

**Board of Directors' Report Attached to
Financial Statements for year ended 31 Dec. 2025
(As per article 40 of Listing rules)**

Bank Name	Al Baraka Bank – Egypt S.A.E
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General Information:

Bank Purpose	The purpose of the bank is to carry out all banking, financial and commercial services and operations authorized for commercial banks in accordance with Law No. 43 of 1974 as amended, Law No. 163 of 1957 as amended, Law No. 120 of 1975 and other Egyptian laws regulating banking operations, in Egyptian currency and foreign currencies, whether for its own account or for the account of others or In partnership with him, in addition to carrying out the commercial activities authorized for commercial banks, as well as undertaking all that is required for development work and projects. In general, the bank carries out all banking, commercial, financial and investment activities authorized for commercial banks, and in all cases the bank's practice of its activity be in accordance with the provisions of tolerant Islamic Sharia.		
Duration of the bank	25 Years, Till 28 Apr. 2030	Listing Date	25 Dec. 1984
The law under which the Bank is incorporated	No. 8 / 1997	Stock nominal value	EGP 7
Authorized Capital	EGP 10 Bn	Issued Capital	EGP 5,089,974 K
Paid In Capital	EGP 5,089,974 K	Commercial registry number & registration date	131593 18/2/2019

Investor relations:

Investor Relations Officer	Mr. Hatem Mohamed Abdelghany		
Head Office Address	29 South 90 th St., City Services Center, First Sector, Fifth Settlement		
Telephone No.	28103500 28103600	Fax No.	28103501
Web Site	www.albaraka.com.eg		
E-mail	Investor.relations@albaraka.com.eg		

External Auditors:

Name	Mr. Wael Sakr (PWC Office – Ezz El-Din & Diab & Partners)		
Date of appointment	14 Apr. 2022		
Listing No. in FRA Register	381	Listing Date	13 Sep. 2017

Name	Mr. Mohamed Ahmed Abu El Kasem (UHY Office for Audit)		
Date of appointment	18 Mar. 2023		
Listing No. in FRA Register	359	Listing Date	13 Oct. 2008

Shareholder Structure and Board Member Ownership:

Holders of 5% Share or More	No. of Shares Held as of Date of Financial Statements	Ownership (%)
Al Baraka Group	535,767,667	73.6816%
Misr Life Insurance	52,870,683	7.2711%
Total	588,638,350	80.9527%

BOD Members with Shares Ownership	No. of Shares Held as of Date of Financial Statements	Ownership (%)
Al Baraka Group	535,767,667	%73.6816
Misr Insurance	32,754,339	%4.5045
Mr. Mohamed Abd El-Salam El-Shokary	843,444	%0.1160
Eng. Abdel Aziz Mohamed Abdo Al Yaman	44,011	%0.0061
Total	569,409,461	78.3082%

Treasury Shares	No. of Shares Held as of Date of Financial Statements	Ownership (%)
Treasury Shares	N/A	N/A

Board of Directors:

S.	Name	Position	Representing	Role
1.	Eng. Abdel Aziz Mohamed Abdo Yamani	Chairman	Al Baraka Group	Non-executive
2.	Mr. Hazem Hussein Rashad Hegazy	CEO & Vice Chairman	Al Baraka Group	Executive
3.	Mr. Hossam Bin El-Habib Bin Haj Amor	Member	Al Baraka Group	Non-executive
4.	Mr. Hatem Abd El-Monem Mohamed Montasser	Member	Al Baraka Group	Non-executive
5.	Dr. Wagiha Hussien Awaad	Member	Al Baraka Group	Non-executive
6.	Mr. Ahmed Mustafa Abd El-Hamid Representing Misr Insurance	Member	Other Investors	Non-executive
7.	Mr. Mohamed Abd El-Salam El-Shokary	Member	Other Investors	Non-executive
8.	Dr. Ramy Ahmed Hasan El-Borai	Member	Independent	Non-executive
9.	Mr. Karim Mohamed Fouad Elfateh (*)	Member	Independent	Non-executive
10.	Mrs. Ghada Mostafa Labib	Member	Independent	Non-executive

(*) Board Member Mr. Karim Mohamed Fouad El Fateh resigned on January 12, 2026

Changes in the Composition of the Board of Directors within 2025:

- No changes

Meetings of the Board of Directors:

- The Board of Directors convened seven (7) meetings during the year.

Audit Committee:

Audit Committee Composition:

Mrs. Ghada Mostafa Labib	Independent Board Member	Committee Chair
Mr. Ahmed Mustafa Abd El-Hamid	Non-executive Board Member	Committee Member
Mr. Hatem Abd El-Monem Mohamed Montasser	Non-executive Board Member	Committee Member

Audit Committee Roles and Responsibilities:

Committee Purpose

Assisting the Board of Directors in undertaking its supervisory role, as well as supervising and monitoring the internal audit process and reviewing the Company's financial information that is to be presented to shareholders and investors.

Committee Roles and Responsibilities:

- Direct supervision of the Internal Audit and Inspection Sector, monitoring and evaluating its performance. This includes approving audit programs, annual work plans, periodic reporting systems, the type of reports and the administrative levels to which they are submitted, as well as directing attention to the principal risks faced by the Bank and assessing its compliance with international standards of professional practice in internal auditing.
- Proposing the appointment of the external auditors, determining their remuneration, and considering matters related to their resignation or dismissal, in accordance with the provisions of the law and the regulations of the Central Auditing Organization.
- Providing opinions on assigning the external auditors to perform services for the Bank other than auditing the financial statements, including the fees estimated for such services, if this does not compromise their independence.
- Discussing matters deemed relevant by the Committee with the Head of the Internal Audit and Inspection Sector, the Compliance Officer, the external auditors, and other responsible officials, as well as matters any of these parties wish to raise with the Committee.
- Reviewing the financial statements prior to their submission to the Board of Directors and the General Assembly for approval.
- Examining the annual financial statements prepared for publication before they are released, ensuring their consistency with the financial data and the disclosure rules issued by the Central Bank.

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- Coordinating between internal and external audit functions and ensuring that no restrictions hinder communication between the Head of Internal Audit and Inspection, the external auditors, the Board of Directors, and the Audit Committee.
 - Reviewing and approving the annual internal audit plan.
 - Reviewing reports prepared by the Internal Audit and Inspection Sector, including those related to the adequacy of the Bank's internal control systems and compliance with them, as well as following up on the sector's recommendations and management's responsiveness.
 - Reviewing reports prepared by the Compliance Officer, particularly those concerning violations of applicable laws, internal regulations, and instructions issued by the Central Bank.
 - Studying obstacles facing internal audit operations or the work of the Compliance Officer and proposing appropriate solutions to remove them, if any.
 - Reviewing the report of the Head of Internal Audit and Inspection regarding the availability of qualified staff in the department, the qualifications of the Compliance Officer, and their levels of training and professional development.
 - Reviewing measures taken by Bank management to comply with regulatory standards and requirements set by the Central Bank and verifying that corrective actions are implemented in case of violations.
 - Ensuring that the Bank has established a control system and implemented procedures to combat money laundering.
 - Studying the observations of the Central Bank contained in inspection reports and its comments on the Bank's financial statements and reporting them to the Board of Directors accompanied by the Committee's recommendations.
 - Studying the observations of the external auditors contained in their reports on the Bank's financial statements and other reports submitted to Bank management during the year and reporting them to the Board of Directors with the Committee's recommendations.
 - Reviewing the accounting policies adopted and changes resulting from the application of new accounting standards.
 - Conducting an annual evaluation of both the Head of Internal Audit and Inspection and the Head of Compliance, submitting the results to the Board of Directors, linking them to salaries, bonuses, and annual increases, and submitting recommendations to the Board for approval of their appointment, dismissal, or acceptance of resignation.
 - Presenting the organizational structure of the Internal Audit and Inspection and Compliance Sectors, including their roles and responsibilities, for approval by the Board of Directors.
 - Studying the observations of the Central Bank contained in supervisory and regulatory reports, as well as those related to the financial statements, and reporting them to the Board of Directors with the Committee's recommendations, while following up on corrective actions.
 - Reviewing any legal proceedings that may affect the Bank's financial position.
 - Reviewing reports received from the Customer Rights Protection Unit, considering proposed measures, and overseeing their implementation if approved.

- Reviewing periodic reports on cases of violations and unlawful practices, evaluating the reporting system, and ensuring the protection of whistleblowers within the Bank.

Committee Meetings:

- The Audit Committee convenes once every quarter. Meetings are attended by the Bank's external auditors, and the Committee is allowed to call upon whomever it deems necessary. The Committee presents its recommendations to the Bank's Board of Directors. External auditors have the right to call for a committee meeting whenever they deem it necessary.
- Committee meetings are attended by the Head of Internal Audit, Head of Compliance, and senior executives invited by the Committee without having the right to vote.
- The role of the Committee Secretary is performed by the Head of Internal Audit, and the Committee is required to provide an annual report on its operations and recommendations to be sent to the Board of Directors.

Committee Work Throughout the Year

Number of Audit Committee Meetings	4 meetings throughout 2025
Were the Committee Reports Presented to the Board of Directors?	Yes, it is presented to the Board of Directors.
Did the Committee Reports Contain any Material Remarks that Required Handling?	There are no material remarks that present a significant risk on the Bank's assets. Remarks and recommendations related to executive and regulatory issues are presented by the Committee. Actions taken to correct these issues are presented to the Committee for follow up.
Were the Remarks Handled by the Board of Directors?	There are no material remarks that present a significant risk on the Bank's assets, this is also reflected in the reports of external regulatory bodies.

Employees Information:

Average Number of Employees During the Year	1,401 employees
Average Employee Basic Salary During the Year	EGP 45,850 monthly

Rewards and Motivation Policy for Employees and Managers:

Total Shares Available to Employees and Managers as Part of the Rewards and Motivation Policy	N/A
Total Shares Distributed to Employees and Managers during the Year	N/A
Number of Beneficiaries of the Rewards and Motivation Policy	N/A
Total Shares Distributed to Employees and Managers since the Introduction of the Policy	N/A
Name and Position of Any Individual who was Given 5% or more of Total Available Shares (or 1% of the Bank's Capital)	N/A

Violations and Procedures Relating to the Capital Markets Law and Stock Exchange Listing Rules:

No fines were imposed on the Bank during the year ended 31 Dec. 2025

The Bank's Contribution toward Improving Society and Protecting the Environment During the Year:

In line with Al Baraka Bank's strategy to expand across all fields and to play an influential and effective role in community service in particular, the Bank undertook numerous projects during 2025 in the areas of health, education, and community development.

Health Sector:

- Al Baraka Bank Egypt partnered with the Magdi Yacoub Foundation for Heart Diseases and Research, sponsoring the establishment of the Children's Outpatient Clinics Department at the Magdi Yacoub Global Heart Center in 6th of October City. This department will provide specialized medical services for children, helping to reduce waiting lists and improve the quality of healthcare, ensuring that young patients receive the best possible medical services.
- The Bank donated funds to cover the cost of purchasing medical equipment for the laboratory at El Nas Hospital, thereby enhancing the quality of healthcare services and supporting the hospital's capacity to deliver precise and effective medical care to the community.
- In cooperation with the Mervat Sultan Foundation for Charitable Work, the Bank launched a comprehensive medical convoy in Assiut Governorate, aimed at providing free medical services to approximately 1,000 individuals. The convoy included free eye examinations, provision of essential medicines, scheduling and performing necessary surgeries based on examination results, and distributing free eyeglasses to those in need.

Education Sector:

- Al Baraka Bank Egypt contributed to covering the expenses of Sheikh Saleh Kamel Secondary School for Applied Technology and Ready-Made Garments, in cooperation with the Egyptian Federation of Industries. The support included tuition fees, provision of study materials, staff salaries, electricity costs, and all related services.
- The Bank also financed the tuition fees for 104 underprivileged students at El Sewedy University of Technology for a period of four years.

Community Development:

- During the holy month of Ramadan, Al Baraka Bank Egypt continued its seasonal activities by cooperating with the Misr El-Kheir Foundation to cover the cost of preparing 5,000 food boxes, each weighing 15 kilograms, to be distributed before Ramadan.
- Additionally, the Bank partnered with the Tahya Misr Foundation to cover the cost of preparing 7,895 food boxes, each weighing 15 kilograms, also to be distributed prior to Ramadan.

Transactions with Related Parties:

(EGP Thousands)

	31 December 2025			31 December 2024		
	Main Shareholders	Directors and other key management	Subsidiaries	Main Shareholders	Directors and other key management	Subsidiaries
Related parties outstanding balances can be analyzed below:						
Due from banks	384,401	-	-	354,627	-	-
Financing and credit facilities to customers	1,132,851	2,952	428,173	601,814	4,428	633,349
Debt instruments measured at FVOCI	168,919	-	-	334,442	-	-
Equity instruments measured at FVOCI	184,355	-	-	115,755	-	-
Subordinated finance from Other Shareholders	953,424	-	-	1,016,776	-	-
Customers' deposits	554,957	58,552	85,412	2,403,383	53,761	72,124
Due to banks	273,263	-	-	510,893	-	-
Related parties transactions can be analyzed below:						
Profit received from financing and credit facilities	6,733	393	106,410	222,115	422	189,789
Profit received from financial instruments at fair value through OCI and AC	65,213	-	-	81,644	-	-
Profit received from placements and current accounts	16,862	-	-	3,841	-	-
Dividends income	11,393	-	-	13,001	-	-
Profit paid on deposits and current accounts to customers	(55,521)	(9,949)	(6,881)	(88,272)	(4,328)	(7,061)
Profit paid on deposits and current accounts to banks	(11,800)	-	-	(4,656)	-	-
Profit paid on subordinated finance	(62,056)	-	-	(64,180)	-	-

- **Due from banks** on December 31, 2025, includes an amount of EGP 190,685 thousand representing balances due from Al Baraka Group – ABG. (Compared to EGP 203,355 thousand on 31 December 2024).
- **Due from banks** on December 31, 2025, includes an amount of EGP 193,717 thousand representing balances due from Al Baraka Group's subsidiaries. (Compared to EGP 151,272 thousand on 31 December 2024).
- **Due to banks** on December 31, 2025, includes an amount of EGP 273,263 thousand representing balances due to Al Baraka Group – ABG and its subsidiaries (Compared to EGP 510,893 thousand on 31 December 2024).
- **Financial assets at FVOCI** on December 31, 2025, includes the amount of EGP 58,579 thousand representing investments in the Islamic Bank of Jordan - subsidiary of Al Baraka Group (Compared to EGP 54,260 thousand on 31 December 2024).

Major Financial Results for FY 2025 vs. Previous Year as Stated in the Bank's Separate Financial Statements:

Main Items (EGP mn)	FY 2025	FY 2024	Growth Rate
Total Assets	145,886	127,788	14%
Murabaha, Mudaraba, and Musharaka of Customers	66,252	53,000	25%
Due from Banks & Financial Investments	65,168	61,671	6%
Fixed and Intangible Assets	2,027	1,012	100%
Customer Deposits	122,719	106,572	15%
Owners Equity	15,659	12,557	25%
Net Profit for the Year	4,020	3,012	33%

Development of Capital and Dividends to be Paid to Shareholders:

- On 7 December 2022, shares dividends were distributed to shareholders in accordance with the decision of the extraordinary general assembly on September 29, 2022, so that the issued and paid-up capital amounted to EGP 5,089,974 K on 31 December 2022, in accordance with the minimum requirements for bank capital issued by the Central Bank of Egypt.
- According to the draft dividend distribution for the year 2025, it is proposed to distribute to shareholders amount of EGP 800mn - subject to the approval of the general assembly of the bank and the Central Bank of Egypt - considering that the dividends proposed will be in the form of cash dividends.

Plans for Financial Year 2026:

- Maintain a well-balanced maturity profile of assets and liabilities to ensure liquidity, pricing and financial agility.
- Mitigate risks associated with deposit and financing concentration through a diversified funding approach.
- Strengthen asset quality by managing capital, and monitoring risk-weighted assets.
- Proactively manage Risk-Weighted Assets to maintain a robust Capital Adequacy Ratio (CAR), permitting organic expansion and enhancing shareholder dividends subject to the approval of the Central Bank of Egypt and the Bank's General Assembly.
- Optimize margins by managing the impact of market rate reductions and promoting low-cost CASA deposits.
- Maximize fee-based income through innovative products, services, and cross-selling opportunities across customer segments.
- Strengthen inter-franchise collaboration (IFC) to broaden the trade customer network and improve group profitability through synergies.
- Optimize resource utilization, including human capital, to enhance efficiency and productivity levels, thereby achieving the highest possible returns for the bank while adhering to regulatory requirements.
- Develop and execute comprehensive digital strategies to close digitalization gaps and modernize technology infrastructure and execute a core banking system replacement program by partnering with Temenos and implementing the T24 platform to enhance operational efficiency, scalability, and digital capabilities.
- Continue efforts to manage operational expenses, targeting cost-to-income ratios aligned with leading market benchmarks.
- Opening new branches in cities and regions where the Bank has not previously established a presence, bringing the total number of branches to 50 by the end of 2026.
- Continuing the ongoing development and modernization of existing branches in line with the Bank's competitive position in the banking sector and in alignment with the identity of the Al Baraka Group.

The annual report on environmental, social, and governance (ESG) disclosures related to sustainability and the annual report on financial disclosures related to climate change (TCFD):

Thank you.. The annual report on the Environmental, Social And Governance Disclosures has been successfully registered and your registration code number is 45744. You are kindly requested to print the report and attach it to the annual report of the Board of Directors .attached to the annual financial statements for the year 2025/2026



Annual report for FY 2025/2026

on Environmental, Social and Governance Disclosures Related to Sustainability (ESG)

In implementation of the authority's Decrees no. (107) and (108) for the year 2021

First: Introduction

This report on the disclosure of Environmental, Social and Governance (ESG) reflects the strength of the company's management to implement the principles of sustainable development and integrate sustainability practices into the company's activities and operations, which generates confidence among investors that enables them to make informed investment decision, By identifying risks and opportunities that may not be monitored by traditional financial reports, especially in light of the increasing demand by investors for **ESG** Data and how companies integrate sustainability practices into the daily operations and activates in order manage the risks and opportunities associated with the various dimensions of sustainability, and thus enhance its financial position. Based on the **FRA** responsibility towards **NBFI** including listed Companies on the Egyptian Stock Exchange, and within the framework of assisting these companies to submit annual reports to disclose ESG sustainability standards in accordance with the **FRA** decisions No. **107** and **108** of **2021**, and to facilitate them, the **FRA** has prepared this electronic form to companies to fulfill the **KPIs** for the disclosure of sustainability standards .ESG

Therefore, please be careful, accurate and transparent when filling out this form, and please attach the report form within the annual report prepared by the Board of Directors attached to the annual financial statements for the year 2025/2026 In case of any inquiries related to this matter, you can contact sustainable development department via email

sustainable.development@fra.gov.eg

Secand: Basic Data on The Status of Company

Select the company's name:Al Baraka Bank Egypt .1

company's sector:Al Baraka Bank Egypt .2

Third: Basic Data of The Person Responsible for Completing The Report

Name :Nada Elsayed Elsayed Mohamed Hawash .1

Job Title:Head of Sustainability and Sustainable Finance .2

Email:nada.hawash@albaraka.com.eg .3

Phone:+201120008943 .4

Tax Card:204-901-448 .5

IFC Code:660010 .6

Fourth: Environmental KPIs

Environmental Operations & Oversight (E1).1

Has the company developed any official Environmental and Social .1
?(E&S) or Sustainability policies

Yes

Al Baraka Bank Egypt established its Sustainability and Sustainable Finance Department in January 2023. Since then, the Bank has developed and implemented a comprehensive framework to embed Environmental and Social (E&S) and sustainability principles across its governance, operations, and financing activities. Key policies and practices include:

- Environmental, Social, and Sustainability principles are embedded within the Bank's Credit and Investment Policy to ensure responsible and risk-informed financing decisions
- A dedicated Environmental and Social Risk Management (ESRM) Policy, supported by detailed internal procedures for its application, has been developed in alignment with the International Finance Corporation (IFC) Performance Standards
- An Environmental and Social Management System (ESMS) has been formally established to identify, assess, monitor, and manage E&S risks associated with the Bank's financing activities
- Automated E&S screening systems have been implemented to support systematic risk identification and enhance the consistency and efficiency of E&S risk assessments
- Environmental and Social screening has been integrated into the Bank's procurement process to promote responsible sourcing and supplier compliance with E&S requirements
- A Sustainable Finance Policy has been approved by the Bank and is publicly available, reinforcing the Bank's commitment to transparency and sustainable banking practices
- A comprehensive Sustainability and Sustainable Finance Strategy has been developed and approved, with sustainability positioned as a core strategic pillar within the Bank's overall corporate strategy
- The Bank is actively implementing a decarbonization plan aimed at reducing carbon emissions from its internal operations, as well as supporting portfolio decarbonization through the management of Environmental and Social risks and the promotion of sustainable and responsible financing activities
- to measure the carbon footprint of the bank's buildings and branches

Is this policy originating from within the company or derived from global or national policies?

Yes

The Bank's Sustainability and Sustainable Finance Policy is internally developed and tailored to the Bank's business model, risk profile, and operating context, while being fully aligned with relevant national regulations, regional group policies, international frameworks, and

global best practices. The policy formulation is guided by the following

- National frameworks
- Egypt Vision 2030
- The National Climate Change Strategy was issued by the Ministry of Environment
- Egypt's Nationally Determined Contributions (NDCs), including associated national targets
- The Sustainable Finance Principles issued by the Central Bank of Egypt
- Regulatory directions and guidance issued by the Financial Regulatory Authority
- Regional frameworks
- Al Baraka Bank Group policies
- International frameworks, standards, and principles
- The International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability
- The Loan Market Association (LMA) principles and standards for Sustainable Finance
- The United Nations Sustainable Development Goals (SDGs)
- The United Nations Global Compact (UNGC) principles
- The Sustainability Accounting Standards Board (SASB) standards
- The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) standards
- The Task Force on Climate-related Financial Disclosures (TCFD), as incorporated under IFRS Sustainability Disclosure Standard S2

This multi-level alignment ensures that the Bank's sustainability framework is internally owned, regionally consistent, regulatorily compliant, and aligned with international best practices across both conventional and Islamic finance

Does the company identify and assess the environmental and social risks arising from its economic activity?

Yes

Al Baraka Bank Egypt systematically identifies and assesses Environmental and Social (E&S) risks arising from its operations and financing activities through a robust Environmental and Social Management System (ESMS). The ESMS includes the following core components

- A dedicated Environmental and Social Risk Management (ESRM) Policy, supported by detailed internal procedures that define roles, responsibilities, workflows, and escalation mechanisms for the consistent application of E&S risk management across the Bank

Clearly defined Environmental and Social standards and eligibility criteria applicable to all financing activities

An automated Environmental and Social screening system integrated into the credit process to identify, categorize, and assess E&S risks at the transaction and portfolio levels

Environmental and Social risk assessment processes covering both project-level impacts and portfolio-level risk exposure

Based on the outcomes of E&S assessments, the Bank develops and agrees on corrective action plans with clients to address identified gaps, including corrective actions related to labor conditions and E&S compliance

A defined governance structure to oversee Environmental and Social risk management, including approval, monitoring, and reporting lines

A Monitoring and Evaluation (M&E) framework to track the implementation of corrective actions, mitigation measures, and overall ESMS effectiveness

For project finance exposures exceeding EGP 200 million, the Bank requires the completion of an Environmental Risk Assessment (ERA) conducted by an independent third-party consultant verified by the Ministry of Environment

Does the company follow specific policies concerned with waste recycling, water consumption, or energy consumption

Yes

Al Baraka Bank Egypt has implemented a set of operational practices aimed at improving resource efficiency and reducing its environmental footprint across its premises. These practices include

The Bank has agreed with a specialized service provider for paper waste recycling across its operations

The headquarters and selected branches are partially powered by renewable energy through the installation of solar panels

Energy-efficient lighting systems are utilized across Bank premises to reduce electricity consumption

Multiple water-saving techniques are applied within buildings and branches to promote efficient water use

These initiatives are implemented as part of the Bank's broader commitment to sustainable operations and environmental responsibility, as reflected in its Sustainability Strategy and operational ecological management practices

Does the company set any goals related to reducing greenhouse gas (GHG) emissions

Yes

The bank measured its carbon footprint in 2021. Although the rate of emissions across the scope of the bank's internal activities and work is initially consistent with global rates in accordance with the GHG Protocol, a plan has been developed divided into stages to reduce greenhouse gas emissions (Decarbonization plan), with an analysis of its pillars in terms of cost and ease of application to choose priorities, targeting the following activities for instants

- Improving lighting efficiency systems in all branches and buildings ·
- Regular maintenance of bank cars ·
- Implementing a waste management system in accordance with ISO · 14001 certification standards
- Receiving old bank cards from customers when they receive renewed · cards to ensure its recycling process
- Measuring financed emissions of the bank's portfolio activities ·
- Developing a strategy for sustainable finance with clear targets ·

Does the management have any system/certification regarding the .6 ?company's environmental practices (ISO 14001 certification)

No

The bank's administrative and engineering department is studying obtaining it, considering implementing the practices of the gr

Carbon Emissions / Greenhouse gases (GHG) (E2).2

Does the company calculate the total amount of carbon emissions .1 ?(Carbon Footprint) in metric tons

Yes

Al Baraka Bank measured its carbon footprint from 2021 to 2024 for the .bank headquarters, and it will be followed by the other premises

Energy sources usage and diversification (E3).3

Does the company calculate the total amount of energy directly .1
?consumed

Yes

By tracking electricity bills as well as the amount of energy consumed
.from solar panels

Does the company calculate the percentage of energy consumption .2
?according to the type of generation source

Yes

Whether it is solar energy or purchased energy

?Does the company calculate the percentage of annual saved energy .3

Yes

The energy saved annually from the bank's solar panel system is
.calculated

Water Usage (E4).4

Does the company calculate the total amount of water annual .1
?consumed

Yes

.By following up on water bills

Does the company calculate the total amount of annual water recycled .2
?and treated

No

.There is no need to apply this system in banking institutions

Waste Management (E5).5

Does the company calculate the total amount of waste generated or .1
?recycled and that, which has been treated according to type and weight

Yes

Paper waste is calculated every quarter, as papers are destroyed and sold for recycling, but the volume of solid waste has not yet been .calculated

Fifth: Social KPIs

Gender Diversity & Pay Ratio (S1).1

Does the company disclose the number of male and female .1 employees according to the type of employment (temporary or ?permanent)

Yes

It is publicly disclosed in our annual sustainability report

Does the company disclose the percentage of total employees who .2 ?are male and female

It is publicly disclosed in our annual sustainability report

Does the company disclose the percentage of positions held by males .3 and females (specifically for entry-level and mid-level jobs)

It is publicly disclosed in our annual sustainability report

Does the company disclose the percentage of positions held by males .4 ?and females (specifically for senior-level and executive positions)

It is publicly disclosed in our annual sustainability report

Does the company disclose the average pay ratio for females .5 ?compared to the males

It is disclosed to the Central Agency for Public Mobilization and Statistics

Employee Turnover rate (S2).2

Does the company disclose the annual percentage rate of turnover for .1 ?full-time employees

It is publicly disclosed in our annual sustainability report

Does the company disclose the annual percentage rate of turnover for .2
?part-time employees

The disclosure will be made to the inspection of the Central Bank of
Egypt and to the inspection of Al Baraka Banking Group

Does the company disclose the annual percentage rate of turnover for .3
?contract employees and consultants

The disclosure will be made to the inspection of the Central Bank of
Egypt and to the inspection of Al Baraka Banking Group

Non-Discrimination (S3).3

Does the company follow a policy condemning sexual harassment and .1
a non-discrimination policy based on any racial, religious, or gender
?basis

Through the internal regulations, the guide to ethical standards, and
professional code of conduct, and the sanctions list

Global Health & Safety Standards (S4).4

Does the company follow an occupational health and safety (OHS) .1
policy and/or a policy related to global health and safety standards (for
example ILO's International Labor Standards on Occupational Safety and
?Health)

The instructions of the Ministry of Manpower and the Egyptian Labor
.Law are followed in this regard

?What is the number of occupational accidents if any .2

No accidents occurred

Does the company offer trainings related to environmental, social AND .3
Occupational Health and safety (OHS) issues for employees. If the
?answer is yes, please disclose the number of trainings hours

training hours for ESG related topics 610

Children & Forced Labor (S5).5

Does the company follow a policy prohibiting child labor and forced .1
?labor

The instructions of the Ministry of Manpower, the Egyptian Labor Law,
.and the Egyptian Child Law are followed in this regard

Does that policy apply to the suppliers and vendors dealing with the .2
?company

The Environmental and Social (E&S) requirements are applied to the Bank's suppliers and vendors through an initial Environmental and Social screening process conducted as part of the procurement and vendor onboarding procedures. This screening aims to identify potential E&S risks and ensure compliance with applicable national regulations, including the Egyptian Labor Law and the instructions of the Ministry of .Manpower

Supplier E&S requirements are integrated within the Bank's Environmental and Social Risk Management framework, with ongoing efforts to further strengthen and formalize their application across the .supplier base

Labor Rights (S6).6

In addition to the requirements of Egyptian Labor Law, does the .1
company follow the laws and standards of the International Labor Organization or any other international framework, standards, or laws
?related to labor's rights

The instructions of the Ministry of Manpower and the Egyptian Labor
.Law are followed in this regard

Does that policy include the suppliers and vendors dealing with the .2
?company

The instructions of the Ministry of Manpower and the Egyptian Labor
.Law are followed in this regard

Sixth: Governance KPIs

Board Diversity (G1).1

Does the company disclose the number and percentage of the board .1
?of directors occupied by males and females

Yes

Through the annual sustainability and governance reports, the number
and names of board members are disclosed

Does the company disclose the number and percentage of committee .2
?chairs occupied by males and females

Yes

Through the annual sustainability and governance reports, the number
and percentage of committee chairs occupied by males and females are
disclosed

Bribery / Anti-corruption (G2).2

Does the company issue any decisions related to combating bribery / .1
?corruption and follow them

Yes

Al Baraka Bank Egypt has issued and enforced several policies and
governance measures aimed at combating bribery and corruption,
ensuring ethical conduct and regulatory compliance across all
:operations. These include

A Guide to Ethical Standards and Rules of Professional Conduct, -
approved by the Bank's Board of Directors in April 2021, which explicitly
addresses anti-bribery and anti-corruption principles and applies to all
.employees

A Policy for Reporting Illegal Practices and Whistleblower Protection, -
approved by the Board of Directors in April 2022, provides confidential
.reporting channels and protection against retaliation

A Code of Conduct is embedded within the Bank's governance -
framework, reinforcing integrity, transparency, and zero tolerance for

unethical behavior
 An independent Anti-Bribery and Anti-Corruption Policy has been developed and is currently under review by the Compliance Sector of Al Baraka Group, in preparation for submission to the Bank's Board of Directors for approval
 Anti-corruption and ethical conduct are overseen through the Bank's governance and internal control framework, with clear roles for the Board of Directors, Audit Committee, and Compliance function
 The Bank applies a whistleblowing mechanism and internal control systems to monitor compliance, and no material monetary losses related to corruption or fraud were recorded during the reporting period

Ethics and Code of Conduct (G3).3

Does the company issue code of conduct / Ethic and follow them .1

Yes

A guide to ethical standards and professional conduct was issued, and the last update was approved by the Board of Directors in April 2024

Data Privacy (G4).4

In addition to the requirements of the Egyptian data protection law, does the company follow any other international frameworks, rules, or recommendations regarding data privacy .1

Yes

All measures related to maintaining the confidentiality, security, and integrity of customer accounts and information are implemented in accordance with applicable laws, as well as the internal policies and procedures approved by the Bank. These measures are aligned with the following frameworks and requirements:
 Central Bank of Egypt Law No. 194 of 2020
 Central Bank of Egypt instructions on customer protection and customer rights
 The Bank's Disclosure and Publication Policy
 The Bank's policy for enforcing the requirements of the Foreign

.Account Tax Compliance Act (FATCA)
 A comprehensive cybersecurity and data protection framework, -
 overseen at the Board and executive management levels, to safeguard
 .customer data and mitigate digital and information security risks
 Internal governance, risk management, and control frameworks that -
 address data privacy, information security, and access controls in line
 .with international best practices
 Continuous monitoring and escalation mechanisms to ensure -
 compliance with data privacy, confidentiality, and cybersecurity
 requirements, with no material substantiated breaches reported during
 .the reporting period

Sustainability Reporting & Disclosure (G5).5

Does the company issue sustainability report according to GRI, CDP, .1
 SASB, IIRC, UNGC, or any other type of sustainability reports
 ?frameworks

Yes

Al Baraka Bank Egypt issues an annual Sustainability Report prepared in
 accordance with the Global Reporting Initiative (GRI) Standards (2021),
 .using the "in accordance" option

In addition, the Sustainability Report is aligned with and references
 :several internationally recognized frameworks and principles, including
 .The United Nations Sustainable Development Goals (SDGs) -
 .The United Nations Global Compact (UNGC) Principles -
 The standards of the Accounting and Auditing Organization for Islamic -
 Financial Institutions (AAOIFI), ensuring ethical and Sharia-compliant
 .disclosures

National regulatory and strategic frameworks, including Egypt Vision -
 .2030 and the Central Bank of Egypt's Sustainable Finance Guidelines

This approach ensures transparent, consistent, and internationally
 aligned sustainability disclosures while reflecting the Bank's Islamic
 .banking principles and national regulatory context

Is the company striving to achieve specific goals from the United .2
 ?Nations Sustainable Development Goals

Yes

Al Baraka Bank Egypt's corporate strategy and Sustainability and Sustainable Finance Strategy are aligned with the United Nations Sustainable Development Goals (SDGs). The Bank actively contributes to selected SDGs through its financing activities, internal operations, and community initiatives

In particular, the Bank focuses on supporting the following SDGs

- .Good Health and Well-Being ·
- .Quality Education ·
- .Gender Equality ·
- .Clean Water and Sanitation ·
- .Affordable and Clean Energy ·
- .Decent Work and Economic Growth ·
- .Climate Action ·

These priorities are embedded within the Bank's sustainable finance portfolio, Environmental and Social Management System (ESMS), and social investment initiatives, ensuring that sustainability objectives are translated into measurable economic, social, and environmental impact

Does the company identify these goals and report on the progress made within the framework of the United Nations Sustainable Development Goals (SDGs)

Yes

Al Baraka Bank Egypt identifies relevant United Nations Sustainable Development Goals (SDGs) as part of its sustainability and business strategy and reports on progress through its annual Sustainability Report. The report maps the Bank's key initiatives, financing activities, and social and environmental impacts against the selected SDGs, providing stakeholders with transparent insights into the Bank's contribution to national and global sustainable development priorities

Has the company clearly declared its commitment towards corporate social responsibility standards

Yes

Al Baraka Bank Egypt's corporate social responsibility efforts in 2025 reflect a strong commitment to supporting sectors with the greatest social impact, through a diversified portfolio of initiatives totaling approximately EGP 47.9 million. These efforts span healthcare, education, and seasonal social support, and are implemented in partnership with leading civil society institutions. In healthcare, the Bank supported medical convoys, outpatient clinic development, and the provision of specialized medical equipment in cooperation with Magdy

Yaacoub Foundation and Al Nas Hospital, contributing to improved access to quality healthcare services across Egypt. The Bank also implemented large-scale seasonal initiatives aimed at alleviating economic pressure on vulnerable families, including the distribution of tens of thousands of Ramadan food boxes in collaboration with Misr El Kheir Foundation and the Tahia Misr Fund, with nationwide geographic coverage. In education, Al Baraka Bank Egypt supported the sustainability of technical and applied education by covering operational expenses for technical schools and providing multi-year university scholarships for students at El Sewedy University of Technology, reinforcing youth empowerment and long-term human capital development. Collectively, these initiatives demonstrate the Bank's integrated approach to community development, balancing immediate social relief with sustainable, long-term impact aligned with its strategic .CSR pillars

Does the company follow a clear and explicit policy / principle .5
?regarding community investments

Yes

Al Baraka Bank works considering the Egyptian government direction to support education, health, community development and women's empowerment. We developed a social responsibility strategy in line with .the bank's general strategy

Does the company participate in public or private sector initiatives .6
?concerned with community development

Yes

Al Baraka Bank signed an agreement with several micro finance institutions to support small producers and productive women in various .fields, at a value of 889 million EGP

External Assurance (G6).6

Are the company's ESG disclosures assured by an independent third .1
?party

Yes

Al Baraka Bank Egypt's ESG disclosures included in the Sustainability Report were subject to independent third-party verification by the Egyptian Carbon Center .Egyptian Carbon Center
The Sustainability Report was prepared in-house by the Bank, making Al Baraka Bank Egypt the first bank in Egypt to develop its sustainability report internally, while engaging an independent national entity to verify .and support the credibility of its ESG disclosures
The report link: <https://www.albaraka.com.eg/media/z55hugcm/al-baraka-bank-egypt-gri-sustainability-report-2024.pdf>

Thank you.. The Annual Report on the Environmental, Social and Governance Disclosures has been successfully Registered and your Registration Code Number is 45747. You are kindly Requested to print the report and attach it to the annual report of the Board of Directors attached to the annual financial statements for the year 2025/2026



Annual report for FY 2025/2026

On Financial Disclosures Related To Climate Change (TCFD)

In implementation of The FRA's Decrees no. (107) and (108) for the year 2021

First: Introduction

The report on financial disclosures related to climate change - recommendations of the Task Force on Climate Financial Disclosure TCFD reflects the company's ability to manage the risks and opportunities associated with climate change, which creates confidence among investors that enables them to make investment decisions that take into consideration the range of financial risks and opportunities associated with climate change and the company's management mechanisms for transitional risks and Physical risks of the effects of climate change on the company's financial performance, thus providing more transparency regarding climate-related risks and opportunities for investors

Based on the FRA responsibility towards NBFi including listed Companies on the Egyptian Stock Exchange, and within the framework of assisting these companies to submit annual reports to disclose ESG sustainability standards in accordance with the FRA decisions No. 107 and 108 of 2021, and to facilitate them, the FRA has prepared this electronic form to companies to fulfill the KPIs for financial disclosures related to climate change - TCFD recommendations

Therefore, please be careful, accurate and transparent when filling out this form, and please attach the report form within the annual report prepared by

the Board of Directors attached to the annual financial statements for the year 2025/2026 In case of any inquiries related to this matter, you can contact sustainable development department via email sustainable.development@fra.gov.eg

Secand: Basic Data on The Status of Company

company's name:Al Baraka Bank Egypt .1

company's sector:Banking Sector .2

Third: Basic Data of The Person Responsible for Completing The Report

Name :Nada Elsayed Elsayed Mohamed Hawash .1

Job Title:Head of Sustainability and Sustainable Finance .2

Email:nada.hawash@albaraka.com.eg .3

Phone:+201120008943 .4

Tax Card:204-901-448 .5

IFC Code:660010 .6

Fourth: TCFD KPIs

Governance KPI (Climate Related Governance).1

Does the board have oversight of climate-related risks and opportunities? Yes .1

A dedicated and independent Sustainability and Sustainable Finance Department was established as of January 2023. The Department has

since implemented the following practices in the context of monitoring environmental risks and opportunities in general, and climate change-related risks in particular

Sustainable finance policies have been integrated into the Bank's credit and investment policies

An Environmental and Social Risk Management Policy has been developed in line with International Finance Corporation (IFC) standards

An Environmental and Social Management System (ESMS) has been activated and applied during the credit assessment process for client financing

The Bank's Sustainable Finance Policy has been developed and formally approved

A Sustainability Committee has been established to oversee the implementation of the Sustainability and Sustainable Finance Department's action plan and objectives

An annual capacity-building plan has been developed to enhance employees' knowledge and skills in sustainability and sustainable finance across the Bank

A Sustainability Strategy has been developed to integrate sustainability principles across all internal operations and procedures, including the systematic identification and monitoring of climate-related risks

A carbon emissions reduction plan for the Bank's internal operations has been activated as part of the carbon footprint measurement project for the Bank's buildings and branches

An annual Sustainability Report is issued in accordance with the Global Reporting Initiative (GRI) Standards, prepared internally by the Bank's staff and externally reviewed and approved by an independent third-party consultant

The Bank has become a signatory to the Partnership for Carbon Accounting Financials (PCAF)

The Bank is currently in the process of measuring financed emissions across its portfolio, which will support the identification of high-risk sectors and the development of a portfolio-level emissions reduction plan

Does the management have a role in assessing and managing climate related risks and opportunity? Yes

Al Baraka Bank Egypt seeks to embed sustainable practices into its operations and financial activities. Accordingly, Al Baraka Bank has created its own environmental and social management system according to International Finance Corporation (IFC) standards, which include the following

Develop an environmental and social risk management policy

Determine environmental and social standards •
 Create an impact assessment for the environmental and social risks of •
 the bank's portfolio and activities
 Establish a governance structure for environmental and social risks •
 Create a stakeholders' engagement policy •
 Create Capacity capacity-building plan for the bank's employees to •
 increase awareness of environmental and social risks
 Develop a monitoring and evaluation system to follow up on policy •
 implementation and goal achievement
 The Sustainability Strategy has been updated to include the •
 identification and monitoring of climate-related risks affecting the Bank's
 .clients and its own assets

Strategy KPI (Environmental Operations, Oversight and Mitigation).2

Does the organization identify any climate related risks and .1
 opportunities over the short, medium and long run? Yes

Al Baraka Bank Egypt has activated the environmental and social risk management system, which includes developing a policy to manage those risks. The bank seeks to implement a strategy for sustainability and sustainable finance. This strategy includes the targets the bank seeks to achieve in accordance with the practices previously mentioned

Does the company reflect the climate-related risks opportunities on .2
 the organization's business, strategy, and financial planning? Yes

A Sustainability and Sustainable Finance Strategy has been formulated,
 setting out the Bank's objectives in this area in alignment with the
 .practices outlined above

Does your company invest, annually, in climate-related infrastructure, .3
 resilience, and product development? Yes

The bank invests in solar panels to power some of its premises, as well
 as financing clean and renewable energy projects. The bank is also
 .investing in creating a waste management system

Risk Management KPI (Climate-Related Risks).3

Does the company set a defined process for identifying and assessing the climate related risks? Yes

Sustainable finance principles and risks are embedded in the bank's credit and investment policy

The bank seeks sustainable practices in its internal activities and operations

The environmental and social risk management policy was developed in accordance with the standards of the International Finance

:Corporation (IFC) which include the following

an environmental and social risk management policy -

Determine environmental and social standards -

Impact assessment for the environmental and social risks of the bank's portfolio and activities

A governance structure for environmental and social risks -

A stakeholders' engagement policy -

A capacity-building plan for the bank's employees to increase awareness of environmental and social risks

A monitoring and evaluation system to follow up on policy implementation and goal achievement

Does the company have a solid process for managing the climate related risks?Yes

Sustainable finance principles and risks are embedded in the bank's credit and investment policy

The bank seeks sustainable practices in its internal activities and operations

.The bank agreed with a company for recycling purpose (paper recycle) -

Headquarters and some branches are powered by solar panels -

Energy-saving lighting systems are used -

.Several techniques are used to save water -

The environmental and social risk management policy was developed in accordance with the standards of the International Finance

:Corporation (IFC), which include the following

Develop an environmental and social risk management policy -

Determine environmental and social standards -

Create an impact assessment for the environmental and social risks of the bank's portfolio and activities

Establish a governance structure for environmental and social risks -

Create a stakeholders' engagement policy -

Create Capacity capacity-building plan for the bank's employees to increase awareness of environmental and social risks

Develop a monitoring and evaluation to follow up on policy -
implementation and goal achievement

Does the company incorporate climate-related risks in the company's .3
overall risk management? Yes

Al Baraka Bank Egypt has activated the environmental and social risk -
management system, which includes developing a policy to manage
those risks

A Sustainability and Sustainable Finance Strategy has been developed, -
outlining the Bank's objectives in this area in line with the
..forementioned practices

Metrics & Targets KPI (Carbon/ GHG Emission).4

Does the company use any metrics to assess climate-related risks and .1
opportunities in line with its strategy and risk management process? Yes

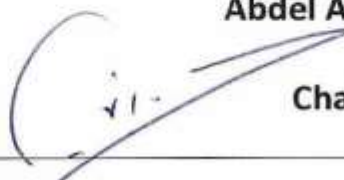
The bank measured its carbon footprint since 2021. Although the rate of
emissions across the scope of the bank's internal activities and work is
initially consistent with global rates in accordance with the GHG
Protocol, a plan has been developed divided into stages to reduce
greenhouse gas emissions (Decarbonization plan), with an analysis of its
pillars in terms of cost and ease of application to choose priorities,
:targeting the following activities for instants
Improving lighting efficiency systems in all branches and buildings ·
Regular maintenance of bank cars ·
Implementing a waste management system in accordance with ISO ·
14001 certification standards
Receiving old bank cards from customers when they receive renewed ·
cards in order to ensure its recycling process
Measuring financed emissions of the bank's portfolio activities ·
Developing a strategy for sustainable finance with clear targets ·

Total amount, in CO2 equivalents, for Scope 1 (if applicable) ? Yes .2

Through the annual sustainability report. Report Link:
<https://www.albaraka.com.eg/media/z55hugcm/al-baraka-bank-egypt-gri-sustainability-report-2024.pdf>

Finally, we all look forward to the continued progress of our bank forward, with the grace of Allah and the support of the Board of Directors and the efforts of the executive management and employees.

Abdel Aziz Yamani



Chairman