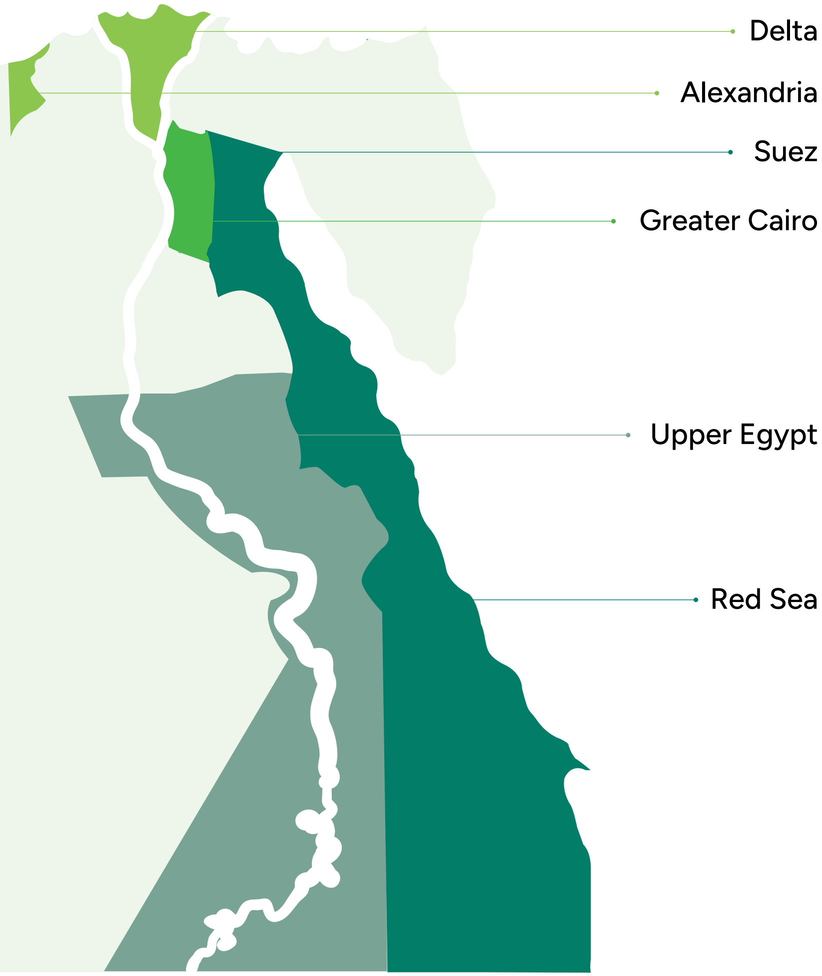
26 Branches
57.8% of total

63 ATMS
61.2% of total

Upper Egypt

3 Branches
6.6% of total

3 ATMS
2.8% of total



Enhancing Accessibility and Inclusive Banking Services

KFH-Egypt continues to enhance the accessibility of its physical network to ensure that banking services are available to all customer segments. As part of these efforts, 9 branches and 32 ATMs are equipped to serve people with disabilities (PwDs), supporting a more inclusive banking experience.

Accessible branches are designed to reduce physical barriers and enable customers to use services independently, improving ease of access and overall experience. In parallel, accessible ATMs incorporate advanced features such as voice-guided functionality to assist visually impaired customers, allowing them to carry out transactions like cash withdrawals and balance inquiries with ease.

Additional capabilities, including Near Field Communication (NFC) technology, allow card less transactions, while card less deposit services and e-wallet integration enable both KFH and non-KFH customers to perform cash-in and cash-out transactions efficiently. These features enhance convenience while supporting the adoption of digital payment solutions. The ATM network also ensures service continuity beyond branch operating hours, supported by ongoing monitoring and maintenance to maintain reliable performance across all locations.

9 Branches
For PwDs across Egypt

32 ATMS
Specially designed for PwDs

Especially Equipped Branches Of KFH Egypt

Wheelchair-friendly ramps
Designed to ensure safe and convenient access

Clear and accessible signage
To support easy navigation within branches

Restroom facilities
Designed to accomodate individuals with disabilities

Designed service areas
Offering personalized assistance in a quiet and private setting

Driving Operational Efficiency and Network Optimization

In 2025, updates were made to key operational frameworks, including enhancements to the Branch Operations Standard Operating Procedures (SOPs) to simplify workflows and improve execution efficiency. In parallel, adjustments to branches' daily cash limits including the removal of limits for closed branches and the introduction of updated limits for newly opened locations supported better alignment with operational requirements.

These efforts resulted in improved branch productivity, reduced operational risk incidents and process deviations, and successful execution of network optimization initiatives.

Service Enhancement and Continuous Improvement

In 2025, KFH-Egypt implemented a transformational shift to a Universal Banking model, redefining its branch operating structure and service delivery approach. This introduced a more integrated service model, enabling frontline teams to manage both teller and customer service activities within a unified framework.

The new model improved efficiency by accelerating customer request handling, enhancing responsiveness, and enabling more flexible management of customer flow. It also supported a more consistent customer experience and strengthened the overall effectiveness of branch operations.

Building on these advancements, KFH-Egypt continues to enhance its network through ongoing process improvements and data-driven optimization, including the increased use of analytics and further standardization of practices across locations.

To support the implementation of this model, targeted operational training programs were delivered to the bank employees, including Cash Handling Training, Branch Operations Training, and Trade Finance Training, ensuring alignment with updated processes and effective execution of daily activities.

07

Intellectual Capital

Digital Transformation and Innovation

بنك بيت التمويل الكويتي
KFH
EGYPT

Digital Transformation Strategy

Why it Matters

Digital innovation is a key enabler of KFH-Egypt's operational resilience and customer experience strategy. As banking services become increasingly digital and data-driven, maintaining stable, secure, and efficient digital infrastructure is essential to ensure uninterrupted service delivery, safeguard customer trust, and support business continuity under all operating conditions.

The expansion of digital channels, automation, and paperless operations is reshaping how banking services are delivered.

This makes it critical to balance efficiency gains with strong governance, controls, and secure information management to ensure that digital transformation remains sustainable, compliant, and resilient.

Our Approach and Progress

KFH-Egypt continues to advance its digital transformation agenda through a structured approach that strengthens operational resilience, enhances process efficiency, and improves service reliability across all banking activities. The Bank embeds digital capabilities across operational and customer-facing processes, supported by secure infrastructure, automation, and continuous governance oversight to ensure consistent performance and responsiveness to evolving needs.

Significant progress has been achieved in automation, digitization, and paperless transformation, enabling faster processing, reduced manual intervention, and improved operational accuracy. These enhancements are reinforced through digital documentation and archiving solutions that strengthen data security, improve accessibility, and support compliance and audit readiness. In parallel, capability-building initiatives and digital tools such as integrated operational platforms further enhance standardization, efficiency, and control effectiveness across operations.

Policies & Procedures

- GTB has a list of 7 procedures for their related products

2025 Highlights

+1,400

Digitalization-Related Training Hours

108

Participants in Digitalization -Related Trainings

Digital Innovation at KFH-Egypt

KFH-Egypt continues to advance its digital transformation agenda by strengthening the stability, efficiency, and continuity of banking operations. The Bank focuses on developing strong digital infrastructure, enhancing automation, and reinforcing governance and control mechanisms across operational layers. This supports reliable service delivery, operational continuity, and sustained performance across both normal and stressed conditions.

The Bank's digital ecosystem is designed to improve efficiency, scalability, and service reliability through integrated systems, secure platforms, and continuous enhancement of operational capabilities. Digital transformation initiatives are embedded across business and operational processes to ensure consistent service quality and improved responsiveness to evolving regulatory and customer expectations.

KFH-Egypt prioritizes the security and stability of its digital delivery through continuous infrastructure upgrades. In 2025, the Bank successfully upgraded the **Core Banking Systems** to support enterprise-level operations and enhance service reliability. To lead in secure banking delivery, the Bank also rolled out advanced **ATM anti-fraud devices**, ensuring a proactive approach to protecting customer transactions and maintaining institutional integrity.

Digital Corporate Banking Enablement

KFH-Egypt continues to advance the digitalization of corporate banking services through its Global Transaction Banking (GTB) framework, which integrates cash management, trade finance, and cross-border payment solutions within a unified digital ecosystem. These capabilities enhance the speed, transparency, and reliability of corporate transactions while improving overall operational efficiency.

The Bank's corporate digital ecosystem enables clients to execute collections, payments, and trade-related activities through streamlined electronic platforms, reducing reliance on manual processes and enabling greater straight-through processing. This supports more efficient execution of key financial operations, including payments, trade documentation, and international transfers.

Within the GTB framework, continuous enhancements are being made to strengthen interoperability between digital channels and core banking systems, supporting more seamless client connectivity and improved service responsiveness. These enhancements have contributed to increased adoption of digital corporate channels and a gradual shift toward fully electronic transaction flows, reinforcing the Bank's ability to deliver scalable and efficient corporate banking services.

Operational Processing & Digital Efficiency

KFH-Egypt strengthens operational efficiency through centralized processing capabilities that support the execution of transactions initiated across multiple banking channels. This structure enhances control, consistency, and transparency through continuous performance monitoring and structured dashboards covering process efficiency, productivity, operational controls, and digital channel performance.

The Bank continues to expand automation and paperless initiatives to reduce manual intervention, improve processing speed, and minimize operational errors. Increased digitization and dematerialization of processes further strengthen internal controls, improve service quality, and enhance operational consistency across the Bank.

Automation & Paperless Transformation

KFH-Egypt advances automation initiatives to reduce manual intervention, enhance processing accuracy, and improve overall operational efficiency across key banking processes. These initiatives support faster turnaround times, stronger internal controls, and more consistent service delivery. In parallel, the transition toward paperless operations enables greater process standardization, reduces operational risks linked to manual handling, and contributes to environmental sustainability. Significantly, these initiatives have yielded direct financial benefits, including cost savings from reduced physical storage requirements and lower paper and ink consumption.

Digital Documentation & Archiving

Digital documentation and archiving practices strengthen operational resilience by enhancing data security, accessibility, and traceability across the Bank's information environment. By replacing physical records with secure digital repositories, the Bank reduces risks related to loss, leakage, or damage of sensitive information, while enabling faster retrieval and improved workflow efficiency. The implementation of secure digital archiving has inherently strengthened data security layers and ensured better audit readiness through structured, controlled access to critical information assets.

Operational Capability Enhancement

KFH-Egypt introduced targeted capability-building initiatives supporting automation, digitization, and process efficiency across Central Operations. These training programs focus on enhancing technical skills, improving process accuracy, and ensuring the effective adoption of digital tools and paperless workflows across key operational activities, including account opening processes.

These initiatives contribute to higher productivity, improved service quality, and stronger operational control, while supporting the Bank's transition toward more automated and efficient operations. During the reporting period, the Bank delivered over 1,400 training hours, trained 108 participants, and achieved a 100% training completion rate, including full completion of retail and corporate account opening training sessions.

+1,400
Training Hours Delivered

108
Participants Trained

100%
Training Completion Rate

BLiNK Platform

KFH-Egypt continued to enhance operational efficiency and process standardization through the launch of Phase One of the BLiNK (Bank Links) platform in February 2025, followed by the successful launch of Phase Two on 19 March 2025.

BLiNK is a new frontliners' interface designed to enhance the processing of all retail facilities, ensuring they are completed right first time and strengthening consistency across retail operations.

The platform was introduced to streamline operational workflows, improve processing accuracy, and reinforce the "Right First Time" approach. It provides centralized digital access to product checklists, procedural guidelines, required documentation, and service-level requirements through integrated electronic forms and automated workflow support.

This enables faster and more consistent processing of retail applications while reducing operational errors and improving adherence to internal procedures and control requirements.

From a sustainability perspective, BLiNK contributes to reducing paper consumption by digitizing checklists and processes, minimizing the need for printing and supporting the bank's commitment to preserving natural resources.

It also enhances digital efficiency by centralizing information and reducing reliance on email exchanges, thereby supporting more sustainable digital practices and lowering the overall digital footprint.

In addition, the platform improves time and resource optimization by enabling employees to complete processes correctly the first time, reducing rework and saving operational effort.

Built-in guidelines and validations enhance process accuracy, minimizing errors that could otherwise lead to repeated processing, additional documentation, and resource waste. Overall, BLiNK strengthens operational resilience by improving efficiency, supporting standardized execution across branches, and enhancing the quality and consistency of retail processing activities.

Digital Services

Why it Matters

KFH-Egypt's customer-centric digital transformation is essential to meeting rising expectations for fast, secure, and seamless banking experiences.

As customers increasingly shift toward digital channels, delivering consistent and reliable services across mobile, online, and alternative platforms is key to enhancing satisfaction, trust, and long-term loyalty, while also supporting broader financial inclusion.

At the same time, ensuring strong service availability, usability, and security across all digital touchpoints is critical as reliance on digital banking continues to grow. This reinforces the importance of maintaining a resilient, well-governed digital ecosystem that supports both customer needs and sustainable digital adoption.

Our Approach and Progress

KFH-Egypt continues to place customers at the center of its digital transformation by enhancing its digital ecosystem, improving service design, and expanding self-service capabilities across all channels. The Bank regularly upgrades its platforms to improve accessibility, usability, and end-to-end customer experience, supported by strategic partnerships that strengthen its digital payments ecosystem.

Customer engagement is reinforced through structured service quality management and feedback-driven improvements, where insights from customers and market analysis are used to identify service gaps and evolving expectations. Across retail and corporate online banking, mobile banking, mobile wallet, instant payments, and digital communication channels, the Bank continues to expand adoption, improve functionality, and enhance transaction efficiency, reflecting deeper integration of digital services into daily banking activities.

Policies & Procedures

- Digital Onboarding Procedures
- Call Center Procedures
- Customer Correspondence Procedures

2025 Highlights

37%
Of total customers
are Mobile Banking Customers

4,982
Mobile Wallet Subscribers

EGP 8.669 Bn
Volume of Retail Online Banking Transactions

EGP 159 Bn
Volume of Corporate Online Banking Transactions

Customer-Centric Approach

KFH-Egypt places customers at the center of its digital transformation strategy, focusing on delivering seamless, secure, and personalized banking experiences across all channels. The Bank continuously enhances its digital ecosystem, service design, and customer engagement practices to improve accessibility, satisfaction, and loyalty, while ensuring alignment with regulatory requirements and evolving customer needs.

The Bank continues to strengthen its digital banking ecosystem, including mobile, online, ATM, and alternative channels, to provide customers with convenient and secure access to services anytime and anywhere.

Digital capabilities are continuously enhanced through the introduction of new features, improved onboarding journeys, upgraded interaction tools, and expanded self-service functionalities, supporting a more integrated and efficient customer experience.

Customer relationships are further strengthened through structured service quality, engagement, and feedback-driven initiatives aimed at continuously improving customer journeys across physical and digital touchpoints.

Through surveys, benchmarking, and behavioral insights, the Bank systematically captures and analyzes customer feedback and market intelligence to identify evolving expectations, service gaps, and opportunities for data-driven enhancements across products, channels, and services.

Digital Payments & Strategic Partnerships

KFH-Egypt strengthened its digital payments ecosystem through a long-term strategic partnership with Visa aimed at enhancing the Bank's card portfolio and accelerating digital transformation within retail banking services.

The partnership supports the integration of advanced digital payment technologies and the development of more seamless, secure, and innovative banking solutions, contributing to enhanced customer experience and broader adoption of digital financial services.

Digital Channels & Customer Access

KFH-Egypt enhances customer experience and service availability through the continuous development of secure digital channels and ATM infrastructure.

Digital touchpoints are regularly upgraded to ensure reliable performance, improved functionality, and seamless access to banking services across remote and physical channels.

Quality assurance mechanisms support the monitoring of service delivery across retail and remote banking channels. Through continuous performance tracking and structured oversight activities, the Bank ensures adherence to service standards, strengthens control effectiveness, and enables timely resolution of operational issues, supporting a consistent and reliable customer experience.

Digital Banking Services

Internet & Online Banking

KFH-Egypt Internet & Online Banking provides a secure and convenient digital channel that enables customers to access and manage their accounts anytime and from anywhere, eliminating the need for branch visits. The service offers enhanced security, speed, and flexibility, allowing customers to perform a wide range of transactions including account and card inquiries, statement viewing and downloading, fund, bill payments, donations, finance applications, and instant requests such as cheque books, cards, and account openings.

It also supports digital self-service features such as debit card blocking, profile updates, and currency conversion. The service is supported by a secure authentication process, including soft token activation for high-risk transactions, ensuring safe and controlled access to digital banking services.

Retail Online Banking

Retail Online Banking enables individual customers to securely access and manage their banking needs through a comprehensive digital platform. The service supports a wide range of self-service functionalities, enhancing convenience and reducing reliance on physical branch visits.

In 2025, the platform served 42,778 retail customers, with a total transaction volume of EGP 8.669 billion, reflecting strong engagement and increasing reliance on digital channels. The retail customer base also demonstrates strong inclusivity, with women representing 25.6% of users and 4,303 youth customers, highlighting the platform's role in expanding financial access across diverse customer segments.

115,861
Number of Retail Online Banking Transactions

EGP 8.669 Bn
Volume of Retail Online Banking Transactions

42,778
Retail Online Banking Customers

10,939
Female Customers

4,303
Youth Customers

Corporate Online Bankingg

Corporate Online Banking provides business clients with a secure and integrated digital platform designed to support high-volume transactions and complex cash management needs. The service enables corporates, including SMEs, to efficiently execute payments, manage accounts, and access transaction information with enhanced speed, control, and transparency, contributing to improved operational efficiency and reduced processing time.

In 2025, the platform recorded 4,440 corporate customers, processing 574,627 transactions with a total transaction volume of EGP 159 billion, reflecting strong adoption and deep integration into corporate cash management and operational workflows.

574,627
Number of Corporate Online Banking Transactions

EGP 159 Bn
Volume of Corporate Online Banking Transactions

4,440
Corporate Online Banking Customers

156
SMEs Customers

Mobile Banking

Mobile Banking enables customers to access a full suite of banking services securely and conveniently through a "bank in your pocket" experience. The application provides end-to-end self-service functionality, allowing customers to manage accounts, perform transfers, pay credit cards and bills, donate to charities, open deposits and sub-accounts instantly, apply for banking products, and access additional services such as card blocking, currency conversion, and branch and ATM locators. The platform is designed with strong security layers, including secure authentication and token-based verification, ensuring the protection of customer data and transactions while delivering a seamless digital experience.

In 2025, 37% of total customers are Mobile Banking Customers, reflecting continued adoption of digital channels as a primary banking touchpoint. The platform processed a total of 115,861 Mn transactions, with transaction volumes reaching EGP 8,669 Mn, demonstrating strong customer engagement and increasing reliance on mobile-based financial services.

115,861 Mn
Number of Mobile Banking Transactions

EGP 8,669 Mn
Volume of Mobile Banking Transactions

42,778
Mobile Banking Customers

Mobile Wallet

KFH-Egypt Mobile Wallet is a secure electronic payment solution that enables customers to carry out a wide range of financial transactions via a mobile application, offering convenience, speed, and security.

The service allows users to load funds from their KFH-Egypt accounts, transfer money between wallet holders, pay bills and subscriptions, and perform cash-in/cash-out transactions through ATMs and authorized service providers. It also supports multiple account linking and personalized payment options through favourite lists.

The solution continues to support financial inclusion and digital adoption, with growing usage reflected in increasing transaction volumes and customer uptake, reaching a total transaction volume of EGP 24.8 million and serving 4,982 customers.

9,319
Number of Mobile Wallet Transactions

EGP 24.8 Mn
Volume of Mobile Wallet Transactions

4,982
Mobile Wallet Subscribers

4,919
Mobile Wallet Active Subscribers

InstaPay

KFH-Egypt InstaPay provides a secure, real-time instant payment solution that enables customers to access and manage their bank accounts and execute transfers instantly using only a mobile device, 24/7. The service supports seamless financial transactions across participating banks and digital channels, offering a fast, convenient, and interoperable payment experience.

Customers can send and receive money instantly, in addition to accessing services such as bill payments, donations, balance inquiries, and mini statements across all linked accounts. The platform is supported by secure onboarding and authentication mechanisms, ensuring safe and reliable transaction processing.

In 2025, InstaPay recorded 37,000 InstaPay Customers, processing 384,842 transactions with a total transaction value of EGP 2.96 billion, reflecting strong adoption of real-time payment services and an increasing customer preference for instant digital transactions.

384,842
Number of InstaPay Transactions

EGP 2.96 Bn
Volume of InstaPay Transactions

37,000
InstaPay Customers

KFH-Egypt WhatsApp Banking

KFH-Egypt WhatsApp Banking provides a secure and convenient digital communication channel that enables customers to access selected banking services and receive real-time support through a widely used messaging platform.

The service enhances accessibility by allowing customers to interact with the Bank, inquire about products and services, and obtain timely assistance without the need to visit a branch or log into traditional digital banking channels.

It contributes to improved responsiveness, enhanced customer convenience, and broader digital adoption across different customer segments.

Future Outlook

KFH-Egypt remains committed to a forward-looking digital and physical expansion strategy. To broaden our national footprint, the Bank has set a strategic 2030 target to increase its branch network to 75 branches in 2030. In the digital sphere, the Bank is preparing for the planned 2026 launch of Tokenization for cards and ATMs, which will further enhance payment security and offer customers more seamless, contactless banking options.

08

Human Capital

Inclusive Culture, Development and Well-Being

بنك بيت التمويل الكويتي

KFH

EGYPT

Equal Opportunity and Inclusive Culture

Why it Matters

Fostering an inclusive and equitable workplace is essential to building a resilient and high-performing organization. A diverse workforce brings a broader range of perspectives, enhances decision-making, and supports innovation across all areas of the Bank's operations.

Ensuring equal opportunity and fair treatment also strengthens employee engagement and trust, contributing to a positive work environment where individuals can perform effectively and grow professionally. As expectations around workplace inclusion continue to evolve, maintaining a balanced and representative workforce remains a key factor in sustaining long-term organizational success.

Our Approach and Progress

KFH-Egypt integrates equal opportunity considerations into its day-to-day workforce practices, ensuring consistency in how employees are recruited, evaluated, and developed across the organization. Structured processes guide key activities such as hiring, performance assessment, and career progression, supporting objective and transparent decision-making.

The Bank also maintains defined channels for employee communication and feedback, enabling concerns to be addressed in a timely and structured manner. These mechanisms support accountability and help maintain alignment between employees and organizational expectations.

Through ongoing monitoring of workforce composition and employment practices, KFH-Egypt continuously assesses opportunities to strengthen diversity and maintain a balanced workforce aligned with its operational needs.

Policies & Procedures

- HR policy
- HR procedure
- Code of Conduct

2025 Highlights

1,357
Total number of Employees

33%
Women Representation in total Workforce

41%
Of New Hires are under 30 years old

34%
Women Representation in Top Management

26%
Women Representation in Stem Position

Building an Inclusive and Equitable Workforce

KFH-Egypt is committed to promoting inclusion and equity across its workforce, ensuring that all employees are treated fairly and provided with equal access to opportunities. The Bank's approach is supported by its internal frameworks, including the HR Policy and the Code of Conduct, both of which were updated during 2025, reinforcing expectations around ethical behavior, non-discrimination, and equitable workplace practices. The HR Procedures further support the consistent implementation of these principles across daily operations.

These frameworks establish clear guidelines governing employee relations, recruitment practices, performance evaluation, and grievance handling, ensuring that all workforce-related decisions are applied consistently and transparently. They also support a structured environment where employees can raise concerns and seek resolution through defined channels.

Gender Diversity in Workforce

KFH-Egypt's workforce reached a total of 1,357 employees in 2025 showing an 1.7% increase compared to 2024 including 911 male employees (67%) and 446 female employees (33%). This reflects an increase in female representation compared to 2024 (33% vs. 31.2%), indicating gradual progress in gender balance across the workforce.

Gender diversity is reflected across different functions and roles, contributing to a workforce structure that supports operational requirements while maintaining a mix of perspectives. The Bank continues to maintain consistent employment practices that support equal access to opportunities across all levels.

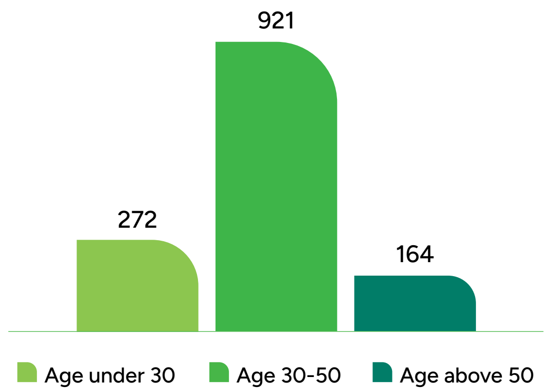
Employee Gender Diversity in 2025

Supporting a Multi-Generational Workforce

KFH-Egypt's workforce reflects a balanced age distribution that supports both operational continuity and the integration of diverse experience levels. In 2025, the majority of employees fall within the 30–50 age group (68%), followed by employees under 30 (20%) and above 50 (12%), highlighting a workforce composed primarily of experienced professionals alongside early-career employees.

This distribution supports stability in operations while enabling knowledge transfer across different experience levels, contributing to a well-rounded and adaptable workforce.

Employees Breakdown (Age Group)



Representation Across Organizational Levels

KFH-Egypt's workforce structure reflects diversity across different organizational levels, with variations in gender and age distribution observed across entry-level, middle management, and senior management roles.

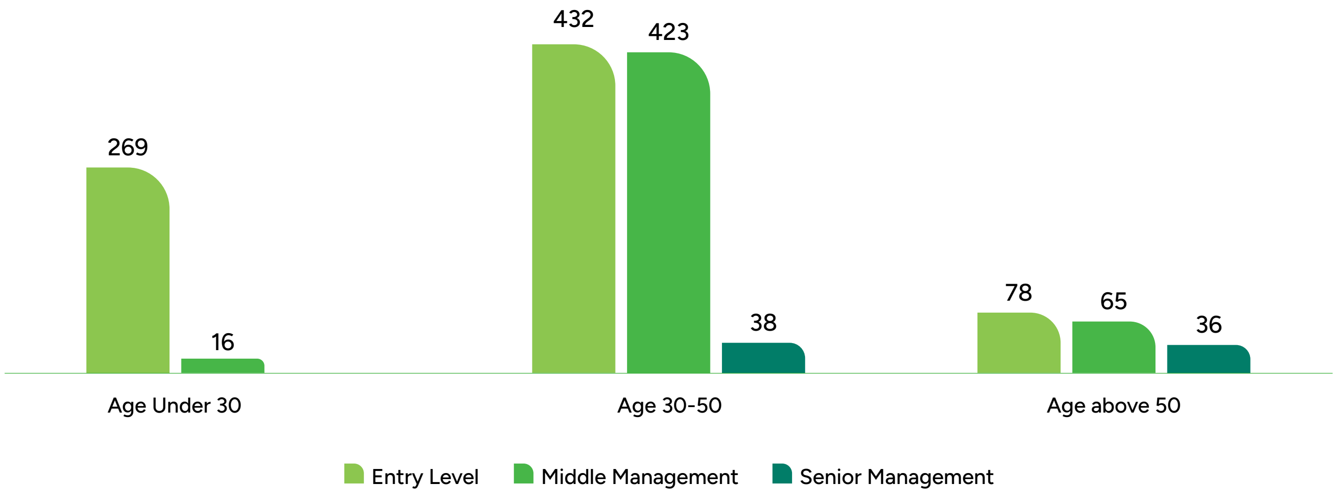
At the entry level, female employees represent 34% of the workforce, with the majority of employees concentrated within the 30–50 age group (58%), alongside a strong representation of younger employees under 30 (35%). Within middle management, female representation stands at 31%, with a significant concentration of employees in the 30–50 age group (82%), reflecting a strong base of experienced professionals at this level. At the senior management level, women represent 34% of employees.

In addition, KFH-Egypt continues to strengthen diversity across technical roles. In 2025, women represented 26% of employees in STEM-related positions, highlighting opportunities to further enhance female participation in specialized and technical functions.

Overall, this distribution reflects consistent gender representation across organizational levels, while age composition evolves with seniority, supporting a balanced and experienced workforce.

Gender Diversity across Employee Categories (%)

Age Diversity Across Employee Categories

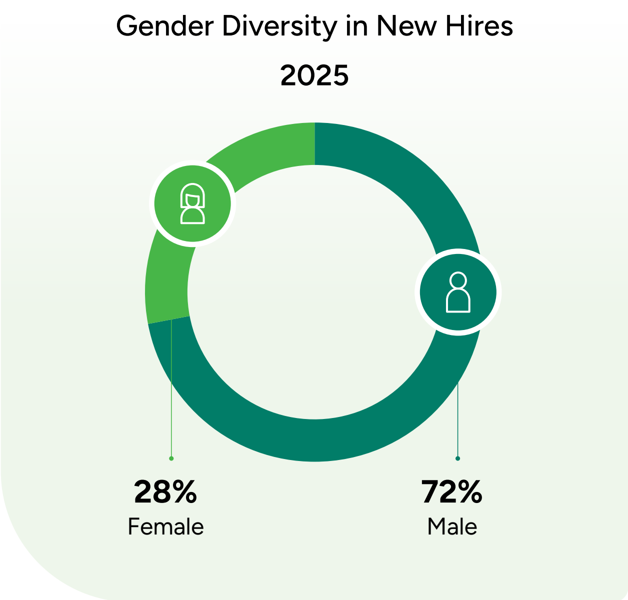


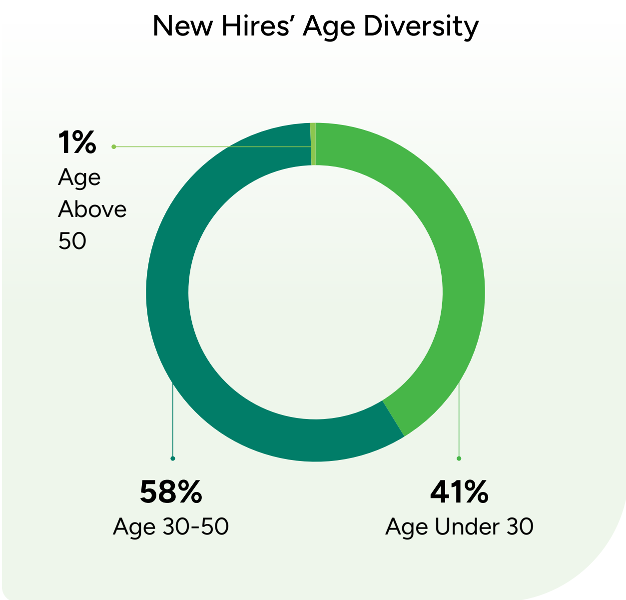
Advancing Talent Acquisition and Workforce Diversity

KFH-Egypt continues to strengthen its workforce through structured talent acquisition practices that support diversity and align with evolving business needs. In 2025, the Bank recruited 198 new employees, contributing to the ongoing development and renewal of its workforce.

New hires reflect a balanced mix of experience levels, with the majority concentrated within the 30–50 age group (58%), alongside a strong representation of early-career professionals under 30 (41%), supporting both immediate operational requirements and future talent development.

Gender representation in hiring remains aligned with overall workforce composition, with women accounting for 28% of new hires, reflecting continued efforts to integrate female talent across different roles. Through these efforts, KFH-Egypt continues to build a diverse and capable workforce, ensuring alignment between talent acquisition practices and long-term organizational priorities.





Employee Engagament and Well-Being

Workforce engagement at KFH-Egypt is strengthened through practices that support a safe, inclusive, and productive working environment. Open communication is actively encouraged across all teams, enabling employees to share ideas and contribute to decisions that shape their day-to-day work. Workplace well-being is addressed through ongoing attention to occupational safety, awareness of physical and mental health, and working conditions that support a balanced and sustainable work–life dynamic. In parallel, continuous engagement initiatives help reinforce belonging, shared purpose, and long-term professional development, aligning with the Bank's people-centered and sustainability-driven approach.

Compensation and Employee Benefits

KFH-Egypt provides a structured compensation and benefits framework designed to support employee well-being and ensure consistency across the organization. The Bank's approach to compensation is aligned with role requirements and responsibilities, supporting fairness and transparency in how employees are rewarded. In addition to core compensation, employees are offered a range of benefits that support their financial security and overall well-being, contributing to workforce stability and retention. These benefits are designed to meet regulatory requirements while also addressing the evolving needs of employees.

Employee Volunteering & Community Engagement

Community engagement is embedded within KFH-Egypt's approach to social responsibility, with employees encouraged to participate in volunteering initiatives that support wider societal needs and align with the Bank's sustainability priorities. This involvement contributes to a stronger internal culture by reinforcing shared values, collaboration, and a sense of collective purpose. Employee engagement is also monitored through structured tools, including the Employee Engagement Survey and the Employment engagementy index, which provide insights into sentiment, commitment, and workplace advocacy. The Employee Engagement Survey recorded a score of 92%, while the employment engagement index stood at 36%, with findings used to guide ongoing enhancements to the employee experience.

92%

Employee Engagement Survey Response rate

Health and Safety Training Sessions

Health and safety capability building remains a fundamental operational priority for KFH-Egypt. In 2025, the Bank executed an extensive safety training agenda comprising 100 targeted sessions. These initiatives recorded 1,800 employee attendances, reflecting a high level of engagement across mandatory safety protocols and awareness programs.

A cornerstone of our 2025 safety performance was the implementation of actual evacuation drills involving participants from various bank departments, achieving a 75% completion rate for this large-scale exercise. Furthermore, the Bank delivered sessions on critical technical safety topics, including fire alarm systems, automatic fire suppression, and civil protection, all achieving a 100% completion rate. This level of preparedness underscores our commitment to maintaining a secure environment for all employees and visitors.

100

Total Health and Safety Sessions Conducted

Employee & Family Healthcare Coverage

Healthcare coverage at KFH-Egypt is a core component of our employee well-being strategy, extending to 100% of permanent employees and their eligible family members. This coverage is delivered through an approved medical provider network in strict alignment with contractual arrangements and applicable national health insurance requirements.

To ensure the long-term sustainability of the scheme while maintaining access to high-quality care, a cost-sharing model is applied for selected outpatient services, prescribed medication, and specific medical procedures. Beyond basic coverage, HR drives human capital development by providing mental health resources and ergonomic initiatives as part of a holistic wellness program. In 2025, the bank successfully maintained this comprehensive coverage for its entire permanent workforce.

Parental Care Leave Policy

KFH-Egypt provides robust support for employees during significant family milestones in strict accordance with the Egyptian Labour Law. Our policy entitles female employees to three months of paid maternity leave, while male employees are provided three days of paternity leave.

In 2025, 18 female employees utilized their maternity leave entitlement. Highlighting our successful approach to talent retention and workforce stability, 100% of employees whose leave concluded during the reporting period successfully returned to their roles. No paternity leave cases were recorded during 2025, but usage continues to be monitored to ensure equitable support for all parents across the Bank.

Profit Sharing for Employees

Employee contribution is recognized through an annual profit-sharing mechanism linked to the Bank's financial performance. The allocation process is governed by approvals from the Board of Directors' Compensation Committee and the General Assembly of shareholders, ensuring strong oversight and governance alignment.

Talent Retention Approach

Retention of key talent is managed through a case-by-case approach that considers performance outcomes and organizational requirements. Final decisions are approved at executive management level to ensure alignment with strategic priorities and operational continuity. This approach supports workforce stability and the preservation of critical expertise across the Bank.

100%

Eligible Employees that are covered under healthcare Plan

18

Total Female Employees who took Maternity Leave

Employee Development and Talent Retention

Why it Matters

Employee development at KFH-Egypt is central to sustaining a resilient, capable, and responsibly managed organisation. As the banking environment becomes increasingly shaped by regulatory change, digital transformation, and sustainability expectations, continuous upskilling ensures that employees remain equipped to meet evolving operational demands.

Strengthening technical competence alongside ethical awareness and risk understanding supports more consistent decision-making and higher service quality. This focus on learning also enables employees to grow within the organisation, while reinforcing a culture that values accountability, adaptability, and long-term value creation in line with ESG principles.

Our Approach and Progress

KFH-Egypt implements a structured and inclusive learning framework that integrates technical, leadership, and behavioural development with mandatory compliance and role-based training. In 2025, the Bank delivered 29,734 training hours, averaging 21.9 hours per employee, reflecting sustained participation across all functions and levels. Training covered a broad range of areas, including leadership development, Shari'a-compliant banking mastery, and specialized banking operations, alongside governance, ethics, and compliance requirements.

Sustainability and ESG-related topics were progressively embedded into the learning agenda, with targeted sessions on climate risk, sustainable finance, carbon accounting, and environmental and social risk management, in addition to broader regulatory and green transition awareness. Through this structured approach, KFH-Egypt continues to strengthen employee capabilities, reinforce responsible banking practices, and support the gradual integration of ESG considerations into day-to-day operations and decision-making.

2025 Highlights

29,734
Total Employee Training Hours

21.9
Average Training Hours per Employee

EGP 14.3 Mn
Total Training Costs

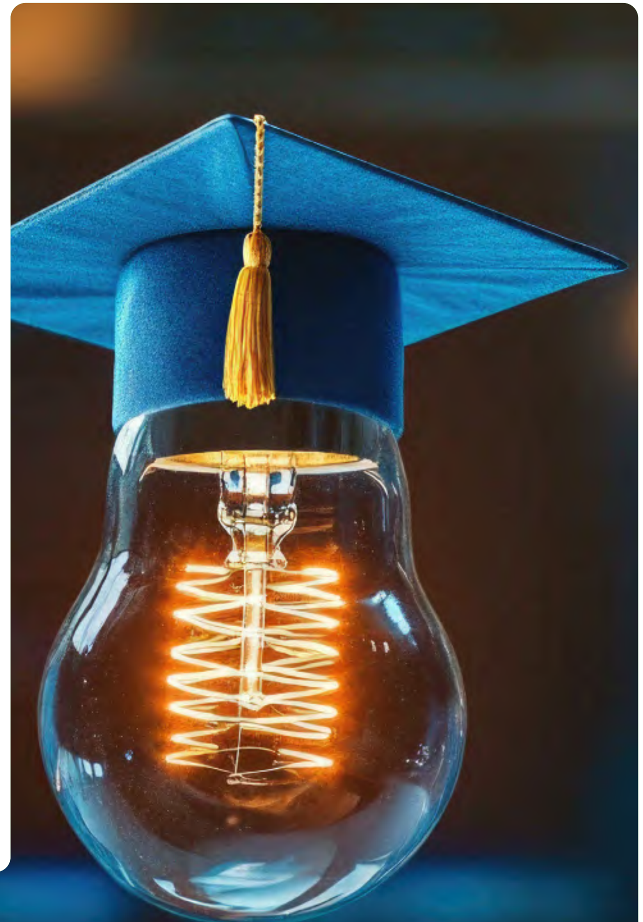
Learning and Development

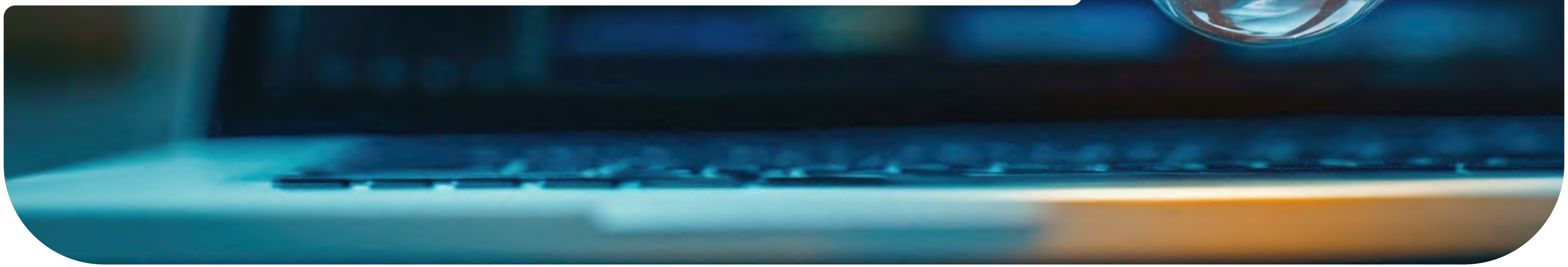
KFH-Egypt continues to invest in the growth of its employees through structured learning and development initiatives designed to strengthen capabilities, support career progression, and encourage continuous improvement. The Bank views building a skilled, knowledgeable, and ethically aware workforce as essential to sustaining long-term performance and responsible banking practices. By equipping employees with the tools and expertise they need, KFH-Egypt enhances service quality, supports compliance, and fosters innovation, reinforcing its commitment to sustainable value creation for both its people and the communities it serves.

Building on this foundation, the Bank maintained active learning efforts throughout 2025, recording a total of 29,734 training hours, with an average of 21.9 hours per employee, reflecting sustained engagement in capability development across the workforce. These efforts were supported by a wide range of learning programs delivered across different employee levels and functions. The initiatives included leadership development alongside technical and sustainability-focused training in areas such as ESG, climate risk, sustainable finance, and regulatory awareness. Learning opportunities were made accessible across job categories and employee groups, supporting inclusive participation and ensuring that development efforts are aligned with both individual growth needs and the Bank's evolving operational priorities.

29,734
Total Training Hours

21.9
Average Training Hours Per Employee





Integrated Training Programs at KFH-Egypt

In 2025, KFH-Egypt sustained its commitment to building a future-ready workforce through a structured and multi-dimensional training framework aligned with its strategic priorities and governance standards.

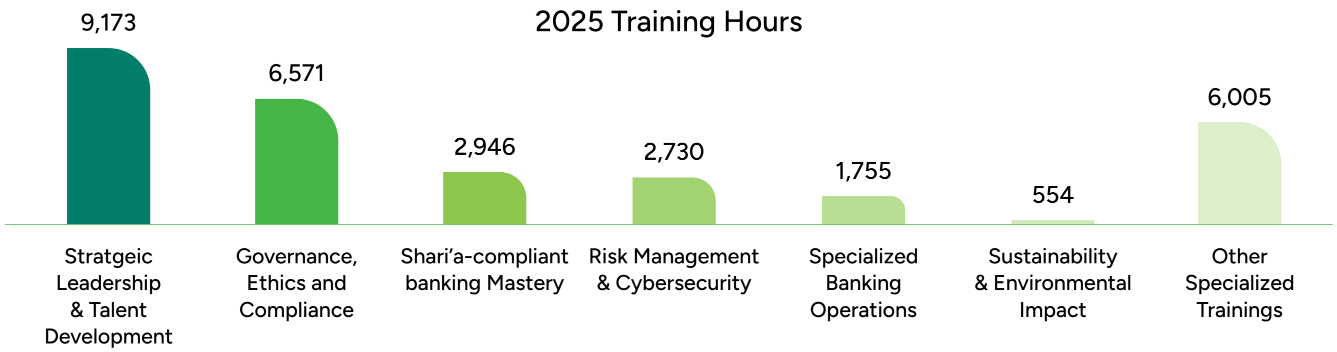
A significant share of investment was directed toward Strategic Leadership & Talent Development, which accounted for 9,173 credit hours (approximately 31% of total training hours). This reflects the Bank's continued focus on strengthening leadership capabilities, supporting succession planning, and ensuring a strong internal talent pipeline capable of driving long-term institutional growth.

This was closely followed by Governance, Ethics & Compliance, which recorded 6,571 credit hours, reinforcing the Bank's emphasis on integrity, regulatory adherence, and sound governance practices across all levels of the organization. These efforts underpin a strong institutional framework that supports transparency and accountability.

Additional capacity-building efforts were distributed across several key functional and technical areas. Other Specialized Trainings represented 6,005 credit hours, while Shari'a-compliant banking Mastery accounted for 2,946 credit hours, supporting deeper expertise in Sharia-compliant banking principles and products. Risk Management & Cybersecurity comprised 2,730 credit hours, strengthening resilience against operational and digital risks in an increasingly complex financial environment. Specialized Banking Operations contributed 1,755 credit hours, enhancing operational efficiency and technical banking proficiency.

In parallel, Sustainability & Environmental Impact training reached 554 hours, reflecting a growing integration of environmental considerations and ESG-related competencies within the Bank's learning agenda. Overall, these targeted investments demonstrate KFH-Egypt's continued focus on developing a skilled, responsible, and adaptable workforce, while progressively embedding sustainability and ESG-aligned principles into its organizational capabilities and long-term development strategy.

Overall, these targeted investments demonstrate KFH-Egypt's continued focus on developing a skilled, responsible, and adaptable workforce, while progressively embedding sustainability and ESG-aligned principles into its organizational capabilities and long-term development strategy.



These programs covered key areas such as ESG strategy and governance, climate risk management, sustainable finance instruments, carbon accounting and emissions reporting, environmental and social risk frameworks, and regulatory developments shaping the transition to a low-carbon economy. Additional sessions also explored energy efficiency, carbon markets, SME sustainability tools, and national and international climate policy developments, supporting employees in applying sustainability principles within their day-to-day responsibilities.

186

Employees Participated in Sustainability Training Programs

19

Total Sustainability Training Sessions Conducted

ESG Strategy & Governance Development

Includes the ESG Strategy Enhancement Project, which supported employees in strengthening their understanding of sustainability integration within banking operations and its role in enhancing strategic alignment and governance-related decision-making. The initiative reinforced awareness of how ESG considerations can be embedded within Bank priorities and operational frameworks to support long-term value creation.

Climate Risk & Carbon Markets

Includes programs on climate risk management, carbon footprint calculation, carbon markets in Egypt, and greenhouse gas (GHG) accounting and reporting. The initiatives focused on strengthening awareness of climate-related financial risks, measurement methodologies, and reporting practices in line with evolving sustainability expectations and disclosure standards.

Regulatory, Policy & Sustainability Awareness

Includes sessions addressing international and local regulatory developments, including EU and UK sustainability-related regulatory drivers for banks, CBAM implications for Egypt, and national climate and sustainability policy discussions. These engagements enhanced awareness of the evolving regulatory landscape and its implications for banking operations and sustainable finance practices.

ESG Risk & Sustainable Finance Practices

Covers training sessions on ESG Risk Management, ESMS Policy implementation, and Sustainable Finance Awareness, along with sustainable finance products and instruments. These sessions enhanced understanding of environmental and social risk assessment, due diligence processes, and the role of sustainable financial tools in supporting responsible financing and investment decisions.

Green Economy & Transition Topics

Covers initiatives such as the Green Growth Summit, Green SME Guide and diagnostic tools, and energy efficiency-focused sessions in Egypt. These activities supported greater understanding of green transition concepts and practical tools that enable businesses and financial institutions to contribute to a more sustainable and resource-efficient economy.

Sector-Specific & Applied Sustainability Studies

Covers applied sustainability initiatives such as the diagnostic study on enhancing value-added production in Egypt's engineering sector, alongside other sector-focused sustainability awareness activities. These studies provided practical insights into sustainability integration within key industries, supporting a more applied understanding of economic and environmental value creation.

These initiatives helped strengthen employees' technical understanding of sustainability and supported the gradual embedding of ESG principles across KFH-Egypt's operations and decision-making

09

Social and Relationship Capital

Strengthening Trusted Connections

Customer Experience and Fair Treatment

Why it Matters

Customer experience and fair treatment are fundamental to building trust and maintaining long-term relationships with clients. As a financial institution, KFH-Egypt recognizes its responsibility to ensure that customers are treated fairly, their rights are protected, and their needs are met through transparent and accessible services.

Delivering high-quality customer experience supports customer satisfaction, strengthens the Bank's reputation, and contributes to sustainable growth. It also ensures alignment with regulatory requirements, including those of the CBE, particularly in relation to consumer financial protection and responsible conduct.

Our Approach and Progress

KFH-Egypt adopts a customer-centric approach that integrates service quality, accessibility, and protection across all customer interactions. The Bank continuously enhances its service delivery channels, combining physical and digital platforms to provide convenient and efficient access to banking services.

Efforts are focused on improving responsiveness, simplifying customer journeys, and ensuring consistent service delivery. This includes investments in digital banking solutions, operational improvements, and the adoption of international standards to enhance customer data security and trust. The Bank also emphasizes transparency in communication and fairness in treatment, ensuring that customers are well-informed and able to make sound financial decisions.

Policies & Procedures

- Customer Right's Protection Policy
- Customer Right's Protection SOP

2025 Highlights

1,472
Customer Complaints

62
Net Promoter Score (NPS)

90%
Customer Satisfaction Rate

Customer Rights Protection

KFH-Egypt is committed to protecting customer rights and ensuring the fair treatment of customers across all banking products, services, and communication channels. This commitment is guided by the Customer Rights Protection Policy, which outlines the Bank's responsibilities in line with CBE regulations and applies across all activities, service providers, and customer interactions.

Supporting procedures are also in place to ensure the effective handling of customer complaints, promote transparency, and strengthen customer confidence.

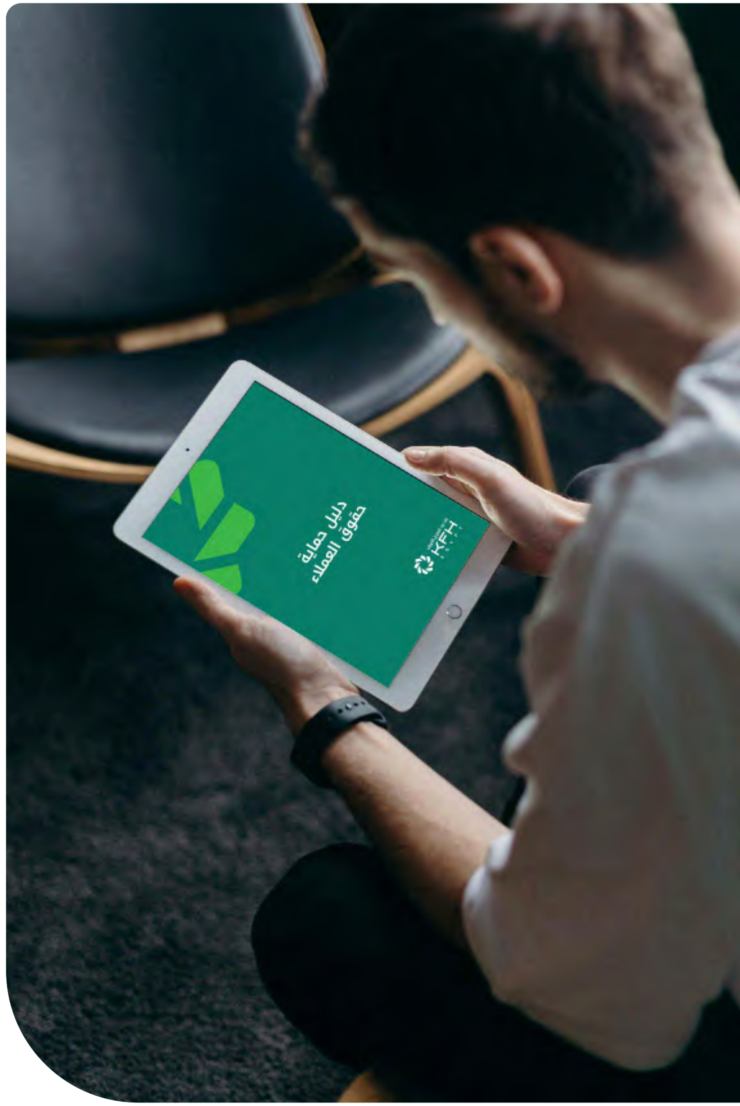
The Bank continuously monitors compliance with customer protection regulations and disclosure requirements to ensure transparency, clarity, and fairness in customer communications, product terms, and marketing materials.

Oversight mechanisms are applied to complaints handling processes to support timely resolution, while root cause analysis is conducted to identify recurring issues and enhance customer experience through process improvements. Sales practices are also monitored to prevent mis-selling and ensure products remain aligned with customer needs and expectations.

KFH-Egypt continues to strengthen a customer-centric culture through awareness and training initiatives focused on fair treatment principles, responsible sales practices, and customer rights.

The Bank also aims to further enhance transparency across digital channels and expand the use of customer feedback and complaint analytics to proactively identify systemic issues and support continuous service improvement.

In addition, the Customers' Rights Guide is made publicly available through the Bank's website to ensure accessibility and customer awareness.



Customer Complaints Management

KFH-Egypt maintains a structured complaints handling framework designed to ensure fair, transparent, and timely resolution of customer concerns. Complaints are systematically recorded, assessed, and addressed through a defined resolution process.

To ensure accessibility, the Bank provides multiple channels for customers to submit complaints and feedback, including an online Customer Complaint Form, branch interactions, and customer service channels.

In 2025, the Bank received 1,472 customer complaints, of which 38.8% were classified as valid complaints. Complaint analysis plays a key role in enhancing service quality, as insights are used to address recurring issues, refine processes, and improve overall customer experience. This ensures that customer feedback directly contributes to continuous service improvement.

1,472
Customer Complaint

38.8%
Percentage of Valid Customer complaints

How to File a Bank Complaint?

You Can Reach us through:

- Call Center
- Website or Email
- Visit the Bank's Branch

Ensure your protection:

01 Make sure to submit the complaint and keep a copy.

02 Get a complaint reference number for follow-up.

03 Ensure you receive the final response within the specified timeline.

Customer Complaint Handling Process

KFH-Egypt is committed to ensuring that customer complaints are managed in a fair, transparent, and effective manner, in line with applicable regulatory requirements and customer protection principles.

Multiple channels are available for submitting complaints, including branch-based mechanisms, digital platforms, hotline services, and dedicated communication channels, ensuring accessibility and ease of use for all customers.

All complaints are formally registered, tracked, and reviewed through a structured process to ensure timely resolution and consistent service quality.

Responses are provided within defined service timelines, with escalation routes available in cases where customers are not satisfied with the outcome. The process also supports further review where necessary, and customers retain the right to escalate unresolved complaints to the CBE in accordance with regulatory guidelines.

Customer Experience and Satisfaction

KFH-Egypt monitors customer experience through structured satisfaction measurement tools to assess service quality and overall customer perception. In 2025, the Bank recorded a Customer Net Promoter Score (NPS) of 62, reflecting a strong level of customer loyalty and willingness to recommend the Bank's services.

In addition, customer satisfaction rate reached 90%, demonstrating continued improvement in service quality and customer experience across key banking channels. These results support the Bank's ongoing efforts to enhance service delivery, strengthen customer relationships, and further improve overall satisfaction levels.

62

Net Promoter Score (NPS)

90%

Customer Satisfaction Rate

Customer Service Enhancement

KFH-Egypt continued enhancing customer experience and operational efficiency through the transition from a traditional branch operating model to a Universal Banking Model. The initiative introduced a multi-skilled frontline approach capable of handling both teller and customer service activities, enabling greater flexibility in branch operations and more efficient service delivery.

The initiative contributed to increased productivity, faster handling of customer requests, and quicker issue resolution, while supporting a more consistent and seamless customer journey. It also enhanced operational agility by enabling branches to respond more effectively to fluctuations in customer traffic, while supporting broader employee skill development and engagement.

Live Chat Support Service

KFH-Egypt continues to enhance customer engagement and responsiveness through its live chat support service, providing customers with a convenient and accessible communication channel for inquiries related to banking services, products, and branch information. Available during official service hours, the live chat feature enables timely interaction and real-time support, helping improve customer experience and facilitate efficient issue resolution.

This service supports the Bank’s commitment to accessibility, responsiveness, and customer satisfaction by strengthening communication channels and enabling customers to receive immediate assistance through secure and user-friendly digital platforms.

Financial Inclusion, Accessibility and Literacy

Why it Matters

Financial inclusion is a key priority for KFH-Egypt as it supports the broader objective of economic empowerment across all segments of society through access to formal financial services.

It reflects the principle of providing financial products that are accessible, and delivered through secure formal channels, while ensuring the protection of customer rights and enabling individuals to better manage their financial resources.

This aligns with the Bank's role in spreading banking culture, strengthening financial awareness, and supporting underserved and youth segments.

It also supports national financial inclusion efforts led by the CBE, contributing to a more inclusive financial system that promotes trust, participation, and long-term economic stability.

Our Approach and Progress

KFH-Egypt's financial inclusion approach is centred on expanding meaningful access to banking services while supporting communities with the tools needed to use them effectively.

This is reflected in its tailored product offering and sustained outreach across women, youth, farmers, microfinance clients, and persons with disabilities, alongside accessibility enhancements such as assistive ATM features and expanded digital banking access.

During 2025, this direction was further strengthened through nationwide awareness and literacy initiatives delivered in coordination with community and institutional partners, helping extend financial services to underserved groups and reinforce responsible financial participation.

2025 Highlights

26
Total Financial Literacy Sessions

18
Financial Literacy Events in 2025

4,081
NO cost FI Accounts

4,075
Total New-to Bank Accounts

Financial Inclusion at KFH-Egypt

KFH-Egypt continues to place financial inclusion at the core of its efforts to support economic empowerment and social development, with a focus on expanding access to formal financial services for women, youth, persons with disabilities, and other underserved segments.

In 2025, KFH-Egypt further reinforced its commitment to expanding access to formal banking services through the opening of 4,081 new-to-bank accounts with no-cost financial inclusion accounts for previously unbanked and underserved customers. These efforts supported broader access to affordable banking solutions and helped reduce financial barriers across different community segments.

These efforts were complemented by targeted outreach and financial literacy initiatives across key community segments, reinforcing both access to financial services and the development of financial capability, with 12,000 participants engaged throughout the year.

Financial Inclusion Strategy

KFH-Egypt's Financial Inclusion Strategy is built on key pillars that promote broader access to inclusive financial services. These include financial education and customer protection, diversification of financial products and services aligned with customer needs, support for SMEs and entrepreneurs, and expansion of digital financial services to enhance accessibility and convenience.

The strategy is enabled by continuous development of the regulatory environment, advancement of digital financial infrastructure and fintech solutions, and promotion of sustainable finance to support economic stability and long-term growth. Together, these elements reinforce the Bank's commitment to an inclusive and resilient financial ecosystem.

Vision

Economic empowerment for all segments of society through a formal, inclusive financial system that provides products and services with fairness, quality, and appropriate cost to achieve sustainable growth.

National Financial Inclusion Events

In 2025, KFH-Egypt delivered 6 financial inclusion initiatives comprising 18 events across different regions of the country, reaching approximately 12,000 individuals and providing them with financial literacy throughout the year

These initiatives were designed to enhance financial awareness by providing practical knowledge, facilitating direct access to banking services, and enabling participants to open accounts on the spot.

The campaigns were implemented in coordination with relevant marketing and procurement teams, with supporting engagement activities and giveaways to enhance participation and outreach.

International Women's Month

In celebration of International Women's Month 2025, KFH-Egypt organized a series of financial inclusion and awareness activities aligned with its strategic commitment to empowering women and recognizing their role as key contributors to community development. These initiatives were conducted across the European University in Cairo, El Sewedy University in Sharkia, and the Egyptian Chinese University in Cairo, with the aim of enhancing financial inclusion and facilitating women's access to formal banking services. Through these efforts, the Bank achieved a total of 177 successfully signed applications, reflecting its continued focus on expanding financial opportunities for women.

177

Total Signed Applications

Farmers' Day

KFH-Egypt participated in Farmers' Day as part of CBE's financial inclusion initiative, offering a special account with waived account opening fees and a free debit card issuance. The initiative aimed to promote the importance of financial inclusion and encourage farmers to access formal banking services, supported by informational brochures to enhance awareness and financial literacy. Through this campaign KFH-Egypt focused more on providing financial awareness to customers reinforcing the Bank's commitment to expanding financial access for underserved communities in the agriculture sector.

Youth Day

As part of the financial inclusion activities to celebrate International Youth Day and under the auspices of the Central Bank of Egypt, KFH-Egypt actively participated in promoting financial awareness among young individuals. The Bank's team delivered educational seminars on financial inclusion in Egypt, highlighting the importance of accessing formal banking services and building sound financial habits. Through these efforts, KFH-Egypt aimed to empower youth with the knowledge and tools needed for better financial decision-making and long-term economic participation. The initiative resulted in a total of 451 successfully signed applications.

451

Total Signed Applications

International Savings Day

Celebrating World Savings Day and as part of its financial inclusion activities, KFH-Egypt participated by offering customers the opportunity to open a savings account with no account opening fees and receive a free debit card. The initiative aimed to encourage a culture of saving and enhance awareness of the importance of financial planning and inclusion. These efforts led to a total of 1,052 successfully signed applications, reinforcing the Bank's commitment to supporting individuals in building secure financial futures.

1,052

Total Signed Applications

Arab's Day

In alignment with Arab Financial Inclusion Day, KFH-Egypt organized and participated in awareness activities aimed at promoting financial inclusion and expanding access to formal banking services. The initiative included comprehensive awareness sessions on banking products and services, helping to strengthen financial literacy and encourage greater engagement with the financial system within the local community. Through these efforts, the Bank continued to support national inclusion objectives, resulting in a total of 341 signed applications.

341

Total Signed Applications

People with Disabilities (PwDs) International Day

On the occasion of the International Month of People of Determination, KFH-Egypt reaffirmed its commitment to inclusive banking by organizing initiatives aimed at enhancing financial inclusion for PwDs. The Bank focused on promoting equal access to financial services and supporting greater participation in the formal banking system through targeted awareness and engagement activities. These efforts reflect KFH-Egypt's ongoing dedication to financial inclusion and social responsibility. The initiative resulted in a t tal of 821 successfully signed applications.

821

Total Signed Applications

Simplified Banking Accounts

Individual Account

The Individual Account is available for customers aged 21 and above, providing a standard banking solution for everyday financial needs. It enables customers to manage their financial transactions efficiently while supporting access to formal banking services within a secure and reliable banking framework.

Senior Account

The Senior Account is designed for individuals aged 60 and above, offering a simplified and accessible banking solution tailored to the needs of elderly customers. It supports financial independence through easy account management and streamlined banking services, helping ensure convenient access to essential financial transactions.

Zee Account

Through its Zee Account, the Bank offers a tailored solution for individuals aged 15 to 21, designed to encourage early engagement with the banking system. The account provides a simple and cost-free experience, with waived account opening, administration, and first debit card issuance fees, in addition to no minimum balance requirement, helping remove barriers to entry and promote responsible financial habits from an early stage. The account can also be opened without the requirement of a guardian.

Noon Account

Targeting women aged 21 and above, the Noon account promotes financial empowerment by removing common banking cost barriers. It provides waived fees for account opening, administration, debit card issuance, and minimum balance, while allowing daily debit transactions of up to EGP 90,000 to enhance financial flexibility.

El-Hareef Account

The El-Hareef Account is designed for freelancers and individuals engaged in economic activities aged 21 and above. It offers a flexible banking solution that supports income management and business-related transactions, contributing to the integration of self-employed segments into the formal financial system and promoting broader financial inclusion.

MAAK Account

Tailored for persons with disabilities aged 15 and above, the MAAK account ensures accessible and inclusive banking services with no account opening or minimum balance fees. It can be opened using only a valid national ID, simplifying the onboarding process and supporting easier access to financial services for this segment.

Khatwa Account

Specifically developed for microfinance companies, the Khatwa account strengthens the MSME ecosystem by waiving account opening, administrative, first-time check book issuance, and minimum balance fees. It also supports higher operational needs with transaction limits of up to EGP 120,000 per day and EGP 600,000 per month, alongside a maximum balance of EGP 800,000.

Enhancing Financial Literacy

KFH-Egypt continues to promote financial literacy as a key enabler of financial inclusion and long-term economic participation. In 2025, the Bank implemented 26 financial literacy campaigns and awareness activities targeting different community segments, helping individuals strengthen their understanding of responsible financial practices, banking services, saving, and financial planning.

As part of these efforts, KFH-Egypt participated in the "School Bank" initiative implemented under the supervision of the Central Bank of Egypt. In partnership with Al Araby Applied Technology School, the Bank engaged with students through interactive and accessible sessions designed to build early financial awareness.

The initiative introduced core concepts such as saving, entrepreneurship, and financial planning, helping students develop a stronger understanding of responsible financial practices from a young age.

Community Investments

Why it Matters

Community investment is a fundamental pillar of KFH-Egypt's identity, reflecting its belief that sustainable banking extends beyond financial services to creating shared value for society. The Bank recognizes that its long-term success is inherently linked to the well-being, resilience, and development of the communities it serves.

Anchored in this perspective, KFH-Egypt adopts a strategic and impact-driven approach to community engagement, one that prioritizes social inclusion, economic empowerment, and capacity building, particularly for underserved and high-potential groups such as youth and women. Initiatives ranging from entrepreneurship support and AI upskilling to healthcare access and food security interventions reflect the Bank's commitment to delivering measurable and scalable impact.

Through structured programs such as the "United" employee volunteering initiative, alongside partnerships with leading development organizations, KFH-Egypt actively contributes to strengthening community resilience while fostering a culture of participation and shared responsibility. Community investment is therefore approached not as a standalone activity, but as a long-term strategic commitment, one that builds trust, enhances social cohesion, and contributes to inclusive and sustainable socio-economic development in line with Egypt Vision 2030 and the United Nations Sustainable Development Goals (SDGs).

Our Approach and Progress

KFH-Egypt adopts a structured and impact-driven approach to community investment, guided by clearly defined pillars focusing on women's empowerment, youth development, and community well-being. These priorities are translated into targeted initiatives that combine financial support with capacity building, skills development, and direct engagement, ensuring that impact is practical, measurable, and sustainable.

The Bank's progress is reflected through a diversified portfolio of programs that enhance access to healthcare and essential services, build future-ready skills through education, entrepreneurship, and innovation, and promote economic participation, particularly among women and youth. Flagship initiatives, including AI masterclasses for women and entrepreneurship programs for youth, highlight KFH-Egypt's commitment to empowering high-potential segments and supporting inclusive economic growth.

At the same time, employee engagement remains a central enabler of impact, with the "United" volunteering program reinforcing a culture of participation, ownership, and social responsibility. This integrated approach ensures that community investment is both externally impactful and internally embedded within the Bank's culture. Collectively, these efforts demonstrate a consistent, evolving, and strategically aligned approach to community investment, one that addresses real societal needs while contributing to long-term, inclusive, and sustainable development in alignment with Egypt Vision 2030 and the SDGs.

2025 Highlights

EGP 5.0 Mn
Total Donations

EGP 0.7 Mn
Total Spending on Women's Empowerment

+50,000
Total Beneficiaries

CSR Strategy and Community Empowerment

KFH-Egypt remains committed to responsible banking practices by delivering initiatives that generate meaningful, measurable, and sustainable value for the communities it serves. Guided by a structured CSR strategy, the Bank prioritizes women's empowerment, youth development, and community well-being, fostering inclusive growth and long-term socio-economic development.

In 2025, KFH-Egypt allocated a total CSR investment of EGP 5.0 million, contributing to reaching more than 50,000 beneficiaries through diverse community-focused initiatives.

EGP 5.0 Mn

Total CSR Investment

+50,000

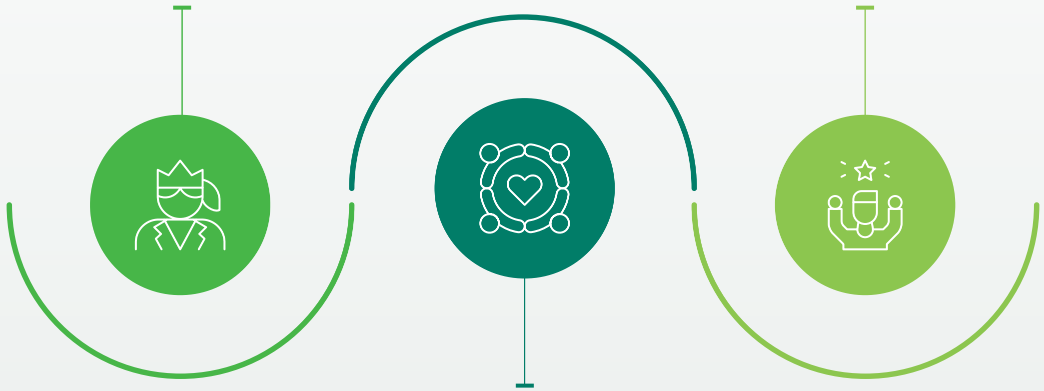
Total Beneficiaries

Women Empowerment

KFH-Egypt is dedicated to advancing women's social and economic inclusion by improving access to financial services, delivering targeted capacity-building programs, and developing partnerships that promote gender equality and financial independence.

Youth Empowerment

The Bank continues to invest in initiatives that build the capabilities of young people, equipping them with the knowledge, skills, and entrepreneurial mindset required to contribute to innovation-led economic growth.



Community Well-Being

Community well-being remains a core pillar of KFH-Egypt's CSR framework, with a focus on enhancing quality of life and ensuring equitable access to healthcare, food security, and essential services.

Women's Empowerment

KFH-Egypt advanced women's empowerment through targeted initiatives focused on digital transformation and future skills development, with an investment of EGP 0.7 million benefiting 1,500 women.

EGP 0.7 Mn

Contribution in Donations to the Women Empowerment Sector

1,500

Total Women Beneficiaries

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

AI-Driven Skills Development and Inclusive Workforce Participation

Through its strategic partnership with Entreprenelle, KFH-Egypt supported the economic empowerment of women by delivering AI-focused upskilling programs across multiple domains. The initiative enabled 1,500 women to develop practical, future-ready digital competencies, enhancing employability and adaptability in evolving job markets.

With an investment of EGP 0.7 Mn, the program contributed to expanding access to opportunities, supporting inclusive workforce participation, and strengthening women's role in economic development. Beyond technical training, the program delivered broader social impact by building confidence, career direction, and economic independence, while contributing to more balanced and inclusive labor market outcomes.

Community Well-Being

KFH-Egypt implemented integrated CSR initiatives to support vulnerable communities and enhance social resilience, with a total investment of EGP 3.8 million, benefiting more than 10,000 individuals.

EGP 3.8 Mn

Contribution in Donations to the Community Well-Being Sector

+10,000

Total Community Well-Being Beneficiaries

3 GOOD HEALTH AND WELL-BEING

Baheya Healthcare Support & Women's Health Initiative

In partnership with Baheya Foundation, KFH-Egypt contributed to improving access to critical healthcare services for women, particularly in breast cancer detection and treatment. The Bank supported the development of key laboratory facilities, financed treatment for more than 2,000 patients, and funded 40 chemotherapy sessions, enhancing both healthcare accessibility and patient outcomes.

+2,000

Beneficiaries

EGP 0.5 Mn

Total Donations

Youth Empowerment

KFH-Egypt strengthened youth development initiatives with a total investment of EGP 1.2 million, benefiting more than 10,000 students.

EGP 1.2 Mn
Contribution in Donations to the Youth Empowerment Sector

+10,000
Total Youth Beneficiaries

4 QUALITY EDUCATION
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Enactus Youth Entrepreneurship & Innovation Programme

Through its partnership with Enactus Egypt, KFH-Egypt empowers young people to develop innovative, sustainable solutions addressing real-world challenges.

The initiative engaged over 12,000 students, supported the implementation of more than 180 projects, and contributed to reaching over 326,000 beneficiaries.

This program reinforces the role of youth-driven innovation in advancing inclusive growth, sustainability, and long-term economic development.

+326,000
Beneficiaries

12,000
Total Engaged Students

180
Projects

Volunteerism and Community Impact Initiatives

Employee volunteering is a central pillar of KFH-Egypt's community engagement approach, reflecting a strong culture of participation, responsibility, and social contribution.

In 2025, over 50 employees participated in volunteering initiatives, contributing more than 21 volunteering hours. Employees actively supported a wide range of initiatives targeting vulnerable groups, particularly during high-impact periods such as Ramadan.

The key initiatives undertaken by KFH-Egypt are outlined below.

01

Misr El-Kheir Community Support Initiative

KFH-Egypt partnered with Misr El Kheir Foundation to deliver a wide-ranging CSR programme focused on food security, community support, and access to healthcare for underserved groups, particularly during the holy month of Ramadan. The initiative included Ramadan iftar tents that benefited 30,000 individuals, the distribution of food boxes reaching 10,000 beneficiaries, with the participation of 50 employee volunteers in packing activities.

A village iftar programme serving an additional 2,000 people. Support also extended to orphaned children through Eid clothing activities, while a pre-Ramadan medical convoy provided healthcare services to 3,000 beneficiaries.

Alongside these efforts, employee volunteers contributed to packing Ramadan food boxes, reflecting the Bank's continued commitment to community participation and inclusive social impact. Collectively, the programme reached 45,000 beneficiaries, reinforcing KFH-Egypt's role in supporting community well-being and social solidarity through sustained and targeted outreach.

45,000

Beneficiaries

10,000

Total Food Boxes Distributed

1 NO POVERTY | 2 ZERO HUNGER | 3 GOOD HEALTH AND WELL-BEING

02

Ramadan Visit to 57357 Children's Cancer Hospital

KFH-Egypt's engagement with Children's Cancer Hospital Egypt 57357 reflects its commitment to supporting the emotional and psychological well-being of children undergoing cancer treatment, alongside their medical care. As part of its employee volunteering programme, the Bank organised an internal initiative that encouraged staff participation in activities designed to bring comfort and positivity to young patients during their treatment journey.

Employees contributed five volunteering hours, engaging in activities such as decoration and gift distribution, helping create a more uplifting environment within the hospital. The initiative reinforces a culture of empathy and human connection within the Bank, while strengthening employee engagement through meaningful, hands-on community involvement.

3 GOOD HEALTH AND WELL-BEING

03

Al-Manfaz Initiative for Food Security and Social Protection

KFH-Egypt participated in the Al-Manfaz initiative in collaboration with the Ministry of Social Solidarity, supporting national efforts to strengthen social protection systems and enhance food security for vulnerable populations. The initiative reflects the Bank's alignment with government-led programmes focused on improving equitable access to essential needs.

As part of this contribution, 3,750 food boxes were distributed to beneficiaries. The initiative was also supported through employee volunteering, contributing a total of four hours, reflecting internal engagement in community support activities and reinforcing the Bank's participation in nationally coordinated social development efforts.

1,000
Beneficiaries

3,750
Total Food Boxes Distributed

1 NO POVERTY
2 ZERO HUNGER

04

Supporting Food Security with the Egyptian Food Bank

KFH-Egypt collaborated with the Egyptian Food Bank to support efforts aimed at addressing hunger and improving access to food for communities in need. The initiative reflects the Bank's engagement in food support activities and its contribution to national efforts focused on enhancing food availability for underserved groups. Employee participation played a key role in the initiative, reflecting internal engagement in community support activities. Within this initiative, employees contributed to packing 490 food boxes and dedicated four volunteering hours, reflecting direct engagement in supporting families in need.

4,000
Beneficiaries

490
Total Food Boxes Distributed

2 ZERO HUNGER

Responsible Procurement and Supplier Management

Why it Matters

Responsible procurement plays an important role in supporting KFH-Egypt's operational efficiency, cost management, and service continuity. As the Bank relies on a broad network of suppliers to support its daily operations, procurement practices directly influence the quality, reliability, and resilience of the services delivered across the Bank.

A strong procurement framework reinforces transparency, fair competition, and sound governance across supplier relationships while supporting ethical and sustainable business practices. Through structured supplier selection, clear approval processes, and consistent contract management, KFH-Egypt strengthens accountability, promotes integrity throughout the procurement lifecycle, and mitigates operational, reputational, and compliance-related risks, contributing to resilient and sustainable value creation across its supply chain.

As sustainability expectations continue to evolve, procurement also represents an important area for integrating environmental and social considerations into day-to-day operations. This includes promoting fair supplier treatment, supporting compliance with labor and health and safety requirements, and encouraging more responsible practices across the supply chain.

Our Approach and Progress

KFH-Egypt operates under a structured procurement framework that governs sourcing, supplier selection, contracting, and supplier performance management. Procurement activities cover the full cycle, including business requirements identification, sourcing and negotiation, RFQ, RFI and RFP management, purchasing, tendering and bidding processes, contract drafting and review, delivery verification, and payment processing.

Supplier selection is guided by defined evaluation criteria that combine financial and technical assessments, enabling objective decision-making and supporting the selection of suppliers that meet the Bank's operational and quality requirements. Through our structured procurement practices and clear governance mechanisms, KFH-Egypt strengthens accountability and reduces operational, reputational, and compliance-related risks.

The Bank's procurement framework is supported by internal policies and procedures covering supplier selection and evaluation, approval authority, contract management, competitive bidding and tendering, data privacy, and procurement threshold methodology. These policies help define responsibilities, strengthen control, and ensure that procurement activities are conducted in line with internal governance requirements.

Policies & Procedures

- Procurement Policy
- Procurement Procedure

2025 Highlights

EGP 395.7 Mn
Total Procurement spending

185
Total Number of Direct Suppliers

88%
Of Local Suppliers

Strengthening Procurement Governance and Efficiency

During 2025, KFH-Egypt continued to enhance its procurement framework through targeted improvements aimed at strengthening efficiency, governance, and cost optimization. Procurement thresholds were updated to improve process efficiency and better align sourcing approaches with transaction value, enabling more streamlined procurement execution while maintaining appropriate control levels.

The Bank also advanced its approach to vendor management by increasing coordination with the Group for strategic suppliers. This approach supports consolidated negotiations, improves purchasing power, and contributes to achieving cost efficiencies across procurement activities.

Integrating Shariaa Review into Procurement Processes

During 2025, KFH-Egypt incorporated Shariaa review into the contract evaluation cycle for procurement agreements.

This enhancement strengthens governance over supplier contracting and ensures that procurement activities remain aligned with the Bank's ethical principles and Shariaa-compliant operating model.

Enhancing Procurement Planning and Cost Control

KFH-Egypt further strengthened its procurement planning practices during the year by requiring business units to develop annual procurement plans aligned with their operational needs and budget cycles. This approach supports better demand forecasting and reduces reliance on unplanned or emergency procurement.

Improved planning has contributed to stronger cost control, more efficient allocation of resources, and enhanced business continuity by ensuring the timely availability of required goods and services across the Bank's operations.

Advancing Responsible Procurement Practice

KFH-Egypt continued to integrate responsible business practices into its procurement processes through fair supplier selection, supplier due diligence, and verification of regulatory compliance requirements. These practices support transparency and help ensure that procurement decisions are conducted in a consistent and controlled manner.

Supplier due diligence is applied during onboarding and engagement processes, including verification of supplier documentation, compliance checks, and review of operational integrity where applicable. These procedures support informed decision-making and help mitigate operational and compliance risks across the supply chain.

The Bank also promotes responsible and ethical conduct across its supplier base through adherence to its internal Code of Conduct and relevant policies. This approach supports fair supplier treatment and reinforces integrity, transparency, accountability, and compliance with applicable regulatory and ethical standards.

Effective Supplier Management

The Bank places strong emphasis on maintaining resilient relationships with its suppliers throughout the procurement lifecycle. Through its Contract Management framework, contracts are actively managed, monitored, and reviewed to ensure alignment with operational requirements and performance expectations.

In 2025, enhancements to Approval Authority structures supported more efficient procurement processes by streamlining decision-making and clarifying accountability, contributing to improved responsiveness and execution.

Enhancing Procurement Policies, Efficiency, and Trust

As part of its continuous improvement efforts, KFH-Egypt updated its Procurement Threshold Methodology in 2025, introducing clearer guidance on procurement approaches, whether through direct purchasing, offer-based processes, or tendering. These enhancements helped optimize efficiency while maintaining strong controls and transparency, enabling faster processing, reducing complexity, and improving alignment between procurement activities and business needs.

In parallel, the Bank places strong emphasis on confidentiality and trust in supplier relationships. Through its Data Privacy practices, suppliers are required to sign non-disclosure agreements, ensuring that sensitive information is protected and handled in accordance with the Bank's data protection standards.

Our Responsible Procurement Performance

In 2025, KFH-Egypt demonstrated solid progress in strengthening its procurement practices, reflecting enhanced operational performance and process effectiveness. Environmental and social considerations continued to be reflected within supplier management practices through established supplier review processes, regulatory compliance checks, and broader governance practices.

Total procurement spending reached EGP 395.7 Mn, supported by a supplier base of 185 direct suppliers out of total of 590 suppliers on bank-wide, highlighting the scale and diversity of the Bank's procurement activities.

During the year, procurement activities supported several operational enhancements, including supplier coordination for rebranding activities, ATM fleet expansion, digital banking enhancements, and energy-efficient ATM machines where applicable. These initiatives contributed to improved operational performance, customer experience, and service accessibility.

Looking ahead, KFH-Egypt can further enhance its procurement framework and supplier management approach by expanding the integration of environmental and social considerations within supplier evaluation and monitoring processes. Building on existing due diligence and compliance practices, this represents a natural progression in strengthening responsible procurement and aligning with evolving sustainability expectations.

EGP 395.7 Mn

Total Procurement Spending In 2025

10

Natural Capital

Environmental Footprint Management

بنك بيت التمويل الكويتي

KFH

EGYPT

GHG Emissions

Why it Matters

Climate change presents growing environmental, economic, and operational implications for financial institutions and the communities they serve.

For KFH-Egypt, managing greenhouse gas emissions is an important part of strengthening environmental responsibility, improving operational efficiency, and supporting the transition toward a lower-carbon economy.

As part of the global KFH Group, the Bank recognizes that responsible banking extends beyond financial performance to include the management of environmental impacts across its operations and value chain.

By measuring emissions, improving resource efficiency, and adopting lower-carbon practices, KFH-Egypt can better identify reduction opportunities, enhance transparency, and contribute to long-term environmental and social wellbeing.

Our Approach and Progress

KFH-Egypt manages its GHG emissions through an approach focused on measurement, efficiency, and continuous improvement. The Bank integrates environmental considerations into its operations by monitoring key sources of emissions, improving resource efficiency, and adopting practices that reduce its operational carbon footprint.

The Bank's approach encompasses assessing emissions across relevant operational activities, such as electricity consumption, fuel use, and other applicable sources.

This enables KFH-Egypt to identify emission hotspots, track performance over time, and prioritize reduction opportunities. In line with its commitment to responsible banking, KFH-Egypt continues to promote lower-carbon practices through energy-efficient operations, digital transformation, responsible procurement, and employee awareness. These efforts support the Bank's broader sustainability direction and strengthen its ability to manage climate-related operational impacts.

2025 Highlights

5,378 $mtCO_2e$

Total Scope 1+2+3 Emissions in 2025

4,396 $mtCO_2e$

Total Scope 1+2 Emissions in 2025

0.11 $mtCO_2e/m^2$

Scope 1+2 Emissions Intensity per square meter of total area

3.26 $mtCO_2e$/Employee

Scope 1+2 Emissions Intensity per employee

Strengthening Climate Performance

In 2025, KFH-Egypt assessed its greenhouse gas emissions across Scope 1, Scope 2, and selected Scope 3 categories. The assessment covered the reporting period from January 1st to December 31st, 2025, and was conducted in line with recognized international frameworks, including the GHG Protocol, the IPCC Guidelines for Greenhouse Gas Inventories, and ISO 14064-1:2018.

Operational Efficiency Initiatives Supporting Emissions Reduction

Creation of Regional Hubs for Business Units

KFH-Egypt created regional hubs for selected business units to reduce turnaround time, improve operational efficiency, and lower related operational costs. By reducing transportation distances for employees, internal coordination, and courier services, the initiative supports more efficient operations and helps reduce associated greenhouse gas emissions.

Remote Work Access for Selected Functions

KFH-Egypt enabled remote work access for selected functions to enhance productivity, support operational flexibility, and promote lower-emission working practices. By reducing the need for daily commuting and limiting courier-related transportation where applicable, the initiative contributes to lowering associated greenhouse gas emissions while supporting more efficient ways of working.

"Growing Together" Sustainability Initiative

As part of its commitment to environmental responsibility and climate action, KFH-Egypt launched the "Growing Together" initiative, through which Bank employees participated in planting trees in the Banks Area of the Fifth Settlement. The initiative reflects the Bank's efforts to promote environmental awareness, enhance green spaces, and encourage employee engagement in climate-positive action.

By contributing to urban greening, the initiative supports carbon sequestration, enhances the surrounding environment, and creates a positive community impact. More than a tree-planting activity, "Growing Together" represents a practical step toward embedding sustainability within the Bank's culture and encouraging employees to take part in environmental action.

Organizational Boundaries

KFH-Egypt's GHG emissions assessment covers the Bank's operational activities within Egypt, including its head office, branches, and relevant administrative facilities under its operational control. The Bank applies the operational control approach to define its organizational boundaries, whereby emissions are accounted for from operations over which KFH-Egypt has authority to introduce and implement operating policies.

During the 2025 reporting year, the assessment covered 55 facilities across 15 governorates, including 45 branches, 8 warehouses & archives. 1 office building and the head office.

This approach ensures a consistent basis for measuring, monitoring, and managing the Bank's operational carbon footprint.

55

Facilities, including branches, head offices, admin offices, and archives

38,359 m²

Total floor area for all the included facilities

Operational Boundaries

The emissions assessment is categorized into three scopes: Scope 1, covering direct emissions from equipment and assets owned or controlled by KFH-Egypt; Scope 2, covering emissions associated with purchased energy; and Scope 3, covering other indirect emissions resulting from the Bank's activities.

The operational boundary, therefore, includes both direct and indirect emissions, classified as follows:

Scope 1

Direct emissions from owned or controlled sources, primarily arising from fuel consumption in back-up generators and company-owned vehicles, as well as fugitive emissions from refrigerant leakage.

Scope 2

Indirect emissions from purchased energy consumed across facilities, such as electricity and chilled water.

Scope 3

Other indirect emissions, including selected categories such as purchased goods and services and waste generated from operations, based on data availability.

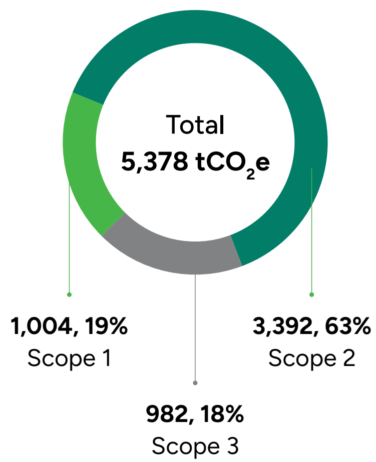
Carbon Footprint Assessment Results

KFH-Egypt's total greenhouse gas emissions in 2025 reached 5,378 $mtCO_2e$, representing the Bank's overall operational carbon footprint. This corresponded to a carbon intensity of 3.26 $mtCO_2e$ per employee and 0.11 $mtCO_2e$ per m^2 of total area.

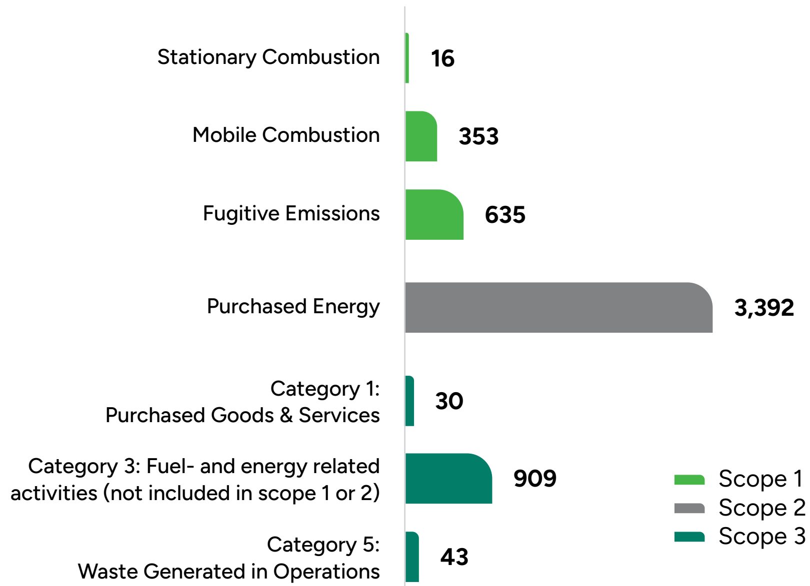
In 2025, the Bank's emissions profile reflects its ongoing commitment to transparency and comprehensive GHG accounting. Scope 1 emissions amounted to 1,004 $mtCO_2e$, while Scope 2 emissions reached 3,392 $mtCO_2e$, and Scope 3 emissions totaled 982 $mtCO_2e$. Given the expanded coverage of Scope 1 and Scope 2, along with the inclusion of Scope 3, 2025 serves as the base year (BY) for emissions tracking.

Scope 3 emissions are reported for the first time in 2025; however, the current coverage is limited to selected categories, including water use, waste generation, and fuel and energy-related activities. The inclusion of all relevant and significant Scope 3 categories requires a robust data collection system, which the Bank is currently in the process of developing, reflecting its commitment to gaining a more comprehensive understanding of its environmental impact.

Total Absolute Emissions by Scope, 2025 (tCO_2e)



Absolute Emissions by Activity and Scope, 2025 (tCO_2e)



Carbon Footprint Assessment Results

Aligned with global efforts to limit temperature rise to 1.5°C, the Bank has worked on establishing clear and measurable emissions reduction targets, with 2030 set as the target year. It aims to reduce Scope 1 and Scope 2 emissions by 42% from a 2025 baseline.

To achieve this, the Bank has identified several key initiatives, including improving energy efficiency across equipment, enhancing maintenance practices for equipment and vehicles, strengthening waste management systems, and exploring renewable energy solutions.

Resource Efficiency

Why it Matters

Efficient use of resources is essential to reducing KFH-Egypt's environmental footprint and supporting more sustainable banking operations.

Energy, water, paper, and waste management directly affect the Bank's operational efficiency, cost management, and environmental performance across its branches and administrative facilities.

For KFH-Egypt, improving resource efficiency also supports its broader climate action efforts by reducing unnecessary consumption, limiting waste generation, and encouraging more responsible use of materials. Through digital transformation, automation, and responsible operational practices, the Bank continues to strengthen its environmental performance while supporting a more efficient and resilient operating model.

Our Approach and Progress

KFH-Egypt manages resource efficiency through a structured approach focused on monitoring consumption, optimizing operational processes, and adopting technologies that reduce environmental impact.

The Bank continues to implement initiatives that improve the use of energy, water, paper, and materials across its administrative buildings and branches.

Under its environmental footprint management efforts, KFH-Egypt promotes digital transformation, responsible waste handling, and resource-conscious practices.

2025 Highlights

9,804 MWh
Total Energy Consumption

0.26 MWh/m^2
Energy intensity per square meter of area

83,555 m^3
Total Water Consumption

42 tons
Of recycled paper waste

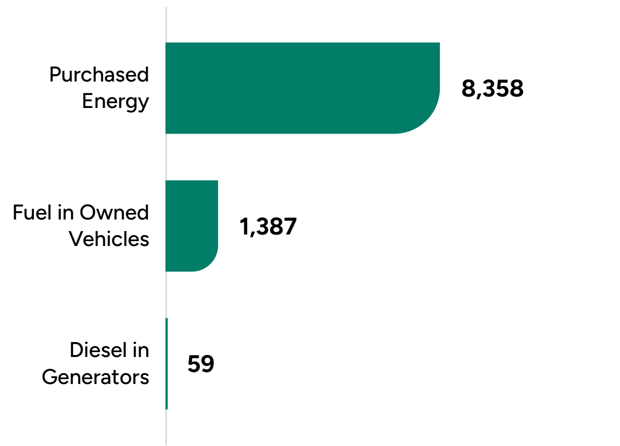
Energy Management

KFH-Egypt continues to enhance energy efficiency across its operations by adopting smarter building management practices. The Bank is transitioning toward a full Building Management System (BMS) control setup, where sensors manage lighting and air conditioning in office spaces within administrative buildings.

This initiative supports more efficient energy use by reducing unnecessary electricity consumption, improving indoor environmental control, and optimizing power demand during working hours. Through these measures, the Bank aims to lower operational costs and reduce emissions associated with energy consumption.

In 2025, KFH-Egypt's total energy consumption reached 9,804 MWh, while its energy intensity was 0.26 MWh per m^2 of total area.

Energy Consumption Per Source (MWh) - 2025



9,804 MWh
Total energy consumption in 2025

0.26 MWh/m^2
Energy intensity per square meter of area

Water Management

KFH-Egypt is committed to using water responsibly across its offices, branches, and administrative facilities. The Bank seeks to promote efficient water consumption through monitoring, employee awareness, and operational controls that encourage responsible use.

Although the Bank's water consumption is primarily related to domestic and office use, KFH-Egypt continues to identify opportunities to improve water efficiency and reduce unnecessary consumption across its premises.In 2025, total water consumption amounted to 83,555 m^3, with water intensity reaching approximately 62 m^3 per employee.

83,555 m^3
Total water consumption

62 m^3/ Employee
Water intensity per employee

Waste Management

KFH-Egypt works to reduce waste generation by promoting digitalization, responsible document management, and recycling practices. As part of its digital transformation efforts, the Bank contracted specialized service providers to scan and electronically archive documents, securely store original records, and responsibly destroy and recycle paper waste in line with internal policies and procedures.

In addition, KFH-Egypt has stopped printing hard copies of technical reports and invoices, shifting toward fully digital processes. This initiative reduces turnaround time, operational costs, and associated emissions while improving archiving and data retrieval efficiency. It also contributes to reducing paper and ink consumption. In 2025, KFH-Egypt recycled **42 tons** of paper waste.

42 tons

Of paper waste recycled

kfh.com

11 ESG Appendices

بنك بيت التمويل الكويتي
KFH
EGYPT

Abbreviations and Acronyms

AML	Anti-Money Laundering
BMS	Building Management System
BY	Base Year
CAPEX	Capital Expenditure
CBAM	Carbon Border Adjustment Mechanism
CBE	Central Bank of Egypt
CFT	Counter-Terrorism Financing
CO2e	Carbon Dioxide Equivalent
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CSR	Corporate Social Responsibility
DCEO	Deputy Chief Executive Officer
E&S	Environmental and Social
EDGE	Excellence in Design for Greater Efficiencies
EGP	Egyptian Pound
ERM	Enterprise Risk Management
ESG	Environmental, Social, and Governance
ESDD	Environmental and Social Due Diligence
ESMS	Environmental and Social Management System
FATCA	Foreign Account Tax Compliance Act
FRA	Financial Regulatory Authority
FX	Foreign Exchange
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GTB	Global Transaction Banking
ICAAP	Internal Capital Adequacy Assessment Process
IIA	Institute of Internal Auditors
IPCC	Intergovernmental Panel on Climate Change
ISO	International Organization for Standardization
KFH	Kuwait Finance House
KPI	Key Performance Indicator
MSME	Micro, Small and Medium Enterprises
NBFI	Non-Banking Financial Institution
NGO	Non-Governmental Organization
PCI DSS	Payment Card Industry Data Security Standard
PMC	Portfolio Management Committee
PoS	Point of Sale
PwDs	Persons with Disabilities
RFI	Request for Information
RFP	Request for Proposal
RFQ	Request for Quotation
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goals
SME	Small and Medium-sized Enterprises
SOP	Standard Operating Procedure
STEM	Science, Technology, Engineering, and Mathematics
SWIFT CSP	SWIFT Customer Security Programme
TAT	Turnaround Time
TCFD	Task Force on Climate-related Financial Disclosures
UNGC	United Nations Global Compact

ESG Performance Indicators

Social Indicators[1]

Employees Profile		2025
Employees	**Total Employees[2]**	**1,357**
	Male	911
	Female	446
	Permanent contract	**616**
	Male	405
	Female	211
	Temporary contract	**741**
	Male	506
	Female	235
	Full-time	**1,357**
	Male	911
	Female	446
	Employees with Disability	**16**
	Male	8
	Female	8
Breakdown by Age	Under 30	272
	30-50	921
	Above 50	164

Employees Profile		2025
Breakdown by Region	**Greater Cairo & Giza**	**1,148**
	Male	751
	Female	397
	Upper Egypt	**25**
	Male	19
	Female	6
	North Coast and Delta Region	**132**
	Male	98
	Female	34
	Red Sea and Suez Canal	45
	Male	36
	Female	9
	Sinai and Frontier Governorates	7
	Male	7
	Female	0
Workers who are not employees	Outsourced workers	457
	Interns	1
	Freelancers/ Self-Employed Workers	0

[1] All figures below are as of 31st December 2025.

[2] All the bank employees are based in Egypt and are employed on a full-time basis.

Diversity across Employee Categories

Employee Category	Total and by Gender			Age Category		
	Total	Male	Female	Under 30	30-50	Above 50
Entry Level	**779**	512	267	269	432	78
Middle Management	**504**	350	154	16	423	65
Senior Management	**74**	49	25	0	38	36

New Hires		2025
Employee New Hires	**Total**	**198**
	Male	143
	Female	55
Breakdown by Age	Under 30	82
	30-50	115
	Above 50	1

Employee Turnover		2025	
		No. of Employees	Turnover Rate (%)[3]
Employee Turnover	**Total Turnover**	164	12.1%
	Male	120	13.2%
	Female	44	9.9%
Breakdown by Type	Voluntary	156	95.1%
	For cause	8	4.9%
Breakdown by Age	Under 30	46	16.1%
	30-50	114	12.8%
	Above 50	4	2.2%

New Hires	2025
Number of employees who took a maternity/ parental leave during 2025	**18**
Male	0
Female	18

[3] Turnover rate is calculated as the % of leavers per category divided by the total number of employees in that specific category as of the end of FY2024.

Training and Development		2025	
		Total Hours	Average Hours per Employee
Breakdown by Gender	**Total**	29,734	21.9
	Male	19,728	21.7
	Female	10,006	22.4
Breakdown by Age	Under 30	5,356	18.8
	30-50	22,138	24.8
	Over 50	2,239	12.5
Breakdown by Employee Category	Entry level	14,704	18.9
	Middle Management Level	10,690	21.2
	Senior or Executive Level	4,339	58.6
Leadership Development Program	Total Trainees	93	
	Male	48	
	Female	45	
ESG - Sustainability Strategy Enhancement Project	Total Trainees	25	
	Male	14	
	Female	11	

Health and Safety		2025
Health and Safety Training	Total Training Sessions	100
	Total Trainees	1,800
	Total Training Hours	1,620
Work-related Injuries (Bank Employees)	Total Injuries	0
	Main types of injuries	NA
	Total Hours Worked	NA
	Lost-time injury frequency rate (LTIFR)	NA
	Lost-time injury severity rate (LTISR)	NA
Work-related Injuries (Contractors and workers who are not employees)	Total Injuries	0
	Main types of injuries	NA
	Total Hours Worked	NA
	Lost-time injury frequency rate (LTIFR)	NA
	Lost-time injury severity rate (LTISR)	NA
Work-related Fatalities	Total Injuries	0
	Main types of injuries	NA
Work-related Illnesses	Employees	0
	Main types of work-related illness (employees)	NA
	Contractors	0
	Main types of work-related ill-health (contractors)	NA
Work-related Hazards	No. of hazards reported (Employees)	0
	No. of hazards reported (Contractors)	0
	Main Types of Hazards Reported	NA

Economic Indicators

Category	Indicator	Unit	2025
Financial Performance	Net Profit after Taxes	EGP million	4,084
	Shareholders' Equity	EGP million	22,266
	Total Financing Portfolio	EGP billion	104,781
	Total Retail Financing Portfolio	EGP billion	9,876
	Total Corporate Financing Portfolio	EGP billion	88,375
	Total SME Financing Portfolio	EGP million	6,530
Corporate Banking	Total number of corporate clients	Count	2010
SME Banking	Total number of SME clients	Count	71
	Total number of women owned SMEs	Count	11
	Finance Amount to women owned SMEs	EGP million	285.8
Retail Banking	Personal Financings	EGP thousands	8,148
	Credit card purchases	EGP million	281
	Auto Financings	EGP million	1,447
Customer Base	New accounts opened	Count	34,670
	Total number of women customers	Count	36,880
	Youth customers	Count	7,255
Cards & Payments	Unique consumers with active credit card	Count	21,568
	Unique consumers with active prepaid debit card	Count	71,892

Category	Indicator	Unit	2025
Cards & Payments	Total Number of credit card accounts	Count	23,121
	Total Number of pre-paid debit card accounts	Count	124,490
Accounts & Financings	Personal checking & savings accounts	Count	82,320
	Value of personal checking & savings accounts	EGP million	13,754
Digital Banking – Retail	Retail internet customers	Count	42,778
	Volume of retail internet transactions	EGP million	8,669
Digital Inclusion	Internet women customers	%	26
	Internet youth customers	%	10
Financial Literacy	Financial literacy sessions	Count	26
	Participants in financial literacy activities	Count	12,000
	Female attendees of financial literacy activities	%	40
	Youth attendees of financial literacy activities	%	75
Financial Inclusion	Financial inclusion products & services	Count	8
	New customers per year	Count	4,081
	Customers with effective access to basic banking product	%	100
	No-cost retail checking accounts for previously unbanked or underbanked customers	Count	4,081

Governance Indicators

New Hires		2025
Employee New Hires	**Total**	**9**
	Male	7
	Female	2
Board of Directors by Tenure	0-5 years	8
	5-10 years	1
	> 10 years	0
Board Activities	Number of board meetings conducted during the reporting period	6

Environmental Indicators

Energy, Water, Materials, and Waste		Unit	2025
Energy Consumption	Purchased electricity	MWh	8,358
	Diesel consumed by the Bank's emergency generators	MWh	59
	Petrol by the Bank's owned vehicles	MWh	1,387
	Total	**MWh**	**9,804**
Water	Municipal water intake	m^3	83,555
Waste	Paper waste generated	Total (tons)	42

Energy, Water, Materials, and Waste		Unit	2025
Scope 1 (Direct)	Total	$mtCO_2e$	1,004
Scope 2 (Indirect)	Total (location-based)	$mtCO_2e$	3,392
Scope 1+2	**Total**	**$mtCO_2e$**	**4,396**
Scope 3 (Other Indirect)	**Total**	**$mtCO_2e$**	**982**
	Purchased goods and services	$mtCO_2e$	30
	Fuel and energy-related activities (not included in scope 1 and 2)	$mtCO_2e$	909
	Waste generated in operations	$mtCO_2e$	43
Scope (1+2+3)	**Total**	**$mtCO_2e$**	**5,378**
Carbon Intensity	Scope 1+2 per employee	$mtCO_2e$ / employee	3.26
	Scope 1+2 per unit area	$mtCO_2e /m^2$	0.11

GRI Content Index

Statement of use	KFH-Egypt has reported in accordance with the GRI Standards for the period from January 1st, 2025, to December 31st, 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	No applicable sector standard has been published to date.

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Mapping
			Requirement(s) Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021						
	The organization and its reporting practices					
GRI 2: General Disclosures 2021	2-1 Organizational details	KFH-Egypt Overview				PRB 1.1
	2-2 Entities included in the organization's sustainability reporting	About the Report				
	2-3 Reporting period, frequency and contact point	About the Report				
	2-4 Restatement of information	About the Report				
	2-5 External assurance	Limited Assurance Statement				
	Activities and workers					
	2-6 Activities, value chain and other business relationships	KFH-Egypt Overview				PRB 1.1
	2-7 Employees	Equal Opportunity and Inclusive Culture ESG Performance Indicators				SDG 8.5, 10.3 PRB 1.1
	2-8 Workers who are not employees	ESG Performance Indicators				SDG 8.5

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Mapping
			Requirement(s) Omitted	Reason	Explanation	
	Governance					
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Sustainability Governance and Accountability				SDG 5.5, 16.7 PRB 5.1
	2-10 Nomination and selection of the highest governance body	Sustainability Governance and Accountability				SDG 5.5, 16.7
	2-11 Chair of the highest governance body	Sustainability Governance and Accountability				SDG 16.6
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance and Accountability				SDG 16.7
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance and Accountability				PRB 5.1
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance and Accountability				
	2-15 Conflicts of interest	Sustainability Governance and Accountability				SDG 16.6
	2-16 Communication of critical concerns	Sustainability Governance and Accountability				
	2-17 Collective knowledge of the highest governance body	Sustainability Governance and Accountability				
	2-18 Evaluation of the performance of the highest governance body	Sustainability Governance and Accountability				
	2-19 Remuneration policies	Sustainability Governance and Accountability				
	2-20 Process to determine remuneration	Sustainability Governance and Accountability				SDG 16.7

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Mapping
			Requirement(s) Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	**Strategy, Policy and Practices**					
	2-22 Statement on sustainable development strategy	Message from our CEO				PRB 1.2
	2-23 Policy commitments	Business Ethics, Compliance and Resilience				SDG 16.3 PRB 5.2 UNGC 7, 10
	2-24 Embedding policy commitments	Business Ethics, Compliance and Resilience				
	2-25 Processes to remediate negative impacts	Business Ethics, Compliance and Resilience				
	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics, Compliance and Resilience				SDG 16.3
	2-27 Compliance with laws and regulations	Business Ethics, Compliance and Resilience				
	Stakeholder Engagement					
	2-29 Approach to stakeholder engagement	Stakeholder Engagement				PRB 4.1
	2-30 Collective bargaining agreements	There are no collective bargaining agreements in KFH-Egypt. However, there is room for communicating grievances or any type of feedback due to KFH-Egypt's open-door policy and systematic cycle of feedback between managers and employees.				SDG 8.8 PRB 4.1

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Mapping
			Requirement(s) Omitted	Reason	Explanation	
GRI 3: Material Topics 2021						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment				
	3-2 List of material topics	Materiality Assessment				
Financial Performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	Financial Resilience				SDG 8.1, 8.2, 9.1
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Resilience				SDG 8.1, 8.2, 9.1, 9.4, 9.5
	201-2 Financial implications and other risks and opportunities due to climate change	Materiality Assessment			The bank is working to disclose this information in upcoming reporting cycles.	SDG 13.1
	201-3 Defined benefit plan obligations and other retirement plans		c,d,e	Information unavailable/ incomplete	The bank is working to disclose this information in upcoming reporting cycles.	SDG 16.5
	201-4 Financial assistance received from government	KFH does not receive financial assistance from the government.				SDG 16.3
Financial Inclusion						
GRI 3: Material Topics 2021	3-3 Management of material topics	Financial Inclusion, Accessibility and Literacy				SDG 1.4, 8.3, 8.10, 9.3, 10.2

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Mapping
			Requirement(s) Omitted	Reason	Explanation	
Sustainable and Green Finance						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Finance				SDG 7.2, 7.3, 8.10, 9.4, 13.1
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Sustainable Finance				SDG 5.4, 9.1, 9.4, 11.2
Value and Business Ethics						
GRI 3: Material	3-3 Management of material topics	Business Ethics, Compliance and Resilience Integrated Risk Management and Operational Resilience				SDG 16.3, 16.5
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Business Ethics, Compliance and Resilience Integrated Risk Management and Operational Resilience				SDG 16.5
	205-2 Communication and training about anti-corruption policies and procedures	Business Ethics, Compliance and Resilience Integrated Risk Management and Operational Resilience				SDG 16.5
	205-3 Confirmed incidents of corruption and actions taken	Business Ethics, Compliance and Resilience Integrated Risk Management and Operational Resilience				SDG 16.5
Water Consumption						
GRI 3: Material Topics 2021	3-3 Management of material topics	Resource Efficiency				SDG 6.4, 6.5

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Mapping
			Requirement(s) Omitted	Reason	Explanation	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Resource Efficiency ESG Performance Indicators				SDG 6.3, 6.4, 6.6, 12.4
	303-5 Water Consumption	Resource Efficiency ESG Performance Indicators				SDG 6.4
Greenhouse Gas Emissions						
GRI 3: Material Topics 2021	3-3 Management of material topics	GHG Emissions				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	GHG Emissions ESG Performance Indicators				SDG 3.9, 12.4, 13.1, 14.3, 15.2
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	GHG Emissions ESG Performance Indicators				SDG 3.9, 12.4, 13.1, 14.3, 15.2
	305-3 Other indirect (Scope 3) GHG emissions	GHG Emissions ESG Performance Indicators				SDG 3.9, 12.4, 13.1, 14.3, 15.2
	305-4 GHG emissions intensity	GHG Emissions ESG Performance Indicators				SDG 13.1, 14.3, 15.2
	305-5 Reduction of GHG emissions	GHG Emissions				SDG 13.1, 14.3, 15.2
Waste Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Resource Efficiency				
GRI 306: Waste 2016	306-1 Waste generation and significant waste-related impacts	Resource Efficiency				SDG 3.9, 6.3, 6.6, 11.6, 12.4, 12.5
	306-2 Management of significant waste-related impacts	Resource Efficiency				SDG 3.9, 6.3, 6.6, 11.6, 12.4, 12.5
				Information unavailable		SDG 3.9, 6.6, 11.6, 12.4, 12.5, 15.1

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Mapping
			Requirement(s) Omitted	Reason	Explanation	
Environmental Impact Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Resource Efficiency				SDG 12.2, 13.2, 15.1
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Resource Efficiency ESG Performance Indicators				SDG 7.2, 7.3, 13.1
	302-1 Energy consumption within the organization	Resource Efficiency ESG Performance Indicators				SDG 7.2, 7.3, 13.1
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative Social Impacts in the Supply Chain and Actions Taken	Resource Efficiency ESG Performance Indicators				SDG 12.6, 12.7
Employment and Job Creation						
GRI 3: Material Topics 2021	3-3 Management of material topics	Equal Opportunity and Inclusive Culture				SDG 8.5, 8.6
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Equal Opportunity and Inclusive Culture ESG Performance Indicators				SDG 5.1, 8.5, 8.6, 10.3
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees.	Equal Opportunity and Inclusive Culture				SDG 3.2, 5.4, 8.5
GRI 404: Training and Education 2016	401-3 Parental leave	Equal Opportunity and Inclusive Culture				SDG 5.1, 5.4, 8.5
	404-1 Average hours of training per year per employee	Employee Development and Talent Retention				SDG 4.4, 8.2, 8.5
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Development and Talent Retention				SDG 4.4, 8.2, 8.5
	404-3 Percentage of employees receiving regular performance and career development reviews	All employees of KFH undergo periodic performance and career development reviews annually (100% of employees)				SDG 8.5, 10.3

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Mapping
			Requirement(s) Omitted	Reason	Explanation	
Equity and Diversity in Hiring						
GRI 3: Material Topics 2021	3-3 Management of material topics	Equal Opportunity and Inclusive Culture				SDG 5.1, 10.3
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Equal Opportunity and Inclusive Culture				SDG 5.1, 5.5, 8.5
	405-2 Ratio of basic salary and remuneration of women to men		a,b	Confidentiality and Privacy	This information is considered confidential and private.	SDG 5.1, 8.5, 10.3
GRI 406: Non-Discrimination 2016	406-1 Discrimination Incidents and Corrective Actions Taken	No discrimination incidents were recorded during the reporting period. The bank is committed to a non-discrimination policy and provides a fair and inclusive work environment for all employees.				SDG 5.1, 8.8, 10.3, 16.b
Social Responsibility						
GRI 3: Material Topics 2021	3-3 Management of material topics	Community Investments				SDG 1.4, 11a
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Investments				SDG 1.4, 11.a
	413-2 Operations with significant actual and potential negative impacts on local communities	No actual or potential negative impacts on local communities were identified.				SDG 1.4, 2.3
Environmental, Social and Governance Impact Risk Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Integrated Risk Management and Operational Resilience				SDG 8.8, 12.6

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Mapping
			Requirement(s) Omitted	Reason	Explanation	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Integrated Risk Management and Operational Resilience				SDG 8.8
		No actual or potential negative social impacts in the supply chain were identified during the reporting period. The bank regularly assesses its suppliers to ensure their compliance with the required social and ethical standards.				SDG 8.8
Customer Rights						
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer Experience and Fair Treatment				SDG 16.3, 16.7
Cybersecurity						
GRI 3: Material Topics 2021	3-3 Management of material topics	Data Privacy and Cybersecurity Governance				SDG 16.4, 16.10
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Cybersecurity Governance				SDG 16.10
Digitalization						
GRI 3: Material Topics 2021	3-3 Management of material topics	Digital Transformation Strategy				SDG 9.b, 17.8

SASB Content Index

SASB STANDARD – COMMERCIAL BANKS

Accounting Metric	Category	Unit of Measure	Code	Report Section(s) or Direct Response
Financial Inclusion & Capacity Building				
(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	Quantitative	EGP	FN-CB-240a.1	24, EGP 3,502,636
(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Quantitative	EGP	FN-CB-240a.2	1, 1338.9
Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Quantitative	Number	FN-CB-240a.3	4,081
Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Quantitative	Number	FN-CB-240a.4	12,000
Business Ethics				
Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Quantitative	EGP	FN-CB-510a.1	0
Description of whistleblower policies and procedures	Discussion and Analysis	n/a	FN-CB-510a.2	Business Ethics, Compliance and Resilience

SASB STANDARD – COMMERCIAL BANKS

Accounting Metric	Category	Unit of Measure	Code	Report Section(s) or Direct Response
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis				
Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Discussion and Analysis	n/a	FN-CB-410a.2	E&S Risk Management and ESG Integration
Data Security				
(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Quantitative	Number, %	FN-CB-230a.1	Data Privacy and Cybersecurity Governance
Description of approach to identifying and addressing data security risks	Discussion and Analysis	n/a	FN-CB-230a.2	Data Privacy and Cybersecurity Governance
Systemic Risk Management				
Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Discussion and Analysis	n/a	FN-CB-550a.2	Integrated Risk Management and Operational Resilience
Activity Metrics				
(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Quantitative	Count, EGP	FN-CB-000.A	Financial Resilience
(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	Quantitative	Count, EGP	FN-CB-000.B	Financial Resilience

TCFD Content Index

TCFD Recommendation	Report Section(s) (or direct answer)
Governance	
a. Describe the board's oversight of climate-related risks and opportunities.	Integrated Risk Management and Operational Resilience
b. Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability Governance and Accountability
Strategy	
a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	E&S Risk Management and ESG Integration Integrated Risk Management and Operational Resilience
b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	E&S Risk Management and ESG Integration Integrated Risk Management and Operational Resilience
c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	E&S Risk Management and ESG Integration Integrated Risk Management and Operational Resilience
Risk Management	
a. Describe the organization's processes for identifying and assessing climate-related risks.	E&S Risk Management and ESG Integration
b. Describe the organization's processes for managing climate-related risks.	GHG Emissions Resource Efficiency
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	GHG Emissions Resource Efficiency
Metrics and Targets	
a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	GHG Emissions ESG Performance Indicators
b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	
c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	

UNGC Content Index

Principle	Description	Report Section(s) or Direct Response
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	Responsible Procurement and Supplier Management
Principle 2	Businesses should make sure they are not complicit in human rights abuses.	Responsible Procurement and Supplier Management
Labor		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	The Bank has no collective bargaining agreements
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labor	Responsible Procurement and Supplier Management
Principle 5	Businesses should uphold the effective abolition of child labor.	Responsible Procurement and Supplier Management
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Equal Opportunity and Inclusive Culture
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges.	GHG Emissions Resource Efficiency Sustainable Finance
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	GHG Emissions Resource Efficiency Sustainable Finance
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Sustainable Finance
Anti-corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Integrated Risk Management and Operational Resilience

CBE Sustainable Finance Reporting Guidelines

Principles of Sustainable Finance		Report Section(s)
Principle 1	Capacity-Building and Necessary Knowledge	Employee Development and Talent Retention
Principle 2	Enhancing Sustainable Finance	Sustainable Finance
Principle 3	Involvement of the Stakeholders	Stakeholder Engagement
Principle 4	Managing Climate Change Risks	E&S Risk Management and ESG Integration
Principle 5	Applying the Principles of Sustainability to the Bank's Internal Activities and Operations	About the Report
Principle 6	Reporting	About the Report

Limited Assurance Statement

Introduction and Objectives of the Engagement

Masader Environmental & Energy Services S.A.E. has been engaged by Kuwait Finance House Bank-Egypt S.A.E. (KFH-Egypt) (the 'Reporting Organization') to perform a limited assurance engagement in respect of selected sustainability information included in 2025 Sustainability Report (the 'Report') for January 1st , 2025 to December 31st , 2025.

Scope, Subject Matter and Limitations

The subject matter of our engagement comprised the selected sustainability information identified by management for inclusion in the Report. This included relevant narrative disclosures, selected data points and related explanations, together with any supporting schedules and records made available to us for the purpose of this engagement. Our work did not extend to information outside that scope, future commitments or targets, forward-looking statements, or content hosted on external websites or in documents not specifically included in the Report. The scope of assurance is limited to a review of the Selected Information listed below:

- KFH-Egypt's ESG Management
- Stakeholder Engagement
- Materiality Assessment

The assurance process was subject to the following limitations and exclusions:

- Verifying the data or information provided by KFH-Egypt stated in the Introduction section.
- Appropriateness of definitions and any internal reporting criteria adopted by KFH-Egypt for its disclosures.
- Appropriateness of any new commitments and objectives established and communicated by KFH-Egypt.
- Content of external websites or documents linked from the Report and KFH-Egypt.

We have not been engaged to:

- Verify any statement indicating the intention, opinion, belief and/or aspiration of KFH-Egypt.
- Determining which, if any, recommendations should be implemented.
- Verify the GHG metrics and other key performance indicators against actual calculations or relevant internal supporting documentation.

Intended Users

The intended users of this assurance engagement are the Reporting Organization and its stakeholders, including but not limited to customers, employees, investors, government, and regulators.

Responsibilities of the Reporting Organization

Management of KFH-Egypt is responsible for the preparation and presentation of the selected sustainability information, for maintaining appropriate records and internal processes, for determining the content included within the scope of this engagement, and for providing the information and explanations considered necessary for our work.

Responsibilities of the Assurance Provider

Our responsibility is to perform the engagement with due care and objectivity and to express a limited assurance conclusion based on the work performed and the evidence obtained.

Methodology

To form our conclusion, we undertook the following procedures:

- Interviewed management and other persons responsible for the Reporting Organization's ESG performance to assess the application of the GRI 2021 Universal Standards in the preparation of the Report
- Analyzed and assessed the key structures, processes, procedures and controls relating to the preparation of the Report
- Evaluated whether the management approach for the material topics presented in the Report is consistent with the overall sustainability management and performance at KFH-Egypt
- Assessed the completeness and accuracy of the selected standards and frameworks content indexes concerning the disclosures and their omissions referred to under the Reporting Criteria section below
- Interviewed management and data owners regarding the process of identification, data collection, consolidation and reporting for the selected KPIs;
- Reviewed and evaluated KFH-Egypt's GHG Metrics for the selected KPIs against the actual calculation performed to support the figures disclosed in the Report;
- Reviewed the selected KPIs to KFH-Egypt's internal calculations and supporting documentation
- Compared the content of the Report against the findings of the outlined procedures.

Reporting Criteria

The selected information has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, and the Sustainability Accounting Standards Board (SASB) Standards, in addition to the Task Force on Climate related Financial Disclosures (TCFD) recommendations, and the UN Global Compact (UNGC) Principles.

Level of Assurance and Limitations

A limited assurance engagement is narrower in scope than a more extensive assurance engagement and therefore provides a lower level of assurance. The procedures performed consist primarily of enquiries, review of documents and supporting information, and consideration of the consistency of the information presented. The Assurance Provider and the Reporting Organization are therefore not engaged in relationships that would be perceived to affect its ability to provide an independent and impartial statement.

Summary of Procedures Performed

In forming our conclusion, we held discussions with relevant personnel; reviewed the 2025 Sustainability Report and selected supporting records; considered how the selected sustainability information had been compiled and presented; compared selected statements and data to the supporting information made available to us; and read the report as a whole to consider whether the selected sustainability information was presented consistently with the related explanations provided by management.

Summary of Procedures Performed

In forming our conclusion, we held discussions with relevant personnel; reviewed the 2025 Sustainability Report and selected supporting records; considered how the selected sustainability information had been compiled and presented; compared selected statements and data to the supporting information made available to us; and read the report as a whole to consider whether the selected sustainability information was presented consistently with the related explanations provided by management.

Conclusion

Based on the procedures we performed and the evidence we obtained, nothing has come to our attention that causes us to believe that the selected sustainability information included in the 2025 Sustainability Report for the reporting period January 1st , 2025 to December 31st, 2025. is materially misstated or materially inconsistent with the related records and explanations provided by KFH-Egypt within the scope of this engagement.

This letter has been prepared for publication alongside the sustainability reporting of KFH-Egypt and should be read in the context of the scope, limitations and level of assurance described above.

For and on behalf of Masader Environmental & Energy Services S.A.E.

Dr. Abdelhamid Beshara,
Founder and Chief Executive Officer

Masader, Environmental & Energy Services (S.A.E)

Cairo, June 2026