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**Developing a Tool to Assess the Integration of Sustainability into Banks:
A Case Study on a Bank in Egypt**

A Thesis Submitted to
Graduate Program in Sustainable Development

in partial fulfillment of the requirements for
the degree of Master of Science in Sustainable Development

by **Arwa Izzedin Sayyadi**

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05-2017

Acknowledgments

I would like to firstly express my gratitude to my advisor Dr. Mohga Badran for her continuous time and patience with me, as well as her meticulous and insightful input. I would also like to thank my co-advisor Dr. Mohamed Nagib who always made the time to discuss my thesis and provided me with invaluable advice and recommendations on all aspects of this work. I am highly thankful to the thesis committee, Dr. Salah El Haggar and Ms. Dalia Wahba, whose recommendations and comments helped perfect the thesis and who both added very insightful industry knowledge.

Secondly, I would like to thank all the interviewees who agreed to give me their time and insights. As many wished to remain anonymous, I cannot thank them individually, but I am very grateful to each and every person I've spoken to in the bank. I would particularly like to thank Mr. Hassan Abdalla and Dr. Dalia Abdel Kader for allowing me to use the bank's name and enabling me to carry out my interviews across the bank.

I would also like to thank the Center for Sustainable Development. I am very grateful for all the help and facilitation provided by Dr. Hani and Muhammad Khaled.

Lastly, I would like to thank my parents, specifically my mother, for her endless support, motivation, and tolerance with my hectic schedule and stress over the past period.

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Abstract

Banks have an important role to play in the global transition to a more sustainable planet. Not only are they a powerful agent through their control of the money supply, the projects they finance, and clients they lend, but they also have financial, reputational, and legal motivations to adopt more sustainable practices. Based on the importance of banks as sustainability agents and their motivation to become more sustainable, this study focuses on the sustainability integration process in the banking sector and proposes a measurement for this integration. More specifically, this study has three objectives: To create a diagnostic tool or model that can assess the extent to which a bank has integrated sustainability, to pilot the tool on a sample bank that has attempted to integrate sustainability in Egypt, and to refine the tool based on the pilot conducted in the second objective. The tool has been developed to probe for a set of standards that a bank is suggested to follow to integrate sustainability. The standards were developed from the review of literature which suggested following division for the standards: vision and strategy, core business, culture and leadership, communication, and internal environment.

Once the tool was developed and piloted on the Arab African International Bank in Egypt, it was found that the bank was 38.16% sustainable. However, the pilot experience revealed many refinements that should be made to the tool. After these refinements were taken into consideration, the updated, and fairer, score for the bank was found to be 43.64%. The plans and strategies of the bank, which in the bank's case, covered the next three years, were also accounted for in a separate tool, post-refinement, and revealed a score of 54.51%. This means that if the bank were to follow through the strategy it expressed over the next three years, it can become 54.51% sustainable, up from 43.64%. There are charts that complement every score which reveal precisely the breakdown of each score.

The purpose of this study is not to suggest a tool as an end product, rather it is to suggest it as a starting point for future studies and practitioners, such as banks and consultants, to build on and adjust. The refinement process undertaken study is also a method this study aims to propose. The details of the tool may vary, but there is at least a skeleton and an approach that has resulted from this study on which future research can rely.

Chapter I. Introduction

Enterprises can have a major negative impact on the surrounding environment. According to the latest EPA figures, electricity, industry, agriculture, transportation, and buildings, all components of enterprise activity, account for 65% of global greenhouse gas emissions (GHG).¹ Eurostat has similarly revealed that fuel combustion, transportation, and industrial processes and product use contribute around 86.5% of GHG emissions within the European Union (EU).² Although the same cannot be assumed for Egypt without hard evidence, the statistics nevertheless provide an indication of where the bulk of GHG emissions sources come from, and that is sectors that have expanded as a result of corporate activity. Another main example of corporate damage is the 2010 BP oil spill, which resulted in a loss of 22.7 billion dollars' worth of tourism revenue to the coastal Gulf economy, a record high of dolphin deaths, a contamination of 3,200 km² of ocean floor from the remaining oil, and more than 13 billion dollars in damage claims, to name a few.³ Other public outrage has been due to "excessive" executive compensation, tax-avoidance, offshoring, and disparagement of scientific evidence on climate change.⁴ Major corporations, however and at the same time, are also the ones who possess the organizational, technological, and financial resources to cope with and mitigate environmental problems. Companies are the main suppliers of consumers with goods and services as well as the main developers of new technology. Without business' active participation in tackling global sustainability problems, these problems may not be solved.⁵ Therefore, corporations can also play a pivotal role in creating a more sustainable world.

¹ "Global Green House Gas Emissions," US Environmental Protection Agency, accessed November 22, 2016, <https://www.epa.gov/ghgemissions/global-greenhouse-gas-emissions-data>.

² "Greenhouse Gas Emissions, Analysis by Source Sector, EU-28, 1990 and 2014 (percentage of total)," *ec.europa.eu*. Last modified July 11, 2016, [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Greenhouse_gas_emissions,_analysis_by_source_sector,_EU-28,_1990_and_2014_\(percentage_of_total\)_new.png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Greenhouse_gas_emissions,_analysis_by_source_sector,_EU-28,_1990_and_2014_(percentage_of_total)_new.png).

³ Alexander Adams, *Summary of Information concerning the Ecological and Economic Impacts of the BP Deepwater Horizon Oil Spill Disaster*, (New York: Natural Resource Defense Council, 2015), 2. <https://www.nrdc.org/file/4218/download?token=M2Bxrq5m>.

⁴ Gordon Clark, "The Public Corporation: Enemy of the Environment." (presentation, Smith School of Enterprise and the Environment Summer School University of Oxford, Oxford, July 11, 2016).

⁵ Costas Pappis, *Climate Change, Supply Chain Management and Enterprise Adaptation* (Pennsylvania: Information Science Reference, 2010), 191.

I.I. The Importance of the Banking Sector for Sustainability

The banking sector, specifically, through its lending activities, is a main facilitator for business and enterprise operations to begin with. In that sense, banks indirectly have as huge a liability for global welfare as is borne by corporations, if not more. The positive effect that banks could have, however, can be greater than that of corporations: a bank that has managed to properly incorporate sustainability has a multiplier effect, it can carry forward its sustainability knowledge and experience to all individuals, businesses, and sectors it deals with, as opposed to one corporation whose impact is likely to be limited within its own industry networks and value chain. Banks can also have an impact simply through withdrawing from the large investments they have in unsustainable activities. For example, two European NGOs, Fairfin and IKV Pax Christi revealed that in 2012, 137 financial institutions still invested almost USD43 billion in the arms trade (specifically in the extremely harmful cluster munitions).⁶ Moreover, it is the intermediary role of banks which essentially stimulates an economy through its control of interest rates and the money supply. Interest rates give banks the power of fixing asymmetries caused between the knowledge of the lender and knowledge of the borrower, essentially enabling them to encourage, if not ultimately enforce, sustainable activities. Figure 1 is a simplified macroeconomic cycle, revealing the role of banks in an economy. Banks do not only affect spending by individual consumers, but also the growth of entire industries. The arrows indicate the direction of the money flows, and how banks (represented in the grey box) “close the macroeconomic circuit” by bridging government, international trade, business and household surpluses. The grey areas reveal the areas of impact on the economy by the financial sector.⁷ Banks, therefore, play a considerable role in the economy, and are the decision makers on which sectors to support and which to abstain from. Accordingly, this paper will focus on the integration of sustainability into bank operations.

⁶ Carolyn Stephens and Chris Skinner, “Banks for a better planet? The Challenge of Sustainable Social and Environmental Development and the Emerging Response of the Banking Sector,” *Journal of Environmental Development* 5 (2013): 177.

⁷ Marcel Jeucken, *Sustainability in Finance*, (Delft: Eburon, 2004),55.

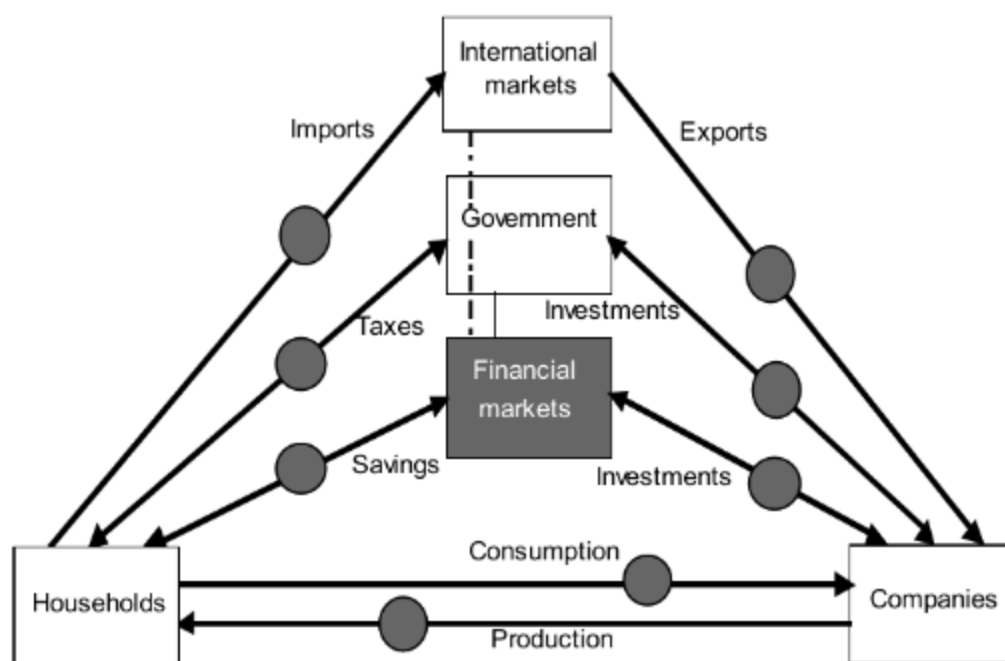


Figure 1: The Role of Banks in the Economy

Source: Marcel Jeucken, *Sustainability in Finance*, (Delft: Eburon, 2004),56.

I.II. Business Case for Integrating Sustainability

For their roles to be effective, banks need to be aware of the business case and motivations for integrating sustainability. Stakeholder expectations of corporations have now exceeded Milton Friedman's aphorism that the sole purpose of a company is to make a profit.⁸ A shift in values from the anthropocentric view to the ecocentric has changed corporate operations, and now a company is expected to be responsive to a wide range of stakeholder demands regarding corporate responsibility.⁹ Sustainability also does not have to come at the expense of financial success. For example, Robert G. Eccles, Ioannis Ioannou, and George Serafeim in their paper, *The Impact of Corporate Sustainability on Organizational Processes and Performance*, show the evolution of one dollar invested in 180 studied firms they rank as "highly sustainable" versus those with "low sustainability" ranking. One dollar invested in the highly sustainable companies will grow to c.23

⁸ Milton Friedman, "The Social Responsibility of Business is to Increase its Profits," *New York Times Magazine*, September 1970, 173-178.

⁹ Clark, "The Public Corporation: Enemy of the Environment."

dollars versus c.15 dollars in the companies with the “low sustainability” ranking.¹⁰ Therefore, the two are not always mutually exclusive. In fact, a study by Clark, Feiner, and Viehs in 2015, which reviewed more than 200 academic studies, industry reports, and books revealed that greater than 90% of the cost of capital studies show that sound environmental, social, and governance (ESG) standards lower the cost of capital, while 88% of the reviewed studies show that solid ESG practices result in better operational performance, and 80% of the studies show that stock price performance is positively influenced by good CSR practices.¹¹ Investors also have now become more aware of sustainability factors, especially where they can contribute to higher net present values (NPV). Even mainstream investors are becoming more aware of environmental and social factors and risks, especially after major litigations occurred, such as those related to the use of asbestos in certain products, and crises erupted, such as the BP oil spill.¹² ¹³ Not acting also has strong financial implications. One UNEP study found that climate disruption is already costing USD1.2 trillion annually, and is cutting global GDP by 1.6%.¹⁴ Financial returns are still the driver for firms, but there is a clear realization that it is not possible to maintain strong financial returns over a long period of time if they are achieved at the expense of people or the environment. Properly integrating sustainability practices within the organization is also reputational. It enables a company to mitigate whistleblowing by the media, NGOs and even individuals.

Through their role as financiers of the real economy, banks are de facto exposed to credit, reputational, legal, operational and market risk related to sustainability issues.¹⁵ They may, therefore, be held liable as lenders to clients who have caused certain damage.¹⁶ Revealing a sustainability awareness will also naturally allow banks a competitive advantage over less

¹⁰ Robert Eccles, Ioannis Ioannou, and George Serafeim, “The Impact of Corporate Sustainability on Organizational Processes and Performance,” *Management Science* 60, no. 11 (2014): 2835 – 2857, accessed November 20, 2016.

¹¹ Gordon Clark, Andreas Feiner, and Michael Viehs, *From the Stockholder to the Stakeholder*. New York: Social Science Research Network, 2015. Accessed November 24, 2016. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2508281.

¹² Clark, “The Public Corporation: Enemy of the Environment.”

¹³ Robert Staib, *Business Management and Environmental Stewardship*, (Basingstoke: Palgrave Macmillan, 2009),216.

¹⁴ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*. (Geneva: United Nations, 2016),2.

<http://www.unepfi.org/wordpress/wp-content/uploads/2016/10/GuideBankingSustainability2.pdf>

¹⁵ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*,24.

¹⁶ Marcel Jeucken,145.

sustainable competitors.¹⁷ It will enable them to build better reputations for themselves, as has been briefly discussed before. This kind of reputation goes beyond media perceptions, but can result in the satisfaction of several stakeholders as well, such as employees (who naturally prefer to work for a company that treats them well and which does the “right thing”), customers who are likely to increase their loyalty, NGOs, and even regulators. According to Stephens and Skinner, the 2008 financial crisis was thought by many to be, in part, linked to the lending and investment culture of the international banking and financial sector. Combined with banks’ investment in the arms and mining industries which has come under criticism, they claim the banking sector has become the object of widespread public distrust.¹⁸ Therefore reputation is a major factor banks should consider to become more sustainable. In addition, introducing certain sustainability related efficiencies internally (such as energy and water efficiencies or technological improvements) could translate into cost savings and revenue enhancements, because using fewer resources means lower costs.¹⁹ Ultimately, the purpose of a corporation does include the maximizing of profit and shareholder’s equity. For this to hold, though, they have to be consistent with the environment and humanity’s long term welfare, otherwise the corporation will render itself useless.

I.III. What is Sustainability and What are the Sustainability Megatrends?

Once the motivation to think sustainably has hit, banks and firms need to then be aware of what sustainable development is, what its trends are, and how they impact their business. The Brundtland Commission of the United Nations describes sustainable development as “development that meets the needs of the present generations without compromising the ability of future generations to meet their own needs.”²⁰ It identified population growth, poverty, and uneven development as being the main issues to put pressure on the planet’s dwindling resources: land, water, forests and other natural resources. What is needed is economic growth that is at the same time socially and environmentally sustainable. Accordingly, the three pillars of sustainable development are the environmental, social, and economic.

¹⁷ Staib, *Business Management and Environmental Stewardship*, 38.

¹⁸ Carolyn Stephens and Chris Skinner, “Banks for a better planet? The Challenge of Sustainable Social and Environmental Development and the Emerging Response of the Banking Sector,”: 174.

¹⁹ Michael Viehs, “Fundamentals of Environmental, Social, and Governance Investing.” (presentation, Smith School of Enterprise and the Environment Summer School University of Oxford, Oxford, July 13, 2016).

²⁰ United Nations, *Report of the World Commission on Environment and Development: Our Common Future*. (Oslo: United Nations, 1987),41. <http://www.un-documents.net/our-common-future.pdf>.

The UN Sustainable Development Goals, which are part of the 2030 Agenda for Sustainable Development by the United Nations, help give an indication of what the main sustainability issues are, in general: Poverty (including hunger and access to adequate medicine), education, gender equality, water and non-renewable energy scarcity, economic growth (including employment and resilient infrastructure), equality across countries, safe and peaceful cities and societies, consumption and production (including waste management), climate change, ecosystem protection and restoration, and global partnership.²¹ Sustainability megatrends that have been identified by others usually cover or are subsets of the above issues. All of these issues are equally crucial. This introduction will look at the most frequently referenced trends of climate change and social inclusion and their business consequences. This does not mean though that the business consequences of all of the above issues are not equally crucial, however, the purpose is to reveal the method of thinking that banks are beginning, and should continue, to take when looking at sustainability. Climate change and social inclusion is simply used as the example.

Climate change can impact businesses and their supply chains, damaging industrial plants and commercial premises, disrupting operations, depleting agricultural resources, causing conflict among social groups and nations, disrupting utilities, and causing delays in shipping and transportation.²² A study carried out by Hermes Investment Management has estimated the most affected sectors to be the oil and gas, mining, utilities, industrials and automobile, consumer goods and retail, pharma, technology, and financial services.²³ Banks should not only regard themselves as a firm that is being impacted by climate change, but as a firm financing such risk prone and/or damaging sectors as well. Figure 2 is from the Hermes Investment Management study referred to previously, depicting the most susceptible sectors. The letter “H” indicates high risk, the letter “M” indicates medium risk, and the letter “L” indicates low risk:

²¹ “Sustainable Development Goals,” *sustainabledevelopment.un.org*, accessed November 22, 2016, <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>

²² Pappis, *Climate Change, Supply Chain Management and Enterprise Adaptation*, 70-79.

²³ Natacha Dimitrijevic, “Introduction to Climate Change Engagement.”

Corporate issue/ sector	Oil & Gas	Mining	Utilities	Industrials & Auto	Consumer goods & retail	Pharma	Technology	Financial Services
GHG emissions management	M	M	H	H	M	L	L	L
Strategic threats/ opportunities	H	H	H	H	L	L	M	M
Physical impacts risk	M	M	M	L	L	L	L	L
Public policy influence	H	M	H	H	M	M	M	H

Figure 2: Sectors most affected by climate change. Divided by level of risk and type of business impact

Source: Natacha Dimitrijevic, "Introduction to Climate Change Engagement."

The figure reveals that industries are susceptible to climate change in more ways than just through physical damage, but also in terms of having to control emissions, having to change the corporate strategy to deal with related threats or to take advantage of opportunities, having to change business operations to face issues such as higher energy prices (in the case of Egypt for example), and having to deal with regulatory changes that could impact business activity, especially after the Paris agreements reactionary regulation kicks in. The Paris agreement (as an acceleration to the Kyoto Protocol) also likely means a quicker move to the adoption of carbon pricing globally, where more emissions mean more costs, and emission savings could translate as revenue.²⁴ The move to renewable energy from traditional fossil, such as solar, wind, hydropower, and geothermal means a significant reduction in CO₂ emissions. In the case of Egypt, this should pose as an opportunity given the announced gradual removal of fuel subsidies and reliance on fuel importation, which has caused a rise in energy prices, and given the 2030 strategy which reveals a move to an energy mix that includes renewable energy.²⁵ ²⁶ Therefore, corporations in facing the increasing energy prices, which will continue to increase, should prioritize a move to renewable energy and adopting energy efficient, GHG reducing, measures. The banks' roles are to support this move.

²⁴ Hugenschmidt et al., "Sustainable Banking at UBS," in *Sustainable Banking, the Greening of Finance*, ed. Jan Bouma, Marcel Jeucken, and Leon Klinkers (Sheffield: Greenleaf Publishing, 2001), 52-53.

²⁵ Laura James. *Recent Developments in Egypt's Fuel Subsidy Reform Process*. (Manitoba: The International Institute for Sustainable Development, 2015), 7. https://www.iisd.org/gsi/sites/default/files/ffs_egypt_lessonslearned.pdf.

²⁶ Egypt, *Sustainable Development Strategy 2030 Environmental Dimension*. Cairo: 2015. Accessed November 21, 2016. <http://sdsegypt2030.com/wp-content/uploads/2016/10/10.-Environment-Pillar.pdf>

Social inclusion is another main trend worth mentioning, as it is relevant to both the banking sector and a developing country such as Egypt. Egypt's recent economic and social reforms include the flotation of the currency, and gradual subsidy removal, as well as investments in Upper Egypt (a generally less affluent area), social protection and job creation efforts aimed at social inclusion.²⁷ Egypt's vision 2030 also covers a social justice section, which includes increasing the social security pension, increasing the number of beneficiaries of the cash transfer program to 3 million poor families, and launching a social protection program using smart cards²⁸. Banks and businesses have a role to carry out relevant community initiatives to avoid social exclusion and could even work in partnership with the government, such as through facilitating the payment of state benefits. Rajput, Kaura and Khanna add that financial institutions in developing economies are the ones to help to reduce poverty and social exclusion.²⁹ They reference a study by Burgess and Pande in 2005 which analyzed the effect of a large state-led bank branch expansion program in India on rural poverty between the period of 1977 and 1990. They found that branch expansion into rural unbanked locations in India considerably decreased rural poverty through access to finance and financial inclusion.³⁰

I.IV. Objectives of the Study

- 1) To create a diagnostic tool that can assess the extent to which a bank has integrated sustainability. This will be made up of:
 - The set of standards to probe for.
 - The set of questions to ask accordingly
 - The right people to ask, sources to refer to, and branches to visit.
 - The multiple-choice options (representing how well a standard is being implemented).
 - The chosen response.

²⁷ "Egypt's Reforms Will Create Jobs and Promote Social Inclusion," The World Bank, accessed December 25, 2016, <http://www.worldbank.org/en/news/press-release/2016/11/04/egypt-reforms-jobs-social-inclusion>.

²⁸ Nihal El Meghrabel, "Egypt's Vision 2030 and Planning Reform." (presentation, UN Sustainable Development Knowledge Platform: Integrated Approaches to Sustainable Development Planning and Implementation, New York, May 27, 2015).

²⁹ Namita Rajput, Ruchika Kaura and Akanksha Khanna, "Indian Banking Sector towards a Sustainable Growth: A Paradigm Shift," *International Journal of Academic Research in Business and Social Science* 3, no.1 (2013): 292.

³⁰ *Ibid.*, 293.

- The score for each response.
 - The outputs of the tool generated from the score.
- 2) To pilot the tool on a sample bank that has attempted to integrate sustainability in Egypt, and generate an output for the bank.
 - 3) To give a conclusion as to the tool's effectiveness and refine the tool based on the pilot conducted in 2)

The last objective shows that the diagnostic tool is not set in stone. With every new application, a new approach to sustainable banking or a new way to measure the standards will suggest improvements to the tool. In addition, the literature reviewed in this study is mainly western literature, so the application to a bank in Egypt may suggest further fine-tuning or adjustments to the diagnostic tool for Egypt. An initial attempt has been made at creating such a tool in the hopes that it can then be used as a starting point in future research to probe for sustainability integration in banks on a larger scale, while undergoing continuous refinement.

Chapter II. Literature Review

Some researchers argue that organizations require a paradigm shift to integrate sustainability, while others claim that sustainability requires only incremental adjustments to processes, procedures, and reward systems.³¹ The literature review, presented here, and the standards generated from it, will cover both perspectives. Before discussing characteristics, it is important to establish what sustainable finance and banking involve. The London Principles of Sustainable Finance define sustainable finance as “the provision of financial capital and risk management products to projects and `businesses that promote, or do not harm, economic prosperity, environmental protection and social justice.”³² According to Rebai et al., sustainable banking is “a trustworthy banking system accounting for all of its internal and external stakeholders. It ensures intermediation activities that care in particular about social and environmental aspects with short, medium and long-term horizons.”³³ Both definitions focus on a bank’s core business involvement (lending and risk management) in socially and environmentally friendly activities. The latter also emphasizes stakeholder perspectives and trust. Giuseppi defines sustainable banking as a decision by banks to provide products and services only to customers who take into consideration the environmental and social impacts of their activities.³⁴ His is a much more restrictive definition, not only in terms of being solely applicable to the products and services of the bank, but also in terms of being applicable only to the bank’s customers. Essentially, all the definitions allude back to the definition of sustainable development in mentioning banks that balance economic, social and environmental interests to ensure progress while enabling the existence of a livable world for future generations. While all these definitions stress the focus on environment and society as part of banks’ core activities, the following literature review will reveal that there are several other aspects that form part of these definitions as well.

³¹ Anne Stoughton and James Ludema, “The driving forces of sustainability,” *Journal of Organizational Change Management* 25, no. 4 (2012): 501.

³² Center for Sustainable Development and Corporation of London, *The London Principles of Sustainable Finance: The contribution of UK-based financial institutions to sustainable development Interim Report*, (London.: Corporation of London 2002), 5.
<http://www.griequity.com/resources/integraltech/GRIBusinessModel/sustfinprinciples.pdf>.

³³ Sonia Rebai, Mohamed Azaiez, and Dhafer Saidane, “A Multi-Attribute Utility Model for Generating a Sustainability Index in the Banking Sector,” *Journal of Cleaner Production*, 113, (2016): 2.

³⁴ Giuseppi, “Assessing the Triple Bottom Line,” in *Sustainable Banking, the Greening of Finance*, 101.

To generate a set of ideal standards for properly integrating sustainability, models and methods in literature that propose such standards were reviewed. The literature has generally approached the integration of sustainability into a bank from the following basic five perspectives (which this paper will refer to as “aspects”): The bank’s identity and strategy, culture, core operations, communication, and the internal environment. Within each aspect are the proposed standards that will be developed from literature, as shown below.

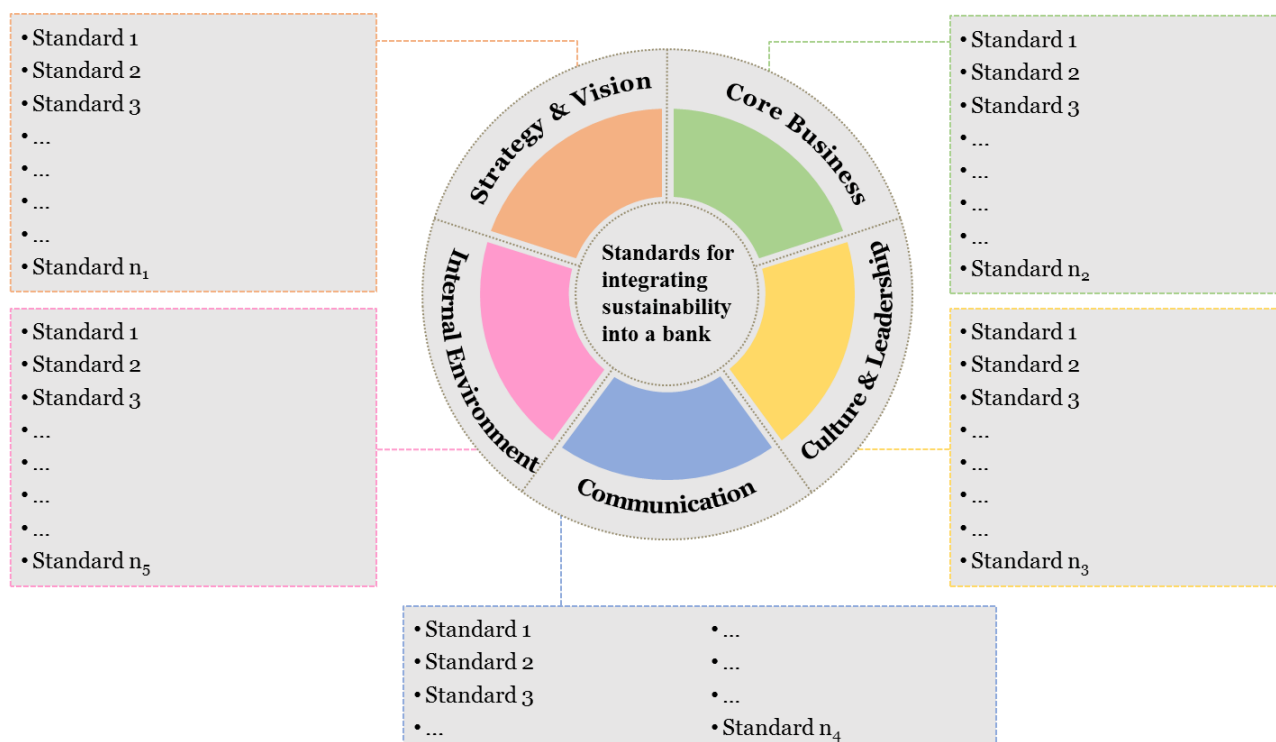


Figure 3: Standards reflecting a bank that has integrated sustainability, split into respective aspects.

It is worth noting that the purpose is not to generate the standards to test for a purely social bank, because, such a bank is one that has been created for the main purpose of environmental and social betterment, where profit and financial success are secondary. The standards of a purely social bank would have been more stringent and covered more items. It is also important to note that this study is concerned with the more abundant commercial banks and how well they can integrating sustainability into their commercial, profit-driven operations. There will be little focus on the financial aspect, (the economic dimension) as a commercial bank is expected to be already

financially oriented. This tool therefore is applicable strictly to commercial banks that have attempted to integrate sustainability, or the environmental and social dimensions.

II.I. Vision and Strategy

Silvestri and Gulati contributed a study entitled *From Periphery to Core* in the book *Leading Sustainable Change*, which looked at thirty established organizations, and compared those that place sustainability at the core versus the periphery. They concluded that those who have integrated sustainability to the core, have a sustainability strategy that includes: short term and long term sustainability goals and objectives, with appropriate courses of action, details on how resources and responsibilities will be allocated, and adequate metrics to assess results, as confirmed by a KPMG report on sustainable banking.^{35 36} They found that organizations that place sustainability at the periphery have no formal plan for their sustainability strategy, and sustainability inclusions are mainly based on cost concerns. Their sustainability strategy was also found to be detached from the main business strategy. Corporations with sustainability at the core, on the other hand, were found to integrate the sustainability strategy with the business strategy, so that sustainability has impact on the organization's overall performance and is part of its value in the market, as Tarna and the KPMG report on sustainable banking also mention.^{37 38} KPMG adds that the ideal strategy for a sustainable bank is both opportunity and risk driven (given the importance of risk to banks).³⁹ Such organizations also have strategy goals that extend beyond short term efficiency gains to involve long term gains that stem from innovation, and market opportunities, as well as eco efficiency. This supports Staib's theory, presented in his book, *Business Management and Environmental Stewardship*, which says that only through radical measures, such as innovation, does real integration occur.⁴⁰ Silvestri & Gulati also found that organizations which have integrated sustainability to the core tended to measure and communicate sustainability as an indicator, while

³⁵ Luciana Silvestri and Ranjay Gulati, "From Periphery to Core: A Process Model for Embracing Sustainability," in *Leading Sustainable Change: An Organizational Perspective*, ed. Rebecca Henderson, Ranjay Gulati, and Michael Tushman (Oxford: Oxford University Press, 2015), 83,86.

³⁶ KPMG Advisory, *Sustainable banking in a rapidly changing world*, (Sweden: KPMG, 2016), 5.

³⁷ Kaisa Tarna, "Reporting on the Environment: Current Practices in the Financial Services Sector," in *Sustainable Banking, the Greening of Finance*, 156.

³⁸ See note 36 above.

³⁹ *Ibid.*, 38.

⁴⁰ Staib, *Business management and environmental stewardship: environmental thinking as a prelude to management action*, 188.

the organizations placing sustainability at the periphery don't measure or use such indicators.⁴¹ Muja et al. carried out a literature review, *Sustainability and organizational transformation: putting the cart before the horse?*, in which they explore factors that may hinder corporate adoption of sustainability. Their review supports the above claim. They mention that too often, organizations simply develop "add on" or peripheral strategies and then claim to be a sustainable company. They suggest companies look at deeper issues such as the sustainability of their supply chain and core operations.⁴² As part of the strategy formulation and objective setting, companies should (as is the case with any strategy) be aware of the relevant regulation, competitor's activities, such as the certifications they hold, the pervading values in society, and conduct a separate SWOT analysis for the sustainability strategy.⁴³

Silvestri & Gulati explain the identity or vision of an organization as being both its central character (what it stands for, guiding its members thinking as they make decisions and take actions), and its way of communicating to external stakeholders that it is a "legitimate member of a market category." It shows stakeholder how it is similar to, and distinct from, competitors. Therefore, the identity serves as an internal anchor and an external image in line with stakeholder expectations, and can be revealed through the company's mission statement and actions.⁴⁴ Staib adds to this that sustainable mission statements (a representation of the identity) should be broad and inclusive of different stakeholders and their needs.⁴⁵ Silvestri & Gulati found that from their sample, the organizations that had properly integrated sustainability also include sustainability in their identity and vision, and in a way that is neither vague nor abstract. Also, organizations that placed sustainability at the periphery were found to focus on sustainability for the sake of their external image, for gaining green credentials, and for enhancing reputation, whereas proper integration means both a focus on internal identity and external image.⁴⁶ Marcel Jeucken, relies on a mix of literature reviews, surveys of and interviews within 34 banks, content analyses, and participant

⁴¹ Silvestri and Gulati, *Leading Sustainable Change: An Organizational Perspective*, 83.

⁴² Naser Muja et al., "Sustainability and organizational transformation: putting the cart before the horse? (Part Two)," *Industrial and Commercial Training* 46, no. 6 (2014): 309.

⁴³ Giselle Weybrecht, *The sustainable MBA: a business guide to sustainability* (Chichester: Wiley & Sons, Ltd, 2014), 43.

⁴⁴ Silvestri and Gulati, *Leading Sustainable Change: An Organizational Perspective*, 84.

⁴⁵ Staib, *Business management and environmental stewardship: environmental thinking as a prelude to management action*, 48.

⁴⁶ Silvestri and Gulati, *Leading Sustainable Change: An Organizational Perspective*, 83.

observation for his book: *Sustainability in Finance*. His focus however was on developed countries, which could make some of his recommendations out of scope. His perspective in this aspect is more financial, and states that the proper strategy means that the sustainability budget is part of the general budget and not a separate department budget⁴⁷⁴⁸

While not officially part of the mission or strategy, a sustainability policy stems from and is a major realization of the company strategy and vision. The United Nations Environment Program developed a guide to banking and sustainability in 2016. According to the guide, a sustainability policy must include: scope, (how much of bank's operations will the policy cover and their branches and subsidiaries), commitment and targets, (for example committing to a certain GHG reduction goal), an inclusive nature (not seen by anyone as a threat everyone can identify with it and it can be implemented by all), and revisions (how will performance be measured, how progress will be monitored, and how will lagging be improved)⁴⁹

II.II. Core Business

The basic core products of banks generally include deposit products, loan products, trade products, and foreign exchange services. Banks can also offer investment banking services. Sustainability efforts in a firm's core operations are at the top of the list in terms of importance. Dyllick and Muff produced an article in the *Organization and Environment* Journal which studied 180 companies then ranked them according to different levels of sustainability integration. According to the study, the ultimate level of integration is not only making sustainability part of the core operations, but to actually model the core operations so they attempt to solve a planetary problem. The ultimately sustainable company is one that exists for the purpose of targeting a sustainability issue.⁵⁰ It is important to bear in mind that the ultimate outcome from this literature review is a tool to be tested on commercial banks, which are by nature financially oriented, and not purely sustainability oriented.

⁴⁷ Marcel Jeucken, *Sustainability in Finance*, 261.

⁴⁸ KPMG Advisory, *Sustainable banking in a rapidly changing world*, 17.

⁴⁹ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 15-16.

⁵⁰ Thomas Dyllick and Katrin Muff, "Clarifying the Meaning of Sustainable Business: Introducing a Typology From Business-as-Usual to True Business Sustainability," *Organization and Environment* 29, no. 2 (2015): 168.

Banks typically place the interest rate depending on the risk on the projects they finance. They have the knowhow about a project more than the depositor, and this is how they fix asymmetries. Jeucken claims that ideally, projects with a sustainability focus should also be able to borrow at low interest rates, such as, for example, what the Co-operative Bank in the UK does. Traditional banks in general though apply lower interest rates to lower risk projects, not necessarily sustainable projects. That is why he proposes that banks should consider sustainability as a factor in the risk assessment that helps to lower risk (among the banks' other stipulations), which naturally grants sustainable projects a higher chance of getting favorable interest rates. Jeucken stops there and doesn't delve further into the other problem, which is how banks can carry out sustainable financing while still being confined by a minimum capital adequacy (capital/assets), liquidity, and profitability requirements.⁵¹

II.II.I. Corporate Banking

When it comes to corporate banking, Jeucken does not provide a clear and comprehensive guide on sustainable financing for corporations. He merely states that banks should not only look at the efforts of companies in becoming more sustainable, but whether they did indeed meet their targets.⁵² The UN guide to banking and sustainability, however, goes into more detail, as the main focus of the guide is the core operations. Under corporate banking, the UN lists the following ways core operations can incorporate sustainability, which are in line with Tarna's as well as Stephens and Skinner's suggestions.^{53 54} Firstly, is commercial lending products. These can include responsible credit lines to companies who want to enhance their businesses (such as to become more energy efficient, or to green the building), green leasing (or leasing of equipment that support the sustainability transition), environmental and social advisory services, corporate lending to finance sustainable companies or companies in their sustainability transition, financing the circular economy (business models that use fully renewable energy, extend the product life cycle, or recover

⁵¹ Jeucken, *Sustainability in Finance*, 101,104,105.

⁵² *Ibid.*,190.

⁵³ Kaisa Tarna, "Reporting on the Environment: Current Practices in the Financial Services Sector," in *Sustainable Banking, the Greening of Finance*, 161-162.

⁵⁴ Carolyn Stephens and Chris Skinner, "Banks for a better planet? The Challenge of Sustainable Social and Environmental Development and the Emerging Response of the Banking Sector,": 176.

resources for example), or funding NGOs with a sustainability angle.^{55 56 57} When it comes to financing the circular economy, it is about more than simply financing circular business models. It can also include incorporating the circular economy into the valuation models, such as capturing higher value for assets (assuming upscaling or a second hand market) instead of writing them down to zero or small scrap values on the balance sheet.⁵⁸

Project finance is another part of corporate banking. According to the UN guide, this could cover project under sustainable energy infrastructure (renewable energies, smart meters, energy efficiency), sustainable transport projects, environmentally and human rights compatible industry activities (such as extractive projects), water or waste related projects, large scale green commercial developments, or anything else that is considered to support the sustainability trends.^{59 60} Sahoo and Nayak's research on the Indian banking sector found that small-scale industries, unlike large scale ones, do not always install the necessary equipment needed to meet the emission standards set by authorities, either due to financial constraints, or because they are small enough to escape the eyes of such authorities. Nevertheless, they still constitute a major portion of the Indian industry. Sahoo and Nayak therefore suggest that banks have separate procedures for the small-scale industries such as creating a separate pollution status for them, and preparing pollution control steps for them to take before lending.⁶¹

Investment banking is another service banks offer under corporate banking. The guide advises on including environmental and social considerations in mergers and acquisitions, and IPOs, or green bonds. This is the only discussion the guide gives on incorporating sustainability into the valuation activity. There are wide options about how to appropriately put monetary value on the environment, as well as negative externalities so that they are part of the share value process. This discussion requires a separate debate and paper, but more is needed to acknowledge its use than simply

⁵⁵ Jeucken, *Sustainability in Finance*, 195.

⁵⁶ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 47.

⁵⁷ Rethinking Finance in a Circular Economy, *ING.com*, (Netherlands: ING, 2015), 6, <https://www.ing.com/Newsroom/All-news/Features/Circular-economy-challenges-financial-business-models.htm>.

⁵⁸ *Ibid.*, 8.

⁵⁹ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 47.

⁶⁰ Jeucken, *Sustainability in Finance*, 185.

⁶¹ Pravakar Sahoo and Bibhu Prasad Nayak, "Green Banking in India," *The Indian Economic Journal* 55, no.3 (2007): 93-94.

recommending the incorporation of sustainability in mergers, acquisitions and IPOs, as the UN Guide does.

Also under corporate banking is trade finance, or financing international trade flows. Sustainable products could include financing sustainability related commodities, sustainable shipment letters of credit, and sustainable trade funds.⁶² Banks could also offer the option of funds, under corporate banking, as suggested by Jeucken, which are depository in nature. Such funds could be directed at sustainable projects, paying out financial return to investors.⁶³

As an example of sustainable corporate banking, Firstrand Limited created the Positive Impact Banking Program, which is any financial instrument, end-to-end solution, or service which serves to finance a sustainability related project, transaction or program.⁶⁴ Also, ING Bank has also decided to end financing new coal fired power plants and coal mines, and at the same time invested billions of euros in projects such as wind farms, solar energy, and geothermal power production. It has set a target of reaching EUR35 billion of financing sustainable transitions by 2020.⁶⁵ Citibank focuses also on the advisory side. It advises and finances projects focused on environmental and climate change solutions.⁶⁶

In her book *The Sustainable MBA: A Business Guide to Sustainability*, Giselle Weybrecht interviewed over 150 CEOs, sustainability experts, and academics globally. While extremely detailed, her book is presented almost as one huge checklist without suggestions as to what to focus on first or what is the most urgent factor to consider. Esty and Winston, in their book, *Green to Gold* survey close to 105 companies to determine the environmental leaders. Both Esty & Winston, and Weybrecht support the idea that it is not enough to simply offer sustainable products and services, but to also place client facing teams that highly promote such products and awareness as well. For example, Citibank's Environmental and Social Risk Management (ESRM) team help

⁶² United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*,47.

⁶³ Jeucken, *Sustainability in Finance*, 227.

⁶⁴ *Ibid.*,6.

⁶⁵ *Ibid.*,7.

⁶⁶ *Ibid.*,19.

Citi's clients understand and manage risk associated with the impact of their businesses on the environment and communities.⁶⁷

Hedwig Heerdt's research involved carrying out a survey to identify individual's attitudes towards sustainability and ethical banking in general, their banking habits, as well as their attitude towards nine areas of business that banks may be confronted with. Based on their answers, Heerdt develop a list of what individuals view as "positive criteria" that banks should be investing in, such as certified fishing, animal welfare, companies that engage in energy conservation and waste reduction, and organic farming. Tarna prepares a similar list in his research too. They both also develop a list of "negative criteria," (or "exclusion criteria" as Tarna calls it) such as weapons used by the military and the fur trade.^{68 69} Giuseppi also recommends a bank use such a division.⁷⁰ Hugenschmidt et al. recommend banks use a screening criteria that is used by the United Bank of Switzerland (UBS) to determine a client's environmental performance, by specifically looking at their environmental policy, environmental management, ecology related costs and savings, environmental communications, process strategies (measures to improve energy efficiency), environmental data (indicators), and environmental product strategies. While he only mentions the environmental component, ideally a similar screening should apply to the social component as well. They also propose the bank uses a "plausibility check" by hiring an external consultant to carry out the same screening using their own method to confirm the results.^{71 72}

Weber's propositions are very similar to most of what was mentioned under corporate banking. They also cover arguments about the risk strategy that confirm those brought up in the section below.⁷³

⁶⁷ Ibid.

⁶⁸ Hedwig Heerdt, *Green Banks: The Fairytale of Sustainability*, 47-49.

⁶⁹ Kaisa Tarna, "Reporting on the Environment: Current Practices in the Financial Services Sector," in *Sustainable Banking, the Greening of Finance*, 162.

⁷⁰ Giuseppi, "Assessing the Triple Bottom Line," in *Sustainable Banking, the Greening of Finance*, 101.

⁷¹ Hugenschmidt et al., "Sustainable Banking at UBS," in *Sustainable Banking, the Greening of Finance*, 47.

⁷² Giuseppi, "Assessing the Triple Bottom Line," in *Sustainable Banking, the Greening of Finance*, 102

⁷³ Olaf Weber, "Sustainability Benchmarking of European Banks and Financial Service Organizations," *Corporate Social Responsibility and Environmental Management* 12, no. 2 (2005): 76.

Corporate Banking-Risk

Risk Types

Risk assessment is an important part of corporate banking, or any banking for that matter. According to Jeucken, banks could face a risk due to a client's inability to repay debt because of sustainability related damage to the company or project (physical, legal, reputational etc...). Another type of risk, he mentions is due to a reduction in the client's collateral value, as a result of sustainability issues (such as soil pollution from climate change to the property held as collateral and causing it to almost completely lose its value, after being overvalued on the balance sheet).⁷⁴ Banks need to also be aware of any legal, environmental, social, and obviously financial risks that a corporate client or project could face, Jeucken adds. These could range from higher costs of raw materials to environmental disasters.⁷⁵ PricewaterhouseCoopers in their "Sustainability for Banks" 2012 report, similarly mention reputational risk and regulatory risk as two main types of risk for banks.⁷⁶

Risk Policies and Guidelines

The UN's approach in its guide to banking and sustainability is more formal than Jeucken's, who refrains from listing clear risk mitigation steps. The guide firstly points out that bank policies are needed which identify why the bank considers a particular sector to be risky (such as the oil and gas, mining, and utilities). It says the policies should also set forth the standards and due diligence that will be applied to identify and manage environmental and social (E&S) risks (e.g. Equator Principles, IFC Industry Sector Guidelines), as does the KPMG report on sustainable banking.⁷⁷ The Equator Principles, for example, which are suggested by the UN, are a risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in projects, and categorizing projects depending on their impact (different from an environmental assessment as it attempts to account for the three pillars of sustainability, which are not just environmental). For example, one principle stipulates that projects

⁷⁴ Jeucken, *Sustainability in Finance*, 146, 165.

⁷⁵ Jeucken, *Sustainability in Finance*, 159-166.

⁷⁶ PricewaterhouseCoopers, *Go Green Stay Competitive. Sustainability for Banks*, (Luxembourg: PricewaterhouseCoopers, 2012), 2, <https://www.pwc.lu/en/sustainability/docs/pwc-fsbanks.pdf>.

⁷⁷ KPMG Advisory, *Sustainable banking in a rapidly changing world*, 4.

of significant or some impact will require the “client to demonstrate effective stakeholder engagement as an ongoing process in a structured and culturally appropriate manner with affected communities and, where relevant, other stakeholders.”⁷⁸ As of August 2016, 84 financial institutions in 36 countries have officially adopted the Principles, representing over 70% of international project finance debt in emerging markets, according to the Equator Principles Association. However, adoption by banks in emerging markets has been slower (about 30% of Equator Principles financial institutions are from emerging markets)⁷⁹

The other suggestion by the UN Guide is the IFC Sector guidelines, which are similar to the equator principles but aimed directly at the bank’s clients. They provide guidance to clients on how to identify risks and impacts, and how to avoid, mitigate, and manage risks and impacts as a way of doing business in a sustainable way. The IFC does this by listing a set of eight principles on which banks should check-up and apply to their clients: Assessment and Management of Environmental and Social Risks and Impacts, Labor and Working Conditions, Resource Efficiency and Pollution Prevention, Community Health, Safety, and Security, Land Acquisition and Involuntary Resettlement, Biodiversity Conservation and Sustainable Management of Living Natural Resources, Indigenous Peoples, and Cultural Heritage, with requirements from the client under each. It includes stakeholder engagement and disclosure obligations of the client in relation to project-level activities.⁸⁰ Both standards enable banks to categorize sustainability-related risk.⁸¹ Such guidelines are clearly over and above the usual guidelines that target mainly purely financial risk used by each bank. The IFC recommends that the Basel Initiative includes E&S risk language in its various frameworks and documents, and claims it has sufficient flexibility to address E&S risk. The Basel Guideline are a “comprehensive set of reform measures, developed by the Basel Committee on Banking Supervision, to strengthen the regulation, supervision and risk management

⁷⁸ Equator Principles Association, *The Equator Principles*, (n.p.: Equator Principles Financial Institutions, 2013),6, http://www.equator-principles.com/resources/equator_principles_III.pdf.

⁷⁹ Sustainable Banking Network, *Greening the Banking System - Experiences from the Sustainable Banking Network (SBN)*, (n.p.: International Financial Corporation, 2016), 4, http://www.ifc.org/wps/wcm/connect/712ae885-5985-4fa4-9c27-a089f84f4ab7/SBN_PAPER_G20_3rd+draft_updated.pdf?MOD=AJPERES.

⁸⁰ International Financial Corporation (IFC), *IFC Performance Standards on Environmental and Social Sustainability*, (n.p.: IFC,2012),2, http://www.ifc.org/wps/wcm/connect/c8f524004a73daeca09afdf998895a12/IFC_Performance_Standards.pdf?MOD=AJPERES.

⁸¹ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*,27-28.

of the banking sector.” They improve the banking sector's ability to absorb financial related shocks, whatever the source and strengthen risk management.⁸²

Jeucken, and Esty & Winston also reiterate the cruciality of bank risk polices, and deem it necessary to involve multiple teams across the bank including the sustainability, risk and client-facing teams, as risks can evolve or emerge even after financial close, a supplier contract is executed, or a customer relationship is built.^{83 84 85}

Risk Management Steps

The UN guide then goes on to list the risk management steps when offering services to a client (which could be slightly modified or buttressed if the bank follows different principles or guidelines mentioned above):

- 1) The first step the guide mentions is risk identification. This involves screening the industry based on impact and sensitivity, and industry codes. The KPMG report on sustainable banking also recommends this and escalating all transactions in sensitive sectors to E&S risk experts.⁸⁶ This also involves verifying general and legal compliance (such as reviewing environmental fines or sustainability related lawsuits), while collecting other information through site visits, media checks, relevant authorities, NGOs, and/or sustainability reports. The client’s sustainability indices and ratings also have to be reviewed.
- 2) The next step is risk categorization. Like the Equator Principles set out to do, this step assigns the E&S risk level associated with the client in order to apply the appropriate risk management steps to follow.⁸⁷ The bank can develop their own model, or rely on the Equator Principles or IFC Sector Guideline. The guide mentions that even a categorization as simple as low, moderate and high risk tiers will suffice. It is also suggests that very low risk transactions (such as small loans) can be excluded to keep

⁸² International Financial Corporation (IFC), *3rd International Sustainable Finance Forum*, (Washington: IFC,2016),18, <http://www.ifc.org/wps/wcm/connect/90ae4a804c51641fade8afd8bd2c3114/eBook-2016+Peru+final+version.pdf?MOD=AJPERES>,18.

⁸³ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 28.

⁸⁴ Jeucken, *Sustainability in Finance*, 140.

⁸⁵ Esty and Winston, *Green is Gold*, 180.

⁸⁶ KPMG Advisory, *Sustainable banking in a rapidly changing world*, 21,29.

⁸⁷ *Ibid.*, 22.

the process manageable. Barannik suggests that the bank also determine the quality and susceptibility of the client's proposed collateral.⁸⁸ Scholtens, Cerin, and Hassel suggest that company risk should be assessed in terms of how well the company manages current processes from a sustainability point of view, and the readiness of the company to meet future environmental and social demands.⁸⁹

- 3) Following this step is the risk analysis step. Medium and high-risk transactions may require the expertise of sustainability experts within the bank and/or hiring additional sustainability employees, conducting E&S audits, site visits, or contracting external expertise. The result of this step is recommendations on potential E&S risk mitigation and acceptance/rejection of the financing process.
- 4) After this comes the actual risk mitigation process. This involves establishing a set of detailed risk mitigation measures required by the client from the issues identified in the screening and analysis steps (e.g. obtaining regulatory permits, external stakeholder buy-in), as the Equator Principles set out for example. The necessary mitigation measures are communicated to the client and defined as conditions that need to be met before financing.
- 5) The final stage in the UNs proposed steps is monitoring. Basically, predefined action plans serve as benchmarks to evaluate a client's progress. The guide suggests that monitoring systems should also cover media outlets and industry developments to ensure early detection of critical situations, such as NGO campaigns. Sahoo and Nayak suggest that there needs to also be post transaction monitoring that involves physical inspection of all the suggestions made in the risk analysis step.⁹⁰

There is no strict rule on the best risk management method but the steps above are the basic ones to follow, with possible added enhancements. For example, UBS has advanced data analytics on companies associated with environmental and social risks, which is integrated into a web-based compliance tool used by the staff before they enter into a client or supplier relationship, or a

⁸⁸ Andrei Barannik, "Providers of Financial Services and Environmental Risk Management: Current Experiences," in *Sustainable Banking, the Greening of Finance*, 256.

⁸⁹ Bert Scholtens, Pontus Cerin, and Lars Hassel, "Sustainable Development and Socially Responsible Finance and Investing," *Sustainable Development* 16, (2008): 139.

⁹⁰ Pravakar Sahoo and Bibhu Prasad Nayak, "Green Banking in India," 96.

transaction. The systematic nature of this tool significantly enhances the ability to identify potential risk, and has a preset list of industries to avoid investing in.⁹¹ The KPMG report on sustainable banking in fact recommends advanced tooling be used for the risk assessment process.⁹² For example, WDR (Walburg Dillon Read) (the investment banking division at UBS) has a Help Desk to support credit officers in the assessment of E&S risks associated with financial transactions, and also runs an intranet website which offers tools and information on environmental risk management at WDR.⁹³ Zeidan, Boechat, and Fleury propose a slightly different risk assessment model, and many sustainable banks have a specific method suited to them.⁹⁴ Nevertheless, the ones come across in this literature review follow more or less the above steps.

Risk on a portfolio level

The UN guide points to the importance of environmental stress testing models over the whole loan portfolio (again different from environmental impact assessments as it is the impact on the loan portfolio that is the focus). KPMG suggests the same type of portfolio-level monitoring.⁹⁵ The International Commercial Bank of China is one bank that relies on stress tests (testing the ability of the bank to withstand economic crises or unfavorable conditions).⁹⁶ This can be part of the risk analysis step suggested by the guide. Barannik supports this by adding that the banks could apply techniques to determine their risk tolerance to certain projects.⁹⁷ These models test the vulnerability of loan portfolios to environmental shock scenarios. They relate back to Jeucken's identified risks, as environmental shocks can negatively impact the companies in a bank's loan portfolio at the operational and consumer behavior level, or at the physical level from environmental shocks (air pollution, climate change etc.) which affect collateral.⁹⁸ It needs to be kept in mind that alongside all of the above risk management strategies, the usual financial risk analysis steps still apply, and the clients should still maintain healthy economic indicators such as business profitability, adequate financial ratios, and frequently meeting tax obligations, to name a few.

⁹¹ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 34.

⁹² KPMG Advisory, *Sustainable banking in a rapidly changing world*, 25.

⁹³ Hugenschmidt et al., "Sustainable Banking at UBS," in *Sustainable Banking, the Greening of Finance*, 45.

⁹⁴ Rodrigo Zeidan, Claudio Boechat, and Angela Fleury, "Developing a Sustainable Credit Score System," *Journal of Business Ethics* 127, No. 2 (2015): 287.

⁹⁵ KPMG Advisory, *Sustainable banking in a rapidly changing world*, 44.

⁹⁶ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 33.

⁹⁷ Andrei Barannik, "Providers of Financial Services and Environmental Risk Management: Current Experiences," in *Sustainable Banking, the Greening of Finance*, 256.

⁹⁸ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 28.

While Weybrecht, Dyllick & Muff agree as to the risk mitigation strategies, they both add that it is not enough to just look at risk mitigation, but banks need to also develop a strategy for assessing advantageous sustainable opportunities that they should fund, and being more proactive about risk.^{99 100}

II.II.II. Retail Banking

Core services are also offered under retail banking. This involves products and services aimed at SMEs and individuals. According to the Alliance for Financial Inclusion, over half of the world's adult population, (2.5 billion people), lacks access to formal financial services. Consumer expectations and perceptions of banks behavior and what is done with their money are also changing.¹⁰¹ According to the UN guide to banking and sustainability, retail banking should view the changes in consumer expectation as opportunities by promoting access to finance and financial inclusion and providing products and services that are affordable, trustworthy, accessible and sustainable, as well as by acting transparently.¹⁰²

Individual Retail Banking

A big portion the environmental damage comes from the lifestyles of individuals, and not the bank products themselves, as Jeucken points out. He claims that this is the reason why banks have been reluctant to promote external environmental care, because it could require interference with the activities or lifestyles of their clients.¹⁰³ Instead, what the banks can do it focus on sustainable products and services. With any of the retail products or services, the UN guide points out, the bank can initially take the basic step of going paperless and releasing online statements and forms to individuals, such as mobile banking. When it comes to payment facilities, sustainable affinity cards have been suggested (where a percentage of the transaction is donated to a social or environmental cause) which gives individuals the feeling of giving as they spend. For example, Swedbank

⁹⁹ Dyllick and Muff, "Clarifying the Meaning of Sustainable Business: Introducing a Typology From Business-as-Usual to True Business Sustainability," 166.

¹⁰⁰ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*,38.

¹⁰¹ "General Financial Inclusion," *AFI-global.org*, accessed November 22, 2016, <http://www.afi-global.org/policy-areas/general-fi>

¹⁰² United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*,56.

¹⁰³ Jeucken, *Sustainability in Finance*, 100.

developed a current account card in collaboration with the World Wildlife Fund (WWF), where half of 1% of the total payment transactions made with the card are donated to the WWF. With loans, Jeucken, the UN guide, and Weybrecht suggest targeting products with a sustainability related benefit, such as green mortgages (houses that are built on renewable energy or using green codes), hybrid or alternative fuel vehicle loans, or educational loans.¹⁰⁴ ¹⁰⁵ ¹⁰⁶ ASN Bank for example has a carbon reduction strategy in which it co-finances the National Energy Saving Fund which offers energy saving loans to consumers.¹⁰⁷ The Cooperative Bank UK offers two types of Green Mortgages, the Energy Improvement Mortgage that is used to upgrade an existing home or a building to be more energy efficient (such as solar panels installation and improved insulation), and the Energy-Efficient Mortgage which is used in the construction of new green homes and buildings.¹⁰⁸ Jeucken backs up the UN guide by also suggesting saving facilities, such as certificates of deposit, bonds, and investment accounts that allow the client to choose from a menu of sustainability themes to responsibly save or invest in.¹⁰⁹ ¹¹⁰ For example, VSBs panda certificate donates a fixed amount to the WWF. ¹¹¹ Tarna's recommendations also mostly resemble those mentioned above.¹¹²

The UN Guide makes a point of mentioning, however, that sustainable banking to individuals is also about the way customers are serviced. Integrity, transparency, expertise and reliability are paramount to the bank's customer interaction, it says. ASN Bank, for example, is known for offering easy-to-understand banking products. The bank regularly receives suggestions and comments through the customer service department, and organizes interactive customer satisfaction sessions for employees to share their thoughts on what the bank could develop or change to achieve its long-term goal of 1 million satisfied customers.¹¹³

¹⁰⁴ Ibid.,185

¹⁰⁵ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 59.

¹⁰⁶ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*,210.

¹⁰⁷ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 61.

¹⁰⁸ Boon Cheong, Chew Lay Hong Tan, and Syaiful Rizal Hamid, "Ethical Banking in Practice: A Closer Look at the Co-operative Bank UK PLC," *Qualitative Research in Financial Markets* 8, no. 1 (2016): 84.

¹⁰⁹ See note 105 above.

¹¹⁰ Jeucken, *Sustainability in Finance*, 85.

¹¹¹ Ibid.,204

¹¹² Kaisa Tarna, "Reporting on the Environment: Current Practices in the Financial Services Sector," in *Sustainable Banking, the Greening of Finance*, 161.

¹¹³ See note 107 above.

SME Retail Banking

When it comes to retail banking for SME's, the same product ideas above for individuals can still apply to SMEs.¹¹⁴ Another service banks can offer SMEs is the advisory service that was suggested under corporate banking. However, SMEs are likely to have less experience and resources, and so could benefit from such advisory services much more, Jeucken reveals.¹¹⁵ He also believes financial leasing could also be beneficial to sustainable SME's (such as solar panel or windmill leasing). Besides these, loans to sustainable SMEs can also have favorable rates, he suggests.¹¹⁶

The UN guide refers to Desjardins group as an example. It created the Desjardins Energy-Efficiency Loan, which is designed to help businesses upgrade their equipment or renovate their space to reduce energy consumption.¹¹⁷ Mizuho Bank also offers below-market interest rates to SMEs that are practicing environmentally conscious management and or proactively addressing environmental problems.¹¹⁸

Microfinance and financial inclusion

Microfinance is another product sustainable banks have been encouraged to offer, as part of financial inclusion and banking the unbanked. This includes loans, deposit taking and insurance in small amounts for the poor. A part of this is microcredit, where small, short-term loans are granted to people who would like to start up a business. Microfinance fits under the umbrella of financial inclusion, within which Giuseppe believes banks have a role. He suggests banks should generally improve access to services for those sections of society that are being increasingly excluded, such as through providing simple easy-to-use accounts, access to branches, or the placement of ATMs (which could accept deposits) in convenient locations.¹¹⁹ Lloyds Bank, Deutsche Bank, and HSBC Group are active in micro credits in the UK, Jeucken adds.¹²⁰ VanCity Bank provided USD 25 million worth of loans in 2000. Unlike traditional loans, they are not based purely on business collateral, but on the owner's character, credit history, and ability to pay. This gives entrepreneurs

¹¹⁴ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 59.

¹¹⁵ Jeucken, *Sustainability in Finance*, 185.

¹¹⁶ Jeucken, *Sustainability in Finance*, 214-215.

¹¹⁷ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 63.

¹¹⁸ *Ibid.*, 49.

¹¹⁹ Giuseppe, "Assessing the Triple Bottom Line," in *Sustainable Banking, the Greening of Finance*, 101.

¹²⁰ Jeucken, *Sustainability in Finance*, 220.

the few assets the resources they need, which would not be available using mainstream lending procedures.¹²¹ The UN Guide acknowledges different approaches to such loans. KCB Bank Group in East Africa, offers the Micro-banking product, which allows for loans of between KES5,000 and KES1 million, more flexible security requirements, longer repayment terms and a low loan fee, payable up front.¹²² The ambiguity surrounding the success of microfinance is related to a number of concerns brought up by Solomon et al. They mention that scholars have questioned whether group lending reaches poorer people better than loans delivered to the individual borrowers, or whether simply offering credit to poorer people is more effective than the credit-plus approach, which links credit to business training.¹²³ They add that a main obstacle is the un-systemized way in which eligibility criteria are applied, particularly in being more strict towards women. They claim that this seems due, in part, to cultural circumstances in certain countries that keep women from owning collateral of value such as property, farming equipment, or transport means (bicycles, motorcycles, donkey carts). They in fact reference statistics which show that there is no difference in credit repayment behavior and repayment ability between men and women, with a 95-98% repayment rate on average among women in Mali.¹²⁴ According to Weybrecht, some 97-99% of loans from microfinance institutions are repaid. She points to the following reasons: firstly, such loans represent one of few opportunities people have to access money. Secondly, prompt repayment of loans allows individuals to have access to more funds and other financial services which creates a cycle for them to have a better life.¹²⁵

Retail Banking-Risk

Weber, Scholz, and Michalik's research found that the integration of sustainability criteria in the risk assessment and rating process of banks resulted in improved risk prediction of SME borrowers. They suggest that both sustainability and financial indicators be used together in the risk assessment process for SMEs.¹²⁶ The UN guide makes a point of mentioning that transaction size also does

¹²¹ "VanCity," *iisd.org*, accessed December 29, 2016, <https://www.iisd.org/business/viewcasestudy.aspx?id=113>.

¹²² United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 63.

¹²³ Yodit Solomon et al., "Outreach, Impact, and Sustainability of Informal Banking: A Case Study of the Ouelessebouyou-Utah Alliance Microenterprise Program in Mali," *Journal of Developing Societies* 18, no. 4 (2002): 292.

¹²⁴ *Ibid.*, 307.

¹²⁵ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 212.

¹²⁶ Olaf Weber, Roland Scholz, and George Michalik, "Incorporating sustainability criteria into credit risk management," *Business Strategy and the Environment* 19, no. 1 (2010): 47.

not always safeguard against sustainability risks, as even small transactions can have issues that compound in magnitude. Sector analysis for retail banking transactions, as was suggested under corporate banking risks, is still an effective means to hone in on where sustainability risks may emerge, and the same steps can still be followed. In some cases sustainability risks can also emerge from individual lending that hold banks liable. The guide gives the example of a corporate CEO (who is a retail banking client) that becomes subject to liability for activities such as being involved in shooting safaris where there are endangered species, thereby possibly risking the bank name and repayment possibility as well. Generally, the guide suggests it is still important to look at the SME worker health and safety, extreme weather/climate change vulnerability, environmental impacts from operations, and especially, downstream liability from SMEs larger corporate clients.¹²⁷

II.III. Culture and Leadership

II.III.I. Culture

Weybrecht defines a company's culture as being made up of the values, beliefs, underlying assumptions, attitudes, and behaviors shared by a group of people, and is also the set of rules that govern how employees work together.¹²⁸ The Global Alliance for Banking on Values emphasized the importance of having a sustainability oriented culture as part of sustainable banking.¹²⁹ Stoughton and Ludema point out, however, that in order for an organization to experience a sustainability paradigm shift, the characteristic in this section will have to accompany a paradigm shift in the business model as well (or strategy and core operations aspects). Etsy and Winston say that to enable a cultural integration of sustainability the sustainability strategy should be broken down into "bite-sized chunks," or clear and actionable objectives and goals. For example, a departmental objective of reducing internal GHG emissions by 30%.¹³⁰ Kim Carlson's book *Green Your Work* has an approach similar to Weybrecht's, but her model is for the sole purpose of reducing the carbon footprint, and so is more limited in scope. She agrees that smaller, more achievable objectives are better for individuals. Just as important, she says, is keeping enthusiasm high when

¹²⁷ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 57-58.

¹²⁸ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 299.

¹²⁹ "The GABV Principles of Sustainable Banking," *gabv.org*," accessed December 29, 2016, <http://www.gabv.org/about-us/our-principles>.

¹³⁰ Esty and Winston, *Green is Gold*, 235-259.

asking employees to incorporate sustainability in some form or another.¹³¹ That means giving employees ownership over, and input in, sustainability related endeavors and projects. It also means, according to the UN guide to banking and sustainability and Weybrecht, celebrating and having fun with sustainability related events, such as Earth day, as well as giving all employees time and encouragement to volunteer.^{132 133} This input by employees should also be rewarded, as should innovative thinking on how sustainability can be better integrated. This last point has been unanimously reiterated by Weybrecht, Carlson, Jeucken, Esty & Winston, the UN guide, and the Network for Business Framework for Integrating Sustainability (a guide on integrating sustainability into organizational culture).^{134 135 136 137 138 139}

Other ways proposed by a few authors for keeping enthusiasm high is to create competitions and activities related to sustainability which recognizes winners, such as an employee of the month award.^{140 141 142} Carlson also suggests that employees be given the opportunity to invest their retirement plan in socially responsible investments. In fact, she adds that a truly sustainable firm would even have a cafeteria sourcing locally, organically grown food, though this may not be achievable on a large scale in Egypt, and may not be appreciated by everyone.¹⁴³

The UN guide to banking and sustainability, along with the Network for Business Sustainability Framework heavily emphasize the necessity of including sustainability aspects into job descriptions.^{144 145} Carlson and Weybrecht agree and add that the interview process needs to test

¹³¹ Kim Carlson, *Green you Work*, (Massachusetts: Adams Business,2009), 192-194.

¹³² United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 79.

¹³³ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 305.

¹³⁴ Ibid.

¹³⁵ Kim Carlson, *Green you Work*, 228-229.

¹³⁶ Jeucken, *Sustainability in Finance*, 264.

¹³⁷ Esty and Winston, *Green is Gold*, 224.

¹³⁸ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*,4.

¹³⁹ The Network for Business Sustainability and Canadian Business for Social Responsibility, *Embedding Sustainability in Organizational Culture*, (n.p.: Canadian Business for Social Responsibility, 2010), 10.

¹⁴⁰ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*,78-79.

¹⁴¹ Staib, *Business Management and Environmental Stewardship*, 102-103.

¹⁴² Anne Stoughton and James Ludema, "The driving forces of sustainability," 506.

¹⁴³ Carlson, *Green you Work*, 117-119.

¹⁴⁴ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 77.

¹⁴⁵ Stoughton and Ludema, "The driving forces of sustainability," 513.

for this awareness and make it clear.^{146 147} In his book *Climate Change, Supply Chain Management, and Enterprise Adaptation: Implications of Global Warming on the Economy* Pappis Costas conducts a literature review and secondary research on climate change science, with case studies on business responses. Pappis, backed up by the UN Guide and Weybrecht, stresses linking compensation and bonuses to achievement of objectives in the sustainability strategy.^{148 149 150} Obviously, this would imply that such achievement be also part of the performance appraisal, as well as the recruitment process.^{151 152} The UN guide proposes that HR teams update company and career websites with key points regarding the bank's sustainability strategy and achievements, as well as successes of individual employees from the bank's core areas. This is another way to boost enthusiasm, as Carlson suggests. The guide adds that the HR department needs to be aware of the bank's sustainability strategy before acting.^{153 154 155}

According to several authors, as will be discussed, sustainability integration means that every business team, and even employee, should have some sustainability knowledge, especially where it relates to his/her job. It is no longer the concern of just the sustainability or CSR department. The UN guide to banking and sustainability, the Network for Business Sustainability Framework, and Weybrecht all make that claim.^{156 157 158} The idea of getting everyone on board the integration process is treated as a very important key to proper sustainability integration. Gordon Clark, the Director of the Smith School for Enterprise and the Environment at the University of Oxford, pointed this out as a main component of sustainable organizations in his conference proceedings from July 2016, and so did Carlson and the UN guide to banking and sustainability.^{159 160 161}

¹⁴⁶ Carlson, *Green you Work*, 117-119.

¹⁴⁷ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 298.

¹⁴⁸ Pappis, *Climate Change, Supply Chain Management and Enterprise Adaptation*, 212.

¹⁴⁹ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 5.

¹⁵⁰ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 36.

¹⁵¹ See note 144 above.

¹⁵² Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 47.

¹⁵³ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 78-79.

¹⁵⁴ See note 146 above.

¹⁵⁵ See note 147 above.

¹⁵⁶ See note 154 above.

¹⁵⁷ Stoughton and Ludema, "The driving forces of sustainability," 512.

¹⁵⁸ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 301.

¹⁵⁹ Clark, "The Public Corporation: Enemy of the Environment."

¹⁶⁰ Carlson, *Green you Work*, 228-229.

¹⁶¹ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 4.

Sivestri & Gulati found that firms which have integrated sustainability to the core carry out cross-fertilization of executives and all employees between their own departmental or line operations and environmental positions. Esty and Martin mention the same phenomena as being a sign of real sustainability integration.^{162 163}

II.III.II Leadership

Ensuring employees are given sustainability-related tasks is not enough though, Carlson claims, as there also need to be sustainability teams and individual champions to propel this assimilation. Her opinion is also backed by Stoughton and Ludema's journal article in the *Journal of Organizational Change Management* which is based on case studies using three large corporations with exemplary sustainability standings. Their article noted that sustainability champions should be distributed throughout the organization.^{164 165}

Sustainability teams are another topic given importance in the UN Guide to Banking and Sustainability. Their role is to influence, formulate, drive, report, monitor and improve the implementation of the overarching sustainability strategy, while coordinating and communicating efforts between departments to ensure consistency, and providing sustainability expertise over different areas of the bank.¹⁶⁶ Esty & Winston support this view, but say these teams are only necessary until sustainability is well integrated into everyone's job role, after that cross-fertilization will suffice.¹⁶⁷ Others have, instead, stressed the importance of having a Chief Sustainability Officer more.^{168 169} Carlson, Pappis, the UN guide, Jeucken, and Esty & Winston, all agree that every member should be aware of the firm's sustainability vision. Not only that, it should also be constantly articulated, preferably by the CEO, and treated almost as a mantra throughout the

¹⁶² Esty and Winston, *Green is Gold*, 217.

¹⁶³ Silvestri and Gulati, *Leading Sustainable Change: An Organizational Perspective*, 83.

¹⁶⁴ See note 160 above.

¹⁶⁵ Stoughton and Ludema, "The driving forces of sustainability," 511.

¹⁶⁶ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 12-15.

¹⁶⁷ See note 162 above.

¹⁶⁸ Silvestri and Gulati, *Leading Sustainable Change: An Organizational Perspective*, 8,196.

¹⁶⁹ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 318.

company.^{170 171 172 173 174} It should be further articulated via newsletters, e-mails and dashboards.¹⁷⁵
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The role of the board and upper management in integrating sustainability is another topic frequently discussed in literature on corporate culture. The first and foremost realization is that the CEO and upper management should all be aware of and convinced with the business case for sustainability (discussed in the introduction of the proposal).^{178 179 180 181} They should also be aware of the main sustainability topics and trends globally, according to Weybrecht.¹⁸² Guranty Trust Bank of Nigeria, for example, claims a main factor for its success in sustainability is its leaders and leadership style.¹⁸³ An IFC survey in 25 emerging markets revealed that senior management support is critical to ensuring company-wide buy-in and for reinforcing E&S risk management structures and sustainable banking.¹⁸⁴ It claims that most banks are still struggling with instilling an E&S risk management culture and approach. Stoughton and Ludema claim that the responsibility of the CEO is more crucial in implementing sustainability as their behavior has the biggest impact.¹⁸⁵ Others, such as Pappis and Silvestri & Gulati, suggest that it is also important that the Board Committee have explicit oversight responsibility for environmental affairs, while Dyllick and Muff add that the Board Committee should monitor progress in implementing sustainability related strategies.¹⁸⁶
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¹⁷⁰ Carlson, *Green you Work*, 228-229.

¹⁷¹ Pappis, *Climate Change, Supply Chain Management and Enterprise Adaptation*, 212.

¹⁷² United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 4.

¹⁷³ Jeucken, *Sustainability in Finance*, 263.

¹⁷⁴ Esty and Winston, *Green is Gold*, 21.

¹⁷⁵ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 16.

¹⁷⁶ Jeucken, *Sustainability in Finance*, 255.

¹⁷⁷ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 47, 348.

¹⁷⁸ See note 171 above.

¹⁷⁹ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 4.

¹⁸⁰ Esty and Winston, *Green is Gold*, 156.

¹⁸¹ Staib, *Business Management and Environmental Stewardship*, 70-71.

¹⁸² Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 215.

¹⁸³ Stan Maklan, Simon Knox, and Paolo Antonetti, "Building a Sustainable Bank: The Case of GTBank of Nigeria," *Thunderbird International Business Review* 56, no. 5 (2014): 467-468.

¹⁸⁴ Sustainable Banking Network, *Greening the Banking System - Experiences from the Sustainable Banking Network (SBN)*, 11.

¹⁸⁵ Stoughton and Ludema, "The driving forces of sustainability," 506.

¹⁸⁶ See note 178 above.

¹⁸⁷ Silvestri and Gulati, *Leading Sustainable Change: An Organizational Perspective*, 83.

¹⁸⁸ Dyllick and Muff, "Clarifying the Meaning of Sustainable Business: Introducing a Typology From Business-as-Usual to True Business Sustainability," 164.

II.III.III. Training

Training is another topic emphasized in related literature. It is treated separately under the “culture and leadership” aspect because it represents a connection between the two concepts. As will be seen in the literature discussed in this paragraph, training is a main channel linking the motivation of upper management to integrate sustainability, and the actual integration of sustainability into the knowledge, skills, and activities of employees. Esty & Winston claim it is imperative that three types of training be covered when it comes to sustainability training: technical training on focused topics such as eco-tracking or regulation, “take it home with you training” (education to employees and exercises they can do at home, such as recycling), and executive level training that focuses on big picture sustainability programs.¹⁸⁹ Under the first type, Coulson recommends the relevant staff be trained on environmental risk assessment.¹⁹⁰ The Cooperative Bank UK provides training under the second type as part of its online training which focuses on energy management and waste reduction, with individual learning and development records issued to all employees.¹⁹¹

The UN guide to banking and sustainability gives more advice relevant to the banking sector specifically. According to the guide, training should include both sustainability and risk policies in order to ensure proper understanding of relevant sustainable finance products and services that are available, as well as how to recognize new opportunities.¹⁹² Weybrecht, a big advocate of going digital, adds that firms should rely on online training for sustainability (because less paper and transportation are needed, so that the method suits the purpose), and make it part of the compulsory training modules. She claims that community engagement and NGO interaction are also forms of training.¹⁹³ Stoughton and Ludema argue that training should focus on middle managers, calling them “catalysts” for bringing sustainability awareness into an organization, based on the results of their case studies. However, it is the role of upper management, they claim, to then lead the deployment of sustainability once it is introduced, and so they also need such training.¹⁹⁴ Jeucken however sees middle managers as hindering bottom-up sustainability initiatives, because they are

¹⁸⁹ Esty and Winston, *Green is Gold*, 230.

¹⁹⁰ Coulson, “Corporate Environmental Assessment by a Bank Lender: The Reality,” in *Sustainable Banking, the Greening of Finance*, 305.

¹⁹¹ Boon Cheong, Chew Lay Hong Tan, and Syaiful Rizal Hamid, “Ethical Banking in Practice: A Closer Look at the Co-operative Bank UK PLC,” 86.

¹⁹² United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 60.

¹⁹³ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 301,309.

¹⁹⁴ Stoughton and Ludema, “The driving forces of sustainability,” 512.

the ones that have the most pressure to meet financial targets.¹⁹⁵ So while he also suggests that training should focus on middle management, the training content and approach is different based on the way he perceives their roles. Jeucken's study sample was specifically banks, so his claims may be more relevant than Stoughon & Ludema's.

The UN Guide to banking and sustainability, as well as Jeucken highlight cross-department training as an effective method for demonstrating how sustainability interplays between departments.^{196 197} Staib's model however adds a much needed and fresh perspective to training. His most important recommendation is that firm leadership need to be aware of the pervading values in society first, before deciding on the training, and leveraging on these values in the training. This helps people relate and produce outcomes for the sake of something bigger than internal company goals.¹⁹⁸ For example, most of the community has recently been talking about the dollar crisis in Egypt, so training that talks about sourcing locally, products that encourage local SMEs and praising voluntary simplicity as a lifestyle will be more effective, according to Staib's model.

II.IV. Communication

The first step under communication is the identification of stakeholders and their possible relationship with banks, in order to determine the proper method of communicating with them. Carlson, Jeucken, and the UN guide to banking and sustainability, mention that the first step of any type of communication is to identify important stakeholders.^{199 200} Avlonas & Nassos co-authored a book entitled *Practical Sustainability Strategies*, in which they claim that a way to look at stakeholders, is to split them into primary and secondary, With primary being those who are critical to the organization's survival (customers, community, suppliers employees), and secondary being those who are interested or affected by the organizational conduct (general public, media, NGOs government, activists).²⁰¹ This split is arguable, however, as every stakeholder can be seen as being crucial to the organization's survival in some way. The UN guide instead opts to simply list down

¹⁹⁵ Jeucken, *Sustainability in Finance*, 262.

¹⁹⁶ Ibid.

¹⁹⁷ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 78.

¹⁹⁸ Staib, *Business Management and Environmental Stewardship*, 66-67.

¹⁹⁹ Jeucken, *Sustainability in Finance*, 403.

²⁰⁰ Carlson, *Green Your Work*, 178.

²⁰¹ Nokos Avlonas and George Nassos, *Practical Sustainability Strategies: How to Gain a Competitive Advantage*, (New Jersey: John Wiley & Sons, 2014), 178-179.

the main stakeholders to banks, their potential impact, and the recommended form of engagement as follows:²⁰²

Clients

Clients aware of sustainability issues will seek to increase their sustainability performance, improve their image and reduce risks and costs. Others who aren't so aware can represent strong potential risks to their financiers. Failure to manage sustainability risk can ultimately translate into financial and reputational risk for the bank. The engagement with clients is more thoroughly addressed under the 'core business' section of the literature review (page 18). It is important to communicate transparently and honestly with clients, according to Heerdt, who adds that clients struggle to identify truly sustainable banks because there is no such certificate, quality seal, or standardized rating that helps customers assess their ethical quality.²⁰³ Giuseppi agrees and gives the example of Commerzbank which goes as far as even mentioning its involvement in negative businesses for the sake of being transparent. The bank names companies in the military, tobacco, or nuclear industries which it has lent.²⁰⁴ Cowton describes ethical banks as those having a high level of transparency and more detailed information to their depositors with regard to where money has been lent.²⁰⁵

Investors

As was revealed in the introduction, and confirmed by the UN guide, investors are becoming increasingly sensitive to assets from companies with weak sustainability performance. Green indices are therefore becoming more popular in investment decisions, so it is something banks should include and publicize. Unicredit bank, as the UN guide points out, carries out quarterly webcasts and conference calls to present results to investors, annual reports, shareholder meetings, and frequent website updates.

²⁰² United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 67-69.

²⁰³ Hedwig Heerdt, *Green Banks: The Fairytale of Sustainability* (Hamburg: Anchor Academic Publishing, 2014), 2.

²⁰⁴ Giuseppi, "Assessing the Triple Bottom Line," in *Sustainable Banking, the Greening of Finance*, 98, 109.

²⁰⁵ Leire San-Jose, Jose Luis Retolaza and Jorge Gutierrez-Goiria, "Are Ethical Banks Different? A Comparative Analysis Using the Radical Affinity Index," *Journal of Business Ethics* 100, no. 1 (2011): 152.

Financial Rating Agencies

Rating agencies such as the Dow Jones Sustainability Index and Moody's provide sustainability ratings that assess a company's economic, environmental and social values, risk and performance. These rating can also be valuable for other stakeholders as well, including employees, clients and long-term investors, the guide points out.

Employees

Employees are likely to be motivated by the existence of a sustainability culture in the bank, as well as be more productive, while also serving as a "sustainability think tank" to bring forward innovative ideas. Regular sustainability communications with employees means the firm gets both benefits, according to the UN guide. Unicredit bank carries out frequent people surveys, group intranet portals and online communities within departments. Other types of internal employee communication include intranets, town hall events, awards, trainings, and disseminated videos, say Esty & Winston.²⁰⁶

Non-Governmental Organisations (NGOs)

NGOs increasingly target banks as part of sustainability related campaigns, many times as whistleblowers. There is, however, also growing involvement and cooperation with banks, such as bank sponsoring or partnering, in order to identify sustainable solutions, according to the UN guide. Esty and Winston have also noticed that NGOs have gone from being confrontational and putting pressure to being partners instead.²⁰⁷

Local communities, broader civil society, institutions and opinion shapers

Some banks with retail capacities have deep roots within communities, nearby academia and broader civil society, according to the UN Guide. Civil society, however, is often distrustful of the financial sector as a whole and seeks more responsible resource conservation and ethical behavior by banks (although this may be more on the social pillar in the case of Egypt). Communicating

²⁰⁶ Esty and Winston, *Green is Gold*, 224-230.

²⁰⁷ *Ibid.*, 67-74.

transparently with these stakeholders can alleviate distrust and nurture community ties, an opinion also confirmed by Jeucken.²⁰⁸

Governments and regulators

Governments (e.g. Brazil, China, Peru) have begun to include sustainability requirements in regulation. Making banking risk assessments all the more imperative. The UN guide mentions an emergence of a robust and continuous dialogue between financial and environmental policy-makers, such as the Financial Stability Board Task Force on climate-related financial disclosures. The guide does not give any more information on the government and regulators as stakeholders, yet they are playing a more vital role and should have been given more importance, especially as the guide was produced in 2016, after the Paris COP21 agreement. Staib believes that governments can be the ones to influence sustainable thinking in the nation. (For example, President El-Sisi's praised LED lightbulb promoted lower energy consumption and made the public aware of this as subsidies were being lifted). Staib implies that as the government begins to enforce more rules, more and more customers in Egypt will go green.²⁰⁹ Esty & Winston's approach, however, is to recommend companies getting one step ahead of the regulation. According to them, companies should anticipate coming changes in regulation to become an industry leader and avoid paying for environmental damages once penalties are in place.²¹⁰ Egypt is a signatory to the Paris COP21 agreement, which means regulation related to CO2 reduction or limitation is imminent.

Other banks

Banks are increasingly embracing and communicating about sustainability issues, making it very much about competition, according to the UN guide. Specialized firms such as Bloomberg often use external sustainability reports to rank banks against each other on various sustainability metrics, which puts competitive pressure on banks, as Jeucken also agrees.²¹¹ Esty & Winston also suggest partnering with other companies to address environmental issues that can't usually be addressed by a single company on its own, such as an agreement with other banks on shared learning. Another suggestion they make is for firms to partner with companies throughout the value chain. For banks,

²⁰⁸ Jeucken, *Sustainability in Finance*, 129.

²⁰⁹ Staib, *Business Management and Environmental Stewardship*, 121.

²¹⁰ Esty and Winston, *Green is Gold*, 117.

²¹¹ Jeucken, *Sustainability in Finance*, 129.

this could mean credit card suppliers where they benefit from a bank's takeback recycling program. Partnering with other banks can also help put pressure on suppliers and can even result in the launch industry codes.²¹²

Suppliers

The discussion on suppliers' relationship with banks is discussed under the Internal Environment section of the literature review (page 57)

Media

Sustainability related stories can substantially improve or damage public perception of a bank. The multiplicity of modern channels of communication, and the fast rise in the use of social media implies that stories do not only reach a broader and younger community, but are distributed in real time, the UN guide points out.

Stakeholder Engagement in Egypt

Dorasamy and Abdel-Baki conducted a study on sustainable and ethical banks in Egypt. They discovered that customer, employee and managers demand the following characteristics for banks to be ethical (which is a subset of being sustainable): Banks' assets are placed in projects with positive social and environmental-added value, banks disclose information about type of credit, especially for large loans, banks make cheap loans to SMEs and entrepreneurial start-ups, banks develop alternative guarantees to promote investments in social projects that do not provide conventional guarantees, banks engage board of directors in reviewing ethical performance of banks, banks base top management incentives on ethical performance, and banks prohibit lending to environmentally harmful projects.²¹³ These characteristics, however, are based solely on the demands of customers, employees, and managers. So, even though most overlap with what has been mentioned before, in this case, they belong under the "communication" aspect, and not any other aspect in the model.

²¹² Esty and Winston, *Green is Gold*, 180.

²¹³ Nirmala Dorasamy and Monal A. Abdel-Baki, The Inception Of Ethical Banking: An Imperative Transformation In Post-Revolution Egypt, *International Business & Economics Research Journal* 13, no. 3 (2014): 516.

What has been unanimously stressed is the importance of stakeholder engagement and the materiality assessment process as part of communication. Esty & Winston, the UN guide, Weybrecht, Avlonas & Nassos, Staib, Dyllick & Muff, Heerdt, and Jeucken all talk about this point.^{214 215 216 217 218 219}²²⁰ Materiality assessments are the firm's method of determining what the significant (or material) sustainability issues are in terms of their importance to the stakeholders and the company success. Materiality assessments are subjective. For example, Kaib suggests that as a rule of thumb, something is material if it causes 5% or more movement in share price and/or revenue.²²¹ Weybrecht suggests instead, that the firm should carry out the following types of collaboration first before determining the material issues: consult, dialogue, collaborate, partner, and monitor.²²² Similarly, Stubbs & Cocklin conducted a study on banks to develop what they believe to be a sustainable business model.²²³ In it, they stress the dialogue component the most, especially open dialogue, as it helps convey opinion about incorporating sustainability aspects, and provides information about potential costs and benefits. They even go as far as listing nature itself as a stakeholder to ensure a well-rounded approach to all needs.²²⁴ Esty & Winston, instead stress the importance of partnering, especially with NGOs who can avoid taking on the role of whistleblowers if the company shows it is on their side. Their book gives the example of a company that relied on growing fruit. It partnered with the rainforest association, which prepared guidelines for the company on growing bananas, for example, in an environmentally sound way.²²⁵ According to the UN guide, conferences and collaborations are also two important forms of stakeholder engagement, as they enable banks to exchange information and showcase their sustainability efforts, while also serving as a chance to explain operating models and principles, risk assessment,

²¹⁴ Esty and Winston, *Green is Gold*, 97.

²¹⁵ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 18.

²¹⁶ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 62.

²¹⁷ Avlonas and Nassos, *Practical Sustainability Strategies: How to Gain a Competitive Advantage*, 180.

²¹⁸ Staib, *Business Management and Environmental Stewardship*, 115-116, 216-217.

²¹⁹ Dyllick and Muff, "Clarifying the Meaning of Sustainable Business: Introducing a Typology From Business-as-Usual to True Business Sustainability," 163.

²²⁰ Hedwig Heerdt, *Green Banks: The Fairytale of Sustainability*, 20.

²²¹ Staib, *Business Management and Environmental Stewardship*, 115-116.

²²² Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 357.

²²³ Wendy Stubbs and Chris Cocklin, "Conceptualizing a Sustainable Business Model," *Organization and Environment* 21, no. 2 (2008): 123.

²²⁴ *Ibid.*, 124

²²⁵ Esty and Winston, *Green is Gold*, 180.

and procurement procedures to various stakeholders, especially suppliers. They also aid in staying abreast of emerging issues and best practices, as Weybrecht agrees.^{226 227}

The other side of communication involves indirect communication. According to Jeucken, with back up by Carlson, indirect forms of communication reveal to stakeholders the values and commitments of the bank without the bank having to explicitly state them. They both agree that this type of communication includes a bank's code of conduct (or statement of intent or environmental policy statement). These statements and codes reveal the bank's direction, its key objectives, as well as its values. The code of conduct also has the internal purpose of providing members of the bank with a compass. This shows the external world what the bank's values are and what it can be called to account for.^{228 229} Staib adds that the "our values" publication of any company serves the same purpose.²³⁰ Jeucken continues saying that signing an international environmental declaration is another important indirect communication device, such as the International Coordinating Committee (ICC) declaration. This is a general declaration in which signatories commit to striving for sustainability. The characteristics are similar to that of the ISO 14001 but carry no obligation. There is also the UNEP Declaration by Financial Institutions on the Environment and Sustainable Development.^{231 232} The commitments of this UN Declaration include a number of statements of belief and opinion rather than undertakings to carry out certain actions, so signing them alone is not enough to show proper integration of sustainable development.²³³

As per the Global Reporting Initiative, a sustainability report is "a report published by a company or organization about the economic, environmental and social impacts caused by its everyday activities. A sustainability report also presents the organization's values and governance model, and demonstrates the link between its strategy and its commitment to a sustainable global economy."

²²⁶ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 69.

²²⁷ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 339.

²²⁸ Jeucken, *Sustainability in Finance*, 265.

²²⁹ Avlonas and Nassos, *Practical Sustainability Strategies: How to Gain a Competitive Advantage*, 197-198.

²³⁰ Staib, *Business Management and Environmental Stewardship*, 105.

²³¹ Jeucken, *Sustainability in Finance*, 268.

²³² Judit Barta and Vilma Eri, Giuseppe, "Environmental Attitudes of Banks and Financial Institutions," in *Sustainable Banking, the Greening of Finance*, 126.

²³³ Capriglione et al., *Law and Economics Yearly Review: Issues on Financial Market Regulation, Business Development and Government Policies on Globalization*, (London: Centre for Commercial Law Studies University of London, 2012), 87, <http://www.ccls.qmul.ac.uk/docs/research/82438.pdf>.

²³⁴ It is to cover all three dimensions, and can be based on the GRI guidelines and indicators, which are the most widely used.²³⁵ According to the guide as well, and as is backed up by Weybrecht and Esty & Winston, sustainability reporting is a major source of stakeholder engagement and method of gaining credibility. Making the sustainability information public, free and available on the firm's website is even better.²³⁶ ²³⁷ ²³⁸ It is also recommended that the firm should be open to feedback about its reports. Shell for example has a "tell Shell" program, and quotes suggestions in the sustainability report.²³⁹ Sustainability reporting does not only have external importance, but according to Esty & Winston, it enables employees to find out things they didn't know about a company, makes them aware of the corporate priorities, while simultaneously creating shared learning because people find out what other branches and/or departments achieved. It is also a way to celebrate success stories and make the employees involved feel proud.²⁴⁰ While the Global Reporting Initiative (GRI) method has been the most frequently cited method in the reviewed literature, there are other well-known methods as well.

However, Heerdt points out that poor standardization in such reporting (no required content or presentation style even if the GRI indicators are applied) means that stakeholders, cannot comprehend the extent to which organizations act responsibly.²⁴¹ Therefore, there should be less of what the bank has achieved and a more honest and transparent tone of what it has done wrong, and what it still needs to do. Hummel and Festle-Pell, conducted a study on the greenwashing of bank sustainability reports (the overstatement of their sustainability performance). They agree with Heerdt's argument about the lack of standardization, pointing out that there is also no widely accepted materiality assessment model for sustainability-related issues for the banking industry. According, to the GRI, material aspects are about what the organization perceives as being critical. They reflect the organization's significant economic, environmental and social impacts; or substantively influence the assessments and decisions of stakeholders, so it is very much up to the

²³⁴ "About Sustainability Reporting," *globalreporting.org*, accessed December 28, 2016, <https://www.globalreporting.org/information/sustainability-reporting/Pages/default.aspx>.

²³⁵ Ibid.

²³⁶ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 70.

²³⁷ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 68.

²³⁸ Esty and Winston, *Green is Gold*, 224.

²³⁹ Ibid.

²⁴⁰ Ibid., 224-230.

²⁴¹ Hedwig Heerdt, *Green Banks: The Tale of Sustainability*, 13.

organization to justify them and this gives room for greenwashing. They therefore suggest banks be as honest as possible mentioning the positive and negative outcomes and shortcomings. They also suggest that as many claims as possible should be backed up with quantitative data.²⁴² They add that proper bank sustainability reports give more weight to talking about core operations than other areas such as the internal characteristics or organizational culture as a bank's level of impact in the latter areas is relatively low in general. This should include the risk framework followed and problematic sectors and business activities.²⁴³

Finally, it is bank's responsibility in the sustainability report to mention any negative indirect consequences of its operations, not just direct ones. They give the example of a bank funding a company that is not an environmentally or socially harmful one, but one of its suppliers is.²⁴⁴ Similarly, Capriglione et al. argue that banks tend to use sustainability reporting as a way to boast. For example, the banks they looked at didn't mention anything about their regulatory disciplinary track record in their sustainability reports. They also did not cover core operation related issues as much as they covered "periphery" issues. Therefore, they emphasize the importance of not only following the GRI, but also covering all positive and negative aspects, as well as emphasizing issues related to the core operations.²⁴⁵ The KPMG report on sustainable banking adds that as part of the core operations reporting, banks should specifically disclose their risk policies and loan portfolio, with the loan portfolio ideally split according to an E&S related criteria (such as CO₂ footprint).²⁴⁶ Tarna adds that a proper sustainability report should reveal top management commitment (such as a forward signed by the CEO), as well as the methods of stakeholder engagement carried out. It is preferable they mention the reporting guidelines followed, should have a summary section or overview with the important KPIs, and have been reviewed by an external auditor. If applicable to the bank, she also emphasizes that the ethical policy, EMS system used, sustainability strategy, the structure of sustainability administration (such as an environmental committee), and any sustainability-related trainings and reward schemes, must all be stated in the report. Even more

²⁴² Katrin Hummel and Diana Festl-Pell, "Much Ado About Nothing? Sustainability Disclosure in the Banking Industry," *Zeitschrift fuer Wirtschafts- und Unternehmensethik* 16, no.3 (2015): 373, 383-384.

²⁴³ Ibid., 376.

²⁴⁴ Ibid., 385.

²⁴⁵ Capriglione et al., *Law and Economics Yearly Review: Issues on Financial Market Regulation, Business Development and Government Policies on Globalization*, 94-94, 99.

²⁴⁶ KPMG Advisory, *Sustainable banking in a rapidly changing world*, 5.

important is to include indicators for each of these items and other activities mentioned in the sustainability report. When it comes to specifically reporting on achievements as part of the internal characteristics, Tarna recommends benchmarking, ideally to other organizations, as well as quantitative indicators (such as CO₂ emission reduction from flying and introducing video conferencing instead). She also reiterates revealing company shortcomings, and not just achievements, to show a bank's commitment to honesty and transparency.²⁴⁷

Jeucken observes, though, bank products are generally inelastic, so even if bad publicity happens, people don't immediately cancel their mortgages and move to another bank. There is a certain "zone of tolerance" for banks. That is not to say that customers can't still act in other ways, such as by demonstrating, writing letters, and preventing other people they know from doing business with the banks. Therefore, reputational damage will materialize in either case, it just may be over a longer term with banks.²⁴⁸

II.V. Internal Environment

If banks are lax in their own responsibilities internally, they lose credibility in the eyes of their stakeholders. Some of the internal environment characteristics are also important to conserve energy, water, and other resources (such as through recycling) and thereby save costs and be more environmentally friendly. From the social dimension, Wagner et al. argue that the internal environmental quality is also important for physiological and psychological reasons, influencing employee productivity and therefore economic success.²⁴⁹ According to Singh et al. internal environmental quality can negatively affect occupants' physical health (e.g., asthma exacerbation and respiratory allergies) due to poor air quality, extreme temperatures, excess humidity, and insufficient ventilation. It can also affect psychological health (e.g., depression and stress) through inadequate lighting, acoustics, and ergonomic design. Singh et al. refer to studies which reveal that

²⁴⁷ Kaisa Tarna, "Reporting on the Environment: Current Practices in the Financial Services Sector," in *Sustainable Banking, the Greening of Finance*, 155, 157-159.

²⁴⁸ Jeucken, *Sustainability in Finance*, 272-277.

²⁴⁹ Wagner et al., "Thermal Comfort and Workplace Occupant Satisfaction —Results of field studies in German low energy office buildings," *Energy and Building* 39, no.7 (2007): 758.

employees with such adverse health conditions are “absent more often, lose more work hours, and are less productive than employees without these conditions.”²⁵⁰

However, it is important to note that not having these characteristics is not the make or break factor in a bank adopting sustainability. The relative weight of the internal environment compared to the other aspects is less, according to what has been mentioned and stresses most often in the reviewed literature. Additionally, even though there has been general agreement on the importance of the existence of the below characteristics, there has been debate regarding to what extent certain conditions have to be met for productivity. For example, Byrd and Rasheed conclude that the comfort conditions in buildings for people to be at their most productive are achieved by far broader ranges of conditions than “green” rating tools recommend.²⁵¹ That is why the below characteristics chosen do not stick rigidly to every single proposition made by rating agencies, and instead refer to broad suggestions or those based on actual implementation. Ideally, future studies should focus on a more complete set of characteristics that cover all components proposed by rating agencies and cover ergonomic factors.

As per the UN guide, and in line with Weber’s suggestions, the chart below represents the key area of a bank’s sustainability footprint:²⁵²

²⁵⁰ Singh et al., “Effects of Green Buildings on Employee Health and Productivity,” *American Journal of Public Health* 100, no. 9 (2010): 1665.

²⁵¹ Hugh Byrd and Eziaku Rasheed, “The Productivity Paradox in Green Buildings,” *Sustainability* 8, no. 4 (2016): 347.

²⁵² Olaf Weber, “Sustainability Benchmarking of European Banks and Financial Service Organizations,” 76.



Figure 4: Key Areas of a Bank's Sustainability Footprint.

Source: United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 86.

The guide recommends that a bank take all of these considerations into account, adding that buildings use about 40% of global energy, 25% of global water, 40% of global resources and emit approximately one third of GHG emissions in general. Energy usage, fuel combustion, and travel are the typical elements making up a bank's GHG emissions profile.²⁵³ Most of the models in the reviewed literature cover the same aspects.^{254 255} The UN guide still stresses the importance of green buildings, encouraging banks to acquire relevant certification. It gives the example of the Leadership in Energy and Environmental Design (LEED) certificate developed by the US Green Building Council, and Building Research Establishment Environmental Assessment Method (BREEAM), first published by the Buildings Research Establishment (BRE).^{256 257} If a bank does

²⁵³ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 85.

²⁵⁴ Carlson, *Green Your Work*.

²⁵⁵ Jeucken, *Sustainability in Finance*.

²⁵⁶ "LEED," *Usgbc.org*, accessed November 19, 2016, <http://www.usgbc.org/leed>.

²⁵⁷ "BREEAM," *Breem.com*, accessed November 19, 2016, <http://www.breem.com/>.

not have this certification, which covers most of the areas in the diagram above, then they can still tackle the aspects individually:

II.V.I. Energy

Buildings account for approximately a third of the world's energy consumption and global greenhouse gas emissions. Energy efficiency measures are a common call to action for reducing emissions. From a business perspective, sustainable buildings also result in lower operating costs and healthier workplaces.²⁵⁸ Several models have put forth the recommendation of taking advantage of low hanging fruit, such as Weybrecht's. Even though some of the suggestions she makes are not quite applicable to Egypt, such as focusing on biking clubs, encouraging all employees to take public transportation, and discussing garden space, those that are relevant to Egypt though can still be noted. For example, she suggests that empty spaces not be heated or cooled, dimmers be used in the lighting so that the light is not kept at full intensity all day, energy efficient light bulbs be installed instead, and computers not be left on standby. She claims that an average building owner can cut up to 60% of energy costs just by replacing outdated inefficient electrical equipment.²⁵⁹ She suggests the potential of leasing electrical equipment instead of buying new ones, particularly when they are not used often in the office. Electronic equipment is likely to be less damaging if it has certification, such as Energy Star, that proves its energy efficiency, according to Carlson.²⁶⁰ The UN guide to banking and sustainability adds to this the recommendation that firms optimize the use of daylight instead of artificial light, or, on a more advanced level, install motion-sensitive lighting.²⁶¹

Ideally, Weybrecht says, renewable energy technology or purchasing should be utilized, such as solar power. She even gives the examples of energy generated from the revolving doors in building entrances.²⁶² IndusInd Bank, India inaugurated Mumbai's first solar-powered ATM. The ATM has replaced the use of conventional energy for eight hours per day with an estimated energy saving of 1980 kWh every year and a reduction in CO2 emissions by 1942 kgs. The ATM can store and

²⁵⁸ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 86.

²⁵⁹ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 348-388.

²⁶⁰ Carlson, *Green Your Work*, 120.

²⁶¹ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 87.

²⁶² Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 268.

transmit power on demand (in case of power failure or need-to-use basis).²⁶³ The UN guide suggests incorporating such measures into the firm's objectives, such as an energy reduction target relative to a baseline year. Once the target is set, then the firm can carry out exercises such as lighting retrofits, replacing old inefficient equipment, reducing business travel, or relying on teleconferencing or video-conferencing, as was also suggested by Weybrecht. Afterwards, the guide says the firm measures and monitors the outcome, such as through utility consumption rates.²⁶⁴ Jeucken's model focuses less on the internal characteristics and environment, but nonetheless stresses the importance of having an energy monitoring system in the building, which he claims can contribute 5-15% of energy savings, without mentioning much else.²⁶⁵ Carlson, on the other hand, prioritizes focusing on the huge energy usage of bottle transportation to and from offices alone. It is necessary for employees, she says, to be encouraged to use reusable bottles, as this also has a waste impact as will be discussed shortly.²⁶⁶ While only implicit in the other models' suggestions above, Carlson and Weybrecht have explicitly mentioned the importance of monitoring the temperature ranges of the HVAC system, as the weather changes, and having any form of HVAC control (such as turning off the air conditioning in an empty room).²⁶⁷ Costas alludes to a HSBC initiative to go carbon neutral as a recommended method to reduce emissions. He proposes, firstly, the need for some form of GHG accounting and reporting framework (such as the GRI), then, as was suggested by the UN guide, setting a baseline, but for total emissions, not only energy consumption. There should then be emission targets set, and preferably split up by department or branch. Ideally, there should also be a third-party verification process, he suggests.²⁶⁸

II.V.II. Water

With the subject of water also comes some low hanging fruit recommendations, such as water efficient fixtures that include low-flow tap heads and flush options, or even simple regular checking for leaks and repairs, as is proposed by Weybrecht and the UN Guide.^{269 270} With respect to gardens,

²⁶³ Broto Rauth Bhardwaj and Aarushi Malhotra, "Green Banking Strategies: Sustainability through Corporate Entrepreneurship," *Greener Journal of Business and Management Studies* 3, no. 4 (2013): 184.

²⁶⁴ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 86.

²⁶⁵ Jeucken, *Sustainability in Finance*, 242.

²⁶⁶ Carlson, *Green Your Work*, 121.

²⁶⁷ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 268.

²⁶⁸ Pappis, *Climate Change, Supply Chain Management and Enterprise Adaptation*, 212.

²⁶⁹ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 384.

²⁷⁰ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*.

one suggestion proposed relying on on drip irrigation, or some other water efficient watering mechanism, as Carlson points out. Better yet, the elimination of turf from an outdoor aesthetic space is the most recommended for Egypt's hot and water scarce situation. The other gardening-related proposal by Carlson that could apply to Egypt is the creating of a green roof, where the roof space is unutilized.²⁷¹ On a more sophisticated level, and moving away from only gardens, major savings can be made through a graywater reuse or recycling system, as proposed in the UN guide, Carlson, and Weybrecht's books.²⁷² ²⁷³ Greywater is wastewater from sinks and kitchens, to name the sources relevant to banks. The main purpose of greywater recycling is to substitute drinking water in applications which do not require drinking water quality, such as irrigation and flushing. With greywater, it is possible to reduce the amounts of fresh water consumption as well as wastewater production, in addition to reducing the water bill.²⁷⁴

II.V.III. Waste

As was depicted in the diagram, paper consumption and disposal is so widely used in banks it has a contribution category of its own to a bank's sustainability footprint. Studies in the literature review which specialized in banks emphasized paper use when referring to waste, such as Jeucken, the UN Guide, and Stubbs & Cocklin. The switch to recycled paper whenever possible has been suggested by almost all the authors reviewed. Recycled paper requires less wood, water, labor handling costs, as well as storage and office space. This is particularly pertinent with bank mails sent to customers and packaging of credit cards and other items such as envelopes, says Weybrecht. Ideally, she adds, all materialistic sides to a bank service should be labelled with the material used, the proper method of disposal and/or recycling, and even better, a third-party certification (such as from the Rain Forest Alliance), also known as "eco-labelling."²⁷⁵ She goes on to suggests banks do more than the basic effort of introducing recycle bins in the office, and go further by educating members on their use of paper, and stopping paper use at the source. She also proposes taking steps such as cancelling multiple subscriptions to newsletters and magazines where one will suffice and even reducing the

²⁷¹ Carlson, *Green Your Work*, 259.

²⁷² Ibid.,

²⁷³ See note 266 above.

²⁷⁴ Association for Rainwater Harvesting and Water Utilisation, *Greywater Recycling and Reuse*. (n.p.: Fachvereinigung Betriebs- und Regenwassernutzung e.V. (FBR)),1.

http://www.fbr.de/fileadmin/user_upload/files/Englische_Seite/Greywater_Recycling_Introduction.pdf

²⁷⁵ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 237.

need to send physical mails to clients where it isn't necessary and they don't read it (newsletters or brochures for example). Other recommendations she makes includes what she calls a "freecycle system" a tried and tested activity, she says, of putting unwanted or excess stationary that has been used, as well as paper that is still blank on one side in a giant box that is shared by all departments in the firm. That way an employee can search for a needed item in that box first before requesting a new supply of it. Even exercises such as reducing margin width on the default reporting format, and using erasable boards instead of flipcharts will make a difference she says.²⁷⁶ Carlson adds to this the preference that all reports become electronic, have default settings as "print on both sides," and should not be printed unless absolutely necessary. The company handbook, insurance information, employee bulletin board, and important forms should all be added to the firm's electronic database instead.^{277 278}

Jeucken, however, prefers to look more at radical innovations, instead of incremental efficiency gains. He mentions that the radical move to online banking, for example, will have a huge impact, as do Rajput, Ruchika Kaura and Akanksha Khanna.²⁷⁹ Goyal and Joshi define online banking as a term used for performing various transactions, payments, and account statements etc. with the help of the internet.²⁸⁰ Offering services through digital channels such as via mobile, desktop, or even video banking (which provides banking transactions via a remote video), saves time and energy from people having to drive to their bank branch, and saves paper as people no longer need to fill out forms to apply for loans, or for any other service. Banks eventually may even eliminate the need for many of the branches, if online banking is fully adopted (branches require their own energy and paper consumption, not to mention the transportation needed to get to them).²⁸¹ For example, the Cooperative Bank uses PIN by SMS/ email, an innovative and secure solution for delivering PINs. PIN or payment reminders via text messages cuts out mail costs and paper usage.

²⁷⁶ Ibid., 384.

²⁷⁷ Carlson, *Green Your Work*, 112-115.

²⁷⁸ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 87.

²⁷⁹ Namita Rajput, Ruchika Kaura and Akanksha Khanna, "Indian Banking Sector towards a Sustainable Growth: A Paradigm Shift," 294.

²⁸⁰ K.A. Goyal and Vijay Joshi, "A Study of Social and Ethical Issues in Banking Industry," *International Journal of Economics and Research* 2, no. 5 (2011): 55.

²⁸¹ Jeucken, *Sustainability in Finance*, 245.

The bank's Secured Transactions Web Portal and electronic invoicing allow the customers to monitor processes in real-time and gradually reduce the need for paper use.²⁸²

Banks' products are not so much physical, they are mainly services transacted. There is therefore a heavy reliance on IT usage. Banks need to be aware of the toxic chemicals in electronic equipment such as flame retardants, mercury, and cadmium when disposing of them, and should choose those with energy saving and safe labels, according to Weybrecht.²⁸³ Electronic waste, or "e-waste" as it is called, is better off being given to charities than tossed in landfills to avoid toxic chemicals being released in the landfills, Carlson adds. Jeucken, with support from the UN guide, adds that printing in banks also uses a lot of toxic materials such as inks, and solvents, and is better off reducing ink reliance, or relying on vegetable based ink as well as recycled ink cartridges.^{284 285}

In general, a firm should have the "reduce, reuse, recycle" concept in mind.²⁸⁶ Also, properly integrating sustainability means it must track the disposal of its waste all the way to the final destination, according to Jeucken and Weybrecht, and similarly be aware of the fact that the least sustainable manner of waste processing is landfill dumping, followed by incineration.²⁸⁷ Weybrecht and Carlson add to this a further step they consider to be a requirement, and that is a takeback scheme. This is where firms can takeback a product after its lifespan instead of end consumers disposing of it the traditional way. In the case of banks this may work with physical items such as credit cards, or security keys.^{288 289} This also applies to business networks in what is known as "industrial ecology" which involves a range of organizations such as companies, offices and the government, acting together as a single ecosystem, taking one company's byproducts or waste and selling or sharing them as primary inputs to another company.²⁹⁰

²⁸² Boon Cheong, Chew Lay Hong Tan, and Syaiful Rizal Hamid, "Ethical Banking in Practice: A Closer Look at the Co-operative Bank UK PLC," 83.

²⁸³ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 292.

²⁸⁴ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 87.

²⁸⁵ Jeucken, *Sustainability in Finance*, 235.

²⁸⁶ Esty and Winston, *Green is Gold*, 108.

²⁸⁷ Jeucken, *Sustainability in Finance*, 244.

²⁸⁸ Carlson, *Green Your Work*, 139-141.

²⁸⁹ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 277.

²⁹⁰ *Ibid.*, 276.

II.V.IV. The internal physical environment

This is also a topic covered by the LEED Certification. If a firm does not follow a building management code, there have been some elements highlighted in literature which it can follow. This was the main focus of Carlson's book. She insists that there has to be sufficient circulation of fresh air and natural light, thermal temperatures are at a comfortable level for everyone, there are no moldy smells, people don't get headaches inside the building, paint odor is not strong, cleaning is not done using chemicals that are toxic to touch and breath in, and that cleaning is generally carried out before/after business hours.²⁹¹

Third party auditing of the internal physical is recommended as well. It allows firms to benchmark their practices against certain guidelines or standards, and is also an objective tool for the evaluation of strong and weak points, as Avlonas and Nassos emphasize.²⁹² Big Four auditing and consulting firms, such as Ernest and Young (EY) and PricewaterhouseCoopers (PwC) provide such services, with EY's sustainability auditing services extending to Egypt.

II.V.V. Employee Satisfaction

Internal environment should not just be viewed from the physical sense. There is also an intangible aspect to it related to employees' and workers' rights and satisfaction levels. Banks need to account for employee contracts that abide by the law, ensure fair treatment and rewards, encourage diversity in all its forms, and prohibit racism and discrimination. The contracts should allow for flexible working arrangements, worker-family benefits, opportunities for growth and career development for everyone, fair and legal employee compensation, and health and safety system in place.²⁹³ Most models have chosen to focus on the environmental aspects more and less on the social part. Bai and Sarkis' literature, even though focused mainly on supply chain management, gives equal importance to the social perspective. An article by Hends et al. in the *Journal of Research-Technology Management* proposed a completely different type of model, which places sustainability along the three dimensions of one edge of a cube, with one side being the corporate

²⁹¹ Carlson, *Green Your Work*, 256-258.

²⁹² Avlonas and Nassos, *Practical Sustainability Strategies: How to Gain a Competitive Advantage*, 214.

²⁹³ Chunguang Bai and Joseph Sarkis, "Integrating sustainability into supplier selection with grey system and rough set methodologies," *International Journal of Production Economics* 124, no. 1 (2010): 255.

activity, such as HR, operations etc... another side being the sustainability aspect (either economic, social, or environmental) and the third side is maturity, which ranks each corporate activity under each sustainability aspect in terms of how well it is imbedded. The article highlights important points such as fair employee treatment and a healthy work environment, and the need for firms to follow a human rights code (such as the UN Declaration of Human rights, for example) the importance of respecting cultural rights, fair remuneration, safe working environment, freedom of association, and diversity. The study emphasizes the need to have a youth and disability quota as well.²⁹⁴

II.V.VI. Environmental Management Systems

In addition to following each and every one of the above steps individually, a firm can also introduce an environmental management system (EMS) that attempts to fully enhance a company's sustainability performance internally in a systematic manner. According to the UN guide, most banks use either a dedicated management system or embed sustainability performance indicators in existing systems. A bank may also opt for a system that is shared across the bank allowing for a one-stop shop for all things sustainability related to ensure consistency. The guide recommends that the rule of thumb for an EMS is (similar to what it proposed under energy consumption) to set baseline indicators, set targets for reduction, and then measure performance going forward.²⁹⁵ Jeucken similarly emphasized the importance of an EMS, but describes it as consisting of a policy, organization, and admin measures to implement the environmental strategy. He goes a step beyond the UN Guide to claim that it is not just about target-setting, but allocating resources and responsibility, measuring against external standards, not just baselines, and carrying out environmental audits. He goes on to recommend the ISO 14001 EMS.²⁹⁶ Esty and Winston also revealed that "successful" companies in their survey relied on an EMS, especially if the EMS is ISO based.²⁹⁷ The International Organization for Standardization describes the ISO 14001 as specifying the "requirements for an environmental management system that an organization can

²⁹⁴ Hynds et al., "Research-on-Research: A Maturity Model for Sustainability in New Product Development," *Research-Technology Management* 57, no.1 (2014): 53.

²⁹⁵ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 85.

²⁹⁶ Jeucken, *Sustainability in Finance*, 89.

²⁹⁷ Esty and Winston, *Green is Gold*, 179.

use to enhance its environmental performance.²⁹⁸ It offers a systematic manner to organizations for managing their environmental responsibilities regardless of size, type or nature, without stating specific environmental criteria. Fulfilling all of its requirements grants ISO 14001 certification.

Within such an environmental system, especially when it comes to internal changes to members' habits, Esty and Winston point out the importance of pilot projects. Not only to gradually introduce change, but also to sell an idea to the whole organization. For example, Citigroup carried out a five-week trial to test some new paper polices. In a few of its offices, it bought 30% recycled paper for printers and made double-sided copies the standard. The pilot test alone saved 10 tons of paper, USD100,000, and 28 tons of greenhouse gases from reduced energy in papermaking. Such figures make pitching the pilot as a standard much easier.²⁹⁹ Landesbank Baden-Württemberg (LBBW) public bank, for example, is known for its consistent application of an EMS that covers all divisions, and the Chairman of the Board himself is responsible for its implementation.³⁰⁰

II.V.VII. Supply Chain

All literature come across so far has stressed the importance of having a sustainable value chain outlook that stems all the way from the supplier to the consumer. The UN guide to banking and sustainability asserts that banks must include their supply chain as part of their sustainability performance. It defines supply chain sustainability as “the management of environmental, social and economic impacts and the encouragement of good governance practices, throughout the lifecycles of goods and services.”³⁰¹ This requires banks to firstly determine all the key products they are sourcing (from credit cards, to paper, to IT, and even furniture), determine where they are sourced from (via communication with suppliers), assess what the greatest risks could be, such as paper and deforestation issues (environmental), or reliance on imported equipment (economic), or labor mistreatment (social), and finally, set environmental, social, and cost procurement guidelines. Well known environmental and social labels such as Fairtrade will help a great deal, according to

²⁹⁸ “Environmental management systems-Requirements with guidance for use,” *International Organization for Standardization*, accessed November 22, 2016, http://www.iso.org/iso/catalogue_detail?csnumber=60857.

²⁹⁹ Esty and Winston, *Green is Gold*, 268.

³⁰⁰ Avlonas and Nassos, *Practical Sustainability Strategies: How to Gain a Competitive Advantage*, 208.

³⁰¹ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 87.

Weybecht, Esty and Winston, and Jeucken.^{302 303 304 305} Jeucken gives the example of the Cooperative Bank in the UK, which relies on biodegradable credit cards, and Rabobank, which sources credit cards with separable microchips that is can reuse as part of its takeback program from consumers.³⁰⁶

Bai and Sarkis' 2009 study in the *International Journal of Production Economics* looks specifically at supplier selection models, and proposes additional methodologies to such models. They point to the main elements companies should look for in their supply chain selection, which include the supplier's consumption of energy, consumption of raw material, types of raw materials used, consumption of water, production of polluting agents, production or use of toxic products, production of waste, employee contracts, equity labor sources, and diversity in their workplace (or signs of discrimination), flexible working arrangements, proper employee compensation, health and safety standards in place, and availability of security.³⁰⁷ The same elements have also been stressed by Carlson, and Esty & Winston.^{308 309} Weybrecht's approach is to instead look at supply chain management more broadly and she highlights the following characteristics: unharmful materials, efficient packaging and transportation, proper labor treatment, material sourcing, more efficient processes, a shift from waste treatment to waste prevention, and use of sustainable technologies.³¹⁰ She is also one of the biggest proponents of purchasing local, which is pertinent to Egypt's case after the flotation of the dollar early November 2016. Sometimes however, local quality does not always suffice, as sustainable as it may be.^{311 312}

Esty and Winston's model of sustainability integration also focuses highly on the value chain and the process of tracking suppliers' sustainability activities, or what they call "eco-tracking." They

³⁰² Ibid.

³⁰³ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 268-270.

³⁰⁴ Esty and Winston, *Green is Gold*, 72-74.

³⁰⁵ Jeucken, *Sustainability in Finance*, 248.

³⁰⁶ Ibid., 100,245.

³⁰⁷ Chunguang Bai and Joseph Sarkis, "Integrating sustainability into supplier selection with grey system and rough set methodologies," 255.

³⁰⁸ Carlson, *Green Your Work*, 139-141.

³⁰⁹ Esty and Winston, *Green is Gold*, 62-63.

³¹⁰ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 258-259.

³¹¹ Ibid., 270.

³¹² Stubbs and Cocklin, "Conceptualizing a Sustainable Business Model," 117.

formalize the process of supplier screening suggested above, by recommending a proper Life Cycle Assessment (LCA). Which extends from the supplier to the end consumer, thereby covering the entire value chain. This overlaps with the previous discussion about waste. A LCA is a tool for the systematic evaluation of the environmental and social aspects of a product or service through all stages of its life cycle.³¹³ Etsy and Winston claim that such a tool allows a firm to have a full picture so that a decision in one stage doesn't negatively affect another stage and goes by unnoticed.³¹⁴ The use of this tool has also been supported by Weybrecht.

The second equally highlighted undertaking by the models mentioned so far is the use of codes of conduct as part of the supplier or life cycle assessment. Esty & Winston and Carlson claim that enforcing supplier metrics as part of an official supply chain audit is a must, and reference IKEA which went as far as developing its own supplier rating system.³¹⁵ ³¹⁶ This can cover the aforementioned indicators as well as environmental health and safety standards. Staib's propositions, which are mainly inclined towards life cycle assessments, and supply chain management, mention that a supply chain assessment must cover the core operations, and not just periphery procurement. Applied to banks, this means not just assessing suppliers of paper and electronic equipment for the offices, but also any physical product that supplements core services such as credit/debit cards, packages, mail paper, or security keys. His approach to supply chain audits is very systematic, and indicates that all firms must take a very formalized approach to supply chain auditing and are better off using third party auditing and inspection.³¹⁷ The UN guide even points out that sometimes such audits could lead to firms switching to smaller SME suppliers which is more beneficial to smaller producers, while also reducing cost and improving efficiency.³¹⁸

The UN Guide to Sustainable Banking prioritizes risk avoidance in supply chain management, citing an environmental and social risk assessment of suppliers as the first basic step.³¹⁹ Following

³¹³ "Life Cycle Assessment," *UNEP.org*, accessed November 23, 2016, <http://www.unep.org/resourceefficiency/Consumption/StandardsandLabels/MeasuringSustainability/LifeCycleAssessment/tabid/101348/Default.aspx>.

³¹⁴ Esty and Winston, *Green is Gold*, 167.

³¹⁵ *Ibid.*, 194.

³¹⁶ Carlson, *Green Your Work*, 259.

³¹⁷ Staib, *Business Management and Environmental Stewardship*, 133.

³¹⁸ *Ibid.*, 87.

³¹⁹ United Nations Environment Program Finance Initiative, *Guide to Banking and Sustainability*, 28.

this step, however, the guide goes on to encourage a more proactive approach, giving the example of Bradesco bank in Brazil, which drove supplier awareness about the importance of adopting best financial, social, and environmental practices. Every year the bank organizes the Bradesco Suppliers Encounter, as well as workshops and training courses. Through such a program, the bank also informs the supplier network about its sustainable practices. The bank mentions that it gives preference to purchases or services based on the social and environmental practices of the suppliers.³²⁰ The guide further recommends a separate team (different from the procurement department) specifically for supply chain sustainability checks, such as Citibank’s Enterprise Supply Chain Development, Inclusion and Sustainability Team.³²¹ Westpac Bank’s approach to managing suppliers, as an example, involves firstly the development of a supply chain framework, followed by data gathering on the performance of current suppliers, and then screening of potential of potential new suppliers (the bank uses a survey tool containing 137 questions that capture information on the suppliers’ written policies and management systems in the areas of governance and ethics, labour standards, community involvement, environment and their own supply chain management. They also look at the suppliers’ commitment to and resource investment in CSR). Their next step is to benchmark suppliers against others in the industry using their own supplier code of conduct, followed by supplier management and influencing, with targets and action plans (as discussed throughout this section). Finally, the bank reports on its supply chain impact in the sustainability report. Westpac also ensures compliance across business units when it comes to procurement and supplier selection.³²²

II.V.VIII. Transportation and Fuel

The UN guide treats this as a separate topic, though it can go under “Energy” as well. The biggest culprits for the transport fuel usage seem to be travel and mail delivery, according to the reviewed literature. One report reveals that if aircraft emissions go unchecked between 2016 and 2050, global aviation will generate an estimated 43 gigatons of carbon dioxide emissions, which is more than 4% of the world’s remaining carbon budget.³²³ Weybrecht and Staib dedicate a section to transportation

³²⁰ Ibid., 89.

³²¹ Ibid., 19-20.

³²² Byron Keating, Ali Quazi, Anton Kriz, and Tim Coltman, “In pursuit of a sustainable supply chain: insights from Westpac Banking Corporation,” *Supply Chain Management* 13, no. 3 (2008): 176-177.

³²³ Center for Biological Diversity (CBD), *How Airplane Carbon Pollution Jeopardizes Global Climate Goals*. (n.p.: CBD, 2015), 2,

efficiency. Weybrecht points out that meetings and conferences are popular activities in the banking activities, but also result in huge fuel being consumed, especially when meetings involve air travel. While some of her suggestions are doable, such as relying on teleconferencing or video conferencing, others may seem difficult if applied to Egypt, such as encouraging public transportation.³²⁴ With delivery, Weybrecht praises the difference that comes from simply correcting tire pressure on vehicles and rolling resistance, which she claims account for c.30% of a vehicle's fuel consumption, but does not cite the source.³²⁵ The company can also do its part to organize bus services for its employees.³²⁶

A bank integrating sustainability should even go as far as measuring the sustainability impact of different service channels (such as telebanking versus ATM versus kiosks etc...). Such a study has been suggested by Penny Street and Philip Monaghan who provide indicators to measure this, however this is too big and still inconclusive to be part of this study.³²⁷

II.VI. Summary

The literature reviewed for this topic suggests the concepts be split into five aspects: Vision and strategy, core business, culture and leadership, communication, and internal environment. The vision and strategy both provide communication to stakeholders about what the bank stands for and act as an internal anchor to guide employees. This aspect steers the bank in the direction of sustainability through the main organizational strategy, the mission statement and the policies.

The core business aspect is about the main operations of a bank, the lending activity and risk policies. This aspect centers around two basic concepts: opportunity and risk. Opportunity involves the bank actively seeking to support sustainable businesses and endeavors, and to support social inclusion. Risk is about ensuring there are proper criteria, policies and steps in place that screen out projects and clients prone to any sustainability-related harm or damages.

https://www.biologicaldiversity.org/programs/climate_law_institute/transportation_and_global_warming/airplane_emissions/pdfs/Airplane_Pollution_Report_December2015.pdf.

³²⁴ Weybrecht, *The Sustainability MBA: A Business Guide to Sustainability*, 393-394.

³²⁵ *Ibid.*, 273-274,292.

³²⁶ Staib, *Business Management and Environmental Stewardship*, 235.

³²⁷ Penny Street and Philip Monaghan, *Sustainable Banking, the Greening of Finance*, 80-87.

The culture and leadership aspect is concerned with the efforts of the bank to ensure the goals, tasks, job descriptions, compensation schemes, and activities of different departments include sustainability. It is also about ensuring there is the right leadership motivation and structure in place to enable this assimilation to happen. One important enabler of the sustainability motivation of leadership application on the ground, is training. Literature has emphasized the importance of general and technical training, particularly among middle and junior employees.

The aspect on communication outlines the most important stakeholders to a bank: clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media (any additional stakeholders should also be considered, but these are the essential ones according to literature). It also outlines the suggested methods of engaging with them: Dialogue, consultation, collaboration, partnership, and monitoring. Reporting is an important part of communication. It matters significantly that the bank produce a GRI-based sustainability report that is transparent and honest about both the positive and negative consequences of bank activities, has proper KPIs, discusses the risk policies, outlines the sustainable loan portfolio, mentions the sustainability structure, and suggests improvements. Communication is also about the indirect way a bank can translate messages about its values, such as by signing international declarations.

Finally, the aspect on the internal environment is more about the internal credibility of the bank and its employee productivity, than it is about the main business. This aspect focuses on the physical sustainability of the energy, water, and waste systems in the bank buildings, as well as the physical and mental satisfaction of employees. Many of these overlap with the LEED (or equivalent) standard, which is suggested to be obtained by the bank for its building(s). Also from the physical perspective, this aspect is concerned with the supply chain, and ensuring proper policies apply to suppliers that cover their impact on the environment, labor and society at large. Banks should track the sourcing of supply materials from the very first point, and properly monitor supplier activities along the supply chain. Overall, this literature review attempted to cover the external and internal activities of banks, and as many perspectives on the subject as possible to ensure the standards are proposed in an objective context.

Chapter III. Methodology

This chapter will outline the methodology relied upon in developing the tool and selecting the appropriate sample. Justification is provided wherever necessary.

III.I. Recapping the Objectives of the Study

- 1) To create a diagnostic tool that can assess the extent to which a bank has integrated sustainability.
- 2) To pilot the tool on a sample bank that has attempted to integrate sustainability in Egypt, and generate an output for the bank.
- 3) To give a conclusion as to the tool's effectiveness and refine the tool based on the pilot conducted in 2)

This chapter meets Objective 1 of the study: To create a diagnostic tool that can determine the extent to which a bank has integrated sustainability. The sections below outline the three important components of the methodology: Developing the tool inputs, developing the tool outputs, and selecting the appropriate sample.

The tool has been developed to diagnose the scenario as a snapshot in time, reflecting the present moment. The purpose of this is to help the bank set a strategy that once taken into account, can help the bank compare the current situation to the expected outcome of the future scenario. The Tool has been created on an excel file. The reason for choosing excel as a program is that it is a relatively common application that any researcher can use to apply and improve the tool in future. Secondly, it is a suitable program for building models and tool.

III.II. Developing the Tool-Inputs

The inputs of the tool cover the following:

- Developing the Aspects and Standards.
- Developing the Corresponding Questions.
- Developing the List of Sources for Each Question.
- Developing the Multiple-Choice Options.
- Creating a Drop-Down list to Select the Chosen Response.

- Assigning the Scores.

These will be the sub-sections discussed below. The tool input table in full can be found in Appendix 1. Any references to the tool can be found in the table in the Appendix.

III.II.I. Developing the Aspects and the Standards

The aspects and respective standards are in column B as shown in the snapshot from the tool below. Column A exists as merely a counter for the standards.

	A	B	C	D	E	F	G	H
No.		Corresponding Question(s)	Source(s)	Measurement of the extent to which the standard is integrated	Chosen Response	Score		
2		Ideal standards which describe a traditional bank that has perfectly integrated sustainability						
3		Vision and Strategy						
11								
12		Core Business						
66								
67		Culture and Leadership						
104								
105		Communication						
140								
141		Internal Environment						
242								
243								
244								

Figure 5: The structure of the tool inputs.

These five headings represent the five aspects. Each aspect is collapsed to reveal the set of standards under each which take into account all the characteristics discussed in the literature review. The literature review has thus generated a total of 194 standards to be used in the tool. Three of the aspects (core business, culture and leadership, and internal environment) are divided into the following sub-aspects, in line with the literature review:

A	B	C	D	E	F	G
No.	Ideal standards which describe a traditional bank that has perfectly integrated sustainability	Corresponding Question(s)	Source(s)	Measurement of the extent to which the standard is integrated	Chosen Response	Score
2						
12	Core Business					
14	<i>Corporate banking-corporate loans</i>					
23						
24	<i>Corporate Banking-project Finance</i>					
26						
27	<i>Corporate banking-Investment banking</i>					
32						
33	<i>Corporate Banking-Trade Finance</i>					
38						
39	<i>Risk</i>					
50						
51	<i>Retail Banking</i>					
66						

Figure 6: The sub-aspects of the core business aspect

A	B	C	D	E	F	G
No.	Ideal standards which describe a traditional bank that has perfectly integrated sustainability	Corresponding Question(s)	Source(s)	Measurement of the extent to which the standard is integrated	Chosen Response	Score
	Culture and Leadership					
	<i>Culture</i>					
	<i>Leadership and structure</i>					
	<i>Training</i>					

Figure 7: The sub-aspects of the culture and leadership aspect

A	B	C	D	E	F	G
No.	Ideal standards which describe a traditional bank that has perfectly integrated sustainability	Corresponding Question(s)	Source(s)	Measurement of the extent to which the standard is integrated	Chosen Response	Score
	Internal Environment					
	<i>General</i>					
	<i>Employee Satisfaction</i>					
	<i>Supply Chain</i>					
	<i>(Below assume no formal LEED or other building management certification)</i>			All below applies to Head Office AND Branches unless specified		
	<i>Energy</i>					
	<i>Water</i>					
	<i>Waste</i>					

Figure 8: The sub-aspects of the internal environment aspect (energy is the only sub-aspect with a further division, and that is transportation).

III.II.II. Developing the Corresponding Questions

Now that Column B, which represents the set of standards, has been explained, the next column in the tool is Column C. This lists out the appropriate question to ask to probe for each standard. Below is an example (using standards 8 and 9):

A	B	C	D	E	F	G
No.	Ideal standards which describe a traditional bank that has perfectly integrated sustainability	Corresponding Question(s)	Source(s)	Measurement of the extent to which the standard is integrated	Chosen Response	Score
	Core Business					
	<i>Corporate banking-corporate loans</i>					
8	The bank offers credit lines to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations	Are there credit lines purposefully targeted to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations?				
9	The bank offers green leasing.	-In your view, does the bank lease out any asset considered to improve the environmental benefits to other companies?				

Figure 9: An example of two standards and their corresponding questions to be asked, under the core banking aspect.

The tool's questions are all closed-ended multiple choice questions. This is because the multiple-choice options will be translated into numerical quantities, and therefore the tool can only work if the questions are closed ended. The method of probing is via interview, where the respondent

chooses the appropriate answer from the multiple choice. The reason interviews have been chosen is because, outside of the application of the tool and after the respondents choose the appropriate multiple choice answer, this study is also concerned with refining the tool, not only filling it in. This tool refinement process greatly relies on any further elaboration and commentary respondents can add outside the multiple-choice answers. Therefore, interviews were chosen to enable employees to elaborate on each question. Additionally, a set of unstructured questions were asked at the end of the closed questions, and they involved the following three basic questions: How else does sustainability links to the respondent's job, are there any reservations they had about the interview, (for example if they found something misleading), and are there any questions the respondents felt do not apply to them and should be directed to someone else. While the unstructured questions are not part of the tool's application, they are explained in this section to justify why interviews were chosen as the preferred method for the questions.

The aim of the questions is to test for each standard's degree of implementation, and are direct. They have been developed this way to avoid being perceived as "tricking" the respondent into thinking the question serves one purpose when there is really an ulterior motive. However, in order to avoid the possibility that a question leads the respondent to paint a better picture of the bank, the sample targets junior employees in addition to the middle and upper managers. This is based on the expectation that the junior employees are more involved in the actual implementation, so they may have better knowledge as to how a standard is implemented.

Some standards relating to culture, communication, and internal environment depend on the respondents' personal perception of the standard's implementation (Standards 49-60,62,,67-71,75,76,78,101,117-120,174,177,184,187-194). This includes, for examples, determining whether sustainability events are celebrated. While this is clear from the website that they are, the only way to find out if they are properly celebrated around the office is to ask employees if they are included in these celebration. Also asking employees if the temperature is too hot/cold depends on their perception, as well. They will be referred to from now on as the "perception-based standards/questions."

III.II.III. Developing the list of Sources for each Question

Now that column B and C have been discussed. The next column is column D, which represents the sources to interview for each question, as shown below, continuing the example used above.

A	B	C	D
No.	Ideal standards which describe a traditional bank that has perfectly integrated sustainability	Corresponding Question(s)	Source(s)
	Core Business		
	<i>Corporate banking-corporate loans</i>		
8	The bank offers credit lines to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations	Are there credit lines purposefully targeted to clients carrying out more environmentally and socially responsible enhancements in their businesses and	-Head of corporate banking
9	The bank offers green leasing.	-In your view, does the bank lease out any asset considered to improve the environmental benefits to other companies?	Head of leasing department -Head of Sustainability.

Figure 10: An example of two standards, their corresponding questions to be asked, and the sources to approach.

The sources to interview for each question will be discussed in the following section entitled “The Sample.”

III.II.IV. Developing the Multiple-Choice Options

After covering the standards, the questions to ask and people to ask for each standard, represented in columns B,C, and D respectively, the tool lists the multiple choice options to choose from in column E, as shown below using the same example from previous figures.

A	B	C	D	E
No.	Ideal standards which describe a traditional bank that has perfectly integrated sustainability	Corresponding Question(s)	Source(s) <i>It is assumed that whenever "Head of" is written, this includes two other junior employees in the department The perception based questions are part of "Sample of Junior Employees"</i>	Measurement of the extent to which the standard is integrated
	Core Business			
	<i>Corporate banking-corporate loans</i>			
8	The bank offers credit lines to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations	Are there credit lines purposefully targeted to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations?	Head of corporate banking	<ul style="list-style-type: none"> • Credit lines purposefully include businesses adopting E&S activities • Credit lines purposefully include businesses adopting environmental/social benefits only • No
9	The bank offers green leasing.	-In your view, does the bank lease out any asset considered to improve the environmental benefits to other companies?	Head of leasing department Head of Sustainability.	<ul style="list-style-type: none"> • Yes • No

Figure 11: An example of two standards, their corresponding questions to be asked, the sources to approach, and the multiple-choice options for the answers.

All the multiple-choice options were listed in terms of a ranking. From best at the top to worst at the bottom. This ranking is what enables the options to be translated to quantities, which is essential for the tool. There is no standard set of multiple choice options across all standards. The number and type of multiple choice option differ from standard to standard. Having a unified set of multiple-choice options for all question means that the respondent's words will have to be interpreted by the interviewer to make them fit into the unified options.

The justification for having a separate set of multiple-choice options for each standard is related to the nature of the standard. It should be noted that there is no set way on how a standard ought to be measured. Determining the best way to measure a standard composes part of what this study is proposing as a tool. The novelty in this study, which is the gap in literature, is coming up with ways to measure what has been stated in literature to be able to quantify it. Therefore, much of the justification for choosing certain multiple choice option is subjective, and so debatable. The coming few paragraphs attempt to justify the multiple-choice options generated, though it is important they be regarded as part of the propositions made by this study.

With the standards related to "strategy and vision" the tool cares more about the extent to which sustainability is stated in the mission and strategy of the organization, whether the elements of the

strategy and the market study are in line with literature, and whether a sustainability policy and budget exist.

The standards in the “core business” aspect also attempt to reveal the extent to which bank lending focuses on both environmental and social dimensions, as these standards are the bulk of the banking operation, so should be measured in terms of sustainability orientation. The core business aspect focuses essentially on the main method of interacting with customers (i.e. lending and financing), so it is important to establish that this interaction includes both environmental and social criteria. Some of the other standards in the “core business” aspect, however, are measured in terms of the degrees to which they could be applied effectively within the bank, not necessarily in terms of how well they cover the social and environmental dimensions; in this case, the multiple-choice options follow naturally from the question. For example, the standard on whether the bank offers credit lines to clients attempting sustainable projects (standard 8), cares that this targets both types of projects, with an environmental and social cause. However, a standard on the bank offering sustainability related advisory services (standard 10), on the other hand, is better tested in terms of whether this service is offered formally as separate service, if it exists but informally, or if it is not there at all. It is assumed that if credit lines cater to both social and environmental projects, then the advisory role will too. This is because advisory service is about consulting current bank clients in certain decision making, so the client base is very much the same as those clients being offered credit lines, and therefore the client lending criteria will be the same. Therefore, the value added is little if the advisory service is tested in terms of sustainability focus since this has already been tested on the lending services standards. However, testing if the advisory role is a separate department has more value added, as it reveals that the bank is likely taking a much more official and important role in guiding clients from a sustainability point of view, rather than the advisory service being offered informally.

The standards under the “culture and leadership” aspect are mainly perception based, and are therefore measured in terms of the percentage of respondent agreement/disagreement on the implementation of the standard. This percentage is based on 0% agreement, less than 50% agreement, 50% or more, or 100%.

The standards under the “communication” aspect either test for the degree of stakeholder engagement, or how clearly and accurately a concept is represented in the sustainability report. With stakeholder engagement, the multiple-choice options determine how many of the stakeholders mentioned in the literature review (pages 39-42) the bank engages with. The multiple-choice options in the sustainability report are either “yes/no” when testing if something exists in the sustainability report, otherwise they test to what extent something is mentioned in detail in the sustainability report (is it only stated or mentioned in detail?). For example, standard 87 tests for the degree to which the bank is transparent about negative sustainability activities in the sustainability report, the multiple-choice answers test if the sustainability report does with details of negative impacts, or if it merely states the negative impacts without detail, or if it does not even state any negative aspect.

Finally, the “internal environment” aspect is divided into different parts. The standards on the supply chain address the number of suppliers to whom the standard is applied. Those on employee satisfaction are perception-based because they address the way employees feel about working in the bank. Therefore they are ranked the same way as the perception-based questions, in terms of the percentage of the employees who agree/disagree as to a standard’s implementation. For example, standard 120 tests for whether opportunities for career growth are felt. So, the multiple choice answers will test to see if either: no employees feel that is the case, less than half feel it is the case, half or more feel it is the case, and all feel it is the case. This is in line with the ranking for all the perception-based standards. The rest of the standards in this aspect test for certain physical elements, and are therefore measured in terms of applicability across branches. The section below justifies why some multiple-choice options tested for applicability across branches and others didn’t.

Determining which multiple choice options should be tested in terms of applicability across branches

The paragraphs below describe the general logic used to decide which standards should be tested for in terms of branch applicability. It is important to note, any perception based questions, whether part of the internal environment aspect or not, should include branch employees as well.

Not all the questions under the internal environment aspect tested for the extent of application across all branches. As was detailed in the previous paragraph, with some of them it is more important that the bank has carried them out well, even if not necessarily across all the branches. For example, it is more important that the environmental management system (EMS) exists and is carried out well with targets and performance measures, even if just across the head office, than is applied across all branches. It is assumed that if the bank can apply it properly to the head office, it can apply it to the rest of the branches. The employee satisfaction questions under the internal environment are perception-based questions mainly, therefore relate more to the extent of agreement among employees, which should include employees from branches. The supply based questions under the internal environment also probe for the extent of applicability across suppliers, not across branches, as the suppliers remain fixed across all branches. The only exception is the electrical equipment, which could differ across branches. As there are certain functions, such as the Treasury department in the head office which requires IT equipment to never switch off, the bank may have different sources for them. Therefore, just to be prepared for such a scenario, the standards testing for green energy labels (143) and green production labels (181) on electronic equipment, are the only “supply chain” standards testing for applicability across branches.

Generally, when it came to energy, waste, and water-related standards under internal environment, the questions tested for applicability across all branches, unless there was a reason the impact can be better represented another way. For example, with traveling policy, which is set by the head office, it is more effective to test for the reasons behind restricting travel (to reduce costs or to reduce CO₂ emissions?) rather than whether travel restrictions apply to the branches as well. More is revealed about the bank’s sustainability integration with the former. Transport related practices (standards 149-154) such as the bank’s vehicle checks also likely apply across all vehicles, and it doesn’t add value to realize this is applied across all branches. The branches are expected to be relatively small and the size of the garden is not likely to have a huge impact. Similarly, with the standard 166 on recycled paper, it is assumed that this is something the bank can easily introduce across all branches, so it is better off to test to what extent recycled paper replaced normal paper, than if it is applied across branches.

Following the same logic, standards related to the bank going digital and the bank's effort to reduce paper test for the extent to which they replace traditional ways of doing things with paper, rather than applicability across branches. They assume once the bank can apply these to the head office, it becomes a system that can easily apply to branches. Printers in branches likely have to be set at "print on one side" as documents there are usually legal and official, so must be one-sided for confidentiality purposes, so this standard was also not tested for across branches (standard 177).

Other standards are likely to be overarching, head office decisions so are not tested for among branches either: These include choosing the mode to issue bank reports (standard 176), choosing how to share the employee handbook with employees (standard 178), implementing take back schemes (standard 186), and approaching waste sustainably (standards 162, 165, 166, 167, 174, 176-180, 183-184). Although something such as tracking waste from the source to the point of disposal is an example of what may differ across branches and is tested for accordingly (standard 185).

III.II.V. Creating a drop-down list to Select the Chosen Response (left empty during methodology stage)

This is the last column to be discussed in the methodology, column F, and this is the space designated in the tool for the interviewer to select the appropriate multiple choice response from drop down list. Figure 12 continues with the previous example and reveals a hypothetical chosen response (hypothetical as no data collection has commenced yet):

A	B	C	D	E	F	G
No.	Ideal standards which describe a traditional bank that has perfectly integrated sustainability	Corresponding Question(s)	Source(s)	Measurement of the extent to which the standard is integrated	Chosen Response	Score
Core Business						
<i>Corporate banking-corporate loans</i>						
8	The bank offers credit lines to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations	Are there credit lines purposefully targeted to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations?	Head of corporate banking	<ul style="list-style-type: none"> • Credit lines purposefully include businesses adopting E&S activities • Credit lines purposefully include businesses adopting environmental/social benefits only • No 	Credit lines purposefully include businesses adopting environmental/social benefits only	
9	The bank offers green leasing.	In your view, does the bank lease out any asset considered to improve the environmental benefits to other	Head of leasing department Head of Sustainability.	<ul style="list-style-type: none"> • Yes • No 	<div style="border: 1px solid black; padding: 2px;"> Credit lines purposefully include businesses adopting E&S activities Credit lines purposefully include businesses adopting environmental/social benefits only No </div>	

Figure 12: An example of two standards, their corresponding questions to be asked, the sources to approach, the multiple-choice options for the answers, and the drop down list generated by the tool for the appropriate response.

Given that the font above may be a bit small, Figure 13 is the same as the one above only zoomed in at the column representing the chosen response to reveal the drop-down list generated by the tool. The items in the drop-down list are one and the same as the multiple-choice options. They have just been placed as a drop-down list to make it easier for the user of the tool to select the chosen response. The zoomed version is as follows:

Chosen Response	Score
Credit lines purposefully include businesses adopting environmental/social benefits only	
<div style="border: 1px solid black; padding: 2px;"> Credit lines purposefully include businesses adopting E&S activities Credit lines purposefully include businesses adopting environmental/social benefits only No </div>	0%

Figure 13: Zoom-in of Figure 12 to reveal the tool's drop down menu to make the selection of the chosen response easier.

It is important to note that this drop-down list is read as a confirmation of the standard in Column B, not a direct answer to the question in Column C, otherwise the tool would not make linguistic sense. In the case that different respondents gave different answers, the answer of those who selected a lower ranking option was chosen, if they were able to justify why. This was done to be more conservative, and this tool will always opt for the more conservative route. In the cases where the answers chosen by the junior employees differed from the head of the same department, the choices of the junior employees were assumed to hold as they are more involved in the

implementation of the standard. In the scenario where different departments give very different answers, it should be brought up to the latter person interviewed that a different answer was given from a separate “anonymous” department and why that was the case. Also, a follow up interview is set up with the first department to clarify the difference. This should work to determine the most appropriate answer. This problem was not faced in this study, however.

III.II.VI. Assigning Scores (left empty during methodology stage)

The final column in this excel sheet is column G, which gives a quantitative score depending on the chosen response. It assigns a score to every option of the multiple-choice options, and depending on the chosen option the score is revealed. Recall the last figure (Figure 13) which represented the chosen response, Figure 14 then shows the automatic score that updates itself based on the chosen response, for the same hypothetical example:

F	G
Chosen Response	Score
Credit lines purposefully include businesses adopting environmental/social benefits only	50.00%

Figure 14: A hypothetical example of the chosen response and the automatic score for that response.

This numerical score represents the extent to which the bank is sustainable in that standard. The way the tool enables this column to upload itself automatically is as follows: The scoring is based on the assumptions that the multiple-choice options represent a ranking from best to worst (which is the case as previously mentioned). It is assumed that these options are equally spaced on a number line with the best possible option scored as 100%, and the worst as 0%. If there are three options to

choose from, the best is scored as 100%, the middle as 50%, the worst as 0%. Since the range of options in an answer represent degrees of implementation, assigning percentages that increase equally with subsequent options is not farfetched. The general formula therefore for the score is as follows:

For a standard S , if there are n multiple choice options with option n being the best option, and option 1 being the worst option; then for any option k where $1 \leq k \leq n$, the score assigned to option k is: $k-1/n-1$.

To give an example of this, if the multiple-choice options are simply a “yes/no” then $n=2$, so yes is scored as 100% and no as 0%. A list of five multiple choice options means $n=5$, and so would be given the scores: 100%,75%,50%,25%, 0% from best to worst. Figure 15 continues the example from Figure 13 and 14, and reveals how the previous equation is applied by the tool.

`=IF(F15='Source Sheet'!B32,2/2,IF('The Tool'!F15='Source Sheet'!B33,1/2,0))`

	D	E	F	G
s)	Source(s) <i>It is assumed that whenever "Head of" is written, this includes two other junior employees in the department. The perception based questions are part of "Sample of Junior Employees"</i>	Measurement of the extent to which the standard is integrated	Chosen Response	Score
purposefully targeted to be environmentally and investments in their s?	Head of corporate banking	<ul style="list-style-type: none"> • Credit lines purposefully include businesses adopting E&S activities • Credit lines purposefully include businesses adopting environmental/social benefits only • No 	Credit lines purposefully include businesses adopting environmental/social benefits only	50.00%
nk lease out any asset	Head of leasing department	• Yes	No	0.00%

Figure 15: An example of a score and the formula input for this score

Ensuring no double counting

When it came specifically to the training related questions, Standards 70 and 71 test for the existence of technical and general sustainability training respectively. Standards 75 and 77 test for whether this training is mandatory or cross-departmental respectively. If it is the case that the bank has neither technical or general training, then it would be unfair to score standards 75 and 76 at 0% because the bank has no training and so has already been scored as 0% in standards 70 and 71; it would be double counting. In other words, if it turns out the bank does not have general or technical

training, then it should be given a 0% on offering general training, and a 0% on offering technical training. When it comes to the questions as to whether the general and technical training are mandatory or cross-departmental, it would be unfair to score them as 0% again just because the bank does not have general or technical training. This was already accounted for previously. Therefore if the bank doesn't offer training, any standards built on the assumption that it does are excluded from the average and given a score of "N/A" (not applicable).

Within the internal environment aspect, the standards on energy, water, waste, and internal physical environment assume that the bank has no LEED or equivalent building certification. In the scenario the bank does have a LEED or similar certification (answers yes to standard number 115), then the scores for the energy, water, waste, and internal physical environment standards all update to 100%. The reason is as follows: While a LEED certification doesn't necessarily mean that each of the standards under energy, water, waste, and internal physical environment is perfectly met, the point of introducing these standards in the first place was to ensure the bank has taken the basic minimum precaution for these energy, water, and waste. Obtaining a LEED requires much more stringent and specific conditions be met than those in this tool. Therefore, assuming that if the bank holds a LEED, then the building's energy, water, waste, and internal physical environment characteristics are fully sustainable and score 100%, is a fair assumption.

The tool does this via a simple IF statement, which states for all standards number S, where $135 \leq S \leq 194$ (i.e all the standards on energy, water, and waste), then if the answer to standard 155 is "yes" (i.e the bank has LEED or equivalent certification), then score standards 135-194 as "100%." Otherwise keep the score as is.

III.III. Developing the Tool -Outputs

Based on all of the inputs and scoring discussed in the previous section, the tool then automatically generates two types of outputs. A radar chart and an overall score as a percentage. While they cannot be shown in this section because this is the methodology chapter and no results have been generated. Nevertheless, it is important to discuss how the outputs have been created and developed in the tool to reflect the results.

III.III.I. Developing the Chart

A radar chart has been generated by selecting all the standards and all the scores and plotting the percentage score for each standard around a circle. It lists all 194 standards around a circle like numbers on a clock and for each standard, the chart plots the score it received like the hand of a clock that extends only to the appropriate percentage (the shorter the hand the smaller the score). The hand will equal the radius of the circle only when the standard is scored at 100%. The chart is revealed in full in the results section when there is actual data to be plotted. This type of output has been chosen because it helps the observer visually identify gaps and weak points, depending on how much the circle is colored in and where. The chart also has black dotted lines that divide the chart area into the separate five aspects to make it more useful as a chart, with the aspect labels placed in boxes colored in with the respective colors. The chart is shown in the “Results” section.

III.III.II. Calculating the Final Percentage Score

The second output is one final percentage score that represents, overall, to what extent the bank has integrated sustainability. This is calculated based on the following:

1. *Aspect weights*: Each of the five aspects is given a weight, represented in the tool as “W(x)” to indicate “weight of x”. The weights this tool is set at are:

Vision and Strategy: 20%,

Core Business: 35%,

Culture and Leadership: 15%,

Communication: 25%,

Internal Environment: 5%,

There is also a checker ensure they always add up to 100%. The tool allows different users to put different weights by displaying different weight options from a drop-down menu, that increase by 5%. Therefore, the tool is flexible enough to test out different weight structures. These specific weights have been assumed in this tool based on the following justification. The bank can have the greatest positive impact through its core business (the whole reason banks were chosen for the purpose of this study), therefore core business is to be given the largest number. The interaction of banks with external stakeholders is where it has the next

greatest impact, which is the communication aspect. This is followed by the strategy and vision because this aspect has partly an external and partly an internal impact, as was discussed in the literature review, so it is the start of where the bank's impacts start to be internal to it. Therefore, this is where it has the third biggest impact. The culture and management aspect is where the bank starts to have a mostly internal impact, followed by the internal environment, where the impact is almost all internal in terms of direct impact, save for a few standards such as those related to the supply chain. The way they were determined was by allowing around 10 percentage point differences between each aspect (given that the tool allows increments of 5 percentage points, less than 10% seemed too close and more than 10% too far). However, since the literature review pointed out that vision and strategy serves both to impact externally (as a communication mechanism) and internally (to drive employees and establish the right culture), then the vision and strategy is the only aspect placed 5 percentage points between the communication aspect and the culture aspect, instead of 10 percentage points. Based on these restrictions, these were the appropriate numbers.

2. *Weighted average*: This calculates the average of the scores for each aspect, which is then multiplied by the weight of each average to generate a weighted average. This generates the final score, representing the percent to which the bank is sustainable.

The tool has been essentially built to make it easier for future researchers, banks or consultants to use it. It enables future users to follow the instructions of what to ask and to whom, and then to select the appropriate answer from the drop down menu. The tool does the rest of the calculations and generates the outputs: a chart and a final number. The tool has also been created to be flexible. The reliance on drop down menus for answers and weights enables different scenarios to instantly be generated. Additionally, and most importantly, the tool is also flexible enough for future users to make changes and refinements to it. It is built out of an easily accessible program, excel, with the same basic formula for all the score rows, and a simple weighted average formula. The exceptional assumptions are logical and basic. This makes it easy for a future user to add/delete rows, change standards, questions, sources, options and weights. This tool is not created to be the

end product, it is created to be the starting point of numerous future refinements by researchers, so ease of use is vital.

III.IV. Sample Selected

The bank that has been chosen is Arab African International Bank. This bank is a commercial bank, and so is a suitable base for applying the tool. Secondly, the bank has attempted to integrate sustainability, as per its website, which lists awards such as the UN Global Compact sustainability award, sustainable finance application, and sustainability reporting, to name a few.^{328 329 330} Therefore, it serves as a rich target for piloting the tool and refining it as well.

III.IV.I. Respondents for the Tool

The sample has been selected to be in line with the standard to be tested for. It is represented in column D and is referred to as “sources” as reflected in an example in Figure 16:

A	B	C	D
No.	Ideal standards which describe a traditional bank that has perfectly integrated sustainability	Corresponding Question(s)	Source(s)
	Core Business		
	<i>Corporate banking-corporate loans</i>		
8	The bank offers credit lines to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations	Are there credit lines purposefully targeted to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations?	-Head of corporate banking
9	The bank offers green leasing.	-In your view, does the bank lease out any asset considered to improve the environmental benefits to other companies?	-Head of leasing department -Head of Sustainability.

Figure 16: Example of the selected sample for two standards, shown in column D.

³²⁸ “Awards and Recognitions,” *aaib.com*, accessed May 8, 2017, <https://aaib.com/en/pages/Awards-%26-Recognition>.

³²⁹ “Sustainable Finance,” *aaib.com*, accessed May 8, 2017, <https://aaib.com/en/categories/Sustainable-Finance>.

³³⁰ “Reporting on Performance,” *aaib.com*, accessed May 8, 2017, <https://aaib.com/en/categories/Reporting-on-Performance>.

III.IV.II. Choosing the Appropriate Sources for data

The following paragraph outlines the sample selected and the justification for this selection. The bank's upper management in the sample are composed of the CEO/vice president, a board member, and head of strategy. The managerial level involves the heads of departments, and below them are the junior level employees. These are the three main levels, within which sub-levels exist. Selecting the sample for each standard was not based on only choosing the manager who is likely to have the most knowledge about the standard's implementation, but rather all the managers who could possibly have knowledge about it. This follows through directly from the function of the department and the nature of the standard. For example, corporate banking questions will be targeted at the head of corporate banking, and the head of sustainability who may also have some useful information. Sustainability risk-related questions are for the head of risk and again the head of sustainability. Questions on energy, water, and waste are targeted at the Head of Admin, Maintenance, and Sustainability, for example. The assignment is therefore very logical and direct. It is important to note, anytime a head of department was interviewed, two junior level employees that report to him/her were also interviewed separately and individually and asked the same exact questions as the head. This is to ensure the answers of the junior level employees are also considered, given that they have a better on the ground picture of how things are actually implemented. Therefore, with every head, two juniors reporting to him/her were interviewed as well.

More specifically, the standards related to the "strategy and vision" aspect have been targeted more towards upper management, as they have the big-picture knowledge of the bank's direction. Those on "core business" have been targeted more towards the specific departmental head who has the technical knowledge for that standard, along with the head of sustainability who may add value (head of risk is asked risk related questions, head of retail is asked retail banking questions, head of compliance is asked compliance based questions, head of trade finance is asked trade related questions etc...). The questions on "culture and leadership" have relied on a mix of HR, sustainability department representatives, and employee perceptions, as HR would be aware of the internal policies that affect culture. The questions on "communication" have been targeted at a mix of upper management and sustainability department representatives, while those questions relating to the sustainability report have been obtained directly from the report. Finally, "internal

environment” related questions have relied mainly on representative from the administration/procurement, maintenance, and sustainability department, as well as direct observation. The carbon footprint report was also used by some representatives to back up their answers. Generally, any standard that is non-core and sustainability related has been also targeted at the head of sustainability and the juniors in the sustainability department. Many of the physical internal environment standards, such as cooling/heating of corridors, existence of light dimmers, intensity of lighting, lightbulb types, reliance on natural daylights, types of taps and flushes used in bathrooms, and existence of recycling bins throughout the office. All questions relying on observation, however, are also asked to the relevant people, to avoid subjective judgements of the bank being made based purely on personal observation. The observation is there to simply support the answers and give a better understanding of the systems through visual facilitation, not to replace the interviewee answers. Observation also helps lead to any further inquiries as part of the unstructured portion of the interview.

As for the perception-based questions that were defined on page 67, which rely on respondent perception, they will be targeted at the same junior employees who were asked departmental questions alongside their department heads, and will be asked over and above these departmental questions. Since they do not rely on any specific department, they will also be asked to any other junior employee in the bank willing to participated in this study, whether their departmental head was or wasn’t listed as a source in the tool. Any junior employee who could be reached through colleague recommendations and networks, and was willing to participate, was asked. In the tool, these questions can be identified from column D whenever the source is listed as “sample of junior employees.” Junior employees have been chosen for the perception-based questions because realistically they will have more time to answer both the departmental questions and the perception-based ones, which are long. It is unexpected that a head of a department will have time to be interviewed on all of the departmental and perception-based questions.

III.IV.III. Summary of the Selected Sample

Table 1 reveals summary of the sample planned to be approached and interviewed, in line with those listed in Column D of the tool (The sample that was actually reached in the end is revealed in the “Results” section):

Upper Management	Managerial Level (Heads of Departments)	Junior Employees*
CEO-also the vice chairman (1)	Sustainability (1)	Sustainability (2)
Board member (1)	Retail (1)	Retail (2)
Head of Strategy (1)	Corporate Banking (1)	Corporate Banking (2)
	Investment Banking (1)	Investment Banking (2)
	Maintenance (1)	Maintenance (2)
	Administration (1)	Administration (2)
	Procurement (1)	Procurement (2)
	HR (1)	HR (2)
	Leasing (1)	Leasing (2)
	Compliance (1)	Compliance (2)
	Trade Finance (1)	Trade Finance (2)
	SME (1)	SME (2)
	Microfinance (1)	Microfinance (2)
	Advisory (1)	Advisory (2)
	Risk (1)	Risk (2)
Head of Branches (1)**	Branch Heads (7)	
Total of 4	Total of 22	Total of 30

Table 1: List of Respondents Targeted for Interviews. Divided by Hierarchy

**This excludes the junior employees from other department who will be approached through introductions and networks. It is not clear at the planning stage who they will be. They are revealed in the results section.*

III.IV.IV. How the respondents were approached

The way the interviews have taken place was by requesting a meeting with each of the heads of the departments and the relevant upper management. After each head was interviewed, at least two junior employees who report to him/her are requested for individual departmental and perception-

based interviews. The permission of the interviewee was given before recording, although most asked not to be recorded, and an assurance of the anonymity of the interview was stated to encourage honest responses. The consent form is attached in Appendix 5.

AAIB specifically did have a head of strategy. However, if it is the case that there is no such position in another bank the tool is applied to, the questions could just be restricted to those aimed at the CEO and Vice Chairman because they are high level questions that they would be able to answer.

III.IV.V. Branches

Ideally, the standards that test for applicability across branches should include the heads of branches and two branch employees as sources. The perception-based standards should also include the employees at the branches as sources. Unfortunately, it was the request of the head of sustainability at the start of this study to not ask branch employees, and permission was only granted to speak to the heads of branches about the objective and physical side of the internal environment aspects of each branch. Nevertheless, an idea could still be obtained about the “internal physical environment” without asking the employees, simply through personal observation and spending time at the branches. However, the inability to approach branch employees should not prevent future researchers from attempting to ask the culture aspect, employee satisfaction, and internal physical environment questions to branch employees.

Branch supplies are based on the head office procurement decisions. Therefore, the heads of branches were not included as sources for the supply chain-related standards under the internal environment aspect. The supply chain-related standards were also not tested therefore, in terms of applicability to branches as they are the same principles for buying supplies for all branches (except the electronic equipment as mentioned in the previous section on page 71).

The Head of Branches was approached for guidance during the tool development phase, as her answers would help to determine whether the branch heads are an appropriate source for certain standards or not. According to her, maintenance-related standards that test for applicability to branches (standards 136-142,145,148,156-161) should be targeted at the maintenance team in the head office, as well as the branch heads. Branch maintenance is all done from there. This was

complemented by branch visits to a sample of branches for observation purposes throughout Egypt.

She also pointed out that the branches are categorized as A, B, or C level depending on the size of the customer base and the neighborhood quality. The bank has also divided Egypt into geographical zones. Accordingly, a sample branch was chosen from each zone keeping in mind a balanced variety of all three categories A,B, and C. The only zone where three branches were visited was Cairo as, relatively, it has the largest number of branches, so the weights could be close to proportional. One corporate branch was also visited, which doesn't have a category, in order to get a proper representation from all types of branch. It is important to note that during the interview process, whenever a head of a department, such as the head of maintenance for example, is asked about the extent to which a standard applies across branches, this refers to *all* branches, not the sample selected. The branch sample selected was to ask the heads of these branches questions about their specific branches, and for observational purposes. The branch sample visited were as follows, based on the geographical split the bank uses:

Cairo:

- Kasr Al Ainy downtown branch-Category A
- Maadi Laselky Branch-Category C
- Road 90 New Cairo Branch-Category A

Giza:

- First Mall Branch -Category B

Red Sea:

- Porto Sokhna Branch-Category C

Delta:

- Tanta Branch-Category B

Industrial Zones:

- 10th of Ramadan-Corporate Branch (no category)

III.IV.VI. The Actual Sample Reached

Table 2 reveals the respondents who were actually reached, as compared to those desired in the methodology section (the dates of the interviews and the branch visits are listed in Appendix 4):

Upper Management	Managerial Level (Heads of Departments)	Junior Employees	Not permitted	Non-existent
CEO-also the vice chairman (1)	Sustainability (1)	Sustainability (1)	Sustainability (1)	Advisory (1)
Head of Strategy (1)	Retail (1)	Retail (2)		
Board member (1)	Corporate Banking (1)	Corporate Banking (2)		
	Investment Banking (1)	Investment Banking (1)	Investment Banking (1)	
	Maintenance (1)	Maintenance (2)		
	Administration/Procurement(1)	Admin/procurement (1)	Admin/procurement (1)	
	HR (1)	HR (2)		
	Leasing (1)	Leasing (1)	Leasing (1)	
	Compliance (1)	Compliance (3)		
	Trade Finance (1)		Trade Finance(2)	
	Risk (1)	Risk (2)		
	Strategy-turned out to be Head of SME and Microfinance as well (1)	Strategy (2)		
	Audit (1)	Audit (3)		

	Training (1)	Treasury (2)		
	CSR(1)	Market risk (1)	CSR (2)	
		Anonymous (1)		
Head of Branches (1)	Branch Heads (7)	Customer service (1)		
			All branch employees	
Total of 4	Total of 22	Total of 27	Total of 8*	Total of 1

Table 2: List of respondents interviewed, not permitted, and non-existent. divided by hierarchy

**Excludes branch employees*

All the branches mentioned previously were successfully visited as well. The CEO was also the Vice Chairman for this bank and the board member interviewed. Out of the departmental heads, one department that was planned for the tool and which exists in some banks was non-existent in AAIB (advisory). The head of strategy also represented the head of microfinance and SME, as these departments are still being formed. Similarly, the administration and procurement departments were the same department, and so one head and two juniors only needed to be asked. Three more managers were discovered that the tool had not accounted for, but which should have been asked: corporate social responsibility department (CSR), audit department, and training. These will be discussed in the tool refinement section of this study.

The Head of CSR requested no CSR juniors be interviewed, the head of training had no separate department for junior employees to be asked, they were considered employees of the whole HR department, and so had already been asked. The head of trade finance has requested the interviews be done at a later time after a few weeks given that the employees of the department were all studying for exams and their time was tight. One sustainability junior was not permitted for an interview by the Head of Sustainability as the department is only made up of four people, two of

whom were new and wouldn't have been able to add value in the interview. The investment banking team also said there were mostly new hires so only one person has enough knowledge on what the department does. The head also requested I ask only that person. Similarly, the head of leasing expressed a desire for only one of his employees to be interviewed, and felt that the information the junior would give would be more than enough. The administration/procurement team allowed access to also one junior because of the busy nature of the department, according to the head. Therefore, in total, out of the junior level employees only the aforementioned eight were not permitted for interviews. However, an extra seven had managed to be reached, one in audit, one in compliance, and five from other departments, which helped compensate for the gap at least where the perception-based questions were concerned. Additionally, at least one junior employee had managed to be asked for every planned department. All of the heads of departments, however, were available.

III.V. Challenges Faced

The main challenge faced in the methodology phase was knowing that the branch employees could not be relied on as a source in the tool. Additionally, there is a similar challenge of accepting the unknown: that in addition to the junior employees selected to be interviewed alongside their heads, there is the unknown factor of who else of the junior employees throughout the bank would be willing to volunteer to be interviewed. While their number is not expected to significantly sway the results (because in any case the junior employees selected alongside their heads would be asked the same questions anyway), but a larger sample would always make the results stronger. This would have improved the sample base for the junior-level employees.

The other challenge resulted from each standard having a different number of multiple-choice options. This meant that each scoring formula for the 194 standards had to be written out separately, instead of applying a common formula that excel is able to do with the click of a button. The same applied to the sources: each standard needed consideration on not only who would be the obvious candidate to have information about it, but which other departments and individuals would have even a slight idea about it as well. The standards that required perception-based questions also needed to be identified separately. The main challenge in this was time, as considering each standard at a time and writing out the separate formulas was a lengthy process.

Chapter IV. Results

The tool was piloted on the Arab African Bank in Egypt (AAIB). The process took approximately 2 months of interviews. Overall the tool detected certain areas with gaps and others with a perfect score as will be explained in the following paragraphs. This chapter shows the results of the bank after piloting the tool, and the reveals the refinements made to the tool based on the pilot experience.

This Chapter meets Objective 2 of the study: To pilot the tool on a sample bank that has attempted to integrate sustainability in Egypt, and generate an output for the bank.

IV.I. Overall Bank Results Generated by the Tool

The output of the tool reveals a score of: **38.16%**. To put this in to words, this means that according to the developed tool, the AAIB has integrated sustainability to a level of 38.16%. This based on the following distribution of weights, as justified in the Methodology chapter:

- Strategy and Vision: **20%**,
- Core Business: **35%**,
- Culture: **15%**,
- Communication: **25%**,
- Internal Environment: **5%**

The output of the tool also reveals the following chart:

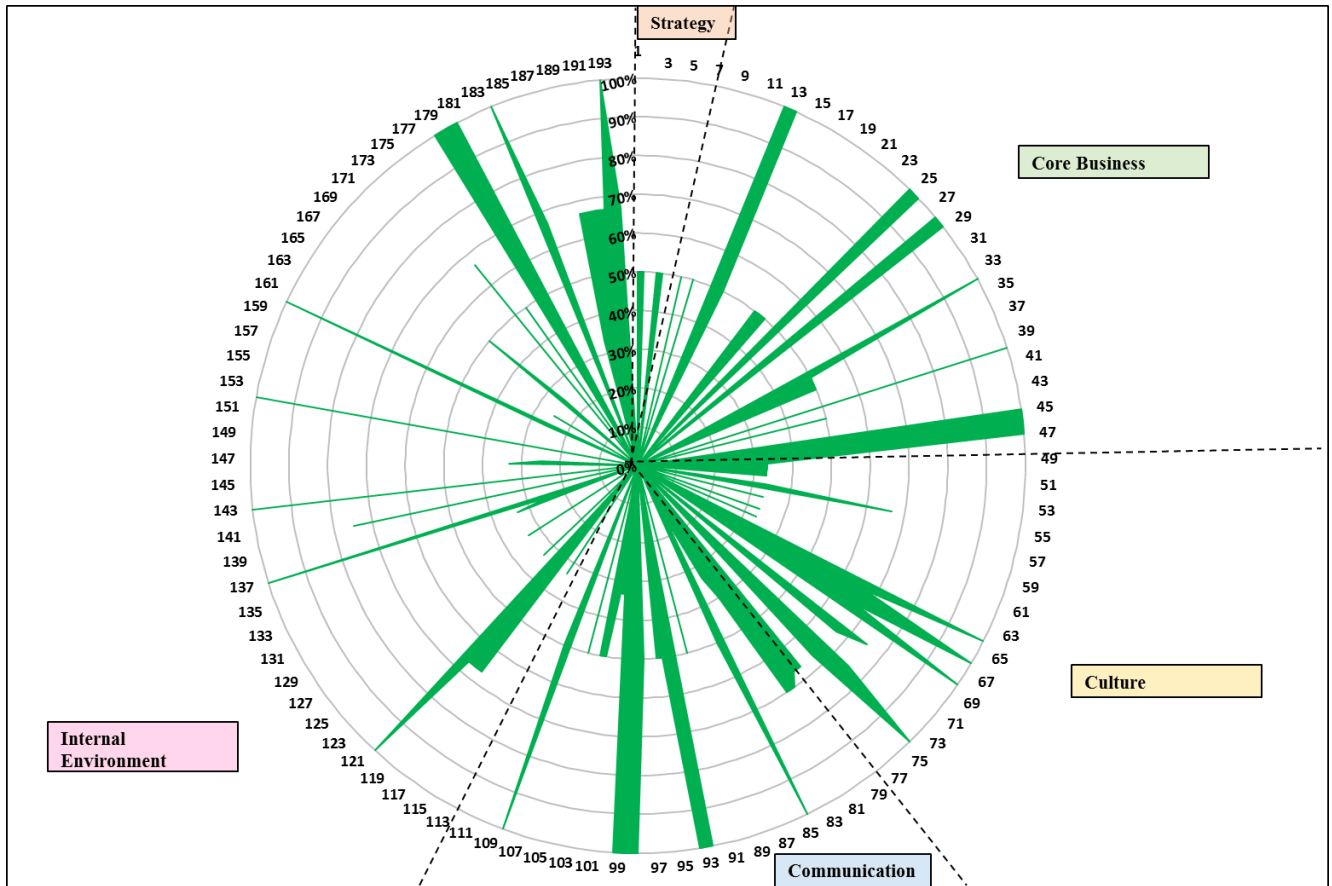


Figure 17: Output of the tool depicting the score for each of the standards

IV.II. Breakdown of Results

The full breakdown of the results justifying the 38.16% and the shape of the chart is explained in the sections below.

IV.II.I. Vision and Strategy

The red lines in Figure 18 show the range for the vision and strategy aspect in the chart. The average of the scores of the vision and strategy standards is **29%**. The breakdown is explained in the following paragraph.

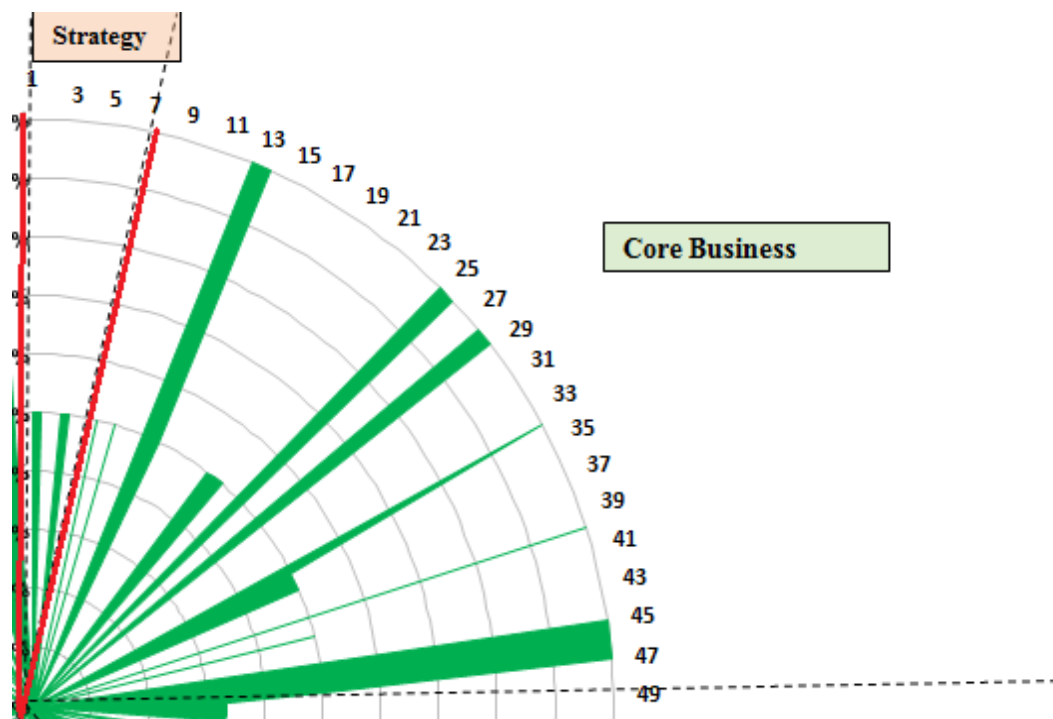


Figure 18: The results of the tool with respect to the vision and strategy aspect

It was confirmed after looking through the bank's website, speaking to the CEO and to the head of strategy, that the official mission statement of the bank is as follows: "To be the leading financial group in providing innovative services with a strong regional presence being the gateway for international business into the region."³³¹ In talking about this vision, the respondents stressed growth, as well as expanding the divisions, arms, and regional presence of the bank. Specifically, both the head of strategy and the CEO acknowledged the concept of sustainability and stakeholder value added as being important to the vision of the bank. Therefore, the chosen response for standard 1 was that sustainability is part of the discussion of the vision, but not part of the formal statement, which equates to a score of 50%. The second standard about the organizational strategy revealed a similar score. That was because the CEO mentioned that the main organizational strategy is about regional growth, and growing the arms of the bank. So the strategy stated does not directly have a phrase about sustainability either. He emphasized, however, that the concept of sustainability is important and that there is a separate sustainability strategy for this. The head of strategy also confirmed that the main organizational strategy and sustainability strategy are separate, but run

³³¹ "About AAIB," AAIB.com, accessed May 14 2017, <https://aaib.com/pages/About-AAIB>.

parallel. Hence the chosen response was that a sustainability strategy exists, but it is not part of the main organizational strategy, which gives it a score of 50%.

The tool identified through interviews with the head of sustainability, the CEO, and the Head of Strategy, that there is no sustainability policy (standard 3), no set of sustainability indicators (standard 6), and no sustainability budget giving them all a score of 0%. These are the gaps the tool detected, which show as white spaces in the chart above, While the head of sustainability and strategy referred to a market study conducted back in 2013 to determine a strategy for advancing sustainability in the financial sector in Egypt, it was conducted by the Egyptian Corporate Responsibility Center as a general study, and not specific to AAIB. Therefore, the chosen response is that a market study was relied on, but not one specific to AAIB, which is equivalent to a score of 50% (standard 5).

What has prevented this aspect from reaching 100% is that sustainability has yet to be formalized and stated directly in the strategy, not only embedded. The bank is also pending a sustainability policy and KPIs to be set, according to the head of sustainability (standard 6). Therefore, overall, bank's sustainability target and overall direction integrates sustainability, but doesn't announce it in the formal statements.

IV.II.II. Core Business

The red lines in Figure 19 show the range for the core business aspect in the chart. The average of the scores of the core business standards is **40%**. The breakdown is explained in the following paragraph.

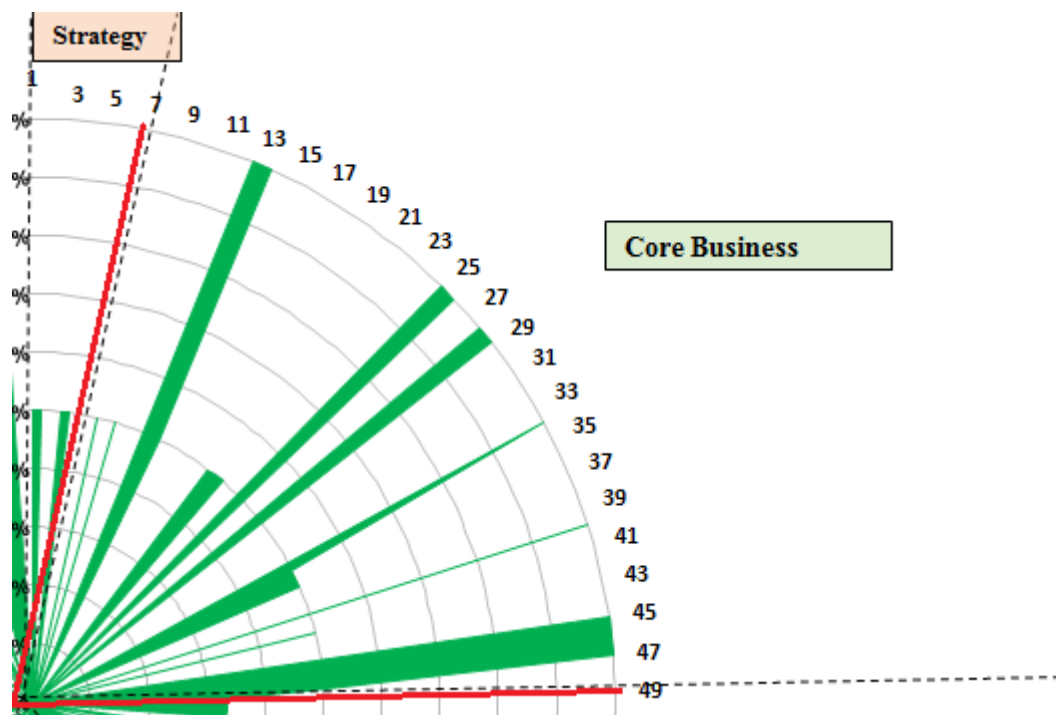


Figure 19: The results of the tool with respect to the core business aspect

Corporate Banking

The first part under core business is corporate banking. This represents standards 8-15. As can be seen from the chart, the tool identified gaps that show these standards haven't scored 100%. Here is why. The head of corporate banking and the two juniors in the department pointed out that the bank offers credit lines through mainly for enhancements related to the environment, such as adding renewable energy to the premises. The head of the department added that these tend to be solar power-related ones but never has it been the case that there were enhancements on a social level (a change to company operations that will improve worker conditions and lives or have a less negative impact on the lives of the surrounding community). Therefore, the bank does offer credit lines for sustainability enhancements, but only environmental ones, so the score for standard 8 is 50%. Both the head of leasing and the head of sustainability acknowledged that there is no green leasing, hence standard 9 scored a 0%. The bank turned out not to have a separate advisory department, therefore the question about whether the bank offers sustainability services was asked only to the head of corporate banking, who said his department offers advisory services but verbally and informally. Hence the chosen response for standard 10 is that the service is there, just not as a formal, separate department, which scores a 50% according to the tool. All of the corporate bankers interviewed

(the head and the two juniors) said there is no corporate lending that purposefully targets sustainable businesses, with one junior pointing out that the bank is good in putting sustainability exclusion criteria, but not in actively seeking businesses with sustainable business models. As per the tool, this is a score of 0% because there is no active attempt to finance companies with sustainability-oriented business models.

Following this logic, the corporate banking junior pointed out that there is no such list of positive sustainability criteria for lending. The head said that this is more the case informally, based on what “feels” right. As the juniors said there is no such list, the score is 0% for standard 12. As for the list of negative criteria (standard 13), the corporate banking juniors and the head all agreed that this exists, and they follow a proper list that is used by the risk department. The risk department presented the list though they requested it not to be disclosed in full. This list gives a set of negative criteria and industries which are prohibited for financing by the bank. These include: “production or trade in weapons,” “trade in wildlife or wildlife products,” “production of products involving forced labor or child labor,” and “trade in ozone depleting substances,” to name a few. The list covers both environmental and social dimensions. With the compliance department, the focus is more from an ethical, anti-terrorist, and anti-money laundering perspective, so social principles constituted a bigger focus. Therefore standard 12 is scored at 100% since both dimensions are covered. For standard 14 about the existence of an external consultant to verify the screening criteria, the head and juniors in the corporate banking referred to an external consultant who checks the screening criteria. The head mentioned that the consultant puts the conditions for projects to meet the criteria before financing can commence. The tool equates this response to a score of 100%. The head of corporate banking mentioned that the corporate juniors have all faced clients at some point or another, and therefore all take on a client facing role. They are expected to mention verbally to all clients that the bank purposefully supports lending for green enhancements and has a strict set of sustainability lending criteria, as a way to promote the bank’s sustainability activities. When talking to the juniors, they pointed out that this is mainly done verbally during client meetings, but not officially through any other channel. Since informing the client is carried out, it is however done through only one channel (verbal), then the score for standard 15, as per the tool is 50%.

The next section under core business is project finance. This covers standard 16 only as the main concern of this standards is to test whether the bank purposefully invests in projects with sustainability oriented business models. All corporate bankers said no.

Investment Banking

Investment banking makes up the third section under core business. This covers standards 17-20. The head of investment banking said the bank doesn't purposefully provide the services for clients with sustainability oriented business models (standard 17), and the junior interviewed said he hadn't seen this the whole time he worked there. The tool assigns this chosen response a score of 0%. The head also mentioned the bank is far from carrying out any form of environmental accounting and valuation, and the concept seemed alien to the junior (standard 18). This is another gap detected by the tool which equates to a score of 0%. The Head and junior also both confirmed that the bank does not even offer bond services, so standard 19 on the bank offering green bonds scored a 0% for standard 19. Finally, the head confirmed that the bank does not offer sustainability related funds either (whether for environmental or social causes), and the junior was unsure about the answer (a zero for standard 20). Therefore, the tool detected the whole investment banking section to be a gap, as all the standards scored 0%.

Trade Finance

Following investment banking is trade finance. This covers standards 21-24. As mentioned in the methodology, the head requested that the interview be only directed at her as her juniors are busy. She agreed that the bank has recently been purposefully financing commodities that are meant for environmental betterment, specifically renewable energy. This is however restricted to the environmental dimension. She added that there is a conscious effort to single out commodities that have environmental benefits, but not necessarily those with social benefits. She pointed out that those with social benefits are definitely included in the traded commodities, such as medicines, for example, but there is no active intention to single them out for financing. Therefore, since the service is purposefully offered for only for environmental benefits, the tool assigns a score of 50% for standard 21. She followed this answer by adding that the letters of credit (LCs) have certain screening criteria which have to be met (though it could not be shared), but in this case, the criteria mentioned restrictions only related to the social dimension (such as labor rights, treatment, working

conditions, and prohibiting arms trade). In this case, the tool assigns a 50% to this standard (22) on the existence of such criteria for LCs because only social criteria are mentioned. According to her, the bank does have a trade finance fund to lend commodity producers and traders, with investments to support those that only meet the social criteria, but not necessarily the environmental one, which again equates to a score of 50%. Finally, she said the bank does not set out to promote sustainable products and services in any way, to which the tool, therefore, assigned a score of zero. Overall the basic picture of trade finance seems to be one of recently deciding to actively finance renewable energy and environmental commodities, but put a screening criteria for commodities relevant to the social dimension.

Risk

The next section of core operations is risk. The head of risk and juniors confirmed the existence of a sustainability risk policy, though they could not share it (standard 25). So this standard obtained a full score for the existence of such a policy. With respect to the risk management strategy (standard 26), upon asking what this involves, the juniors explained the steps without prompting, which matched those stipulated in standard 26. In the words of one junior, the steps involved determining which type of risk the client or project brings, placing the risk into the appropriate Equator Principle category, determining the extent to which the risk poses threat and what needs to be done with the aid of an external consultant, and then following up with the client regularly, to make sure the mitigation steps are properly implemented and no further risks have occurred. The other junior mentioned a similar outline but lumped risk categorization and analysis into one step. This is in line with the order tested by the tool, which meant this standard scored 100%. As part of mentioning the risk steps, the junior employees and the head of risk all confirmed that site visits are not part of the risk strategy, so standard 27 is another gap detected by the tool with a score of 0%. The mention of the sustainability expert being consulted confirmed the answer to standard 28 on whether experts are consulted, which gave it a score of 100%. The head and both juniors said they rely heavily on the Equator Principles, especially in the risk categorization step. Therefore, according to the tool the standard testing for adherence to institutional guidelines on sustainability risk (29) will score 100%. The juniors in the risk department were not aware of any industry rankings being applied, and the head of risk and compliance both confirmed this was not the case. So, standard 30 scored a 0%. In terms of the standards testing whether the bank looks at the client's

collateral (31), and the client's projected ability to meet conditions in the future (32), the juniors were unsure of this and said the head would know, though one junior said it likely wasn't the case. The head confirmed that the bank did neither, so the tool identified gaps in these standards as well. The head added that one area that is lacking (in answer to standard 33), is to utilize specific sustainability risk software, which doesn't exist yet, which scored a 0% for this standard. Both juniors and the head, however, confirmed that there is quarterly portfolio level review, and stress testing is something required as part of the risk analysis step. Therefore, this last standard (34) scored 100% for including both portfolio level monitoring, and stress testing in the sustainability risk strategy.

Retail Banking

The final section under core business is retail banking. This covers standards 35-48. The three representatives from the retail department (one head and two juniors) confirmed that the bank does have online statements, but one junior pointed out that there is almost no point because hard copy statements still exist, so the attempt to reduce paper isn't having a significant impact. Therefore, what is preventing this standard from achieving 100% and only achieving 50% is that the online statements still haven't replaced hard copy statements. The respondents all referred to the same NGO the bank offer affinity cards for, called We Owe it to Egypt, and is an NGO formed by the bank for healthcare system betterment. Therefore, affinity cards exist, but only for social causes, so the standard scores only 50%. Additionally, the juniors mentioned that the bank offers loans in the social dimensions only, which include the educational loan to support parents paying school tuition, and the healthcare loan for physicians to buy equipment and renovate clinics. The tool translates this as 50% as the environmental component is still missing.

Under retail banking, the bank still doesn't finance SMEs, according to the head of retail. It is still a project in the pipeline so there are no loans purposefully offered to SMEs with sustainability projects or projects in transition (standard 38). The juniors did not know the answer to this. Following through with this answer, the head of retail said that this naturally meant advisory services were not offered to SMEs either (standard 41), neither is a sustainability risk assessment carried out for SMEs (standard 43), or favorable rates offered to them (standard 44). These were all gaps scoring 0% detected by the tool. However, the leasing arm does offer services to SME, given

that it is a separate arm of the bank. The head of leasing confirmed this (no juniors were permitted to be spoken to in leasing to confirm this). Therefore, this is the one SME-related score that obtained a 50% not zero, because the bank acknowledged SMEs in its leasing function, albeit not for green leasing (which would have scored 100%). This is better than not acknowledging them at all. The head of retail, with support from the juniors confirmed that saving facilities do not offer any form of sustainability investments and all three also mentioned that verbally customers are asked via phone on their satisfaction, along with issuing hard copy surveys. Given that there is more than one channel used to determine customer satisfaction, the tool assigned standard 40 a full score.

The few standards in retail banking the bank has scored well on are the financial inclusion standards, which is shown as a cluster of lines together scoring highly (standards 45-48). That is because the bank made a point of including the marginalized community (standard 45): One of the bank's products is a lower rate mortgage to low income individuals, in conjunction with the Egyptian government's initiative to provide one million housing units to the poor. The bank is close to establishing its microfinance arm as well, and has recently begun to provide financing to low and medium income groups, who earn below EGP15,000 a month. They can buy property and receive loans at lower interest rates (which targets standard 47 on more lenient lending terms). The bank also offers low cost financing with flexible loan tenors to small merchants. In terms of mechanisms that make it easier for excluded sections of society to access bank services (standard 46) the head and one junior in retail mentioned opening up branches in the Delta and Upper Egypt to include the regions where banking is not so commonly available,(the other junior wasn't sure). There is also a mechanism to help smaller merchants buy mobile POS (point-of-sale) terminals which will allow them to accept card payments. Similarly, all bank branches have Western Unions that caters to non-bank clients to receive money from abroad. Hence, according to the tool, standards 45-47 have been met and score 100%. The head of retail made of point of mentioning that while women don't necessarily get better loan treatment, they are given the same opportunities and terms as men, which still equated to a score of 50%.

IV.II.III. Culture and Leadership

The red lines in Figure 20 show the range for the culture and leadership aspect in the chart. The average of the scores of the culture and leadership standards is **43%**. The breakdown is explained in the following paragraph.

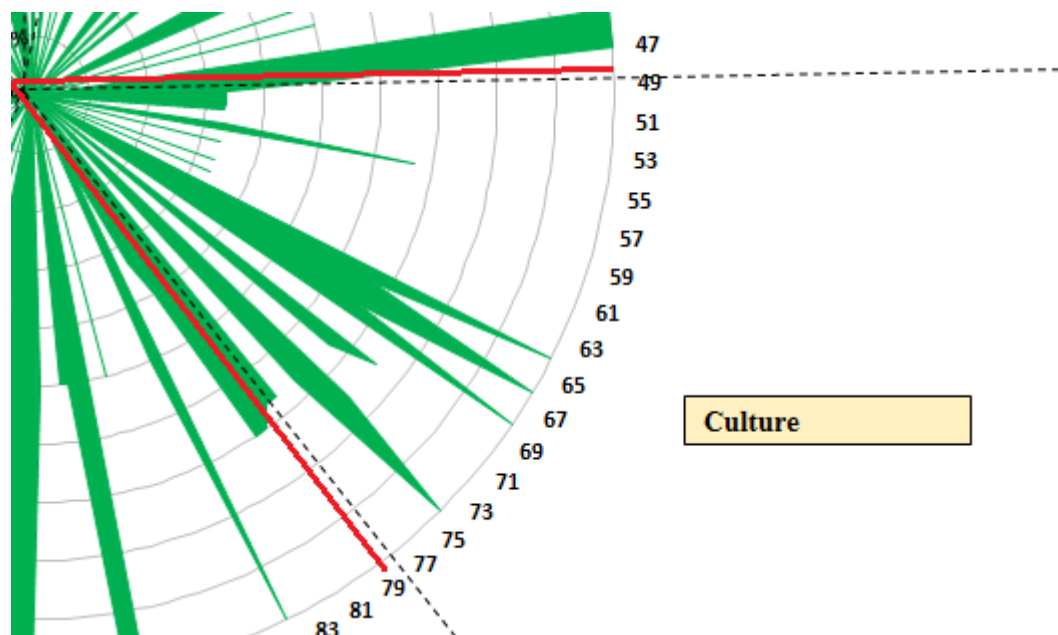


Figure 20: The results of the tool with respect to the culture and leadership aspect

Culture

Under the “culture” section of this aspect (standards 49-62), less than half of the 27 junior level employees interviewed said there are clear sustainability goals set on a departmental level. The heads of departments confirmed this when only the risk and corporate banking heads acknowledged such goals. The CEO believed that such goals applied to a few departments, not all, and said to check this with the individual departments. Less than half equates to 33.33% as per the tool. Even though the head of sustainability mentioned that sustainability events are celebrated, less than half of the junior employees acknowledged such celebrations (standard 50). Therefore, the tool only assigned a score of 33.33% which corresponds to the “less than half” chosen response for standard 50. Once again, less than half acknowledged any delegation of sustainability related tasks (standard 51), and it was the corporate banking and risk departments that carried out such delegation, according to the heads of these two department. Less than half acknowledged being encouraged by

the bank to take time off for volunteering in social or environmental activities (standard 52). The head of HR and Sustainability confirmed that this is usually not the case. All of the junior employees said that no rewards exist for the achievement of sustainability related tasks, thinking, and innovation (standard 53), as did the head of HR. The head of sustainability said that rewards were created from time to time, but gave no elaboration on this. Therefore, in line with the majority of juniors who all said no, the tool assigned a score of 0%.

When it came to sustainability related competitions (standard 54), less than half of the junior employees said there was any, and those that acknowledge it said competitions took the form of small quizzes that were sent out to the office by e-mail once in a while to test general sustainability knowledge. The head of HR was not aware of any such competition. Given that only less than half said yes, the assigned score was 33.33%. More than half however, confirmed that they are generally encouraged by the bank to think about better integrating sustainability into their lives and work (standard 55), which corresponds to a score of 66.67%. All of those who said yes referred to a daily morning sustainability note the bank sends out via e-mail, which gives general tips (usually non-technical) about being more sustainable individually and in the workplace. It was unanimous that the option to invest in the retirement plan in socially responsible investments does not exist in the bank (standard 56), so this was another gap detected in the tool (a score of 0%). Less than half of the junior employees said sustainability is in their job descriptions (standard 57), and that sustainability roles are given concurrently with traditional roles to all employees (standard 62). The head of HR also said this wasn't the case for both standards, while the CEO said it was still not embedded fully. Since less than half was the chosen response, a score of 33.33% was assigned. It was unanimous among the CEO, the head of HR, and the 27 junior employees interviewed that sustainability is neither linked to compensation or to bonuses (standards 58 and 59), which represented further gaps. Less than 33.3% of the juniors said that their recruitment process highlights the importance of sustainability and bank achievement in this regard (standard 60), while the head of HR mentioned that it is only recently that new recruits are given a session on sustainability in AAIB. This could explain why less than half said they had this experience. So the score again was 33.33%. Finally, standard 61 tests for whether the head of HR is aware of the sustainability strategy. He was not, so the tool gave this a score of 0%.

Leadership

The second section under culture and leadership is “leadership” (standards 63-69). The 27 juniors interviewed were not aware of any sustainability champions in the office, which was confirmed by the head of sustainability who said this was still something in the pipeline. So this scored a 0%. Given that there is a sustainability department, the bank does have a separate sustainability team, so standard 64 scored 100%. When the head of sustainability and sustainability junior were asked about the tasks of the sustainability team, they both mentioned coordination between departments, reporting, driving (influencing or propelling the strategy) , and monitoring the sustainability portion of the strategy. The head has initially said all the tasks of the standard apply, but when it was mentioned to her that “formulating and influencing” were not mentioned by the junior (who accepted being referred to individually for what she said), the head agreed and said that the formulation and influencing are the role of the head only, the team is responsible for the rest. Therefore, being responsible for four out of the six tasks corresponds in the tool to a score of 66.67% for standard 65. The head of sustainability is considered the Chief Sustainability Officer, so standard 66 that tests for the existence of this figure scored 100%. At least half of the juniors said they felt that upper management attempted to make them aware of the sustainability vision and strategy. Of those who elaborated, including the head of sustainability, they mention that the morning sustainability e-mails contain updates on the bank progress and reminders about its sustainability strategy, the bank also shares with the employees articles in newspapers and magazines the CEO or head of sustainability are featured in talking about sustainability, in addition to bank-wide sessions that are held to remind employees about the sustainability strategy and vision, and what the bank is doing. When asking upper management about the motivation to integrate sustainability (standard 68), the CEO, head of strategy, and the head of sustainability all covered each of the concepts of reputation, finance or cost, investor awareness, and improving the earth. All revealed knowledge of the basic four components for integrating sustainability, so the score for standard 68 is 100%. The CEO was also a board member, but did not acknowledge explicit monitoring roles of the sustainability strategy purely as a board member role, so this was another standard that represented a gap in the tool and was scored at 0%.

Training

This section covers standards 70-78. According to interviews with the 27 junior employees, only those in the core business lines (corporate banking, retail, investment banking, and risk) said they received technical training (standard 70). Those who elaborated mentioned that this training took the form of a learning platform launched by the bank in conjunction with Frankfurt School of Finance and Management, where the bankers enroll in technical courses such as: Sustainable finance, climate change and renewable energy, and SME finance, to name a few. The head of HR was unaware of any such training. The head of HR, however, introduced the researcher to the head of training who was not listed as a source in the tool (will be discussed further in the tool refinement stage) but confirmed that technical training so far was for the core banking functions. Since the technical training applied to only core business lines but not all functions, the tool assigned standard 70 a 75%. At least half of the junior employees, however, said they received general training or knowledge sharing, referring to the daily morning sustainability note that was full of tips on how to better integrate sustainability at home and the workplace. Many also referred to annual sessions that are held that talk about sustainability mega-trends, such as climate change, or the diminishing supply of Nile water. They pointed out that the most of these sessions however are held for managerial levels and above, and most of the employees only remember one such session in 2013 that was held-bank wide and included juniors. Given that more than half acknowledged personally receiving this type of training and knowledge sharing, the tool assigns a score of 66.67% for standard 71 on general training. The head of strategy, sustainability, and the CEO both pointed out at some point during their interviews that the general sessions are targeted at upper and middle management, but the technical training is more for juniors, and sometimes middle management. According to the head of sustainability, the technical training is provided to the juniors because they are the ones who are still to grow to become the next leaders, so instilling sustainability into the job from the start is vital. Upper management already have most of the technical understanding, they just need the general sustainability motivation to guide and push the juniors.

The middle manager technical training was carried out via the same sustainable finance platform used by the juniors. So, middle managers did receive technical training, but only those from the core business lines as well (standard 73). This was based on the responses of the heads of all departments interviewed, as only those of the core banking functions admit to being involved in

training. This corresponds to a score of 75% for standard 73 in the tool, as there is still room for the rest of the heads of non-core departments to receive technical training. The risk department members interviewed and the head of sustainability confirmed that there are sustainability related risk courses offered in the platform launched with Frankfurt School of Management and Finance, and the risk team are sent in turns to attend (standard 74). Since the answer is yes, then the score as per the tool is 100%. At least half of the juniors said that sustainability related technical or general training, awareness sessions or conferences were mandatory. This included the juniors and heads from the core departments that had to take the technical training, as well as some more heads of departments who mentioned having to attend annual awareness sessions (standard 75). Since more than half said yes to this, the tool gives a score of 66.67%. It was unanimously agreed by all the juniors interviewed and the head of HR that hands on community work does not count as training. (standard 76), so this scored a zero. The juniors from the core departments said that training took place with other departments, as did the heads, and some other juniors, who talked about attending the general awareness sessions and technical trainings. They made up more than half of the responses, but not all, so the score for standard 77 was also 66.67%. More than half also said that the sessions given, mainly the general, talked about the Egyptian context, such as Nile water, the need to reduce imports because of the dollar crisis and Egypt's high carbon footprint, and the waste problems faced, to name a few. While the head of HR said this wasn't the case, most of the 27 juniors and the head of sustainability said yes. Since more than half agreed, then the score as per the tool is 66.67%.

IV.II.IV. Communication

The red lines in Figure 21 show the range for the communication aspect in the chart. The average of the scores of the communication standards is **42%**. The breakdown is explained in the following paragraph.

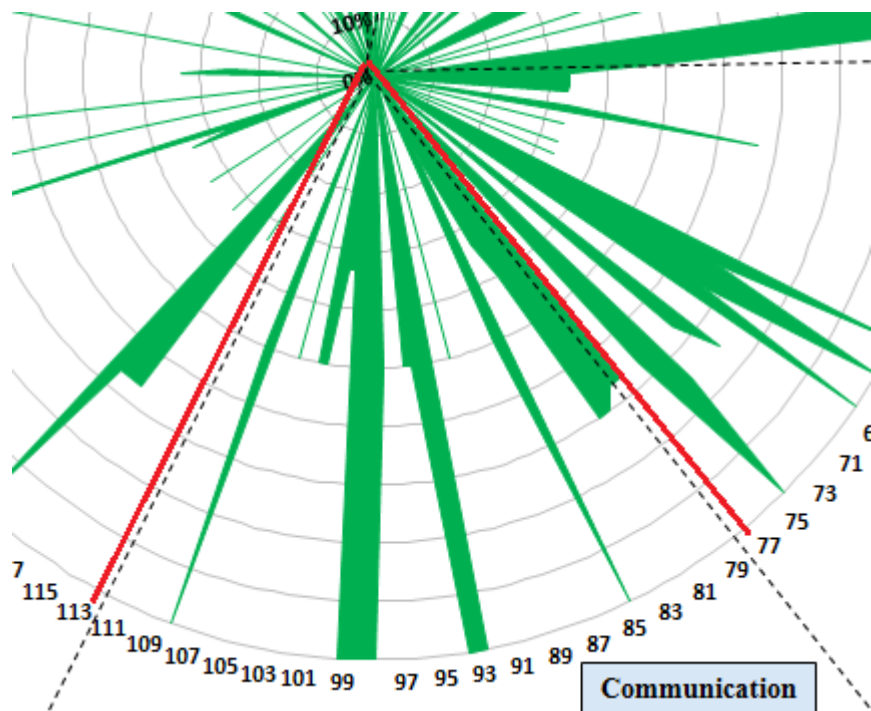


Figure 21: The results of the tool with respect to the communication aspect

This covers standards 79-112. As per the CEO the stakeholders at the top of the list include investors, clients, and employees. The head of strategy mentioned these as well as other banks, media, suppliers, and government. The head of sustainability mentioned other banks, government, suppliers, media, community members, and employees. In total seven of the ten stakeholders were mentioned as the “most important,” which equates to a score of 70% for standard 79. When asked about which stakeholders the bank carries out dialogue with (standard 80), they all gave the same answer: same as the most important stakeholders. This kept the score at 70%. With respect to the stakeholders with whom consultation took place (standard 81), the CEO mentioned clients and employees, the head of sustainability added to these two the community, while the head of strategy said clients, community and sometimes the government (namely the Central Bank of Egypt). In total, this adds up to four out of the ten mentioned stakeholders, which the tool equates to a score of 40%. With respect to collaboration (standard 82), clearly the financial rating agencies were excluded because it is not possible to collaborate with a financial rating agency, therefore the options of stakeholders went down to nine from ten for the standards on collaboration and partnership. The CEO mentioned government and regulators and the community mainly in the form of institutions. The head of sustainability also emphasized institutions as part of community

collaboration, and added suppliers. The head of strategy mentioned the community and regulators. This gives an option of three out of the nine, which the tool gives a 33.33% score for standard 82. Standard 83 about stakeholder partnership also naturally excluded financial rating agencies, clients, and employees from the stakeholders options to pick from, leaving the base to be seven stakeholders. Out of these they all mentioned the same one stakeholder, institutions, and referenced the partnership with the Frankfurt School of Management and Finance to carry out sustainability training. Therefore, with partnership one of the seven potential stakeholders was mentioned, giving standard 83 a score of 14.29%. Finally, with respect to monitoring and keeping updated with the activities of stakeholders, out of the ten potential stakeholders, among the CEO, head of sustainability, and head of strategy, all ten were mentioned, though the head of strategy mentioned credit rating agencies, which were considered by the tool as equivalent to financial rating agencies. This makes the score for standard 84, 100%.

When it comes to the bank's sustainability report, the last published report was in 2010 based on GRI guidelines.³³² So the chosen response was that the bank did produce such a report, but not within the last two years, which makes the score 50% (Standard 85). As this is the latest available report, this was mainly the source used to answer standards 85-90, 100, 96, 102-112, as well as others in this aspect that relied on the sustainability report in combination with other sources. With standard 86 on mentioning explicitly in the report that it is GRI based, the tool found a gap and so gave a score of 0%, because nowhere in the report does it mention that the GRI guidelines are the ones adhered to, it is mentioned only on the website.³³³ Additionally, any potentially negative activities with plans of mitigation are not mentioned or discussed in the report, therefore standard 87 and 88 scores a 0% because there is no transparency about negative activities. The report also provides no indirect negative consequences that may potentially arise from bank activities (standard 89). While the report does provide information about the loan portfolio, only some of the sectors are mentioned, without any numerical split.³³⁴ Therefore, the tool only gave credit for mentioning the loan portfolio, but not for the numerical split, which corresponds to a score of 50% for standard

³³² Arab African International Bank, Finance with Value Creation: Sustainability Report 2010. (Cairo: Arab African International Bank, 2010). <https://aaib.com/ckfinder/userfiles/files/Sustainability%20report.pdf>.

³³³ Sustainability Report, aaib.com, accessed May 12, 2017, <https://aaib.com/pages/Sustainability-Report>.

³³⁴ Arab African International Bank, Finance with Value Creation: Sustainability Report 2010. (Cairo: Arab African International Bank, 2010). 11. <https://aaib.com/ckfinder/userfiles/files/Sustainability%20report.pdf>.

90. There is no mention of the materiality methodology of engagement with stakeholders in the sustainability report, and less than half of the report backs up data with quantitative indicators (so score of 33.33% for standard 102), as is the portion devoted to the core operations (a score of 50% for standard 102). The risk framework is only stated as existing, but no further description of the framework is there (so score of 50% for standard 104).³³⁵ The problematic sectors the bank deals or even avoids are not mentioned in the report, the summary section exists but without KPIs, the report has not been reviewed by an external auditor, nor is there a mention of any environmental management system, sustainability policy or equivalent.³³⁶ Therefore standards 105-108 were scored 0%, 50%, 0%,0% respectively. The report only states that a team exists without details of how sustainability links into the rest of the hierarch or the hierarchy of the team (50% for standard 110).³³⁷ No type of benchmarking to other banks or organizations takes place, neither is an acknowledgement of the supply chain impacts. So these standards (111 and 112) were also gaps detected, and scored 0%. However, the one standard that was fully there in the sustainability report is the mention of sustainability related training the bank offers with details on what has been achieved with this training.³³⁸ Therefore, standard 109 scored 100%.

One of the remaining standards in this aspect tests for whether the bank has partnered with any NGOs, to which the answer was no by the head of sustainability and the CEO (0% for standard 91). When asked if there is any sustainability related regulation the bank anticipates, the head of sustainability mentioned the Paris agreements, and Egypt having to meet its goal, the setting of carbon taxes, and social and financial inclusion polices. The head of strategy said mainly that the Central Bank of Egypt applies laws to include SMEs in banking. The CEO mentioned similar CBE regulations and to check with the Head of Sustainability the rest. Between the three it was revealed that among the upper management, there is anticipation of sustainability regulation, which scored 100%. The same three respondents confirmed that the bank carries out community service via the NGO the bank created to carry out hospital renovations (as did the head of CSR who was not listed in the tool but will be discussed in the tool refinement process). So standard 92 also scored 100%. All three respondents also made a point of mentioning that the bank does not partner with other

³³⁵ Ibid., 22.

³³⁶ Ibid., 7.

³³⁷ Ibid., 16.

³³⁸ Ibid., 23

banks (standard 94), but at least collaborates or cooperates with them, in terms of the words they used, which gave a score of 50%. When asked about the stakeholders targeted for the materiality assessment, the CEO and the head of strategy mentioned that the head of sustainability would know more, the head of sustainability said it mainly involved clients, suppliers, community members, the government, and employees, which corresponds to a score of 50% for mentioning five out of the potential ten. The head of HR said the code of conduct does not mention sustainability, but agreed that there are sustainability-related concepts mentioned throughout, referencing the diversity quota, fire and safety standards, the CSR work of the bank, and the need to adopt environmentally friendly practices in the workplace. The head of sustainability agreed that sustainability is not explicitly stated but said to refer to the head of HR for more details. The CEO said it is not mentioned but CSR is, and so covers many of the concepts (this equates to a score of 50% for standard 97 as the concept of sustainability is not explicitly mentioned, but the respondents showed that sustainability concepts are discussed). The bank is a signatory of the UN Global Compact, which holds it to applying certain environmental and social principles internally. Given that it has signed such a declaration that covers both sustainability dimensions, the score is 100% for standard 98, which tests for signing international sustainability agreements. The bank has also been involved in sustainability related conferences, as confirmed by the CEO and head of sustainability (standard 99), which include, the G20 conference, and the COP21 conference in Marrakesh. This was therefore scored as 100%. The sustainability report is accessible to the public on the website, so standard 100 on the accessibility of the sustainability report is 100%. Less than half of the juniors interviewed said the sustainability report was sent internally to them separately, and most of those who said it was said it was because they helped write parts of the report that related to their department. Since standard 101's chosen response is "less than half..." then the score is 33.33%.

IV.II.V. Internal Environment

The red lines in Figure 22 show the range for the internal environment aspect in the chart. The average of the scores of the internal environment standards is **26%**. The breakdown is explained in the following paragraph.

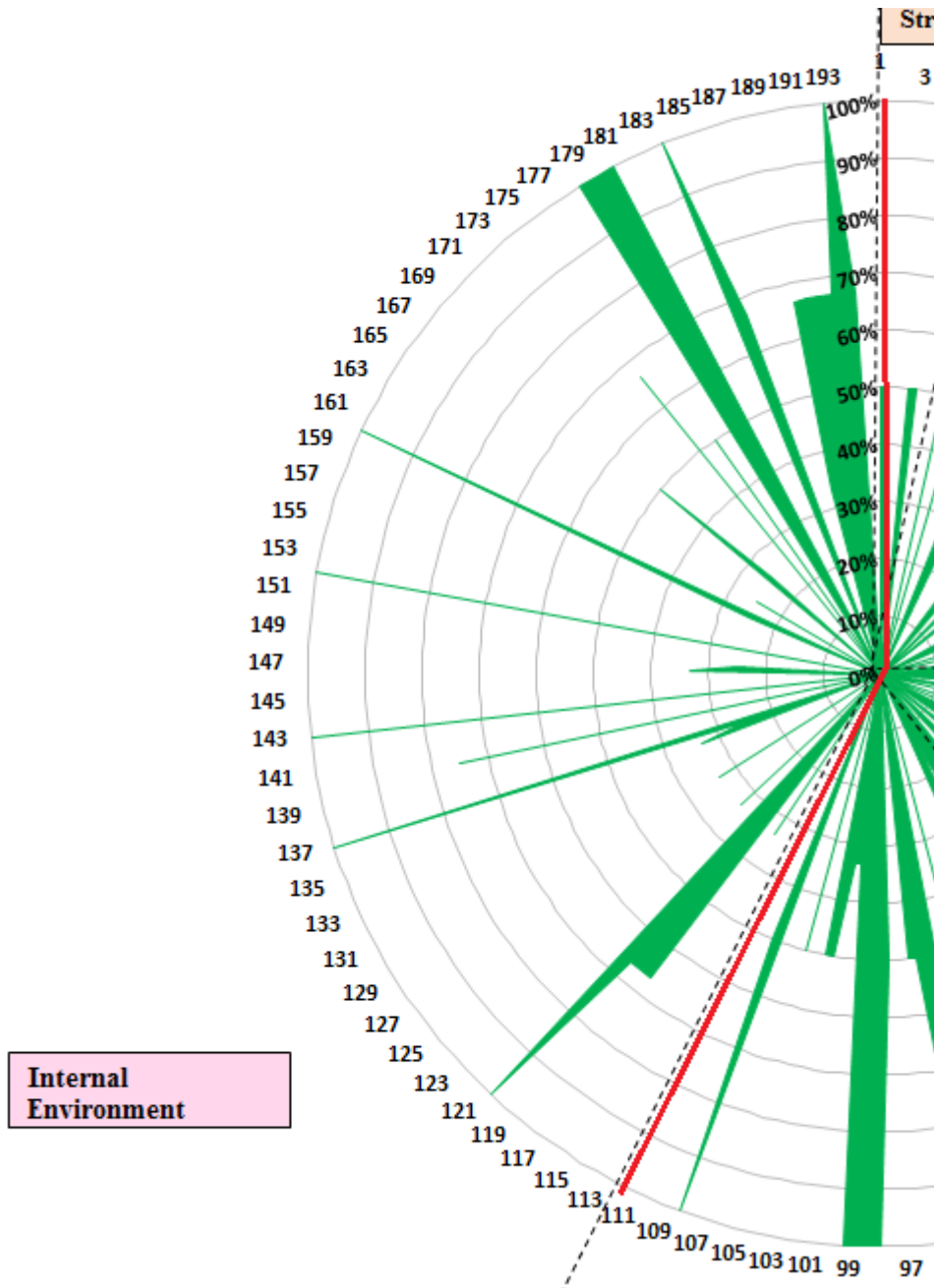


Figure 22: The results of the tool with respect to the internal environment aspect

The first three standards under the internal environment (standards 113-115), test for general issues under the internal environment. The first two determine if there is an environmental management system (EMS) that has numerical targets and performance measures, and the second if the bank has sought after an institutional-based EMS, such as an ISO-based one. The response from the head of sustainability was that there is no EMS, and it is still being put into place. So, standard 112 and 113

score 0% as per the tool. The next standard (114), tests for whether the bank has LEED or equivalent certification, to which the head of sustainability said it doesn't. Therefore this was another gap identified by the tool.

Employee Satisfaction

This covers standards 116-122. According to the head of HR, there is a mention of diversity in the code of conduct, and the bank does not differentiate between different races, genders, disability levels, or looks. However, there are no set quotas, especially youth and disability quotas as specified in the literature review (page 55) and as per the national law which specifies a 5% disability quota. The chosen response therefore was that there is an acknowledgement in the code of conduct, but no disability or youth quotas set by the bank, which corresponds to a score of 33.33% for standard 116. All junior employees interviewed and the head of HR said there are no flexi hours, therefore this scored 0% (standard 117). Of the 27 junior employees interviewed, more than half said they feel adequately compensated (standard 118) which equates to a score of 66.67%. Over half also said they are aware of a health and safety system in place. A few juniors added that the bank gives frequent fire training and carries out fire drills to prepare employees. So the score is again 66.67%. Over half also said they feel the bank provides them with opportunities for career development and growth (score of 66.67% for standard 120), and all said that the contracts allow for work-family benefits (score of 100% for standard 121), as confirmed by the head of HR. The head of HR said, however, that the bank does not adhere to any international human rights code, just the obvious national law. So this last standard (122) was a gap.

Supply Chain

This covers standards 123-134. The head of sustainability is listed as a source, however, she asked that supply chain questions be directed at the head of procurement instead. Therefore, the standards below will refer to the answers of only the procurement department (one head and one junior). The head of procurement (who is also the head of admin as they are one and the same department), mentioned that a supplier sustainability risk assessment is carried out for less than half of the suppliers. The junior pointed out that this was specifically for the few local suppliers. Most are international and so their sourcing is difficult to track. An answer of "less than half" corresponds to 33.33% for standard 123. When asked about standard 124 to ensure that the supplier

sustainability assessment covers the basic minimum of energy, waste, water, raw material sourcing, harmful materials, labor treatment, labor compensation, and safety standards, the head of procurement said that this is not the case because there is no proper sustainability analysis. Even though there is a basic risk assessment, a proper in depth sustainability analysis is not carried out. Therefore, this standard scored a 0%. He also confirmed that there is no supplier screening based on environmental and social criteria either (standard 125). According to him, the bank also does not prioritize environmental or social labels on supplies (standard 126), nor are there any form of supplier sustainability codes of conduct, guidelines, metrics or standards in place (standard 127). He also admit that there is no raw material tracking with any supplier on where the raw materials come from. The junior confirmed a “no” for most of these, though some he was unsure of. The head mentions that he tries to source sustainably on a personal level, but the junior pointed out that there are no expectations, written or unwritten in the department to source sustainably (score of 0% for standard 128).

In terms of prioritizing local supplies (standard 129) the junior said this happened once during the last few years that a custom made table for the treasury department was ordered, and the decision was to make it locally, the rest is almost all imported. The head of procurement agreed that prioritizing local supplies happens with less than half of them, only when an exact Egyptian replica can be made, which is rare. Therefore, the chosen response was “for less than half of the supplies,” and that corresponds to a score of 33.33%. Both respondents agreed that debit/credit cards are not sustainably sourced (standard 130). They asked for an example of this, and when the idea of biodegradable cards was mentioned, the junior pointed out that this is still very farfetched for the bank. The same reaction was received when it was asked if there is a takeback program to dispose of cards safely (standard 131). Therefore both standards 130 and 131 were gaps identified. The junior wasn't aware if the bank makes an effort to improve supplier sustainability awareness (standard 132), though the head said no, so standard 132 also represented a gap that scored zeros. In addition, further gaps were identified in standards 133 and 134, as both respondents confirmed that there is no team or even person over looking the sustainability of the supply chain (133), nor is there supplier benchmarking (134). The head mentioned that in some cases there is benchmarking that is done informally on a personal level based on experience and knowledge of different suppliers

who have been in the industry for a while, but the junior said that no benchmarking takes place. The response of the junior was chosen as the final response.

Energy

This covers standards 135-154. Both the head of sustainability and the junior in the department said that there is only a carbon goal of being carbon neutral by 2018 but that rest of standard 135 testing for whether there are methods of reaching this target and monitoring of its progress, do not apply. So the score is 33.33% to acknowledge only the existence of a target. According to the head of maintenance (the juniors were both unsure), an energy monitoring system applies to the head office only. This is something that is only in the head office, according to the head of maintenance, and involves sensors that identify temperature and ensure it is kept to 22-25 degrees Celsius. All of the heads of branches said they have no idea about energy monitoring and that this goes back to the head of maintenance. Having this only for the head office, not the whole of the branches, means that standard 136 is scored at only 25%. The maintenance head and juniors said that the empty spaces are not heated or cooled (standard 137). The heads of branches all confirmed this and did the tour of the 10th Ramadan branch and New Cairo branches. These were the two of those visited that were big enough for empty spaces to exist. So, standard 137 on empty space heating/cooling scored 100%. It was unanimous that light dimmers do not exist. A junior in the maintenance department confirmed that this will not be found in any branch throughout Egypt, and was confirmed via observation. This scored standard 137 on the existence of light dimmers a 0%. The head of maintenance said the light is kept at full intensity all day because the building is dark. A junior in the department added that there is central control of lighting, so since some areas are dark then the whole set ought to be lit up. The sustainability team were unsure of this point. Most branches were relatively small and had few windows, so the heads said that naturally the light has to be on all day. One branch head (First Mall branch) said customers cannot walk into a branch and find the lights turned off, it would be unprofessional. Even the heads of the bigger branches that had plenty of natural light said the same thing. Hence, this standard (139) also scored a 0%.

The maintenance juniors all agreed that there are LED lights for several of the branches. The head confirmed the figure, 65% of branches. The head of sustainability also said this was for the majority of branches, but the junior in the sustainability department was unsure. The tool therefore scores

standard 140 at 75% since more than half of the branches have LED lights. Their installation was witnessed via observation during branch visits, and confirmed by the relevant branch heads. None of the maintenance department respondents, nor the head of any branch, agreed that the windows, or any other architectural structure, were made to optimize natural light. The 27 juniors who answered this question all said no. So the answer is that there is no effort made to optimize natural light which means a score of zero for standard 142.

The head of procurement pointed out that the electrical equipment is all purposefully bought with the energy saving logo “Energy Star.” The maintenance juniors said the same thing. The head of maintenance said this was for all equipment for all branches. Some heads confirmed this, others were not sure and said this is a question for the maintenance or procurement team. Of those who did know, however, they all acknowledged the Energy Star logo on their equipment. Hence the tool assigned this standard (143) a 100%, since this was applied across all branches. The head of leasing and the procurement respondents said the bank doesn’t lease equipment it doesn’t use to other companies (standard 144), as it simply wasn’t protocol. So, that was a gap as well. All of the maintenance and sustainability respondents, and the heads of branches, said no renewable energy technology is used, so standard 145 is also scored as 0%. The head of HR said that tele-conferencing or video-conferencing sometimes replaces face-to-face meetings that require transportation, but not because of sustainability reasons, it’s just easier. The head of sustainability and the sustainability junior weren’t sure. Since there are replacements of face-to-face meetings but not for sustainability purposes, standard 146 scored only 33.33% as per the tool. As for standard 148 on efforts to ensure environmental efficiency of HVAC system, according to the maintenance team, the bank currently has a plan to renovate all of the chillers throughout close to 60% of all the branches and install a Supervisory Control and Data Acquisition (SCADA) system. Currently this is only the case in the head office. This is a system of software and hardware elements that allow central controlling and interaction with devices such as motors and pumps and sensors, as well as allowing for data to be gathered and recorded into a log. Since this is currently only in the head office, the score for standard 148 is 25%.

All of the standards under energy about transportation (standards 149-154), except standard 152 represented one huge gap and scored 0%. The reason for this is that the head of procurement said

that the bank outsources a transportation company for delivery of products and statements. Therefore, the bank has no role to play in vehicle efficiency checks, route stop quotas, route tracking, or comparing transportation reliance of different service channels (standards 149, 150, 153,154 respectively). When asked about standard 151 which tests for whether delivery occurs for only essential services to reduce transportation, the head of administration (also the head of procurement) said no, and the procurement junior said delivery takes place for almost everything.

Water

This covers standards 155-161. Both the head of sustainability and the sustainability junior said that no numerical targets, methods of reaching them or monitoring mechanisms exist for water consumption. The head of maintenance was unsure. So a gap was detected in standard 155. All three said there is currently no measure of water consumption (a gap for standard 155). The head of maintenance confirmed the taps and flushes do not have a low-flow option, the sustainability department also said they didn't think so, but to also confirm with maintenance. This also meant a score of 0% for standards 157 and 157 on low flow taps and flushes respectively, which was also checked during bathroom visits. The maintenance team all confirmed that the leaks are checked weekly, though that is for the head office only. Once junior from maintenance said that for the branches, this occurred when something needed fixing only, and the heads of branches who knew the answer (3 heads) said the same thing, but the checks happened at least monthly. The rest were not sure. So, for this standard, bi-monthly checks exist for the head office only, not for all branches, which means a score of 25%. There was no garden, nor are there in any of the branches, according to the head of maintenance, so standard 160 on whether drip irrigation is used scored 100%. As per the literature review, having no garden at all is the best option as turf is a huge consumer of water. The final standard under water tests to see if there is any greywater recycling on any of the premises, though all the sources (head of sustainability, sustainability junior, head of maintenance, and maintenance juniors) said no. All the branch heads asked didn't know. Therefore, standard 161 on greywater recycling also scored a zero.

Waste

This section covers standards 162-186. The sustainability team also confirmed that there are no numerical targets, methods of achieving them or monitoring for waste generation. So standard 162

was scored as 0%. The head of sustainability said that the project to measure paper consumption has only been piloted by the head office. All head of branches interviewed said there is no measure of paper consumption in their respective branches. Therefore, the score was 25% to represent applicability to only the head office. Waste generation by type is not measured at all according to the head of sustainability and the sustainability junior. The branch heads also said this didn't happen. So standard 164 was a gap. The head of sustainability confirmed the same for any form of paper reduction targets, methods, or monitoring mechanisms (standard 165) or even reliance on recycled paper (standard 166). No recycling bins were seen throughout the head office or any of the branches. The heads of branches and the head of sustainability confirmed this, and the head of the Porto Sokhna branch said that having a separate bin for just paper will make a huge difference as most of the branch waste is paper. Therefore standards 165-167 were all gaps.

The CEO said the bank has gone partially digital, and the retail team followed up by saying that digital reliance exists but not to the point of carrying out transactions online. One junior in the retail department added that the carrying out of transactions is what will make the real sustainability difference, as this will reduce the amount of transportation to go to the branches and carry out transactions. The tool gives some credit for having digital banking, though it does not give full credit because their digital banking does not yet include transactions. So the score is 50% for standard 168 on the existence of digital services. The retail banking juniors both confirmed that the bank uses physical mail as often as digital, even though the head said that digital maybe a bit more (the juniors' response was the response considered in order to be more conservative). This equates to a score of 25% for standard 169 since the use of digital mail exists, but not to the extent where it has yet replaced physical mail. The junior in the sustainability department said that there are no efforts carried out to reduce packaging, and the head of sustainability mentioned this is not an area they can really control just yet, so standard 170 on reducing packaging represents a gap and scored 0%. The head of sustainability said the bank has not reached the point of yet sourcing sustainably to be able provide eco-labels (standard 171), neither are packages labelled with materials used (Standard 172) or proper disposal methods (173) and the sustainability junior was unsure. So standards 171-173 were also gaps detected. However, at least half of the members said they are reminding on limiting use of paper, most said this was through the morning sustainability note

(standard 174). Since more than half said this, the tool assigned a score of 66.67% for standard 174 on paper reduction awareness.

Most of the juniors said that the freecycle system is something that they adopt informally between each other, but it is not something the bank adopts (standard 175). In fact, some said it was the opposite and the bank supplies items they don't need. One employee said that when he only asks for a certain colour for printer ink, he gets sent the whole set, which includes colours he never uses, adding that he has a whole drawer of unused printer ink. Therefore standard 175 on the encouragement of a freecycle system represented a gap. Most of the 27 juniors asked said the bank relies on both electronic and digital for its reports. This was confirmed by the head of sustainability and the CEO. The head of strategy added that there are some things that traditionally are thought of as having to be hard copy, such as the bank's annual report. So since the bank does rely on electronic reporting, but not fully to replace hard copy, the score is 50%, according to the tool. All 27 juniors said the default printer setting in their department is one-sided (standard 177), so this was another gap. It was also unanimous, as pointed out also by the head of HR, that the employee handbook with the list of all policies, insurance details, contracts, and notes is on a shared folder, not hard copies. (standard 178), which meant a score of 100% for this standard.

When asked if the bank considers IT to be harmful waste, the head of sustainability said it was, though the head of procurement was able to elaborate much more as to why. He added that the mercury, cadmium and even flame retardants affect health when incinerated. The junior in procurement had similar knowledge, even pointing out in the interview that this is a term called "e-waste," which he deemed harmful. So the bank does view IT equipment as harmful waste (100% score for standard 179). When following up this question by asking what the bank then does with IT and electronic equipment waste, the head of procurement answered that the bank does everything to avoid reaching incineration. He said if charities are interested, they file a request, it is checked by the CEO and is usually approved. If not given to charity, then the electronic device or computer is broken down into its separate materials (plastic, glass, metals etc...) and sold off at auctions by ton. The bank never dumps IT. The junior in the procurement department also said that the separate parts are usually auctioned off. Therefore, the chosen response is that the "bank recycles and donates e-waste," which is a 100% score. The head of procurement however said than other than

the Green Energy Logo (which was accounted for in standard 143) no other green production labels or standards are followed. The procurement junior said the same thing, and added that the criteria are purely from the IT department who stick to the typical HP office computer, with no other sustainability criteria other than the Energy Star logo. The heads of branches said they don't know as this comes from the main office, except the heads of the Porto Sokhna branch and the Tanta branch who both said that there are no such green production labels. So standard 181 on green production labels for electronics was another gap. The same sources all said the ink used was normal, and there was no reliance on greener ink (standards 182), which also reveals another gap. As for standard 183 reducing the amount of waste to reach landfill dumping and incineration, the head of procurement said that it occurs with almost all of the electronic and furniture supplies: Useless items are separated into material parts or even sold as whole parts in second hand auctions. The procurement junior was very knowledgeable on the dangers of incineration and landfill dumping and had a lot of sustainability knowledge. He added that he gives the bank credit for taking this initiative as this has led many electronic and furniture items to be recycled and not sent to incinerators or landfills. The head of sustainability and the junior in the department seemed to know less about this and also said the admin or procurement department would know more, but the head said that there is a lot of activity done to not throw away items, as it is even profitable for the bank. Since the effort is there, and this standard tests for some sort of effort made to avoid incineration and dumping of waste, the chosen response was a "yes: the bank does make the effort," and so the score is 100%.

At least half of the junior employees asked said the bank does make them aware of the reduce, reuse, recycle mentality (standard 184). Some said that this was via the morning notes, others mentioned that the sustainability departments holds events where they send out quizzes and short sessions on these days to inform employees about concepts such as the "reduce, reuse, recycle." Since more than half said this was the case, the answer is 66.67% for standard 184. The head of sustainability said that one weakness of the bank is still not being able to track the disposal of waste. There are several options to explore, she added, such as sending to the Zabaleen community, or trying to find a separate company that send waste for recycling. The sustainability junior said there is still contemplation of even reusing the waste internally for office supplies. When the head of procurement said this doesn't really happen, a follow up question was asked about the auctions he

just mentioned and why these aren't considered tracking waste. He answered that the bank tracks the materials up to the point where they are resold in the auctions, after that there is no tracking. Someone can incinerate all the materials bought in the auctions and the bank wouldn't know. He also pointed out that there are still other types of waste the bank doesn't track. The procurement junior confirmed this by pointing to the bin full of a mix of food, paper, and supply waste (such as paper clips and wrapping). He added that his department has nothing to do with this type of waste and obviously doesn't auction this off. This is not tracked at all by the bank. Since both members of the procurement department gave a firm no, and the sustainability department respondents said that all plans are still in the conception stage, standard 185 on tracking waste disposal scored a 0%. The final question (186) was on whether any type of takeback scheme exists, to which both members of the procurement department said no, as did the head of sustainability. The sustainability junior followed up with her answer to the previous question and said the department is very excited about putting a scheme in place to takeback a recycled version of the bank's own waste, but pointed out that this is still in the very early stages and is merely an idea. There are no plans in place or decisions made yet. So, standard 186 on takeback schemes was another gap in the results.

Internal Physical Environment

This is the last section and covers standards 187-194. Less than half of the juniors interviewed said they feel sufficient circulation of fresh air. Many of them complained that smoking is allowed indoors yet the windows don't open. Several of them pointed at their own man made signs requesting people not to smoke indoors or drop cigarette ash on the floors. One employee was complaining that his department had just undergone a paint job over the weekend, and now they can barely breathe and are having to rely on fans they bring. Even though the head of maintenance pointed out that the HVAC ensures fresh air circulation, since less than half of the 27 juniors felt there was enough fresh air, the standard was scored based on the "less than half" chosen response, which corresponds to a score of 33.33% for standards 187. However, at least half said they felt the temperature was at a comfortable range. The few who complained said it was too cold. As more than half were satisfied then the score for standard 188 was 66.67%. As for standard 189 which tests to ensure no moldy smells, less than half said there are no moldy smells. The standard was written in the negative to be consistent with the way other standards are written, so the answer translates as "more than half agree there are no moldy smells." So, the score for standard 189 is

66.67%. There were few complaints on this standard, but some included, moldy carpets, ceilings with mice and even cats, which caused bad smells. Standard 190 tests if people don't get a sick feeling when inside the building. At least half said they didn't, so the score is also 66.67% for standard 190. Only one department complained of the strong paint odor, the rest of the respondents, which constitute the majority, said the paint odor is not strong because it is usually done in weekends, so a score of 66.67% was also assigned to standard 191. All respondents of the 27 juniors interviewed said they felt the chemicals used for cleaning weren't harmful, which scored standard 192 a 100%. More than half said that cleaning is carried out after business hours. One of the respondents who said it wasn't said it was likely because his department tends to stay late, but the cleaning hours are always after 5. So a score of 66.67% was assigned to standard 193. The last standard, 194, checks to see if a third-party sustainability consultant is employed to audit or consult on the internal environment, to which the head of sustainability and the sustainability junior said no. So standard 194 represented a gap.

IV.III. Summary

Overall, it was the average score of the vision and strategy aspect (29%) and the internal environment aspect (26%) which pulled the final score down, suggesting the gaps there are the areas the bank should tackle first. This primarily means incorporating the ideas of sustainability into the official mission and organizational strategy of the bank, as well as adopting a sustainability policy (for vision and strategy). With the internal environment there need to be more formal initiatives to measure, monitor, and reduce water consumption and waste generation, strengthen the sustainability of the supply chain and adopt certain sustainability procedures (such as ensuring the efficiency of the HVAC system) across the entire branch network, not only the head office.

Chapter V. Refinements to the Tool

This chapter meets objective 3 of the study: To give a conclusion as to the tool's effectiveness and refine the tool based on the pilot conducted in 2). The purpose of piloting the tool on the bank was to establish the extent to which the tool was successful and whether any failures have been detected. This was based on the unstructured interviews, and whether they indicated a sustainable activity or pursuit of the bank that the tool had no way of giving credit to, or had misrepresented. The unstructured portion of the interviews is where respondents elaborated freely on the relationship between sustainability and their work, and on any questions they felt were unfair, irrelevant, offensive, or misleading and why. This established if there were any standards the tool missed out on or did not represent properly, if there were any multiple-choice options that did not reflect a standard's implementation properly, and if there were any sources that should/should not have been asked. Accordingly, the new or modified standards/multiple choice options/sources were updated which consequentially adjusted the score in some instances, as will be revealed in this chapter.

Whenever a refinement involved adding a new standard to the tool, that standard was given a number with a decimal point. For example, the vision and strategy aspect ended at standard 7. A new standard proposed to be added to the vision and strategy aspect as part of the refinement will be called standard 7.1. If another standard is added after that under the vision and strategy aspect, then that will be standard 7.2 etc...The reason for this is not to change the old numbering of the tool whenever a standard is added to avoid confusion. The refinements were made with the intention of being applicable to any bank, and are not exclusive to the model of AAIB. The following paragraphs identify the failures, justify the suggested refinements, and then accordingly reveal the new chosen response and score. The full new tool can be found in Appendix 2. The 26 failures detected in the tool are as follows:

- 1) **The tool does not compare the core banking activities relative to the availability or the market** (*Standards 16, 17*)

According to respondents, the bank would be willing to offer loans or investment banking services to companies or projects with sustainability oriented business models (such as renewable energy projects or aquaponics companies), but the market itself doesn't have this

availability. Therefore, the standard posed only to test whether the bank offers such services without testing for this relative to market availability, is flawed.

Refinement: Changing the multiple-choice options in standards 16 and 17. *The estimation of market availability of sustainable projects used for this study comes from the spending by the European Bank for Reconstruction and Development (EBRD) on such projects. The EBRD specifically was chosen because it also has a similar sustainability eligibility criteria to lend certain projects as the bank does. Therefore, the portfolio base is comparable. Next was to determine what percentage of this portfolio base goes towards sustainability oriented projects. Basically, the assumption is, that if the EBRD is able to find such sustainability-oriented projects in the market, then the bank hypothetically should be able to do the same. Therefore, the EBRD sustainability spending can be used as a reflection of what is available in the market. While the exact spending on sustainable projects is not readily disclosed by the EBRD, the spending on renewable energy is there. Renewable energy projects are not the only sustainability-oriented projects but it is the statistic available by the EBRD. Accordingly, the spending on renewable energy by the EBRD will be used as a lower bound estimate for the market availability (lower bound because there is more involved in sustainability spending than renewable energy spending, but renewable energy spending reflects the absolute minimum that should be spent). As this is a lower bound estimate, it will be used to signify to the bank that this is the minimum percentage of the project lending portfolio that should go towards sustainability-oriented projects. The lower bound estimate is based on current renewable energy project spending by the EBRD (to private developers) equal to EUR455 million, as a percentage of the current portfolio of projects valued as EUR1,928 million, which constitutes 23%.³³⁹ ³⁴⁰ 23% is translated as the minimum percentage of the portfolio a bank could devote to sustainability-oriented companies. Therefore the new standard's ranking will be based on whether the percentage is greater than or equal to 23%, less than 23%, or if the bank does not offer this type of finance in the first place. This is a very crude estimate, and that is why it only serves to be a lower bound instead of an exact estimate, and keeping in mind the restricted availability*

³³⁹ "The EBRD in Egypt," EBRD, accessed April 8, 2017, <http://www.ebrd.com/egypt.html>.

³⁴⁰ "Project Summary Documents," EBRD, accessed April 8, 2017, <http://www.ebrd.com/work-with-us/project-finance/project-summary-documents.html?1=1&filterCountry=Egypt>.

of data in this respect, it is one of the closest estimates that can be temporarily generated. This is used as the same percent for standard 17 on the availability of sustainability-oriented projects for investment banking services. This assumed that the same renewable energy projects spent on by the EBRD are also eligible for investment banking departments to conduct feasibility studies on.

***New Chosen Response:** The bank financing of sustainability oriented business models is less than 23% of the lending portfolio. This is based on the head of corporate banking mentioning that spending on sustainability-oriented business models is almost zero. As for investment banking services, the chosen response is that they do offer such services, but the portfolio hasn't reached 23%, according to the head of investment banking.*

***New Score:** 50% for standards 16 and 17 because while the bank does have some lending to sustainability-oriented companies, it is less than 23% of the lending portfolio (16), or the investment banking portfolio (17)*

2) The tool ranks down the bank for not providing a service which hasn't yet kicked off in Egypt. (Standard 11)

The response of the bank to whether they offer corporate loans to sustainability-oriented companies (As opposed to projects) is that this is something they haven't yet witnessed or come across in Egypt.

***Refinement:** Adding "not applicable" (N/A) as a multiple choice option. Given that it would be difficult to give a market estimate of the availability of such companies, as this would have to include companies still planned to be incorporated, the refinement will include adding an option to the answers stating that this has not yet been witnessed in the market. The score is also updated to exclude this multiple choice option from the final average.*

***New Chosen Response:** The bank has not yet witnessed this in the market.*

***New Score:** "N/A" so excluded from final weighted average.*

3) The tool does not have a standard that accounts for transparency in tariffs (fees and interest rates) as a part of customer responsibility.

This is a part of sustainable practices under the social dimension. Respondents have said this is a focus of the bank given that the bank makes a point of making a public announcement on its website every time a change of tariffs takes place. This is a part of being responsible to the customer. The website also confirms this as do the branch visits which have a poster with the latest rates.

Refinement: *Add standard 48.1. Add a standard on announcing tariff changes publicly whenever they occur, and base the multiple choice options on the frequency of tariff updates. This will be asked to the head of retail and two employees reporting to him.*

New Chosen Response: *The bank updates tariffs on its website whenever a change occurs.*

New Score: *100%, because the bank publicly announces a change in tariffs whenever a change occurs, as opposed to periodically or never.*

4) **The tool doesn't give credit to the bank for adopting sustainability even though there has been no stipulation, or even encouragement, from government policy to do so.**

According to respondents, the bank's integration of sustainability has come in response to international trends, especially among investors, and a care for the bank's reputation from both a risk and opportunity perspective. It prides itself on "beating" the government to adopting sustainable practices, and instead being a pioneer in shaping the banking industry through being the first bank to coordinate with an international university to offer any bankers in Egypt courses in sustainable banking and finance.

Refinement: *Add standard 7.1. Add a standard to determine the motives of a bank's adoption for sustainability, and whether this was in response to policy. The multiple choice options will be based on whether a bank's response was purely policy driven (lowest score) or if it involved other intrinsically motivated factors, such as conviction or reputation (highest score). This standard is to be targeted at the CEO/vice chairman, head of strategy, and head of sustainability.*

New Chosen Response: *The bank adopts sustainability based on its own conviction with sustainable development. It is not policy driven.*

New Score: *100%. This is because the bank's adoption of sustainability came as a result of intrinsic conviction, not policy.*

- 5) **The Tool doesn't test for the availability of an "eco-print" option that saves toner, even though it tests for the one-sided/double sided print default option.**

The respondents were curious why there was no question asked about the eco-print option which many of them select because it uses less toner that is harmful for the environment.

***Refinement: Add standard 186.1.** Add a standard that tests for the extent of printers that have an "eco-print" option with less toner usage. This is similarly targeted at the sample of junior employees asked the perception based questions.*

***New Chosen Response:** Half or more of the respondents said the eco-print option is available to them. This is because more than half of those interviewed noted this during the interview.*

***New Score:** 66.67%*

- 6) **The tool was misleading with the standard stating: "monitoring of clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters." (standard 84)**

The respondents all interpreted the word "monitor" in a regulatory sense, and needed verbal clarification that this actually meant keeping track of the activities of stakeholders to be able to cater to them properly.

***Refinement: Rewording the question.** The standard has been reworded to: "Bank keeps track of activities of clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters."*

***New Chosen response:** (Same as the original tool): Bank keeps track of activities of at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media).*

***New Score:** (Same as original tool) 100%.*

- 7) **The tool was misleading with the standard stating: "Reports and publications are all electronic only." (standard 176)**

The respondents interpreted this as referring to their internal departmental reports, whereas the question was referring to the entire bank reports published, such as the sustainability reports, annual reports etc...

Refinement: Rewording the question. *The standard has been reworded to: "Bank reports and publications are all electronic only."*

New Chosen Response: *Yes for some reports.*

New Score: *(same as original): 50% since not all are yet electronic.*

8) **The tool did not test for the bank holding a civil defense certificate, which officially tests for a health and safety system.**

The tool only tested for employee awareness of such a system, but did not test for the existence of an official one. The maintenance team mentioned an international certificate as being imperative for the health and safety system.

Refinement: Add standard 122.1. *A standard has been added about the bank holding an international civil defense certificate. This has also been targeted at the head of maintenance and two employees reporting to him.*

New Chosen Response: *"Yes the bank does have an international civil defense certificate."*

New Score: *100%.*

9) **The tool did not test the extent to which the junior employees are motivated by sustainability and whether the bank caters to this.**

The tool has been built based on literature with the assumption that management need to put in the effort to increase junior employee awareness about sustainability, and how well they can transfer sustainability into their departmental culture. It was discovered in the bank that almost all of the junior employees, whether in the core business line, the administration department or the maintenance department, were extremely enthusiastic about sustainability and were very personally motivated by it. They were proposing innovations and ideas and were thirsty for more training. The bank is aware of this enthusiasm and has therefore targeted the technical training to the junior employees, with plans to target the junior employees in every department. The tool only tested for managerial and executive technical training, assuming the managers and executives will be able to trickle down this knowledge.

With the bank, it was the other way around. The junior employees' enthusiasm is being utilized by targeting the technical training at them as a better way to spread the awareness. The executive and managerial levels are mainly given conferences and workshop about general concepts in sustainability.

Refinements: *Two refinements have been made:*

Add Standard 62.1. *The first is to add a standard on levels of junior employee enthusiasm. This will be targeted at the same employees asked the perception-based questions. The multiple-choice options will test for the proportion of junior level employees who say they are enthusiastic and motivated by sustainability.*

New Chosen Response: *Half or more are personally motivated by sustainability. This was noted by the author during personal interviews, by witnessing the level of enthusiasm shown about a topic.*

New Score: **66.67%.** *Since at least half of the 27 juniors revealed this enthusiasm.*

Add Standard 78.1. *The second refinement is to also add another standard, asking about technical sustainability training targeted at junior level employees (only managerial and executive level technical training have been tested for). This will similarly be asked to the CEO/vice chairman, head of every department, and the sample of junior employees who were targeted for the perception based questions.*

New Chosen Response: *The bank provides technical training for junior employees with only the core departments*

New Score: **75%.** *Even though the bank targets technical training to juniors, it is only for the juniors in the core functions.*

10) The tool doesn't acknowledge SME lending in itself as a sustainable activity.

Refinement: **Add standard 48.2.** *A standard has been added that tests the bank for the existence of any SME lending, not necessarily SMEs in the sustainability field. This new standard was lumped with the refinement below in 11) to become one standard that tests for lenient lending of SMEs, while allowing for the option of "No SME lending" to exist.*

New Chosen Response: *SMEs are currently not incorporated in any lending.*

New Score: 0%, since the bank doesn't offer SME lending.

11) The tool doesn't acknowledge lenient terms offered to SMEs as sustainable.

The tool only tested for whether favorable rates are offered to *sustainable* SMEs in standard 44. Respondents in the retail department pointed out that the bank has a plan to eventually be more lenient in the lending terms. Examples include leniency on the required historical period for the financial statements, the percentage given under the risk weighted asset adjustment (which is set at only 75%), and the minimum revenue requirement to be considered eligible as an "SME".

Refinement: Add standard 48.2. *A standard was added on the bank offering lenient lending terms to SMEs. The multiple choices range from a bank being lenient with SMEs (100%), to the bank not necessarily being lenient but at least encompassing SMEs in the portfolio (50%), to not even encompassing SMEs (0%). This is to be asked to the Head of Retail and two employees reporting to him.*

New Chosen Response: *As in refinement 10.*

New Score: *As in refinement 10.*

12) The tool double counts the lack of SME lending.

As far as the original tool goes, with every SME-related standards (38,41, 43, 44), the bank gets discredited because it doesn't yet offer SME lending. This is considered double-counting (or quadruple counting). The bank should get scored down for not offering SME lending only once, and then have the standards that relate to SME lending give a "N/A". so as not to be included in the average.

Refinement: Change the formula. *Given that in number 11) above, a question was added as part of the refinement that allows the bank to select "no SME lending," the score for standards 38,41,43,44 will have new formulas to account for this. The new formula adds an if statement and the beginning of the formula that is already there saying:*

=IF(\$G69\$=0%, "N/A",...)

Where G69 is the cell that reveals whether the bank does in fact have SME lending. So what this basically says is if the score is 0%, i.e the bank does not offer SME lending, then the score for standards 38,41,43,44 is N/A and they are excluded from the average to avoid double counting.

New Chosen Response: The bank currently doesn't lend SMEs.

New Score (for standards 38,41,43,44):N/A

13) The tool doesn't acknowledge the materials used in the finishing of the building.

The maintenance team asked why the questions didn't inquire about such materials, given that the bank stopped using HDF (High Density Fiberboard) in the floorboards because of their harmful and irritating side effects. The bank has also reduced use of manufactured tiles and is ensuring that carpets are now easily recyclable. The bank is also starting to consider eco-friendly materials in the paint and wood sources.

Refinement: Add standard 194.1. A standard has been added to test for the proportion of finishing building materials that have been sustainably sourced. The new multiple choice options will be based on the proportion of materials that are chosen sustainably. This is to be asked to the maintenance team.

New Chosen Response: Sustainably chosen materials apply to less than half of the bank's sustainability materials. The maintenance junior said that even though such an effort has been made, it is still on a few number of materials.

New Score: 33.33%. Since less than half of the materials have this quality.

14) The tool could have covered the head of training as a respondent (standards 71-77, 78.1, 109)

It was discovered during the bank visits that there is a head of training as well, even though there was no specific training department.

Refinement: Add head of training as a source. The Head of Training has been added to the list of respondents for all of the training related questions.

New Chosen Response: Same responses as were in the original tool for standards 71-77, 78.1, and 109, since only a new source has been added to the list of sources.

New Score: Same score as was in the original tool for standards 71-77, 78.1 (same as in 9), and 109, since only a new source has been added to the list of sources.

15) The tool could have covered the head of CSR as a respondent (standards 76,92)

The standards inquiring about community engagement could have also been asked to the head of CSR, who is likely to give more details on the type of engagement the bank is involved in, just as an additional source.

Refinement: Add head of CSR as a source. The Head of CSR has been added to the list of respondents for all the community engagement-related questions.

New Chosen Response: Same responses as were in the original tool for standards 76 and 92, since only a new source has been added to the list of sources.

New Score: Same score as was in the original tool for standards 76 and 92 since only a new source has been added to the list of sources.

16) The tool did not test for the allowance of fresh air circulation by the HVAC system

The maintenance team mentioned this is something that constitutes a major portion of the HVAC monitoring and employee satisfaction.

Refinement: Add standard 148.1. A standard has been added on the HVAC system allowing for fresh air circulation, with the answers obtained from the maintenance team mainly. The multiple choice options test for the extent of applicability across branches.

New Chosen Response: HVAC fresh air circulation, for head office only.

New Score: 25% since the applicability is only on the head office.

17) The tool is restrictive in terms of what it leaves to observation.

Many items that the tool did not strictly identify were discovered through simple observation. For example, on the walls in many offices, several handmade signs that read “please, please, please, no smoking!!!” or “please stop dropping your ash on the floor.” When asked why these signs were up, respondents said that smoking was allowed indoors so they had to specify if they didn’t want it. The type of toilet paper the bank used in bathrooms was a brand called “White” which, when researched, came from a company that is SGS, ISO 14001, ISO22000, ISO18001, and ISO9001, and ensures products are made

from recycled material.³⁴¹ Similarly, it was found that even in common areas, such as corridors, that were brightly lit by sunlight during the day, were still left lit during the day, some cleaning was carried out during the day that involved heavy dust in an empty corridor, so while the employees were not affected, the cleaning staff were, given they had no masks to wear. Similarly, some of the room had dangerous cables sticking out, and people complained of mice in the ceiling.

While it would be unrealistic to turn every observation into a separate standard, as the number of things to look for are endless, and the point is not to inspect and judge the bank, only one standard had been added that accounts for any other type of observation the researcher made.

Refinement: Add standard 194.2. *Add a standard on other general observation revealing mostly positive/negative characteristics. With the multiple choice options either pointing to all other observations being positive, more than half being positive, less than half being positive, or none being positive.*

New Chosen Response: *Less than half of the observations made were positive ones.*

New Score: *33.33% since only less than half were positive ones.*

18) The tool does not account for the Equator Principles Report as part of the Communication aspect (standards 87, 88,89, 90, 100,105)

Some of the standards searched for in the Sustainability Report may be instead available in the Equator Principles' report, which is also available to the public. The Equator Principles report talks about the bank's application of the equator principles throughout the year, the types of projects they have faced, and the process of applying them. Therefore, it is focused on core banking risk component. It seems unfair to rank the bank based on only what is written in the sustainability report without looking also at the Equator Principles report. It may make up for what is lacking in the sustainability report. Some standards apply only to the sustainability report as it ought to include certain items, others would accept the bank

³⁴¹ "Pack-Tec Certificates," AKEF Pack-Tec, accessed April 1, 2017, <http://www.akefpacktec.com/default.asp>.

including them in the Equator Principles report instead (such as standards 87, 88,89, 90, 100,105).

Refinements: Add a source. *The Equator Principles report has been added as a source under standards 87, 88,89, 90, 100,105, and reworded the standards to include “or the Equator Principle Report” after the words “in the sustainability report.”*

New Chosen responses: *There are six as described below. (most stayed the same, indicating the EP report did not fill in the gaps of the sustainability report):*

Standard 87: *Yes, the bank is transparent about negative activities in the Equator Principles report, in as far as only stating them though.*

New Score: *50%.*

Standard 88: *(Same as original tool) Not in the sustainability or EP report.*

New Score: *(Same as original tool) 0%.*

Standard: 89: *(Same as original tool) Not in the sustainability or EP report.*

New Score: *(Same as original tool) 0%.*

Standard 90: *(Same as original tool) Loan portfolio mentioned without numerical split.*

New Score: *(Same as original tool) 50%.*

Standard 100: *(Same as original tool) Sustainability report and equator report easily available to the public.*

New Score: *(Same as original tool) 100%.*

Standard 105: *(Same as original tool) Neither sustainability or EP report reveal problematic sectors dealt with.*

New Score: *(Same as original tool) 0%.*

19) **The Tool did not give the bank credit for producing a carbon footprint report.**

Even though the carbon footprint report helped respondents answer questions in original tool, the tool did not give credit to the bank for producing one in the first place.

Refinement: Add standard 112.3. *A standard has been added on the bank producing a carbon footprint report. Multiple choice options test for existence of a recent (within last two years) carbon footprint report.*

New Chosen Response: *Yes, the bank produced a carbon footprint report but not recently (within the last two years).*

New Score: 50%. Even though once was produced it wasn't recent (within last two years).

20) The tool does not acknowledge bank recognition and appreciation of innovative thinking as a reward.

The standard on the bank offering rewards to innovative thinking on sustainable development refers to material rewards mainly, and that is how all respondents understood it. Most of them of them pointed out during the interviews that the bank plays an active role in recognizing employee ideas and thanking them for it, even informally through an e-mail.

Refinement: Add standard 62.2. *A standard has been added about employees feeling recognized for innovative sustainability related thinking or suggestions. Multiple choice options were as per the perception based ones (agree according to all, according to more than half, according to less than half, according to none).*

New Chosen Response: *More than half of the employees said yes to feeling verbally recognized to sustainability thinking. This was not asked again, but merely recorded when the employees mentioned they are verbally rewarded after asking about the material rewards.*

New Score: *66.67% since at least half felt the recognition.*

21) The tool did not account for the possibility of the bank not offering bond issuance services in the first place.

The bond market is not something the bank is involved in, according to the Investment Banking department.

Refinement: Add a multiple choice option. *An extra option under standard 19's possible answers on green bonds has been added, which states "The bank does not offer bond issuance services." This will receive a score of N/A to be excluded from the final average. It has not been fully removed as in general other banks may have this service, so the standard should not be removed all together.*

New Chosen Response: *"The bank does not offer bond issuance services."*

New Score: *"N/A"*

22) The tool did not give credit to the bank for adhering to certain compliance guidelines.

The compliance team pointed out that there are two basic guidelines unrelated to financial success which the bank adheres to and the compliance team believe is also part of sustainable banking, and should have been tested for: Wolfsberg and the Financial Action Task Force (FATF). The Wolfsberg Principles are Anti-money laundering principles.³⁴² The FATF Recommendations are global standards against money laundering and terrorist financing.³⁴³ While none of them deals directly with social or environmental standards, the Wolfsberg Principles and the FATF recommendations are considered ethical standards, and therefore are part of the social dimension of sustainability.

Refinement: Add standard 34.1. *Added a standard on the bank's adherence to the Wolfsberg Principles, FATF Recommendations and any other ethical compliance standards. Multiple Choice options test for the number of principles adhered to and the sources are the compliance head and two juniors in the department.*

New Chosen Response: *Yes bank adheres to at least these two.*

Score: *100%. The bank adheres to the two basic minimum ethical standards.*

23) The tool does not test if sustainability criteria are part of a bank's internal audit inspection.

The Audit team pointed out that they have just released the first departmental report that has a separate section on the sustainability opportunities and risks in terms of recommendations and achievements. They plan to do this for all departments by the end of the year. The tool never tested for this.

Refinements: *Two refinements have been made:*

Add standard 112.1. *A standard has been added on the inclusion of sustainability risks and opportunities in the audit departmental reports, with multiple choice options testing for the extent to which this has been applied on the bank's various departments. Sources include the head of audit and two juniors in the department.*

New Chose response: *Yes the bank carries this out but on only one department. This is according to the head of audit.*

³⁴² "Wolfsberg Standards," The Wolfsberg Group, accessed April 4, 2017, <http://www.wolfsberg-principles.com/standards.html>.

³⁴³ "FATF Recommendations," Financial Action Task Force, accessed April 4, 2017, [http://www.fatf-gafi.org/publications/fatfrecommendations/?hf=10&b=0&s=desc\(fatf_releasedate\)](http://www.fatf-gafi.org/publications/fatfrecommendations/?hf=10&b=0&s=desc(fatf_releasedate)).

New Score: 25%. Since the application so far is to only one department.

Add audit department as a source. The second refinement is to add the Head of Audit and two juniors reporting to him as a source for the new standard number 112.1.

New Chose response: Same as previous point since only a source of information has been added.

New Score: Same as previous point since only a source of information has been added.

24) The tool does not test for the details of the sustainability risk framework in the Equator Principles report.

While the Equator Principles report had not yet been acknowledge in the original tool, its existence as a source in the new tool means that it should be tested for including the sustainability risk framework details. This assumption follows from the standard that tests for the sustainability report’s inclusion of the sustainability risk framework. If the sustainability report is tested for this, then surely the Equator Principles report which is a major portion of the sustainability risk assessment should be tested for this as well. It ought to also be added as a separate standard, and not tested for as “in the sustainability report, or the Equator Principles report” as the bank should be given extra credit for the inclusion of the framework in the sustainability report as well.

The framework’s inclusion in the EP report is a basic and should therefore be tested alone.

Refinement: Add standard 112.2. A standard has been added on the bank’s inclusion of the sustainability risk framework details in the Equator Principles report. (The test for the inclusion in the sustainability report is already a separate standard [104]). This will have a yes/no multiple choice option.

New Chosen Response: No.

New Score: 0%.

25) The tool doesn’t give credit to the bank for offering facilities that cater to the disabled and elderly in the branches

During the branch visits, it was noted that many branches have ramps, checkers, and bathrooms that cater for disabled people, as well as a ticket option labeled as “elderly” which locates older individuals to a faster moving counter, as seen in Figures 23 and 24 following. The literature review mentioned customer experience as being important to the sustainability level of a bank (see page 29). After this realization, a follow up with the head of branches confirmed this was the case for more than half of the branches.

Refinement: Add Standard 48.3. *A standard has been added on the bank’s inclusion on such facilities.*

New Chosen Response: *“Yes, for more than half of the branches,” as per the head of branches*

New Score: *75% Since the answer is more than half.*



Figure 23: A picture of the customer service counter for disabled individuals at the 10th Ramadan Branch



Figure 24: A picture of the bathrooms for disabled individuals at the 10th Ramadan branch

26) The tool does not test for the frequency of maintenance check-ups across branches.

It was noted during the branch visits that the heads of branches all pointed out their strict adherence to monthly check ups on the branch in terms of security, health and safety, and HVAC systems. The head of maintenance and some heads of branches confirmed that the pipe check-ups are from the building maintenance team, not bank team. The rest of the general maintenance check ups, however, ought to be accounted for. Two refinements have been made:

Refinement: Now standard 115.1: Added a standard that tests for the extent of branches that undergo general monthly maintenance check-ups, which was reconfirmed with the head of maintenance . The multiple choice options test for applicability across branches. The sources will include the maintenance team and the heads of branches.

New Chosen Response: All branches undergo general monthly maintenance check ups,

New Score: 100%, since this applies to all branches.

Refinement: Change the multiple choice options. Changed the possible answers to standard 159 that checks for pipe maintenance to test for this among the standalone

branches only. Therefore, instead of “branches” the multiple choice options read “standalone branches.” The branch heads in branches that were part of buildings said the maintenance checks have nothing to do with the bank maintenance, they are part of the building maintenance.

New Chosen Response: At least Monthly check ups exist for all standalone branches, as reconfirmed this with the head of maintenance and heads of branches visited.

Score: 100%.

After taking all of the above refinements, the updated score for the bank is **43.64%** up from **38.16%** in the original tool. The new chart for the refined tool is as follows:

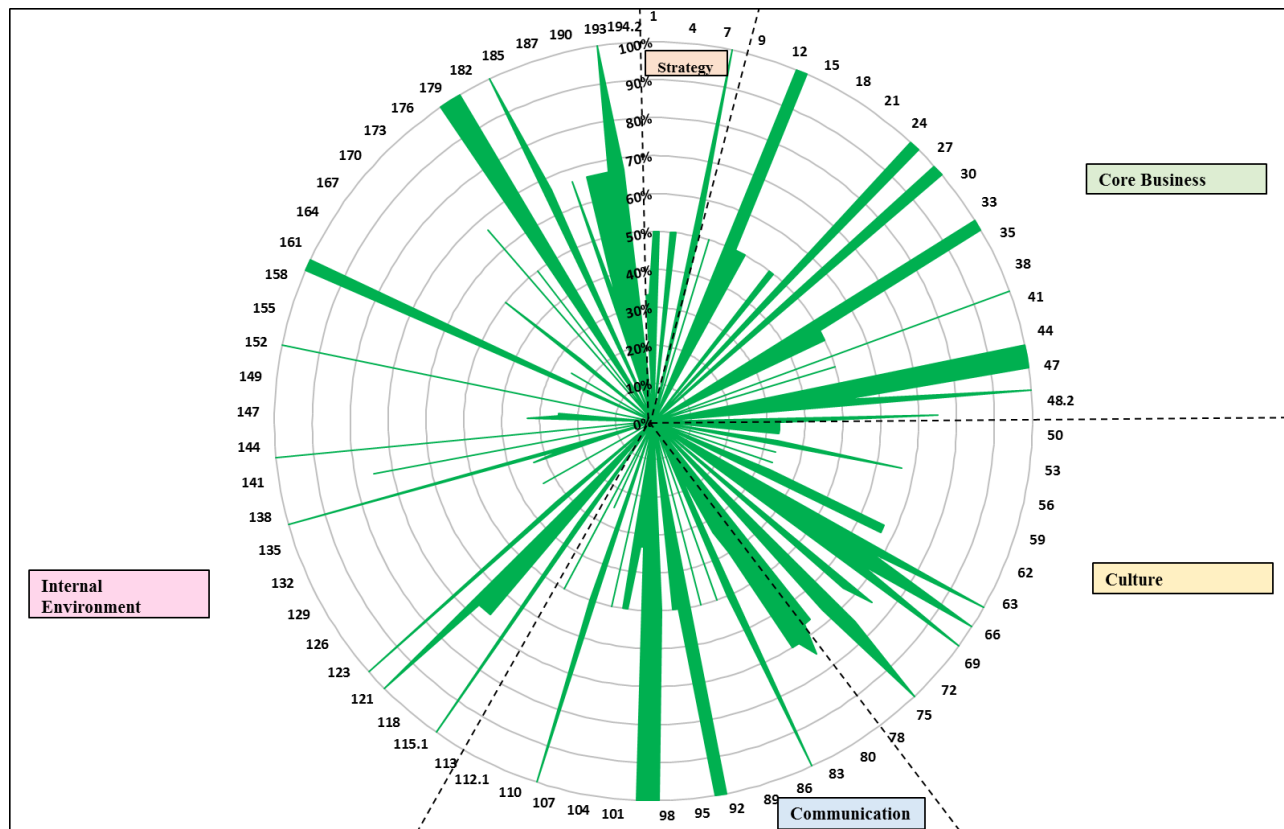


Figure 25: Output of the refined tool depicting the score for each of the standards

The differences in the chart in Figure 25 from the original tool are not immediately noticeable, and seem few. It is also to be noted that the core business and culture and leadership aspects, whose average scores were 49% and 45% respectively were the two aspects higher than the total weighted

average, but it is the strategy and vision and the internal environment aspects that still score below the total weighted average, as was the case with the original tool. This signals that the gaps identified in these two aspects are the ones pulling the total score down.

Chapter VI. A Tool to Account for the Future

There is one final refinement that is considered more of an adjustment to the whole study, rather than a refinement: The tool takes a snapshot in time and doesn't account for future projects in the pipeline. On the one hand, it would be inaccurate to account for all planned activities and pipeline projects in the tool, when there is no guarantee that they will take place. The result would be an over estimate. The tool cannot give credit the bank for something that hasn't manifested. At the same time, it would be unfair to give a bank that has sustainable projects in the pipeline the same score as one that doesn't.

A third version of the tool can be generated to give the proper credit for planned activities, and which assumes all the planned activities have taken place. This could also serve as a future guide for the bank to see how far its score can reach and how much each activity impacts the score if it follows the future strategy. The points below reveal all the activities the bank said are still planned, and how they will be accounted for in the new tool. In the case of AAIB, the future activities mentioned in the interviews are all planned to take place within the coming three years. Therefore, this final version of the tool reveals what the bank will look like in three years if it follows through with its activities in the pipeline. Twenty-eight changes have been made to account for the pipeline activities, which will be discussed below. These changes are made to the new refined tool developed in the previous chapter on refining the tool. The points first discuss the standard to be changed, and then follow with the new answer to the standard based on the planned activities of the bank. The updated score is then revealed accordingly. The full tool that accounts for the future activities is shown in Appendix 3.

1. **Standard 3:** *“The bank will have a sustainability policy”:*

New Chosen Response: *“The bank does have a sustainability policy covering both environmental and social aspects.”*

As per the sustainability team, such a policy is currently being finalized.

New Score: *100%.*

2. **Standard 5:** *“The sustainability strategy (or policy) has specific targets, resource allocation, monitoring mechanisms, and revision.”*

New Chosen Response: *“The sustainability strategy has all four.”*

As per the sustainability team, the plan is to have specific sustainability KPIs in place before the end of the year, and having those in place will enable the bank to make revisions. Currently the strategy only has targets and allocated resources.

New Score: 100%.

3. **Standard 6:** *“Sustainability indicators are measured on a strategic level.”*

New Chosen Response: *“Sustainability indicators cover all three dimensions.”*

See number 2. above. Currently there are none.

New Score: 100%.

4. **Standard 35:** *“Bank relies mainly on online statements and forms for individuals instead of paper based statements.”*

New Chosen Response: *“All statements online.”*

The bank plans to go digital within the coming three years, as per the retail team. Currently the bank still uses both hard copy and online.

New Score: 100%.

5. **Standard 48.2:** *“Other than favorable interest rates, bank is lenient with SME lending to support them.”*

New Chosen Response: *“Yes lending terms are more lenient”*

This standard comes before the others from 38-44 because the others depend on it. This is the standard that has now “informed” the tool that the bank will offer SME lending in the future, and that it will involve lenient rates to SMEs in general. According to the head of strategy, the bank’s three year strategy starting 2017 is to offer more SME loans for their businesses so that they make up 20% of the loan portfolio, in line with the latest Central Bank of Egypt (CBE) regulation stipulating this for banks. The bank will offer an interest rate of only 5% for small enterprises, with a waiver of reserve requirements

on those balances. As for medium enterprises, the interest rate will also be relatively low at around 12% with CBE compensating the interest rate difference to the banks. Respondents in the retail department pointed out that the bank will also be lenient on the required historical period for the financial statements, and the minimum revenue requirement to be considered eligible as an “SME.” Currently this is still not the case. Similarly, the CBE has set the percentage given to SMEs under the risk weighted asset adjustment at only 75%. The risk weighted asset adjustment gives a weight to each of the bank’s loan dependent on the level of risk. Setting the weight for SMEs at 75% instead of 100% will encourage the bank to lend SMEs because this will help keep the capital adequacy ratio higher, because the denominator is lower. (Capital adequacy=capital/risk weighted assets).

New Score: 100%.

6. ***Standard 38:*** “*Bank offers loans purposefully to sustainable SME projects or to help them become more sustainable.*”

New Chosen Response: *Not purposefully offered.*

Before this answer was selected as “No SME lending.” While the bank will incorporate SMEs, the strategy doesn’t point out to any loans targeting specifically sustainable activities.

New Score: 0%.

7. ***Standard 41:*** “*Sustainability advisory service is offered to SMEs.*”

New Chosen Response: “*No advisory services offered to SMEs.*”

The bank has no plan though to offer formal advisory services to SMEs. Before the score was “not applicable.”

New Score: 0%

8. ***Standard 43:*** “*SME sustainable risk assessment is carried out*”

New Chosen Response: “*Yes but involving fewer steps*”

According to the members of the risk team, while it would be necessary to carry out risk services for SMEs when the bank adopts the new strategy, their risk strategy will not be as comprehensive as the one for corporate clients. Before the chosen response was “not applicable.”

New Score: 50%

9. **Standard 44:** *“Loans to sustainable SMEs are offered at favorable rates.”*

New Chosen Response: *“No”*

While the bank plans to be more lenient with SMEs in general, there is no plan in the strategy to offer favorable rates to specifically sustainability-oriented SMEs. Before the answer was “not applicable.”

New Score: 0%

10. **Standard 49:** *“Clear sustainability goals are set on a departmental level.”*

New Chosen Response: *“Yes according to all employees.”*

As per the sustainability team, all departments will have clear targets that integrate sustainability into their lines of business. Currently less than half of the respondents admit this was the case.

New Score: 100%

11. **Standard 62:** *Sustainability roles are given concurrently with traditional roles for all lower, middle, and upper level employees.”*

New Chosen Response: *“Yes according to all respondents”*

As part of the sustainability integration into departmental targets as per standard 49 above, this will entail job descriptions for employees in all departments, not just core banking departments, to achieve these targets. This will include all ranks of employees, according to the sustainability team. Currently less than half of the respondents revealed this was the case. It is expected that in the future, all will say it is the case.

New Score: 100%.

12. **Standard 63:** “Sustainability champions are distributed throughout departments to promote sustainability related endeavors.”

New Chosen Response: “Yes (one champion per department).”

As per the sustainability team, departmental champions will be set up for every department. Every few months more tasks will be added, as per the sustainability team. The first task is the carbon footprint reduction, where each champion will be responsible for this for his/her own department. More tasks will be added every year. Currently there are none.

New Score: 100%

13. **Standard 70:** “Technical sustainability training is provided”

New Chosen Response: “Technical sustainability training provided for all departments.”

As per the sustainability team, the plan for this year is to extend technical training from the core business lines to all departments, in terms of how sustainability related to their department. Currently the technical training is for the core business lines only (corporate banking, investment banking, retail banking, and trade finance).

New Score: 100%

14. **Standard 85:** “Bank generated recent GRI (or other institution)-based sustainability report.”

New Chosen Response: “Yes recent.”

Even though the latest one is in 2010. The 2016 one is currently being sent for GRI approval according to the sustainability team. Currently the answer is no. The bank plans to keep it up every year.

New Score: 100%

15. **Standard 86:** Guidelines followed in sustainability report are stated.

New Chosen Response: Yes.

The latest 2010 report did not state that it followed GRI guidelines. The 2016 one will, according to the sustainability team. Currently the answer is no.

New Score: 100%

16. Standard 107: “Sustainability report is reviewed by external auditor.”

New Chosen Response: Yes.

The sustainability team did not wish to disclose who however. Currently the answer is no.

New Score: 100%

17. Standard 112.1: “Internal audit accounts for sustainability risks and opportunities”

New Chosen Response: “Yes for all or most departments.”

According to the audit team, currently this new type of internal audit report has only taken place for one department, but will be applied to all departments by the end of the year.

New Score: 100%

18. Standard 113: “An Environmental Management System (EMS) exists with set numerical targets for reduction, and performance measures going forward.”

New Chosen Response: “EMS exists with numerical targets and performance measures”

As per the sustainability team, they are currently working to achieve this and obtain official certification. No such system currently exists.

New Score: 100%

19. Standard 123: “Supplier sustainability risk assessment is carried out.”

New Chosen Response: “Yes for more than half of the suppliers.”

Over the coming three years, the administration/procurement plans to have an official sustainability risk assessment for most of the bank’s suppliers. Some of them deal with

a lot of importation and therefore will be difficult to keep track of, though these are a minority. Currently this is the case with less than half the suppliers, namely the local ones.

New Score: 66.67%

20. ***Standard 126:*** “Bank prioritizes environmental and social labels on all supplies.”

New Chosen Response: “Yes with more than half of the suppliers.”

As per the administration/procurement department, this will be accomplished, to a large extent, this year for most of the suppliers. Most not all as described in number 16 above. Currently this doesn't take place with any suppliers.

New Score: 66.67%

21. ***Standard 127:*** “Sustainable procurement codes of conduct, guidelines, metrics or standards are communicated to suppliers.”

New Chosen Response: “Yes with all suppliers.”

A new supplier awareness mechanism will be made official very soon, according to the administration/procurement department. Currently this doesn't take place with any suppliers.

New Score: 100%

22. ***Standard 135:*** “CO₂ emission targets, methods to reach them and monitoring exist.”

New Chosen Response: “Targets, methods to reach them and monitoring exist”

Now, the bank is setting up a plan to become carbon neutral by 2018, with methods and monitoring, according to the sustainability team. Currently there are only targets, with the main one being to be carbon neutral by 2018.

New Score: 100%

23. ***Standard 148:*** “Bank carries out any effort to ensure environmental efficiency of HVAC.”

New Chosen Response: “Yes for more than half of the offices and branches.”

This will change from being applied to only the head office. According to the maintenance team, the bank currently has a plan to renovate all of the chillers throughout close to 65% of all the branches and install a Supervisory control and data acquisition (SCADA) system that allows central controlling and interaction with devices. The bank is also planning soon to install chillers in those so that they switch off once the desired temperature is reached and restart automatically when the temperature changes.

New Score: 75% (Will apply to more than half of the offices and branches).

24. ***Standard 156:*** “Bank measures water consumption”

New Chosen Response: “Yes for all branches.”

This has changed from the bank not measuring water consumption at all. According to the sustainability team, the water measurement will start as soon as the carbon targets are set.

New Score: 100%

25. ***Standard 165:*** “Paper reduction numerical targets, methods to reach them and monitoring exist.”

New Chosen Response: “Targets only exist without methods or monitoring.”

As compared to no targets before, the bank plans to have the targets set this year according to the sustainability team, but there is nothing planned beyond this yet.

New Score: 33.33%

26. ***Standard 168:*** “Bank employs digital or online banking to some extent.”

New Chosen Response: “Gone digital with all transactions.”

The bank plans to go fully digital within the coming three years, as per the retail team, as opposed to now where the digital aspect is limited to only viewing statements.

New Score: 100%

27. ***Standard 185:*** “Bank tracks disposal of waste.”

New Chosen Response: “Yes for all branches.”

As compared to not existing currently, the sustainability team described its current meetings with certain representatives who will recycle all bank waste (that is not auctioned), in the hopes they could buy it back to benefit from it.

New Score: 100%

28. ***Standard 194.1:*** “Materials used inside the building have been chosen because of sustainable procurement and impacts (such as carpeting, paints, floors).”

New Chosen Response: *As compared to the current state where this applies to only a few branches in the vicinity, the maintenance team is planning to have the same materials across the majority of branches.*

New Score: 66.67% (representing the majority of branches being chosen).

After all the above plans and pipelines over the next three years have been selected in the refined tool, the new pipeline tool that shows what the bank could achieve in three years if it sticks to each of the 28 plans. The output representing this version of the tool with these 28 plans is as follows: *(It is important to note that this output is an underestimate. The new sustainability report in the pipeline may meet more standards being met whose score depends solely on the sustainability report).*

A score of **54.51%** up from **43.64%** and the chart in Figure 26.

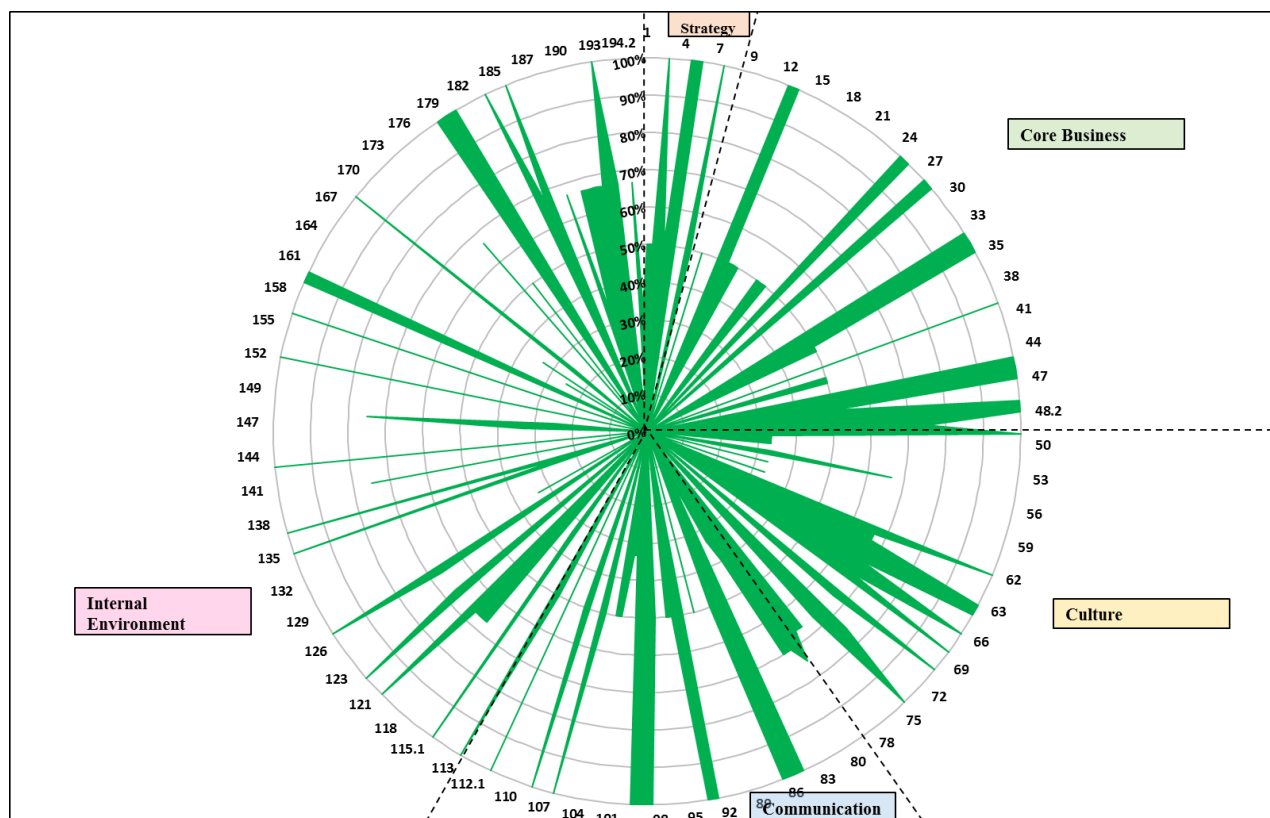


Figure 26: Output for the bank after three years' time, depicting the score for each of the standards

This chart is more dense than the chart of the refined tool in Figure 25, revealing many sustainability activities planned spread across the aspects, and not clustered under one aspect. The bank can therefore significantly increase its level of sustainability integration in three years' time, and can reach more than half-way to fully integrating sustainability if it carries out these refinements as a basic minimum. The new averages show that the vision and strategy average (69%), core business average (52%), and culture and leadership average (53%) that circle close to the final weighted average score of 54.51%. Therefore it is the internal environment average of 38% and the communication average of (51%) that are pulling the average down and where the bank could afford to adjust its three year strategy to add more improvements.

Chapter VII. Conclusions

This work highlights the importance of integrating sustainability into the banking sector. Evidence shows that such implementation has begun to take place across various banks worldwide. There is a sense of urgency for banks to adopt sustainable practices, given financial, reputational, and legal consequences. There is a need to develop a worldwide, user-friendly, accurate tool for the assessment of sustainability integration into banking. A tool has been developed in this study to assess this integration, and tested on an Egyptian bank, in which prevailing parameters have been considered. Applying this tool to the bank in the case study involved interviewing 53 employees using a set of closed questions, followed by an unstructured interview with each. The extrapolation of literature involved assigning to each standard proposed in literature a way of being measured. This is the link between literature and this work which enabled the quantification of these standards' application. Once this was developed a score was assigned to each degree the standard was being applied based on the simple assumptions that the degrees rank from best to worst and are equally spaced out.

The pilot carried out on Arab African International Bank (AAIB) revealed an overall sustainability score of 38.16%, revealing shortcomings for the banks in each of the five aspects. Such shortcomings under the vision and strategy aspect include mentioning sustainability officially in mission statements and strategy, along with having a unified organizational strategy that accounts for sustainability.

Under the core business, the bank revealed a strong focus on risk, such as a generated list of excluded sectors from a sustainability perspective. However, the gaps lay in the opportunity side, such as actively seeking to finance and provide services for sustainability oriented projects and looking for ways to offer sustainability related loans as part of retail banking. The bank scored well, however, on the financial inclusion standards via adopting mechanisms and offering products to support the lower income individuals that don't have bank accounts, along with providing them more lenient lending terms.

In terms of the culture and leadership aspect, the gaps lay in the lack of integration of sustainability into departmental targets, job descriptions, compensation and bonus schemes, recruitment processes, and training for non-core departments. However, there was awareness by upper management on the sustainability business case, with efforts to share this awareness across the bank. The strength also lay in providing technical sustainability training to all core departments.

The communication aspect revealed gaps in not having an up to date sustainability report that is transparent, and gives details on the bank's risk processes, loan portfolio sustainability breakdown, sustainability team structure, the EMS system, and that has quantitative data to back up information with a KPI section. The bank also partnered and collaborated with a limited number of stakeholders. However, also as part of communication, the bank showed that it valued to a large extent dialogue with the important stakeholders outlined in the literature review, and keeps track of their activities and updates. In terms of indirect communication, the bank has shown commitment to sustainability by signing adherence to the UN Global Compact guidelines, and increases its presence in international conferences such as the G20 and the COP21 agreement in Marrakesh.

The last aspect is the internal environment, in which the bank revealed gaps in not having an environmental management system nor obtaining green building certification. There have also been gaps identified in the area of sustainable supply chains as the bank has acknowledged little activity in tracking raw materials, supplier awareness, sustainability supplier assessments, takeback schemes, and sustainability supply chain team assignment. There has also been little attempted in setting up energy, water and waste goals with methods to reach them and monitoring mechanisms. While there is some HVAC efficiency, this has yet to spread across branches. Transportation related attempts at reducing energy have also barely been made. Similarly, no water reduction mechanisms have been carried out. There are also gaps with some types of waste the bank has yet to segregate, recycle and track. Finally, the main issue with the internal physical environment is the lack of fresh air. The bank however scored well in choosing electrical equipment with an energy saving logo, and installing LED lights across the majority of branches. The bank also makes a point of reminding employees to "reduce, reuse, and recycle" waste while saving water. It is slowly moving to becoming digital, which improved its standing in some waste and energy related standards as well. There has been effort also made to reduce waste through auctioning off many

electronics and furniture pieces in second hand auctions, or donating them. The internal physical environment was generally satisfactory, and standards on employee satisfaction generally scored above 30%.

The average scores of the aspects under the original tool are: strategy and vision: 29%, core business: 40%, culture and leadership: 43%, communication: 42%, and internal environment: 26%. The vision and strategy aspect and the internal environment aspect are lower than the average, revealing areas that are dragging the total score down.

The pilot process revealed areas that the tool has either missed, misrepresented, or miscalculated. These were identified as shortcomings of the tool because they were based on answers respondents gave that the tool was unable to account for. Therefore, the respondents were not asked again in the refinement process, rather the tool was updated to reflect the answers they gave in the first and only interviews. The 26 refinements were made to the original tool and the correct scores were updated, since the answers of the respondents were more correctly reflected. The updated score for the bank based on the new and improved tool was 43.64%. This represents a more realistic tool and one that can be applied to any bank, as the refinements were not exclusive to the AAIB. The higher score reveals that original tool had not done the bank justice in its sustainability integration. The new average scores of the aspects are: strategy and vision: 38%, core business: 49%, culture and leadership: 45%, communication: 42%, and internal environment: 30%, compared to the original tool respectively being: 29%, 40%, 43%, 42%, and 26%. This reveals that the major misinterpretations of the tool lay in the vision and strategy and core banking aspect, as these showed the biggest changes when the tool was adjusted.

Finally, the interviews revealed many standards that have not yet been implemented, but are being planned for the near future, which for the bank spanned a period of three years. Given that the tool looks only at a snapshot in time (the present moment), it could not account for these plans. However, it is possible to account for these plans in a separate version of the tool to determine the score the bank could obtain if it sticks to its three-year strategy. In the case of AAIB this score was 54.51%. The average scores of the aspects in the tool that accounts for the future plans respectively are: strategy and vision: 69%, core business: 52%, culture and leadership: 53%, communication: 51%, and internal environment: 38%, compared to the refined tool that looks at the present moment

respectively being: 38%, 49%, 45%, 42%, and 30%. This reveals that the bank will create the biggest impact, according to the tool, under the vision and strategy aspect by adopting a sustainability policy and introducing sustainability KPIs. It is important to keep in mind that the vision and strategy aspect has few standards, so a large change in one standard does significantly boost the average. So, a major reason behind the huge future improvement in the vision and strategy aspect is partly because the number of standards are few as well. There are also major improvements in future plans in all three of the culture and leadership aspect, communication aspect, and internal environment, with the communication aspect changes being slightly in the lead because of the new GRI-approved sustainability report and the sustainability audit reports of all departments planned.

While this tool is not infallible and there will always be room for refinement with every application, it does have good potential. This is because it has firstly relied on a wide range of literature, and secondly, because the refinements detected in the pilot process did not reveal significant errors to the point where all the measurements and questions of the tool were wrong. In other words, it generally stood the test.

The most important part of creating the tool, piloting it, and refining it, is not to create an end product ready for application, rather it is to create starting point ready for refinement by future researchers. It helps create a building block by combining as much as has been discovered in literature into one model to facilitate future research. That is why the tool has been built using a commonly available program, excel, and follows some basic consistent assumptions that should make it easy for future users to change or edit. Secondly, the objective of this study is not to only propose a tool, it is also to propose a refinement process. The refinement steps and logic followed in this study could hopefully be a guide in themselves for future researchers to apply.

VII.I Limitations of the Study

The main shortcomings of the study lie in the respondent sample that was not given permission to interview as justified in the methodology chapter. The results and refinements would have been represented more accurately, particularly had the branch employees been involved. Limited researcher power makes it difficult to proceed as planned when the bank representatives give a definite refusal, and further inquiry as to the reason may aggravate them into not helping further.

Therefore, future researchers must acknowledge this possibility and reality. If this tool is carried out as a self-analysis by the bank or to air hired consultants, this is likely not to be an issue.

The second limitation is time. There is always room for future literature to be added to the tool. With every new piece of literature will come an adjustment or addition to the tool. The literature review covered in this study attempted to cover the pieces of literature that were constantly referred to by publications in this field, and attempted to obtain information from a variety of sources that covered PhD publications, journal articles, books, and institutional reports. Limited time also meant that the sample size was limited. Similarly, more time would have also allowed for further applications on other banks, which would have led to even better refinements to the tool, and led to comparison across banks. Another main restriction due to time is the reliance on one bank for the pilot process in this work. Naturally, the more the targets used to apply the tool, the more accurate the refinements will be.

VII.I. Recommendations for Future Work

As is the case with other investigations, and in light of the scarcity of sustainability integration models in the banking sector witnessed in the literature review, there is room for more work in this field. The following are recommendations for such work. Based on the limitations of the study, an important consideration is to include more of the lower level employees. In this case, this included access to employees in branches. While the questions were still answered by the employees at the head office, so no question went unanswered, it is always stronger to have the full sample. If access permits, future work should attempt to even ask more employees the same questions. This tool deals with the basic minimum to be considered an adequate sample: one head and two juniors reporting to him/her. If more juniors can be reached and if an assistant to the head can be asked as well, that would be an even stronger study.

Future work should continue refining the model, either adding standards and sources, or changing the multiple-choice options, for instance. It is expected that as more literature is produced, more standards will be added.

Recommendations for future work on this topic include looking at the role of national and international policy in the attempts banks to integrate sustainability. Standards that are likely affected by national policy (such as the carbon dioxide cap and trade mechanism) can be highlighted, and the tool compared with and without certain policy implementation to determine the effect that policy has.

The tool can also be used for comparative studies, such as comparing public and non-public banks, or banks in developing versus non-developing countries, which look at the effects of external situations on the tool. The comparison can also be done on the same bank, or many banks, over time, to determine the effect of certain bank changes with respect to sustainability on the tool results.

Future research should obviously also look towards perfecting the tool even more. For example, instead of restricting one set of options to choose the answer from for each standard, which could make them one dimensional, there could be different measures of representing the success of each standard, and the score would depend on the combination of options chosen as the answers.

The tool can become even more sophisticated by giving each standard a weight, to make the output even more realistic.

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Appendix-1: The Full Tool Input Table

This is the full set of tool inputs referenced in the methodology section (shown on the next page). It is important to note that Column A is the counter for the standards, the column before that is part of the excel software and only represent the row headings, so it is irrelevant.

A	B	C	D	E	F	G
No.	Ideal standards which describe a traditional bank that has perfectly integrated sustainability	Corresponding Question(s)	Source(s) <i>It is assumed that whenever "Head of" is written, this includes two other junior employees in the department</i> <i>The perception based questions are part of "Sample of Junior Employees"</i>	Measurement of the extent to which the standard is integrated	Chosen Response	Score
	Vision and Strategy					
1	Sustainability is part of the bank's mission.	What is the mission statement?	-Bank's website and/or annual report. -CEO -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • Yes part of official mission • Yes part of discussion of vision but not in the statement • No 		0.00%
2	Sustainability strategy is mentioned as a part of the main organizational strategy.	In your view, what is the bank's main organizational strategy? <i>(after answering first part)</i> : What is the bank's sustainability strategy?	-CEO -Vice Chairman -Head of HR -Head of Sustainability (second question only) -Head of Strategy	<ul style="list-style-type: none"> • The Sustainability strategy is part of the main organizational strategy • A sustainability strategy exists but not part of the main organizational strategy • No sustainability strategy exists 		0.00%
3	The bank has a sustainability policy	-In your view, does the bank have a sustainability policy?	-Head of Sustainability -CEO -Head of Strategy	<ul style="list-style-type: none"> • Yes covering social and environmental aspects • Yes covering social/environmental aspects only • No 		0.00%

4	A sustainability market study has been carried out for the sustainability strategy	- Has a sustainability market study for the sustainability strategy (if yes could you please provide the details)?	-Vice Chairman -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • A study of the Egyptian market in relation to the bank itself was carried out • A general Egyptian market study to determine overall sustainability aptitude was carried out. • No market study carried out 	0.00%
5	The sustainability strategy (or policy) has specific targets, resource allocation, monitoring mechanisms, and revision.	-Does the sustainability strategy include targets, resource allocation, monitoring mechanisms, and revisions (if applicable)?	-Head of Sustainability -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • Sustainability strategy has all four • Sustainability strategy has three out of the four • Sustainability strategy has two out of the four • Sustainability strategy has one out of the four • Sustainability strategy has neither of the four 	0.00%
6	Sustainability indicators are measured on a strategic level	-Do sustainability indicators exist for measuring progress of the strategy?	-Head of Sustainability -Vice Chairman -CEO -Head of Strategy	<ul style="list-style-type: none"> • Sustainability indicators exist covering all three dimensions. • Sustainability indicators exist but do not cover all three dimensions • No sustainability indicators exist 	0.00%
7	A separate budget exists to account for the sustainability portion of the strategy or the sustainability strategy	-Is there a separate budget to carry out the sustainability strategy?	Head of Sustainability -Vice Chairman -CEO -Head of Strategy	<ul style="list-style-type: none"> • Yes • No 	0.00%
Core Business					
<i>Corporate banking- corporate loans</i>					
8	The bank offers credit lines to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations	Are there credit lines purposefully targeted to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations?	-Head of corporate banking	<ul style="list-style-type: none"> • Credit lines purposefully include businesses adopting E&S activities • Credit lines purposefully include businesses adopting environmental/social benefits only • No 	0.00%

9	The bank offers green leasing.	-In your view, does the bank lease out any asset considered to improve the environmental benefits to other companies?	Head of leasing department -Head of Sustainability.	<ul style="list-style-type: none"> • Yes • No 	0.00%
10	The bank offers sustainability advisory services	-In your view, does the bank offer sustainability advisory services?	-Advisory department head -Head of corporate banking	<ul style="list-style-type: none"> • Yes, as a separate service • Yes, but informally as part of corporate lending or other service • No 	0.00%
11	The bank purposefully offers corporate lending to sustainability-oriented companies. Or companies in the sustainability transition.	-In your view, does the bank purposefully lend businesses with sustainability-oriented business models? (or those in transition)?	-Head of Corporate Banking	<ul style="list-style-type: none"> • Corporate lending purposefully targets businesses with sustainability oriented business models • Corporate lending purposefully targets either social or environmental businesses but not both. • Corporate lending does not purposefully target sustainable businesses 	0.00%
12	The bank has a set list of positive criteria for investing that cover sustainability activities.	-In your view, does the bank have a set list of positive criteria for investing in that cover sustainability activities?	-Head of Corporate Banking -Head of Compliance	<ul style="list-style-type: none"> • Positive criteria exist and cover environmental and social sectors. • Positive criteria exist covering only environmental/social sectors. • No such list exists. 	0.00%
13	-The bank has a set list of negative criteria for not investing that cover sustainability activities.	-In your view, does the bank have a set list of negative criteria for not investing in that cover sustainability activities?	-Head of Corporate Banking -Head of compliance -Head of Risk	<ul style="list-style-type: none"> • Negative criteria exists and excludes sectors harmful to both the environment and the community • Negative criteria exists but excludes sectors harmful to only the environment or only the community • List of negative criteria doesn't exist. 	0.00%
14	The bank sustainability screening criteria has been verified by an external consultant.	-Does an external consultant exist to verify the sustainability screening criteria if applicable)?	-Head of Corporate Banking -Head of compliance -Head of Risk	<ul style="list-style-type: none"> • Yes • No 	0.00%

15	The bank has client facing teams that promote sustainable products, services and awareness.	- In your view, does the bank also have client facing teams that promote sustainable products, services and awareness? What are the items they promote and how?	-Head of Corporate Banking	<ul style="list-style-type: none"> • Client facing team promotes agreed upon characteristics of the bank's sustainable practices through more than one channels • Client facing team promotes agreed upon characteristics of the bank's sustainable products and services through one channel • Client facing team doesn't promote characteristics of sustainable products and services to customers. 	0.00%
	<i>Corporate Banking-project Finance</i>				
16	The bank purposefully offers sustainable project finance	-In your view, does the bank purposefully invest in projects with sustainability-oriented business models? (or those in transition)	-Head of Corporate Banking	<ul style="list-style-type: none"> • Bank purposefully invests in E&S projects. • Bank invests purposefully in environmentally/socially related projects only • Bank doesn't invest purposefully in sustainability oriented projects. 	0.00%
	<i>Corporate banking-Investment banking</i>				
17	IB services purposefully provided to sustainable projects	-In your view, does the bank purposefully carry out investment banking for projects/companies with sustainability-oriented business models? (or those in transition)	-Head of Investment Banking	<ul style="list-style-type: none"> • Bank purposefully provides IB services for E&S projects. • Bank purposefully provides IB services to environmentally/socially related projects only • Bank doesn't purposefully provide IB services in sustainability oriented projects. 	0.00%

18	The valuation process accounts for E&S factors financially and accounting wise.	-In your view, does the bank integrate environmental and social valuation and accounting methodologies in its investment banking activities? In what way?	-Head of Investment Banking	<ul style="list-style-type: none"> • The bank has separate natural capital valuation • The bank incorporates environmental and social factors into its methodology • The bank doesn't account for environmental and social factors into valuation methodology 	0.00%
19	The bank offers green bonds	Does the bank offer green bonds?	-Head of Investment Banking	<ul style="list-style-type: none"> • Yes relating to E&S projects • Yes relating to environmental/social projects • No 	0.00%
20	The bank offers investment in sustainable funds	-Are there any funds the bank offers investment in areas that are active in sustainable development?	-Head of Investment Banking	<ul style="list-style-type: none"> • Bank offers investment in both environmental and social funds. • Bank offers investment in environmentally/socially related funds only. • Bank doesn't offer sustainability related funds 	0.00%
<i>Corporate Banking-Trade Finance</i>					
21	Trade finance includes sustainability related commodities	-In your view, does the bank purposefully set out to finance sustainability related commodities?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	0.00%
22	LCs issuances are dependent upon sustainability criteria	-In your view, are the bank's LC's dependent upon meeting sustainability criteria?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	0.00%
23	The bank offers any other form of sustainable trade finance	-In your view, does the bank offer sustainable trade funds?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	0.00%
24	The bank promotes the trade of sustainable products and services.	In your view, does the bank promote sustainable products and services, and how?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	0.00%

	<i>Risk</i>				
25	A Sustainability risk policy exists	-In your view, does the bank have a sustainability risk policy ?	-Head of risk	<ul style="list-style-type: none"> • Yes • No 	0.00%
26	The banks has a sustainability risk management strategy with the following processes: risk identification, risk categorization, analysis, risk mitigation, risk monitoring	In your view, does the bank have a separate sustainability risk management strategy? What does it involve?	-Head of Risk	<ul style="list-style-type: none"> • The bank has a sustainability risk management strategy with the following processes: risk identification, risk categorization, analysis, risk mitigation, risk monitoring • The bank has a sustainability risk management strategy but does not cover all of the above processes • The bank does not have a risk management strategy 	0.00%
27	The bank carries out physical inspection of a project post-transaction to ensure compliance with the sustainability risk management requirements is there	-In your view, does the bank carry out physical inspection of a project post-transaction to ensure compliance with the sustainability risk management requirements it made?	-Head of Risk	<ul style="list-style-type: none"> • Yes • No 	0.00%
28	Sustainability experts are referred to for high risk or sensitive companies, sectors or projects.	In your view, does the bank involve sustainability experts when the project is a high risk one from a sustainability perspective?	-Head of Risk	<ul style="list-style-type: none"> • Yes • No 	0.00%
29	A bank's risk mitigation strategy relies on institutional standards such as the Equator principles or IFC sector guidelines.	-In your view, does the bank rely on any standards such as the Equator Principles or the IFC sector guidelines in its sustainability risk management strategy?	-Head of Risk -Head of Compliance	<ul style="list-style-type: none"> • Separate standards listed for managing sustainability related risk • Standards for managing risk included as part of general risk policy • Standards do not exist for managing sustainability related risk 	0.00%

30	Industry rankings exist as part of sustainability risk management	-In your view, does the bank have a set of industry codes or rankings as part of its risk management strategy? Such as?	-Head of Risk- Head of Compliance	• Yes• No	0.00%
31	It is procedure for the bank to determine the quality and susceptibility of the client's proposed collateral from an environmental perspective	- Is it procedure for the bank to determine the quality and susceptibility of the client's proposed collateral from an environmental perspective?	- Head of Risk	<ul style="list-style-type: none"> • Susceptibility and quality of clients proposed collateral is determined from a sustainability perspective • Susceptibility and quality of client's collateral is determined in general (without a specific sustainability perspective) • Susceptibility and quality of collateral not determined 	0.00%
32	It is procedure for the bank to look at the client's long term future ability to meet the E&S conditions set out in the risk policy	It is procedure for the bank to look at the client's long term future ability to meet the E&S conditions set out in the risk policy?	-Head of Risk	<ul style="list-style-type: none"> • Yes long term • Only short term (<5 years) • No 	0.00%
33	Tools or software exist to aid employees in the risk management strategy steps	-Are there any tools or soft wares the bank uses to aid employees in the risk management strategy steps?	-Head of Risk	<ul style="list-style-type: none"> • Separate sustainability tool/software exists to aid in sustainability risk management process • One tool/software exists for entire risk management process • No specific tools or soft wares exist to aid in risk management strategy. 	0.00%

34	Portfolio level monitoring and stress testing exists from a sustainability perspective also exists, not just project level.	-In your view, does the bank carry out sustainability based portfolio level monitoring, stress testing, and evaluation?	- Head of Risk	<ul style="list-style-type: none"> • Portfolio level monitoring exists with stress tests and evaluation from a sustainability perspective • Portfolio level monitoring exists, without stress tests from a sustainability perspective • No portfolio level monitoring or stress testing exists from a sustainability perspective but it is carried out from a financial perspective • No portfolio level monitoring or stress testing exists at all. 	0.00%
<i>Retail Banking</i>					
35	Bank relies mainly on online statements and forms for individuals instead of paper based statements.	-In your view, does the bank rely more on online or hard copy statements and forms for individuals	-Head of Retail Banking Banking	<ul style="list-style-type: none"> • All statements online • Both hard copy and online exist • Online doesn't exist, only paper based 	0.00%
36	Bank offers affinity cards for sustainability related organizations or causes	In your view, does the bank offer affinity cards for sustainability related organizations or causes?	-Head of Retail Banking	<ul style="list-style-type: none"> • Yes to social and environmental organizations • Yes to environmental/social only • No 	0.00%
37	Bank offers individuals sustainability related loans to individuals (e.g. green mortgages, loans for education).	-In your view, does the bank offer sustainability related loans to individuals? What percentage are they of the retail portfolio over the years available?	-Head of Retail Banking	<ul style="list-style-type: none"> • Yes environmentally and socially related • Yes to environmentally/socially only • No 	0.00%
38	Bank offers loans purposefully to sustainable SME projects or to help them become more sustainable?	-In your view, does the bank offer loans to sustainable SME projects or to help them become more sustainable? What percentage are they of the retail portfolio over the years available?	-Head of Retail Banking -Head of SMEs	<ul style="list-style-type: none"> • Yes loans purposefully offered to environmentally and socially related SMEs • Yes loans purposefully offered to environmentally/socially only • Not purposefully offered 	0.00%

39	Saving facilities allow for investment of the money or donation of part of the money in sustainability related projects or organizations	Do some of the saving facilities offered by the bank allow for investment of the money or donation of part of the money in sustainability related projects or organizations?	-Head of Retail Banking Banking -Customers -Client facing member of retail banking	<ul style="list-style-type: none"> • Yes and both environmental and social themes exist • Yes and only environmental/social themes exist • No 	0.00%
40	Customer satisfaction and feedback exist.	- What mechanisms does bank uses to implement customer feedback on the individual banking process?	-Head of Retail Banking Banking	<ul style="list-style-type: none"> • More than one mechanism for customer feedback exists • One mechanism for customer feedback exists • Customer feedback doesn't exist. 	0.00%
41	Sustainability advisory service is offered to SMEs.	-Are sustainability advisory services offered to SME's?	-Head of advisory	<ul style="list-style-type: none"> • Sustainability advisory services offered separately to smes • Advisory services offered but do not include sustainability • No advisory services offered to SMEs. 	0.00%
42	Leasing of sustainability related equipment offered to SMEs.	-In your view, does the bank lease environmental equipment to SME's ?	-Head of Leasing	<ul style="list-style-type: none"> • Yes • Leasing is offered but not sustainability related • No 	0.00%
43	SME sustainable risk assessment is carried out	-In your view, does the bank have a sustainability risk assessment carried out for SMEs? Is it the same process used for corporate lending? How is it similar/different?	-Head of SMEs -Head of Risk	<ul style="list-style-type: none"> • Yes sustainability risk assessment is carried out in line with the corporate risk assessment • Yes but involving fewer steps • No sustainability risk assessment is carried out for SMEs. 	0.00%
44	Loans to sustainable SMEs are offered at favorable rates	-In your view, does the bank offer favorable rates to sustainable SME's specifically?	-Head of SMEs	<ul style="list-style-type: none"> • Yes, inclusive of both E&S factors • Yes inclusive of only environmental/ social factors • No 	0.00%

45	Microfinance, microcredit or any other financial inclusion of the poor is offered by the bank.	In your view, does the bank offer microfinance, microcredit or any other service to financially include the poorer members of society?	Head of Microfinance -Head of Retail	<ul style="list-style-type: none"> • Yes • No 		0.00%
46	Mechanisms exist to provide access to service for sections of society that are excluded, such as easy to use ATMs, access to branches in remote location etc...	Do mechanisms exist to provide access to bank services for sections of society that are excluded, such as easy to use ATMs, access to branches in remote location etc...? Such as?	-Head of Microfinance.- Head of Retail	<ul style="list-style-type: none"> • Yes • No 		0.00%
47	Loans provided under the umbrella of access to finance base lending decisions on more lenient factors other than the traditional owner collateral (such as on character, credit history etc).	What are the factors used to base financing decisions for the excluded members of society?	-Head of Microfinance. -Head of Retail	<ul style="list-style-type: none"> • Yes more lenient • Different factors but not more lenient • No 		0.00%
48	Under the umbrella of access to finance, women are given better or equal treatment when granting loans.	What are the factors used to base financing decisions for excluded members of society who are women ?	-Head of Microfinance. -Head of Retail	<ul style="list-style-type: none"> • Yes better • Yes equal • No 		0.00%
Culture and Leadership						
<i>Culture</i>						
49	Clear sustainability goals are set on a departmental level	Are there clear sustainability targets set up by department?	-Vice Chairman -CEO -Head of every department -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Chairman	0.00%

50	Sustainability events are celebrated	Do you celebrate any sustainability related events? Such as?	-Head of HR -Sample of junior employees -Head of sustainability	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
51	Delegation of sustainability related job specific tasks to lower level employees is present	Are sustainability related job specific tasks are delegated to lower-level employees?	-Head every department -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
52	Employees are encouraged to take time off volunteer in sustainability related activities.	Are employees encouraged to take time off for volunteering in sustainability related activities? How?	-Sample of junior employees -Head of HR -Head of Sustainability	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
53	Rewards exist for achievement of sustainability related tasks thinking, and innovation. (e.g. employee of the year).	-Do sustainability related rewards exist for achievement of sustainability related tasks, thinking, and innovation? Such as?	-Head of HR -Sample of junior employees -Head of Sustainability	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
54	Competition exists to highlight sustainability related thinking.	-Does sustainability related competition take place? Such as?	-Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
55	Employees encouraged to be continuously thinking on how to better integrate sustainability into jobs and lives.	Are employees encouraged to be thinking on how to better integrate sustainability?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No Head of Compliance: Yes	0.00%
56	Employees given the opportunity to invest their retirement plan in socially or environmentally responsible investments	Are employees given the opportunity to invest their retirement plan in socially responsible investments?	-Sample of junior employees -Head of HR.	<ul style="list-style-type: none"> • Yes • No 	0.00%
57	Sustainability aspects are part of all job descriptions	- Is sustainability a part of job descriptions for all upper, middle and lower level staff?	-Vice Chairman -CEO -Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%

58	Achievement of sustainability objectives linked to bonuses	- Are bonuses to achievement of sustainability objectives?	-Head of HR -Sample of junior employees -Vice Chairman	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
59	Achievement of sustainability objectives linked to compensation	- Is compensation linked to achievement of sustainability objectives?	-Head of HR -Sample of junior employees -Vice Chairman	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
60	Recruitment process and strategies highlight the importance of sustainability and bank values in this regard.	-In the recruitment process, do you highlight (is it highlighted) the importance of sustainability and bank achievement in this regard?	-Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
61	HR is clearly aware of sustainability strategy	In your view, what is the bank's sustainability strategy?	-Head of HR	<ul style="list-style-type: none"> • Yes • No 	0.00%
62	Sustainability roles are given concurrently with traditional roles for all lower, middle, and upper level employees	-Are sustainability roles given concurrently with traditional roles to all employees?	-Head of Sustainability -Sample of junior employees -Head of HR	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
<i>Leadership</i>					
63	sustainability champions are distributed throughout departments to promote sustainability related endeavors	- Are there set representatives or champions distributed throughout the organization to promote sustainability related endeavors?	-Sample of junior employees -Head of Sustainability	<ul style="list-style-type: none"> • Yes (one per department) • Yes but not every department • No 	0.00%
64	A sustainability team exists	-Does a sustainability team exist?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes • No 	0.00%

65	A sustainability team exists to influence, formulate, drive, report, monitor the sustainability portion of the strategy and coordinate efforts between departments.	-What are the tasks of the sustainability team? (After answer: which of the below are part of the tasks)	-Vice Chairman-Head of Sustainability	<ul style="list-style-type: none"> • Sustainability team responsible to: influence, formulate, drive, report, monitor the sustainability portion of the strategy and coordinate efforts between departments, or more • Sustainability team responsible for five out of the six processes • Sustainability team responsible for four out of the six processes • Sustainability team responsible for three out of the six processes • Sustainability team responsible for two out of the six processes • Sustainability team responsible for one out of the six processes • Sustainability team responsible for none of the six processes 	0.00%
66	Chief sustainability officer (or equivalent sustainability head) exists who oversees sustainability integration process.	Does a chief sustainability officer or head of sustainability exist who oversees the sustainability integration process?	-CEO -Vice Chairman	<ul style="list-style-type: none"> • Yes • No 	0.00%
67	Upper management attempt to make employees aware of the sustainability vision and strategy	- Are there attempts by upper management to make all employees aware of the sustainability vision and strategy? How?	-Head of Sustainability -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
68	Upper management aware of business case for sustainability	-What is the business case for integrating sustainability?	-CEO -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • Upper Management is aware that integrating sustainability is important for business success, reputational purposes, cost benefits, investor importance and global environmental and social betterment of this world, plus others. • Upper Management is aware of the importance of sustainability because of cost reasons • Upper Management is not aware of the importance of sustainability 	0.00%
69	Board Committee monitors progress in implementing sustainability related strategies	-Do you (does the board) have any monitoring role for sustainability related strategies?	-Available board member	<ul style="list-style-type: none"> • Yes • No 	0.00%
<i>Training</i>					

70	Technical sustainability training provided	-Is there technical sustainability training provided (i.e sustainability training related to a person's main job role and tasks)? Such as? To whom?	-Sample of junior employees -Head of HR	<ul style="list-style-type: none"> • Technical training provided for all departments • Technical training provided for all core business lines • Technical sustainability provided for more than one department but not all core business lines • Technical training provided for only one department • No technical sustainability provided. 	0.00%
71	General-knowledge-type sustainability training provided	-Does sustainability knowledge sharing or general training exist?	-Sample of junior employees- Head of HR	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
72	Executive level technical sustainability training exists	Is there technical sustainability training that is targeted at executives?	-Head of HR -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • Technical training provided for executives from all departments • Technical training provided for executives from all core business lines • Technical sustainability provided for executives from more than one department but not all core business lines • Technical training provided for executives from only one department • No technical sustainability provided specifically for executives. 	0.00%
73	Middle managers technical sustainability related training exists	- Is there technical sustainability training that includes middle managers?	-Head of HR -Vice Chairman -Heads of each department asked in other questions	<ul style="list-style-type: none"> • Technical training provided for middle managers from all departments • Technical training provided for middle managers from all core business lines • Technical sustainability provided for middle managers from more than one department but not all core business lines • Technical training provided for middle managers from only one department • No technical sustainability provided specifically for executives. 	0.00%
74	Training is given specifically on risk management when it comes to sustainability.	- Does sustainability related risk management training exist	-Head of Risk -Head of Sustainability -Head of HR	<ul style="list-style-type: none"> • Yes • No 	0.00%
75	Sustainability related technical or general training, awareness sessions, or conferences are mandatory	Are sustainability related technical or general training, awareness sessions, or conferences mandatory?	-Head of each department -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No • None of these exist 	0.00%

76	Hands on community work is counted as training	Does hands on community work is count as training?	-Sample of junior employees -Head of HR	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
77	Cross-departmental sustainability technical or general training, awareness sessions, or conferences provided.	-Is there cross departmental sustainability technical or general training, awareness sessions, or conferences?	-Head of HR -Sample of junior employees -Head of sustainability	<ul style="list-style-type: none"> • Yes involving representatives from all departments together • Yes involving representatives from all core business lines • Yes involving representatives from more than one department but not all core business lines • No covers departments individually • No training 	0.00%
78	Contextual information sessions are given in important community matters at the time (e.g “how can banks play a role in the growing SME sector,” or “role of banks in solar energy.”	-Do any sessions relate to sustainability mega-trends and their relation to Egypt?	-Head of HR- Sample of junior employees- Head of sustainability	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
Communication					
79	Bank is aware of most important stakeholders: clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media	-Who are the most important stakeholders to you?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Mentioned at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media. • Mentioned 9 out of these 10 • Mentioned 8 out of these 10 • Mentioned 7 out of these 10 • Mentioned 6 out of these 10 • Mentioned 5 out of these 10 • Mentioned 4 out of these 10 • Mentioned 3 out of these 10 • Mentioned 2 out of these 10 • Mentioned 1 out of these 10 • Bank is not aware of any of the aforementioned stakeholders. 	0.00%

80	Dialogue takes place with clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters.	-Which stakeholders do you conduct dialogue with on sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Dialogue takes place with at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Dialogue takes place with 9 out of these 10 • Dialogue takes place with 8 out of these 10 • Dialogue takes place with 7 out of these 10 • Dialogue takes place with 6 out of these 10 • Dialogue takes place with 5 out of these 10 • Dialogue takes place with 4 out of these 10 • Dialogue takes place with 3 out of these 10 • Dialogue takes place with 2 out of these 10 • Dialogue takes place with 1 out of these 10 • Dialogue doesn't take place with any of the aforementioned stakeholders. 	0.00%
81	Consultation takes place with clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters.	-Which stakeholders do you consult with on sustainability related matters?	-CEO-Vice President-Head of Sustainability-Head of Strategy	<ul style="list-style-type: none"> • Consultation takes place with at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Consultation takes place with 9 out of these 10 • Consultation takes place with 8 out of these 10 • Consultation takes place with 7 out of these 10 • Consultation takes place with 6 out of these 10 • Consultation takes place with 5 out of these 10 • Consultation takes place with 4 out of these 10 • Consultation takes place with 3 out of these 10 • Consultation takes place with 2 out of these 10 • Consultation takes place with 1 out of these 10 • Consultation doesn't take place with any of the aforementioned stakeholders. 	0.00%

82	<p>Collaboration takes place with clients, investors, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters</p>	<p>- Which stakeholders do you collaborate with on sustainability related matters?</p>	<p>-CEO -Vice President -Head of Sustainability -Head of Strategy</p>	<p>•• Collaboration takes place with at least clients, investors, employees, NGOs, Community, government and regulators, other banks, suppliers, and media).</p> <ul style="list-style-type: none"> • Collaboration takes place with 9 out of these 10 • Collaboration takes place with 8 out of these 10 • Collaboration takes place with 7 out of these 10 • Collaboration takes place with 6 out of these 10 • Collaboration takes place with 5 out of these 10 • Collaboration takes place with 4 out of these 10 • Collaboration takes place with 3 out of these 10 • Collaboration takes place with 2 out of these 10 • Collaboration takes place with 1 out of these 10 • Collaboration doesn't take place with any of the aforementioned stakeholders. 	0.00%
83	<p>Partnership takes place with investors, NGOs, community, government and regulators, other banks, suppliers, and media on sustainability related matters</p>	<p>- Which stakeholders do you partner with on sustainability related matters?</p>	<p>-CEO-Vice President-Head of Sustainability-Head of Strategy</p>	<p>• Partnership takes place with at least investors, NGOs, Community representation, government and regulators, other banks, suppliers, and media on sustainability related matters</p> <ul style="list-style-type: none"> • Partnership takes place with 6 out of these 7 • Partnership takes place with 5 out of these 7 • Partnership takes place with 4 out of these 7 • Partnership takes place with 3 out of these 7 • Partnership takes place with 2 out of these 7 • Partnership takes place with 1 out of these 7 • Partnership doesn't take place with any of the aforementioned stakeholders. 	0.00%

84	Monitoring of clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters	- Which stakeholders does the bank monitor regarding sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Monitoring takes place with at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Monitoring takes place with 9 out of these 10 • Monitoring takes place with 8 out of these 10 • Monitoring takes place with 7 out of these 10 • Monitoring takes place with 6 out of these 10 • Monitoring takes place with 5 out of these 10 • Monitoring takes place with 4 out of these 10 • Monitoring takes place with 3 out of these 10 • Monitoring takes place with 2 out of these 10 • Monitoring takes place with 1 out of these 10 • Monitoring doesn't take place with any of the aforementioned stakeholders. 	0.00%
85	Bank generated recent GRI (or other institution)-based sustainability report	Did the bank produce a recent sustainability report, or equivalent, in line with the GRI (or other) standards?	-Sustainability report	<ul style="list-style-type: none"> • Yes recent • Yes sustainability report produced but not within the last two years • No 	0.00%
86	Guidelines followed in sustainability report are stated	Does the bank state which guidelines it adheres to in the sustainability report?	-Sustainability report	<ul style="list-style-type: none"> • Yes • No 	0.00%
87	Bank is transparent in its sustainability report about negative sustainability related activities.	-Does the sustainability report mention negative sustainability aspects and activities related to the bank?	-Sustainability report	<ul style="list-style-type: none"> • Yes with details of negative impacts • Yes only stating the negative activities or projects • No 	0.00%
88	Bank's sustainability report provides an action plan about how to deal with negative activities and outcomes where applicable.	-Does the sustainability report mention how it will deal with negative activities and outcomes?	-Sustainability report	<ul style="list-style-type: none"> • Yes with all negative activities mentioned • Yes with some negative activities mentioned • No 	0.00%
89	Indirect negative consequences of bank activities are communicated in the sustainability report, not just direct	-Does the sustainability report mention indirect negative consequences of bank activities?	-Sustainability report	<ul style="list-style-type: none"> • Yes • No 	0.00%

90	Bank discloses information about types of credit and loan portfolio in sustainability report	-Does the sustainability report mention types of credit and loan portfolio?	-Sustainability report -Head of Strategy	<ul style="list-style-type: none"> • Yes with numerical split • Yes but without numerical split • No 	0.00%
91	Bank has partnered with NGOs	-Has the bank partnered with an NGO?	-Vice Chairman -CEO -Head of Sustainability	<ul style="list-style-type: none"> • Yes • No 	0.00%
92	Bank carries out community service	-In your view, does the bank carry out community service?	-Vice Chairman -CEO -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes • No 	0.00%
93	It is procedure for the bank to prepare for anticipated sustainability related regulation in Egypt	Is it procedure for the bank to prepare for anticipated sustainability related regulation in Egypt? What is the regulation anticipated and what has been prepared in response?	-Vice Chairman -CEO -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes, environmental and social related regulation • Yes environmental/social only • No anticipation of sustainability related regulation 	0.00%
94	Bank partners with other banks on sustainability related matters (e.g. supplier pressuring, leasing)	-In your view, does the bank partner with other banks on sustainability related matters?	-Vice Chairman -CEO -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes partner • Yes but cooperate with not partner • No 	0.00%
95	Sustainability materiality assessments are conducted with all stakeholders (clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media) in mind	-Who are the stakeholders targeted for the materiality assessment?	-Vice Chairman-Head of Sustainability-CEO-Head of Strategy	<ul style="list-style-type: none"> • Materiality assessment conducted with at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Materiality assessment conducted with 9 out of these 10 • Materiality assessment conducted with 8 out of these 10 • Materiality assessment conducted with 7 out of these 10 • Materiality assessment conducted with 6 out of these 10 • Materiality assessment conducted with 5 out of these 10 • Materiality assessment conducted with 4 out of these 10 • Materiality assessment conducted with 3 out of these 10 • Materiality assessment conducted with 2 out of these 10 • Materiality assessment conducted with 1 out of these 10 • No materiality assessment took place take place with any of the aforementioned stakeholders. 	0.00%

96	Materiality methodology of engagement with stakeholders is revealed in the sustainability report.	-Is it stated or revealed from the sustainability report the stakeholder engagement methodology used?	-Sustainability report	<ul style="list-style-type: none"> • Yes • No 	0.00%
97	Bank's code of conduct (or statement of intent or environmental policy statement) accounts for sustainability.	- What is the bank's code of conduct (or statement of intent or environmental policy statement)?	-Sustainability report -Head of HR -Vice Chairman -Head of Strategy -Head of Sustainability	<ul style="list-style-type: none"> • Yes sustainability is mentioned in the code/statement • Yes but sustainability is not directly acknowledged in the statement but concepts related to sustainability are • No 	0.00%
98	Bank publicly signed an international declaration that openly shows commitment to sustainability, such as the UNEP FI commitment	-Has the bank publicly signed an international declaration that openly shows commitment to sustainability, such as the UNEP FI commitment?	-Sustainability report -Vice Chairman -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes covering E&S • Yes covering environmental/social only • No 	0.00%
99	Bank has engaged in sustainability-related conferences.	-In your view, did the bank take part in any sustainability related conferences? Such as?	-Sustainability report -Vice Chairman -Head of Sustainability -Head of Strategy -CEO	<ul style="list-style-type: none"> • Yes • No 	0.00%
100	Sustainability report available easily to the public.	-Is the bank's sustainability report easily available to the public?	-Own research	<ul style="list-style-type: none"> • Yes • No 	0.00%
101	Sustainability report sent separately to internal members of the bank.	-Is the sustainability report sent to internal members of the bank?	-Head of Sustainability- Sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
102	Quantitative data and/or indicators are used to back up all information in the sustainability report where relevant	-Quantitative data and/or indicators are used to back up information	-Sustainability report.	<ul style="list-style-type: none"> • Yes for every separate topic a quantitative indicator is used • Yes for more than half of the topics • Yes for less than half • No 	0.00%
103	The majority of the sustainability report focuses on issues related to core operations.	-Does the bulk of the sustainability report relates to the core operations of the bank?	Sustainability report	<ul style="list-style-type: none"> • More than half the report is on core operations • Less than half is on core operations • Core operations not discussed 	0.00%

104	The bank's sustainability risk framework is provided in the sustainability report	-Is the bank's sustainability risk framework described in the sustainability report?	Sustainability report	<ul style="list-style-type: none"> • Yes described • Yes stated as existing but not described • No 	0.00%
105	Problematic sectors, in relation to the bank, are revealed in the sustainability report.	-In your view, does the bank reveal sustainably problematic sectors in relation to it in its sustainability report?	Sustainability report	<ul style="list-style-type: none"> • Yes • No 	0.00%
106	Summary section exists with the important KPIs.	-Is there a summary section with important KPIs in the sustainability report?	Sustainability report	<ul style="list-style-type: none"> • Yes • Yes summary section but without KPIs • No 	0.00%
107	Sustainability report is reviewed by external auditor.	-Has the sustainability report been reviewed by an external auditor?	Sustainability report	<ul style="list-style-type: none"> • Yes • No 	0.00%
108	EMS system or sustainability policy is stated in the sustainability report	-The EMS system used by the bank, or sustainability policy, is clearly stated in the sustainability report.	Sustainability report	<ul style="list-style-type: none"> • Yes stated with details on achievement • Yes, but only stated • No 	0.00%
109	Sustainability-related training or reward schemes are stated in the sustainability report	-Are the sustainability related trainings and reward schemes stated in the sustainability report?	Sustainability report	<ul style="list-style-type: none"> • Yes stated with details on achievement • Yes, but only stated • No 	0.00%
110	Sustainability related administration and/or structure is mentioned in the sustainability report	-Is there a mention of the sustainability team, sustainability integration in the organizational structure or administration mentioned in the report?	-Sustainability report.	<ul style="list-style-type: none"> • Yes with details of the hierarch • Yes but only stated as existing • No 	0.00%
111	Bank relies on benchmarking to other organizations in the sustainability report.	-Does any form benchmarking to other banks or organizations occur in the sustainability report?	-Sustainability report.	<ul style="list-style-type: none"> • Yes in terms of overall sustainability • Yes in terms of some topics • Yes for one topic • No 	0.00%
112	Bank reports on supply chain impacts	-Is there a mention of the sustainability impact of the bank's supply chain in the sustainability report?	-Sustainability report.	<ul style="list-style-type: none"> • Yes with details of positive and negative impacts • Yes with details of only positive impacts • Yes but only acknowledged the source of supplies • No 	0.00%

Internal Environment					
<i>General</i>					
113	An EMS exists with set numerical targets for reduction, and performance measures going forward.	-In your view, does the bank have an EMS along with its associated numerical targets and performance measures?	-Head of Sustainability	<ul style="list-style-type: none"> • EMS exists with numerical targets and performance measures • EMS exists with non numerical targets and performance measures • EMS exists with numerical targets only but no performance measures • EMS exists with non numerical targets only but no performance measures • EMS exists without targets or performance measures • No EMS exists 	0.00%
114	An institutional based EMS exists	Does the bank have EMS certification?	-Head of Sustainability -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	0.00%
115	Bank has LEED or Breeam Certification	-In your view, does the bank hold a LEED/Breeam or any international Green Building certification?	-Head of Sustainability -Sustainability Report -Maintenance -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	0.00%
<i>Employee Satisfaction</i>					
116	There is a diversity of employees	-How do you ensure diversity among employees? Do you have certain racial/gender/faith/youth/disability and social background quotas? Can you elaborate?	-Head of HR -Observation -Sustainability report	<ul style="list-style-type: none"> • There are racial/gender/faith/youth/disability and social background quotas • There are quotas for some of these but not all • There is a mention of diversity in the code of conduct but no quotas • No such quotas or mention of diversity 	0.00%
117	Employee contracts allow for flexible working hours	-Do flexi-hours exist? Are they implemented?	-Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
118	Employee contracts' compensation is fair for employees	Do you feel you are being adequately compensated?	-Sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
119	Employee health and safety system is implemented	Are you aware of the bank's health and safety system? Can you give an example?	-Head of HR -Sample of junior employees. -Sustainability report	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%

120	Opportunities for career development and growth are felt	-Do you feel the bank provides you with opportunities for career development and growth?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
121	Employee contracts allow for worker-family benefits	-Do the employee contracts allow for work-family benefits?	-Head of HR. -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	0.00%
122	Bank follows international human rights code	-In your view, does the bank adhere to an international human rights policy or code? Which one?	-Head of HR -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	0.00%
<i>Supply Chain</i>					
123	Supplier sustainability risk assessment is carried out.	-In your view, does the bank carry out any form of supplier risk assessment? Can you elaborate?	-Head of Procurement -Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes for all suppliers • Yes for more than half • Yes but less than half • No 	0.00%
124	Bank carries out supplier sustainability analysis. (covers at least main topics of energy, waste, water, raw material sourcing, harmful materials, labor treatment, labor compensation, safety standards)	-In your view, does the bank carry out a supplier sustainability analysis? What does it involve? What areas are covered?	-Head of Procurement -Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Supplier sustainability analysis and audit cover at least: energy, waste, water, raw material sourcing, harmful materials, labor treatment, labor compensation, safety standards • Supplier sustainability analysis and audit covers 7 out of the 8 • Supplier sustainability analysis and audit covers 6 out of the 8 • Supplier sustainability analysis and audit covers 5 out of the 8 • Supplier sustainability analysis and audit covers 4 out of the 8 • Supplier sustainability analysis and audit covers 3 out of the 8 • Supplier sustainability analysis and audit covers 2 out of the 8 • Supplier sustainability analysis and audit covers 1 out of the 8 • Supplier sustainability analysis and audit doesn't cover any of these or not carried out 	0.00%
125	Supplier screening based on environmental and social criteria exists.	-Does any type of E&S supplier screening exist? If yes, what are the criteria?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes based on both E&S criteria exist • Only environmental/social criteria exist • No screening. 	0.00%
126	Bank prioritizes environmental and social labels on all supplies.	-In your view, does the bank prioritize suppliers with environmental or social labels? Such as?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes with all supplies • Yes with more than half • Yes with less than half • No 	0.00%

127	Sustainable procurement codes of conduct, guidelines, metrics or standards are communicated to suppliers	-In your view, does the bank communicate either sustainable codes of conduct, guidelines, metrics, standards to all suppliers? How?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes with all supplies • Yes with more than half • Yes with less than half • No 	0.00%
128	Bank aware of where raw materials are sourced from for supplies	Are you aware of where the suppliers' raw materials come from?	-Head of Sustainability- Head of Procurement- Sustainability report	<ul style="list-style-type: none"> • Yes with all supplies • Yes with more than half • Yes with less than half • No 	0.00%
129	Bank prioritizes local over imported supplies	-Do you prioritize or imported supplies?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes for all supplies • Yes for more than half of the supplies • Yes for less than half of the supplies • No 	0.00%
130	Bank cards (credit/debit) are sustainably sourced (e.g. biodegradable)	-Are debit/credit cards sustainably sourced? If yes how?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	0.00%
131	Bank cards (credit/debit) are disposed of safely (e.g. or takeback program)	Are bank credit/debit cards disposed of safely? How?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	0.00%
132	Bank makes effort to improve suppliers' sustainability awareness	-In your view, does the bank take to improve supplier sustainability awareness? Such as?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes for all suppliers • Yes for more than half of the suppliers • Yes for less than half of the suppliers • No 	0.00%
133	A separate team specifically for supply chain sustainability exists.	-Is there a supply chain team focused specifically on sustainability?	-Head of procurement -Head of sustainability	<ul style="list-style-type: none"> • Yes • No 	0.00%
134	Supplier benchmarking exists	-Is any form of supplier benchmarking carried out?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes for all suppliers • Yes for more than half of the suppliers • Yes for less than half of the suppliers • No 	0.00%
<i>(Below assume no formal LEED or other building management certification)</i>				All below applies to Head Office AND Branches unless specified otherwise	
<i>Energy</i>					

135	Co2 emission targets, methods to reach them and monitoring exist.	Do CO2 emission targets exist with method and monitoring?	-Head of Sustainability -Sustainability Report -Carbon footprint report	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	0.00%
136	Bank measures its co2 emissions or has energy monitoring system	-Does bank have an energy monitoring system or mechanisms to measure CO2 emissions?	-Head of Sustainability -Sustainability Report -Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
137	empty spaces are not heated or cooled	-Are empty spaces being heated/cooled?	-Observation- Head of Sustainability- Head of Maintenance- Carbon footprint report- Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No all empty spaces heated and cooled throughout 	0.00%
138	Light dimmers exist	-Do light dimmers exist?	-Observation -Head of Sustainability -Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
139	Common light is not kept at full intensity all day	-Is the common light and other electrical equipment kept at full intensity all day?	-Observation -Head of Sustainability -Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
140	Energy efficient lightbulbs installed.	-Are the light bulbs energy efficient ones in all the rooms?	-Observation -Head of Sustainability -Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%

141	Motion-sensitive lighting installed in all rooms	-Is motion sensitive lighting installed in all of the rooms?	-Observation -Head of Sustainability -Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
142	Natural daylight optimized	-Are the windows/buildings made to maximize natural light? Or is there sufficient natural light to replace light bulbs during the day?	-Observation -Head of Sustainability -Head of Maintenance -Carbon footprint report -Heads of Branches -Sample of Junior Employees	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
143	Bank chooses electrical equipment with energy saving labels.	-What criteria is used when buying electronic equipment, is green energy taken into account?	-Head of Procurement -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
144	Bank leases equipment not often used to other companies	-In your view, does the bank lease equipment is doesn't use often to other companies?	-Head of Leasing -Head of Admin -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	0.00%
145	Renewable energy technology is used	Does the bank utilize any form of renewable energy technology on any of its premises?	-Head of Maintenance -Head of Sustainability -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
146	Travelling kept to a minimum	-In your view, does the bank prioritize alternatives to travelling, or only encourages travelling when it is absolutely necessary (and how do you define absolutely necessary if yes)?	-Head of Sustainability-Sustainability report-Carbon footprint report-Head of HR	<ul style="list-style-type: none"> • Only when absolutely necessary from a sustainability perspective (how do they define absolutely necessary) • Only when absolutely necessary from a pure cost perspective (how do they define absolutely necessary) • No efforts made 	0.00%
147	Bank relies on tele-conferencing or video-conferencing (or any other alternative to meeting) as much as possible to replace face-to face meetings	In your view, does the bank replace face-to face meetings with tele-conferencing or video-conferencing ?	-Head of Sustainability -Sustainability report -Carbon footprint report -Head of HR	<ul style="list-style-type: none"> • Video conferencing completely replaces face to face meetings that require transportation for sustainability reasons • Video conferencing completely replaces face to face meetings that require transportation for pure cost reasons • Video conferencing sometimes replaces face to face meetings that require transportation • Video conferencing does not exist. 	0.00%

148	Bank carries out any effort to ensure environmental efficiency of HVAC	In your view, does the bank carry out any effort to ensure environmental efficiency of HVAC?	Head of Sustainability -Sustainability report -Carbon footprint report -Head of Maintenance -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
<i>Transportation</i>					
149	Bank checks delivery vehicle tire pressure, rolling resistance, and any other checks to improve vehicle efficiency.	Does any form of checks on the delivery vehicle tire pressure, rolling resistance, and efficiency occur?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes consistently • Frequently • Occasionally • Never 	0.00%
150	Bank maximizes stops per delivery vehicle to reduce transportation	In your view, does the bank set a stops per delivery quota to reduce transportation costs? What is it?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes for sustainability purposes • Yes for pure cost purposes • No 	0.00%
151	Delivery only takes place for essential services (not newsletters or brochures).	What items require delivery? Is it just for essential services?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes for sustainability purposes • Yes for pure cost purposes • No 	0.00%
152	Bank organizes bus service for employees	Is there a bus service to transport employees?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	0.00%
153	Bank tracks ideal route live for delivery services to maximize on time efficiency	-Does any form of live route tracking occur to determine quickest route?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	0.00%
154	Bank has studied sustainability levels of different service channels as compared to each other	-Bank has studied sustainability levels of different service channels as compared to each other? (such as telebanking versus atm versus kiosks etc...). Which is most sustainable?	-Head of Administration- Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	0.00%
<i>Water</i>					
155	Water use reduction targets, methods to reach them and monitoring exist.	-Do water use reduction numerical targets exist, Or grey water reliance targets with method and monitoring?	-Head of Sustainability -Sustainability Report -Head of Maintenance	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	0.00%

156	Bank measures water consumption	-In your view, does the bank measure and record its buildings' water consumption?	-Head of Sustainability -Sustainability Report -Head of Maintenance -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	0.00%
157	Low-flow taps in offices	-Are the taps in the buildings low flow?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	0.00%
158	Low-flow flushes in offices	-Are the flushes on the toilets low-flow?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	0.00%
159	-bi-Monthly checks of leaks exist	-How often are pipes checked for leaks?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	0.00%
160	(If garden exists): reliance on drip irrigation	-If there is a garden, is drip irrigation used?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> •No gardens • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	0.00%
161	Greywater recycling exists in the bank's buildings	-Does greywater recycling take place in the bank's buildings?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	0.00%
<i>Waste</i>					

162	Waste reduction (disposal) numerical targets, methods to reach them and monitoring exist.	-Do waste reduction numerical targets or targets for reliance on certain waste disposal methods exist with method and monitoring	-Head of Sustainability -Sustainability Report	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	0.00%
163	Bank measures paper consumption	-In your view, does the bank measure and record its paper consumption?	-Head of Sustainability -Sustainability Report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
164	Bank measures waste generation by type	In your view, does the bank measure and record its waste generation by type? How and What is the split?	-Head of Sustainability -Sustainability Report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
165	Paper reduction numerical targets, methods to reach them and monitoring exist.	Do paper or recycled paper reduction numerical targets exist with method and monitoring?	-Head of Sustainability -Sustainability Report	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	0.00%
166	Recycled paper is used whenever possible	-In your view, does the bank use recycled paper whenever?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report	<ul style="list-style-type: none"> • Always • Sometimes • Never 	0.00%
167	Recycling bins exist (with separation for paper)	-Are there recycling bins for paper easily accessible in the buildings?	-Observation -Head of Sustainability -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
168	Bank employs digital or online banking to some extent	- In your view, does the bank employ any digital or online banking?	-Vice Chairman -Head of Retail Banking	<ul style="list-style-type: none"> • Gone digital with all transactions • Gone digital but not to the point of carrying out transactions • No digital banking incorporation 	0.00%

169	Bank has carried out efforts to reduce physical mail	How often does bank use physical mail?	-Head of Sustainability -Sustainability report -Head of Retail Banking	<ul style="list-style-type: none"> • Bank never uses physical mail • Bank frequently uses physical mail • Bank uses both quality • Bank occasionally uses physical mail not more than digital • Bank only uses physical mail 	0.00%
170	Bank has carried out efforts to reduce packaging	-What efforts has the bank carried out to reduce and packaging?	-Head of Sustainability- Sustainability report	<ul style="list-style-type: none"> • Packaging is from recycled source or kept to the minimum possible for all products • Packaging is from recycled source or kept to the minimum possible for some products • No efforts 	0.00%
171	Eco-labels exist for physical bank products and their packaging	-Are there eco-labels on the physical bank products and their packaging?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	0.00%
172	Bank labels physical products and packaging with materials used	-Do labels on physical bank products and their packaging with materials?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	0.00%
173	Bank labels physical product and packaging with proper disposal method.	-In your view, does the bank provide labels indicating proper disposal methods on physical products and their packaging?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	0.00%
174	Members all reminded on limiting use of paper	-In your view, does the bank remind all members on reducing use of paper? How?	-Sample of junior employees -Head of Sustainability	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
175	Bank adopts the "freecycle" system in offices	-In your view, does the bank adopt a freecycle system in the office?	-Sample of junior employees -Head of Sustainability -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
176	Reports and publications are all electronic only	-What modes In your view, does the bank use to issue reports and publications?	-Sample of junior employees -Head of Sustainability -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • All electronic • Yes for some (such as only the internal reports) • None are electronic 	0.00%
177	Default printer setting is "print on both sides"	What is the default printer setting?	-Sample of junior employees	<ul style="list-style-type: none"> • Both sides according to all • Both sides according to half or more • Both sides according to less than half • One sided according to all 	0.00%

178	The bank handbook, insurance information, employee bulletin board, and important forms all only on the firm's electronic database instead	-Where can employees access the bank handbook, insurance information, employee bulletin board, and important forms?	-Head of HR -Sample of junior employees.	<ul style="list-style-type: none"> • On an online database or folder • Both online and physical • Physically handed out to employees 	0.00%
179	Bank considers IT to be harmful waste.	-Do you consider IT to be harmful waste? Why?	-Head of Procurement -Head of Sustainability	<ul style="list-style-type: none"> • Yes • No 	0.00%
180	Banks make dumping e-waste last resort	-What In your view, does the bank do with electronic equipment it no longer needs?	-Head of Administration- Head of Sustainability- Sustainability report	<ul style="list-style-type: none"> • Bank recycles and/or donates e-waste • Bank dumps e-waste but tracks disposal to ensure safe and environmentally friendly disposal • Bank throws away e-waste normally 	0.00%
181	Bank chooses electrical equipment with green production labels.	-What criteria is used when buying electronic equipment, are green production labels taken into account?	-Head of Procurement -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
182	Printing relies on greener ink, such as vegetable based ink.	-What type of ink In your view, does the bank use for printing?	-Head of Procurement -Head of sustainability -sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%
183	Bank makes effort to reduce as much waste as possible reaching landfill dumping and incineration.	What effort In your view, does the bank make any to reduce waste reaching landfill and incineration? How?	-Head of administration -Head of sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	0.00%
184	- Are members made aware of the "reduce, reuse, recycle" mentality?	-Are you made aware of the importance of reducing, reusing, and recycling?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
185	Bank tracks disposal of waste	-Do you track the disposal of waste? Where does it go?	-Head of Administration -Head of sustainability -sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	0.00%

186	Takeback scheme exists	-In your view, does the bank make use of any takeback scheme?	-Head of procurement -Head of sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	0.00%
<i>Internal Physical Environment</i>					
187	Sufficient circulation of fresh air	-Do you feel sufficient fresh air enters the building?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
188	Thermal temperatures at a comfortable range	-Do you feel temperature is at a comfortable range?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
189	No moldy smells	-Do you ever experience rotting or moldy smells in the office?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
190	People don't get a sick feeling whenever in the building	-Do you ever feel sick from the atmosphere in the building?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
191	Paint odor is not strong	Is paint odour strong after a paint job?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
192	Irritating chemicals aren't used for cleaning	in your view, are the chemicals used for cleaning irritating or harmful?	-Sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
193	Cleaning is carried out before/after business hours.	-What are the times of day is cleaning carried out?	-sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	0.00%
194	Bank employs the services of third party sustainability consultants for the internal environment.	-Does a third party consultant verify the internal operations from a sustainability perspective?	-Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes for all internal environment issues • Yes for some internal environment issues • No 	0.00%

Appendix-2: The Refined Tool

A	B	C	D	E	F	G
No.	Ideal standards which describe a traditional bank that has perfectly integrated sustainability	Corresponding Question(s)	Source(s) <i>It is assumed that whenever "Head of" is written, this includes two other junior employees in the department</i> <i>The perception based questions are part of "Sample of Junior Employees"</i>	Measurement of the extent to which the standard is integrated	Chosen Response	Score
	Vision and Strategy					
1	Sustainability is part of the bank's mission.	What is the mission statement?	-Bank's website and/or annual report. -CEO -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • Yes part of official mission • Yes part of discussion of vision but not in the statement • No 	Yes part of discussion of vision but not in the statement	50.00%
2	Sustainability strategy is mentioned as a part of the main organizational strategy.	In your view, what is the bank's main organizational strategy? (after answering first part): What is the bank's sustainability strategy?	-CEO -Vice Chairman -Head of HR -Head of Strategy -Head of Sustainability (second question only)	<ul style="list-style-type: none"> • The Sustainability strategy is part of the main organizational strategy • A sustainability strategy exists but not part of the main organizational strategy • No sustainability strategy exists 	A sustainability strategy exists but not part of the main organizational strategy	50.00%
3	The bank has a sustainability policy	-In your view, does the bank have a sustainability policy?	-Head of Sustainability -CEO -Head of Strategy	<ul style="list-style-type: none"> • Yes covering social and environmental aspects • Yes covering social/environmental aspects only • No 	No	0.00%
4	A sustainability market study has been carried out for the sustainability strategy	- Has a sustainability market study for the sustainability strategy (if yes could you please provide the details)?	-Vice Chairman -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • A study of the Egyptian market in relation to the bank itself was carried out • A general Egyptian market study to determine overall sustainability aptitude was carried out. • No market study carried out 	A general Egyptian market study to determine overall sustainability aptitude was carried out.	50.00%

5	The sustainability strategy (or policy) has specific targets, resource allocation, monitoring mechanisms, and revision.,	-Does the sustainability strategy include targets, resource allocation, monitoring mechanisms, and revisions (if applicable)?	-Head of Sustainability -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • Sustainability strategy has all four • Sustainability strategy has three out of the four • Sustainability strategy has two out of the four • Sustainability strategy has one out of the four • Sustainability strategy has neither of the four 	Sustainability strategy has two out of the four	50.00%
6	Sustainability indicators are measured on a strategic level	-Do sustainability indicators exist for measuring progress of the strategy?	-Head of Sustainability -Vice Chairman -CEO -Head of Strategy	<ul style="list-style-type: none"> • Sustainability indicators exist covering all three dimensions. • Sustainability indicators exist but do not cover all three dimensions • No sustainability indicators exist 	No sustainability indicators exist	0.00%
7	A separate budget exists to account for the sustainability portion of the strategy or the sustainability strategy	-Is there a separate budget to carry out the sustainability strategy?	Head of Sustainability -Vice Chairman -CEO -Head of Strategy	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
7.1	Bank's adoption of sustainability came as a result of own motivation, not government policy	Did the bank's adoption of sustainability come as a result of national policies and stipulations?	-CEO -vice chairman -Head of sustainability -Head of Strategy	<ul style="list-style-type: none"> • purely the bank's conviction with sustainable development • A mix of policy and other convictions for adopting sustainability • Yes policy was the main trigger 	purely the bank's conviction with sustainable development	100.00%
Core Business						
<i>Corporate banking-corporate loans</i>						
8	The bank offers credit lines to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations	Are there credit lines purposefully targeted to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations?	-Head of corporate banking	<ul style="list-style-type: none"> • Credit lines purposefully include businesses adopting E&S activities • Credit lines purposefully include businesses adopting environmental/social benefits only • No 	Credit lines purposefully include businesses adopting environmental/social benefits only	50.00%

9	The bank offers green leasing.	-In your view, does the bank lease out any asset considered to improve the environmental benefits to other companies?	Head of leasing department -Head of Sustainability.	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
10	The bank offers sustainability advisory services	-In your view, does the bank offer sustainability advisory services?	-Advisory department head -Head of corporate banking	<ul style="list-style-type: none"> • Yes, as a separate service • Yes, but informally as part of corporate lending or other service • No 	Yes, but informally as part of corporate lending or other service	50.00%
11	The bank purposefully offers corporate lending to sustainability-oriented companies. Or companies in the sustainability transition.	-In your view, does the bank purposefully lend businesses with sustainability-oriented business models? (or those in transition)?	-Head of Corporate Banking	<ul style="list-style-type: none"> • Corporate lending purposefully targets businesses with sustainability oriented business models • Corporate lending purposefully targets either social or environmental businesses but not both. • Corporate lending does not purposefully target sustainable businesses • Not witnesses in the Egyptian market 	Not witnesses in the Egyptian market	N/A
12	The bank has a set list of positive criteria for investing that cover sustainability activities.	-In your view, does the bank have a set list of positive criteria for investing in that cover sustainability activities?	-Head of Corporate Banking -Head of compliance	<ul style="list-style-type: none"> • Positive criteria exist and cover environmental and social sectors. • Positive criteria exist covering only environmental/social sectors. • No such list exists. 	No such list exists.	0.00%
13	-The bank has a set list of negative criteria for not investing that cover sustainability activities.	-In your view, does the bank have a set list of negative criteria for not investing in that cover sustainability activities?	-Head of Corporate Banking -Head of compliance -Head of Risk	<ul style="list-style-type: none"> • Negative criteria exists and excludes sectors harmful to both the environment and the community • Negative criteria exists but excludes sectors harmful to only the environment or only the community • List of negative criteria doesn't exist. 	Negative criteria exists and excludes sectors harmful to both the environment and the community	100.00%

14	The bank sustainability screening criteria has been verified by an external consultant.	-Does an external consultant exist to verify the sustainability screening criteria if applicable)?	-Head of Corporate Banking -Head of compliance -Head of Risk	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
15	The bank has client facing teams that promote sustainable products, services and awareness.	- In your view, does the bank also have client facing teams that promote sustainable products, services and awareness? What are the items they promote and how?	-Head of Corporate Banking	<ul style="list-style-type: none"> • Client facing team promotes agreed upon characteristics of the bank's sustainable practices through more than one channels • Client facing team promotes agreed upon characteristics of the bank's sustainable products and services through one channel • Client facing team doesn't promote characteristics of sustainable products and services to customers. 	Client facing team promotes agreed upon characteristics of the bank's sustainable products and services through one channel	50.00%
	<i>Corporate Banking-project Finance</i>					
16	Sustainable project finance offered by the bank is atleast 23% of portfolio	-In your view, does the bank purposefully invest in projects with sustainability-oriented business models? (or those in transition)	-Head of Corporate Banking	<ul style="list-style-type: none"> • sustainability oriented projects are 23% or more of project finance portfolio •sustainability oriented projects are less than 23% of project finance portfolio • No such project finance offered 	sustainability oriented projects are less than 23% of project finance portfolio	50.00%
	<i>Corporate banking-Investment banking</i>					
17	IB services purposefully provided to sustainable projects is atleast 23% of portfolio	-In your view, does the bank purposefully carry out investment banking for projects/companies with sustainability-oriented business models? (or those in transition)	-Head of Investment Banking	<ul style="list-style-type: none"> • sustainability oriented projects are 23% or more of IB portfolio •sustainability oriented projects are less than 23% of IB portfolio • No such services offered 	sustainability oriented projects are less than 23% of IB portfolio	50.00%

18	The valuation process accounts for E&S factors financially and accounting wise.	-In your view, does the bank integrate environmental and social valuation and accounting methodologies in its investment banking activities? In what way?	-Head of Investment Banking	<ul style="list-style-type: none"> • The bank has separate natural capital valuation • The bank incorporates environmental and social factors into its methodology • The bank doesn't account for environmental and social factors into valuation methodology 	The bank doesn't account for environmental and social factors into valuation methodology	0.00%
19	The bank offers green bonds	Does the bank offer green bonds?	-Head of Investment Banking	<ul style="list-style-type: none"> • Yes relating to E&S projects • Yes relating to environmental/social projects • No • The bank does not offer bond issuance services 	• The bank does not offer bond issuance services	N/A
20	The bank offers investment in sustainable funds	-Are there any funds the bank offers investment in areas that are active in sustainable development?	-Head of Investment Banking	<ul style="list-style-type: none"> • Bank offers investment in both environmental and social funds. • Bank offers investment in environmentally, socially related funds only. • Bank doesn't offer sustainability related funds 	Bank doesn't offer sustainability related funds	0.00%
	<i>Corporate Banking-Trade Finance</i>					
21	Trade finance includes sustainability related commodities	-In your view, does the bank purposefully set out to finance sustainability related commodities?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	Yes environmental/social only	0.00%
22	LCs issuances are dependent upon sustainability criteria	-In your view, are the bank's LC's dependent upon meeting sustainability criteria?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	Yes environmental/social only	50.00%
23	The bank offers sustainable trade finance	-In your view, does the bank offer sustainable trade funds?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	Yes environmental/social only	50.00%

24	The bank promotes the trade of sustainable products and services.	In your view, does the bank promote sustainable products and services, and how?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	No	0.00%
<i>Risk</i>						
25	A Sustainability risk policy exists	-In your view, does the bank have a sustainability risk policy ?	-Head of risk	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
26	The banks has a sustainability risk management strategy with the following processes: risk identification, risk categorization, analysis, risk mitigation, risk monitoring	In your view, does the bank have a separate sustainability risk management strategy? What does it involve?	-Head of Risk	<ul style="list-style-type: none"> • The bank has a sustainability risk management strategy with the following processes: risk identification, risk categorization, analysis, risk mitigation, risk monitoring • The bank has a sustainability risk management strategy but does not cover all of the above processes • The bank does not have a risk management strategy 	The bank has a sustainability risk management strategy with the following processes: risk identification, risk categorization, analysis, risk mitigation, risk monitoring	100.00%
27	The bank carries out physical inspection of a project post-transaction to ensure compliance with the sustainability risk management requirements is there	-In your view, does the bank carry out physical inspection of a project post-transaction to ensure compliance with the sustainability risk management requirements it made?	-Head of Risk	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
28	Sustainability experts are referred to for high risk or sensitive companies, sectors or projects.	In your view, does the bank involve sustainability experts when the project is a high risk one from a sustainability perspective?	-Head of Risk	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%

29	A bank's risk mitigation strategy relies on institutional standards such as the Equator principles or IFC sector guidelines.	-In your view, does the bank rely on any standards such as the Equator Principles or the IFC sector guidelines in its sustainability risk management strategy?	-Head of Risk -Head of Compliance	<ul style="list-style-type: none"> • Separate standards listed for managing sustainability related risk • Standards for managing risk included as part of general risk policy • Standards do not exist for managing sustainability related risk 	Separate standards listed for managing sustainability related risk	100.00%
30	Industry rankings exist as part of sustainability risk management	-In your view, does the bank have a set of industry codes or rankings as part of its risk management strategy? Such as?	-Head of Risk -Head of Compliance	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
31	It is procedure for the bank to determine the quality and susceptibility of the client's proposed collateral.	- Is it procedure for the bank to determine the quality and susceptibility of the client's proposed collateral from an environmental perspective?	- Head of Risk	<ul style="list-style-type: none"> • Susceptibility and quality of clients proposed collateral is determined from a sustainability perspective • Susceptibility and quality of client's collateral is determined in general (without a specific sustainability perspective) • Susceptibility and quality of collateral not determined 	Susceptibility and quality of collateral not determined	0.00%
32	It is procedure for the bank to look at the client's long term future ability to meet the E&S conditions set out in the risk policy	It is procedure for the bank to look at the client's long term future ability to meet the E&S conditions set out in the risk policy?	-Head of Risk	<ul style="list-style-type: none"> • Yes long term • Only short term (<5 years) • No 	No	0.00%
33	Tools or software exist to aid employees in the risk management strategy steps	-Are there any tools or soft wares the bank uses to aid employees in the risk management strategy steps?	-Head of Risk	<ul style="list-style-type: none"> • Separate sustainability tool/software exists to aid in sustainability risk management process • One tool/software exists for entire risk management process • No specific tools or soft wares exist to aid in risk management strategy. 	No specific tools or soft wares exist to aid in risk management strategy.	0.00%

34	Portfolio level monitoring and stress testing exists from a sustainability perspective also exists, not just project level.	-In your view, does the bank carry out sustainability based portfolio level monitoring, stress testing, and evaluation?	- Head of Risk	<ul style="list-style-type: none"> • Portfolio level monitoring exists with stress tests and evaluation from a sustainability perspective • Portfolio level monitoring exists, without stress tests from a sustainability perspective • No portfolio level monitoring or stress testing exists from a sustainability perspective but it is carried out from a financial perspective • No portfolio level monitoring or stress testing exists at al. 	Portfolio level monitoring exists with stress tests and evaluation from a sustainability perspective	100.00%
34.1	Bank adheres to Wolfsburg, Basel and FATF guidelines.	Does bank ensure complaine to the Wolfsburg, Basel and FATF guidelines.	-Head of Compliance	<ul style="list-style-type: none"> • Yes at least these two • Yes one of them •Neither 	Yes at least these two	0.00%
	<i>Retail Banking</i>					
35	Bank relies mainly on online statements and forms for individuals instead of paper based statements.	-In your view, does the bank rely more on online or hard copy statements and forms for individuals	-Head of Retail Banking	<ul style="list-style-type: none"> • All statements online • Both hard copy and online exist • Online doesn't exist, only paper based 	Both hard copy and online exist	50.00%
36	Bank offers affinity cards for sustainability related organizations or causes	In your view, does the bank offer affinity cards for sustainability related organizations or causes?	-Head of Retail Banking	<ul style="list-style-type: none"> • Yes to social and environmental organizations • Yes to environmental/social only • No 	Yes to environmental/social only	50.00%
37	Bank offers individuals sustainability related loans to individuals (e.g. green mortgages, loans for education).	-In your view, does the bank offer sustainability related loans to individuals? What percentage are they of the retail portfolio over the years available?	-Head of Retail Banking	<ul style="list-style-type: none"> • Yes environmentally and socially related • Yes to environmentally/socially only • No 	Yes to environmentally/socially only	50.00%

38	Bank offers loans purposefully to sustainable SME projects or to help them become more sustainable?	-In your view, does the bank offer loans to sustainable SME projects or to help them become more sustainable? What percentage are they of the retail portfolio over the years available?	-Head of Retail Banking -Head of SMEs	<ul style="list-style-type: none"> • Yes loans purposefully offered to environmentally and socially related SMEs • Yes loans purposefully offered to environmentally/socially only • Not purposefully offered 		N/A
39	Saving facilities allow for investment of the money or donation of part of the money in sustainability related projects or organizations	Do some of the saving facilities offered by the bank allow for investment of the money or donation of part of the money in sustainability related projects or organizations?	-Head of Retail Banking	<ul style="list-style-type: none"> • Yes and both environmental and social themes exist • Yes and only environmental/social themes exist • No 	No	0.00%
40	Customer satisfaction and feedback exist.	- What mechanisms does bank uses to implement customer feedback on the individual banking process?	-Head of Retail Banking	<ul style="list-style-type: none"> • More than one mechanism for customer feedback exists • One mechanism for customer feedback exists • Customer feedback doesn't exist. 	More than one mechanism for customer feedback exists	100.00%
41	Sustainability advisory service is offered to SMEs.	-Are sustainability advisory services offered to SME's?	-Head of advisory	<ul style="list-style-type: none"> • Sustainability advisory services offered separately to smes • Advisory services offered but do not include sustainability • No advisory services offered to SMEs 		N/A
42	Leasing of sustainability related equipment offered to SMEs.	-In your view, does the bank lease environmental equipment to SME's ?	-Head of Leasing	<ul style="list-style-type: none"> • Yes • Leasing is offered but not sustainability related • No 	Leasing is offered but not sustainability	50%
43	SME sustainable risk assessment is carried out	-In your view, does the bank have a sustainability risk assessment carried out for SMEs? Is it the same process used for corporate lending? How is it similar/different?	-Head of SMEs -Head of Risk	<ul style="list-style-type: none"> • Yes sustainability risk assessment is carried out in line with the corporate risk assessment • Yes but involving fewer steps • No sustainability risk assessment is carried out for SMEs. 		N/A

44	Loans to sustainable SMEs are offered at favorable rates	-In your view, does the bank offer favorable rates to sustainable SME's specifically?	-Head of SMEs	<ul style="list-style-type: none"> • Yes, inclusive of both E&S factors • Yes inclusive of only environmental/ social factors • No 		N/A
45	Microfinance, microcredit or any other financial inclusion of the poor is offered by the bank.	In your view, does the bank offer microfinance, microcredit or any other service to financially include the poorer members of society?	Head of Microfinance -Head of Retail	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
46	Mechanisms exist to provide access to service for sections of society that are excluded, such as easy to use ATMs, access to branches in remote location etc...	Do mechanisms exist to provide access to bank services for sections of society that are excluded, such as easy to use ATMs, access to branches in remote location etc...? Such as?	-Head of Microfinance. -Head of Retail	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
47	Loans provided under the umbrella of access to finance base lending decisions on more lenient factors other than the traditional owner collateral (such as on character, credit history etc).	What are the factors used to base financing decisions for the excluded members of society?	-Head of Microfinance. -Head of Retail	<ul style="list-style-type: none"> • Yes more lenient • Different factors but not more lenient • No 	Yes more lenient	100.00%
48	Under the umbrella of access to finance, women are given better or equal treatment when granting loans.	What are the factors used to base financing decisions for excluded members of society who are women ?	-Head of Microfinance. -Head of Retail	<ul style="list-style-type: none"> • Yes better • Yes equal • No 	Yes equal	50.00%
48.1	Bank announces changes in tariffs on website or publicly whenever a change occur as pat of customer transparency	Does the bank announce a change in tariff on its website or publically?	-Head of Retail -Head of SMEs	<ul style="list-style-type: none"> • Yes whenever a change occurs • Yes periodically but not what a change occurs • No 	Yes whenever a change occurs	100.00%
48.2	bank is lenient with SME lending to support them	Is the bank more lenient when lending SMEs as part of incorporating them into the portfolio?	-Head of Retail -Head of SMEs	<ul style="list-style-type: none"> • Yes lending terms are more lenient •SMEs are incorporated into the lending but lending terms not more lenient • No SME lending 	No SME lending	0.00%

48.3	Bank has facilities in branches that cater to the disabled and elderly	Do facilities exist in the branches that cater to the disabled and elderly	-Observation during branch visits -Head of Branches -Head of Maintenance	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for more than half of the branches	75.00%
Culture and Leadership						
<i>Culture</i>						
49	Clear sustainability goals are set on a departmental level	Are there clear sustainability targets set up by department?	-Vice Chairman -CEO -Head of every department -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all or more • Yes according to less than half • No 	Yes according to less than half	33.33%
50	Sustainability events are celebrated	Do you celebrate any sustainability related events? Such as?	-Head of HR -Sample of junior employees -Head of sustainability	<ul style="list-style-type: none"> • Yes according to all or more • Yes according to less than half • No 	Yes according to less than half	33.33%
51	Delegation of sustainability related job specific tasks to lower level employees is present	Are sustainability related job specific tasks delegated to lower-level employees?	-Head every department -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all or more • Yes according to less than half • No 	Yes according to less than half	33.33%
52	Employees are encouraged to take time off volunteer in sustainability related activities.	Are employees encouraged to take time off for volunteering in sustainability related activities? How?	-Sample of junior employees -Head of HR -Head of Sustainability	<ul style="list-style-type: none"> • Yes according to all or more • Yes according to less than half • No 	Yes according to less than half	33.33%
53	Rewards exist for achievement of sustainability related tasks thinking, and innovation. (e.g. employee of the year).	-Do sustainability related rewards exist for achievement of sustainability related tasks, thinking, and innovation? Such as?	-Head of HR -Sample of junior employees -Head of Sustainability	<ul style="list-style-type: none"> • Yes according to all or more • Yes according to less than half • No 	No	0.00%
54	Competition exists to highlight sustainability related thinking.	-Does sustainability related competition take place? Such as?	-Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all or more • Yes according to less than half • No 	Yes according to less than half	33.33%

55	Employees encouraged to be continuously thinking on how to better integrate sustainability into jobs and lives.	Are employees encouraged to be thinking on how to better integrate sustainability?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No • Head of Compliance: Yes 	Yes according to half or more	66.67%
56	Employees given the opportunity to invest their retirement plan in socially or environmentally responsible investments	Are employees given the opportunity to invest their retirement plan in socially responsible investments?	-Sample of junior employees -Head of HR.	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
57	Sustainability aspects are part of all job descriptions	- Is sustainability a part of job descriptions for all upper, middle and lower level staff?	-Vice Chairman -CEO -Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
58	Achievement of sustainability objectives linked to bonuses	- Are bonuses to achievement of sustainability objectives?	-Head of HR -Sample of junior employees -Vice Chairman	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	No	0.00%
59	Achievement of sustainability objectives linked to compensation	- Is compensation linked to achievement of sustainability objectives?	-Head of HR -Sample of junior employees -Vice Chairman	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	No	0.00%
60	Recruitment process and strategies highlight the importance of sustainability and bank values is this regard.	-In the recruitment process, do you highlight the importance of sustainability and bank achievement is this regard?	-Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
61	HR is clearly aware of sustainability strategy	In your view, what is the bank's sustainability strategy?	-Head of HR	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
62	Sustainability roles are given concurrently with traditional roles for all lower, middle, and upper level employees	-Are sustainability roles given concurrently with traditional roles to all employees?	-Head of Sustainability -Sample of junior employees -Head of HR	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
62.1	Bank's employee are personally motivated by sustainable development	Does sustainability personally motivate you?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%

62.2	Do you feel recognized for innovative sustainability related thinking	Do you feel recognized for sustainability related innovative thinking?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
<i>Leadership and structure</i>						
63	sustainability champions are distributed throughout departments to promote sustainability related endeavors	- Are there set representatives or champions distributed throughout the organization to promote sustainability related endeavors?	-Sample of junior employees -Head of Sustainability	<ul style="list-style-type: none"> • Yes (one per department) • Yes but not every department • No 	No	0.00%
64	A sustainability team exists	-Does a sustainability team exist?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
65	A sustainability team exists to influence, formulate, drive, report, monitor the sustainability portion of the strategy and coordinate efforts between departments.	-What are the tasks of the sustainability team? (After answer: which of the below are part of the tasks)	-Vice Chairman -Head of Sustainability	<ul style="list-style-type: none"> • Sustainability team responsible to: influence, formulate, drive, report, monitor the sustainability portion of the strategy and coordinate efforts between departments, or more • Sustainability team responsible for five out of the six processes • Sustainability team responsible for four out of the six processes • Sustainability team responsible for three out of the six processes • Sustainability team responsible for two out of the six processes • Sustainability team responsible for one out of the six processes • Sustainability team responsible for none of the six processes 	Sustainability team responsible for four out of the six processes	66.67%
66	Chief sustainability officer (or equivalent sustainability head) exists who oversees sustainability integration process.	Does a chief sustainability officer or head of sustainability exist who oversees the sustainability integration process?	-CEO -Vice Chairman	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%

67	Bank attempts to make employees aware of the sustainability vision and strategy	- Are there attempts to make all employees aware of the sustainability vision and strategy? How?	-Head of Sustainability -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
68	Upper management aware of business case for sustainability	-What is the business case for integrating sustainability?	-CEO -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • Upper Management is aware that integrating sustainability is important for business success, reputational purposes, cost benefits, investor importance and global environmental and social betterment of this world, plus others. • Upper Management is aware of the importance of sustainability because of cost reasons • Upper Management is not aware of the importance of sustainability 	Upper management aware that integrating sustainability is important for business success, reputational purposes, cost benefits, investor importance and global environmental and social betterment of this world, plus others.	100.00%
69	Board Committee monitors progress in implementing sustainability related strategies	-Do you (does the board) have any monitoring role for sustainability related strategies?	-Available board member	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
	<i>Training</i>					
70	Technical sustainability training provided	-Is there technical sustainability training provided (i.e sustainability training related to a person's main job role and tasks)? Such as? To whom?	-Sample of junior employees -Head of HR -Head of Training	<ul style="list-style-type: none"> • Technical training provided for all departments • Technical training provided for all core business lines • Technical sustainability provided for more than one department but not all core business lines • Technical training provided for only one department • No technical sustainability provided. 	Technical training provided for all core business lines	75.00%

71	General-knowledge-type sustainability training provided	-Does sustainability knowledge sharing or general training exist?	-Sample of junior employees -Head of HR -Head of Training	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
72	Executive level technical sustainability training exists	Is there technical sustainability training that is targeted at executives?	-Head of HR -Vice Chairman -Head of Strategy -Head of Training	<ul style="list-style-type: none"> • Technical training provided for executives from all departments • Technical training provided for executives from all core business lines • Technical sustainability provided for executives from more than one department but not all core business lines • Technical training provided for executives from only one department • No technical sustainability provided specifically for executives. 	No technical sustainability provided specifically for executives.	0.00%
73	Middle managers technical sustainability related training exists	- Is there technical sustainability training that includes middle managers?	-Head of HR -Vice Chairman -Heads of each department asked in other questions -Head of Training	<ul style="list-style-type: none"> • Technical training provided for middle managers from all departments • Technical training provided for middle managers from all core business lines • Technical sustainability provided for middle managers from more than one department but not all core business lines • Technical training provided for middle managers from only one department • No technical sustainability provided specifically for executives. 	Technical training provided for middle managers from all core business lines	75.00%
74	Training is given specifically on risk management when it comes to sustainability.	- Does sustainability related risk management training exist	-Head of Risk -Head of Sustainability -Head of HR	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%

75	Sustainability related technical or general training, awareness sessions, or conferences are mandatory	Are sustainability related technical or general training, awareness sessions, or conferences mandatory?	-Head of HR -Sample of junior employees -Head of Training	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No • None of these exist 	Yes according to half or more	66.67%
76	Hands on community work is counted as training	Does hands on community work count as training?	-Sample of junior employees -Head of HR -Head of Training -Head of CSR	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	No	0.00%
77	Cross-departmental sustainability training is provided.	-Is there cross departmental sustainability training?	-Head of HR -Sample of junior employees -Head of sustainability -Head of Training	<ul style="list-style-type: none"> • Yes involving representatives from all departments together • Yes involving representatives from all core business lines • Yes involving representatives from more than one department but not all core business lines • No covers departments individually • No training 	Yes involving representatives from all core business lines	66.67%
78	Contextual information sessions are given in important community matters at the time (e.g “how can banks play a role in the growing SME sector,” or “role of banks in solar energy.”)	-Do any sessions relate to sustainability mega-trends and their relation to Egypt?	-Head of HR -Sample of junior employees -Head of sustainability	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
78.1	Bank provides technical sustainability related training for junior employees	Does the bank provide technical sustainability related training to junior employees?	-Head of HR -Vice Chairman -Heads of each department asked in other questions -Sample of junior employees -Head of Training	<ul style="list-style-type: none"> • Yes from all departments • Yes all core business lines • Yes from more than one department but not all core business lines • Yes from only one department • No such training 	Yes all core business lines	75.00%
Communication						

79	Bank is aware of most important stakeholders: clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media	-Who are the most important stakeholders to you?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Mentioned at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media. • Mentioned 9 out of these 10 • Mentioned 8 out of these 10 • Mentioned 7 out of these 10 • Mentioned 6 out of these 10 • Mentioned 5 out of these 10 • Mentioned 4 out of these 10 • Mentioned 3 out of these 10 • Mentioned 2 out of these 10 • Mentioned 1 out of these 10 • Bank is not aware of any of the aforementioned stakeholders. 	Mentioned 7 out of these 10	70.00%
80	Dialogue takes place with clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters.	-Which stakeholders do you conduct dialogue with on sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Dialogue takes place with at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Dialogue takes place with 9 out of these 10 • Dialogue takes place with 8 out of these 10 • Dialogue takes place with 7 out of these 10 • Dialogue takes place with 6 out of these 10 • Dialogue takes place with 5 out of these 10 • Dialogue takes place with 4 out of these 10 • Dialogue takes place with 3 out of these 10 • Dialogue takes place with 2 out of these 10 • Dialogue takes place with 1 out of these 10 • Dialogue doesn't take place with any of the aforementioned stakeholders. 	Dialogue takes place with 7 out of these 10	70.00%

81	Consultation takes place with clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters.	-Which stakeholders do you consult with on sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Consultation takes place with at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Consultation takes place with 9 out of these 10 • Consultation takes place with 8 out of these 10 • Consultation takes place with 7 out of these 10 • Consultation takes place with 6 out of these 10 • Consultation takes place with 5 out of these 10 • Consultation takes place with 4 out of these 10 • Consultation takes place with 3 out of these 10 • Consultation takes place with 2 out of these 10 • Consultation takes place with 1 out of these 10 • Consultation doesn't take place with any of the aforementioned stakeholders. 	Consultation takes place with 4 out of these 10	40.00%
82	Collaboration takes place with clients, investors, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters	- Which stakeholders do you collaborate with on sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Collaboration takes place with at least clients, investors, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Collaboration takes place with 9 out of these 10 • Collaboration takes place with 8 out of these 10 • Collaboration takes place with 7 out of these 10 • Collaboration takes place with 6 out of these 10 • Collaboration takes place with 5 out of these 10 • Collaboration takes place with 4 out of these 10 • Collaboration takes place with 3 out of these 10 • Collaboration takes 	Collaboration takes place with 3 out of these 9	33.33%

			place with 2 out of these 10			
			<ul style="list-style-type: none"> • Collaboration takes place with 1 out of these 10 • Collaboration doesn't take place with any of the aforementioned stakeholders. 			
83	Partnership takes place with investors, NGOs, community, government and regulators, other banks, suppliers, and media on sustainability related matters	- Which stakeholders do you partner with on sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Partnership takes place with at least investors, NGOs, Community representation, government and regulators, other banks, suppliers, and media on sustainability related matters • Partnership takes place with 6 out of these 7 • Partnership takes place with 5 out of these 7 • Partnership takes place with 4 out of these 7 • Partnership takes place with 3 out of these 7 • Partnership takes place with 2 out of these 7 • Partnership takes place with 1 out of these 7 • Partnership doesn't take place with any of the aforementioned stakeholders. 	Partnership takes place with 1 out of these 7	14.29%
84	Bank keeps track of activities of clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters	- Which stakeholders does the bank keep track of regarding sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Bank keeps track of activities of at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Bank keeps track of activities of 9 out of these 10 • Bank keeps track of activities of 8 out of these 10 • Bank keeps track of activities of 7 out of these 10 • Bank keeps track of activities of 6 out of these 10 • Bank keeps track of activities of 5 out of these 10 	Bank keeps track of activities of at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media).	100.00%

				<ul style="list-style-type: none"> • Bank keeps track of activities of 4 out of these 10 • Bank keeps track of activities of 3 out of these 10 • Bank keeps track of activities of 2 out of these 10 • Bank keeps track of activities of 1 out of these 10 • Bank doesn't keep track of activities of any of the aforementioned stakeholders. 		
85	Bank generated recent GRI (or other institution)-based sustainability report	Did the bank produce a recent sustainability report in line with the GRI (or other) standards?	-Sustainability report	<ul style="list-style-type: none"> • Yes recent • Yes sustainability report produced but not within the last two years • No 	Yes sustainability report produced but not within the last two years	50.00%
86	Guidelines followed in sustainability report are stated	Does the bank state which guidelines it adheres to in the sustainability report?	-Sustainability report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
87	Bank is transparent in its sustainability report or EP report about negative sustainability related activities.	-Does the sustainability report mention negative sustainability aspects and activities related to the bank?	-Sustainability report -EP report	<ul style="list-style-type: none"> • Yes with details of negative impacts • Yes only stating the negative activities or projects • No 	Yes only stating the negative activities or projects	50.00%
88	Bank's sustainability report or EP report provides an action plan about how to deal with negative activities and outcomes where applicable.	-Does the sustainability report mention how it will deal with negative activities and outcomes?	-Sustainability report -EP report	<ul style="list-style-type: none"> • Yes with all negative activities mentioned • Yes with some negative activities mentioned • No 	No	0.00%
89	Indirect negative consequences of bank activities are communicated in the sustainability report or EP report, not just direct	-Does the sustainability report mention indirect negative consequences of bank activities?	-Sustainability report -EP report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
90	Bank discloses information about types of credit and loan portfolio in sustainability report or EP report	-Does the sustainability report mention types of credit and loan portfolio?	-Sustainability report -EP report	<ul style="list-style-type: none"> • Yes with numerical split • Yes but without numerical split • No 	Yes but without numerical split	50.00%

91	Bank has partnered with NGOs	-Has the bank partnered with an NGO?	-Vice Chairman -CEO -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
92	Bank carries out community service	-In your view, does the bank carry out community service?	-Vice Chairman -CEO -Head of Sustainability -Head of Strategy -Head of CSR	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
93	It is procedure for the bank to prepare for anticipated sustainability related regulation in Egypt	Is it procedure for the bank to prepare for anticipated sustainability related regulation in Egypt? What is the regulation anticipated and what has been prepared in response?	-Vice Chairman -CEO -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes, environmental and social related regulation • Yes environmental/social only • No anticipation of sustainability related regulation 	Yes, environmental and social related regulation	100.00%
94	Bank partners with other banks on sustainability related matters (e.g. supplier pressuring, leasing)	-In your view, does the bank partner with other banks on sustainability related matters?	-Vice Chairman -CEO -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes partner • Yes but cooperate with not partner • No 	Yes but cooperate with not partner	50.00%

95	Sustainability materiality assessments are conducted with all stakeholders (clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media) in mind	-Who are the stakeholders targeted for the materiality assessment?	-Vice Chairman -Head of Sustainability -CEO -Head of Strategy	<ul style="list-style-type: none"> • Materiality assessment conducted with at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Materiality assessment conducted with 9 out of these 10 • Materiality assessment conducted with 8 out of these 10 • Materiality assessment conducted with 7 out of these 10 • Materiality assessment conducted with 6 out of these 10 • Materiality assessment conducted with 5 out of these 10 • Materiality assessment conducted with 4 out of these 10 • Materiality assessment conducted with 3 out of these 10 • Materiality assessment conducted with 2 out of these 10 • Materiality assessment conducted with 1 out of these 10 • No materiality assessment took place take place with any of the aforementioned stakeholders. 	Materiality assessment conducted with 5 out of these 10	50.00%
96	Materiality methodology of engagement with stakeholders is revealed in the sustainability report.	-Is it stated or revealed from the sustainability report the stakeholder engagement methodology used?	-Sustainability report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
97	Bank's code of conduct (or statement of intent or environmental policy statement) accounts for sustainability.	- What is the bank's code of conduct (or statement of intent or environmental policy statement)?	-Sustainability report -Head of HR -Vice Chairman -Head of Strategy -Head of Sustainability	<ul style="list-style-type: none"> • Yes sustainability is mentioned in the code/statement • Yes but sustainability is not directly acknowledged in the statement but concepts related to sustainability are • No 	Yes but sustainability is not directly acknowledged in the statement but concepts related to sustainability are	50.00%

98	Bank publicly signed an international declaration that openly shows commitment to sustainability, such as the UNEP FI commitment	-Has the bank publicly signed an international declaration that openly shows commitment to sustainability, such as the UNEP FI commitment?	-Sustainability report -Vice Chairman -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes covering E&S • Yes covering environmental/social only • No 	Yes covering E&S	100.00%
99	Bank has engaged in sustainability-related conferences.	-In your view, did the bank take part in any sustainability related conferences? Such as?	-Sustainability report -Vice Chairman -Head of Sustainability -Head of Strategy -CEO	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
100	Sustainability report and EP report available easily to the public.	-Is the bank's sustainability report easily available to the public?	-Sustainability report -EP report	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
101	Sustainability report sent separately to internal members of the bank.	-Is the sustainability report sent to internal members of the bank?	-Head of Sustainability -Sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
102	Quantitative data and/or indicators are used to back up all information in the sustainability report where relevant	-Quantitative data and/or indicators are used to back up information	-Sustainability report.	<ul style="list-style-type: none"> • Yes for every separate topic a quantitative indicator is used • Yes for more than half of the topics • Yes for less than half • No 	Yes for less than half	33.33%
103	The majority of the sustainability report focuses on issues related to core operations.	-Does the bulk of the sustainability report relates to the core operations of the bank?	Sustainability report	<ul style="list-style-type: none"> • More than half the report is on core operations • Less than half is on core operations • Core operations not discussed 	Less than half is on core operations	50.00%
104	The bank's sustainability risk framework is provided in the sustainability report	-Is the bank's sustainability risk framework described in the sustainability report?	Sustainability report	<ul style="list-style-type: none"> • Yes described • Yes stated as existing but not described • No 	Yes stated as existing but not described	50.00%
105	Problematic sectors, in relation to the bank, are revealed in the sustainability report or EP report	-In your view, does the bank reveal sustainably problematic sectors in relation to it in its sustainability report?	Sustainability report -EP report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%

106	Summary section exists with the important KPIs in the sustainability report	-Is there a summary section with important KPIs in the sustainability report?	Sustainability report	<ul style="list-style-type: none"> • Yes • Yes summary section but without KPIs • No 	Yes summary section but without KPIs	50.00%
107	Sustainability report is reviewed by external auditor.	-Has the sustainability report been reviewed by an external auditor?	Sustainability report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
108	EMS system or sustainability policy is stated in the sustainability report	-The EMS system used by the bank, or sustainability policy, is clearly stated in the sustainability report.	Sustainability report	<ul style="list-style-type: none"> • Yes stated with details on achievement • Yes, but only stated • No 	No	0.00%
109	Sustainability-related training or reward schemes are stated in the sustainability report	-Are the sustainability related trainings and reward schemes stated in the sustainability report?	Sustainability report	<ul style="list-style-type: none"> • Yes stated with details on achievement • Yes, but only stated • No 	Yes stated with details on achievement	100.00%
110	Sustainability related administration and/or structure is mentioned in the sustainability report	-Is there a mention of the sustainability team, sustainability integration in the organizational structure or administration mentioned in the report?	-Sustainability report.	<ul style="list-style-type: none"> • Yes with details of the hierarch • Yes but only stated as existing • No 	Yes but only stated as existing	50.00%
111	Bank relies on benchmarking to other organizations in the sustainability report.	-Does any form benchmarking to other banks or organizations occur in the sustainability report?	-Sustainability report.	<ul style="list-style-type: none"> • Yes in terms of overall sustainability • Yes in terms of some topics • Yes for one topic • No 	No	0.00%
112	Bank reports on supply chain impacts in the sustainability report	-Is there a mention of the sustainability impact of the bank's supply chain in the sustainability report?	-Sustainability report.	<ul style="list-style-type: none"> • Yes with details of positive and negative impacts • Yes with details of only positive impacts • Yes but only acknowledged the source of supplies • No 	No	0.00%

112.1	Internal audit accounts for sustainability risks and opportunities	Does the internal audit process account for sustainability risks and opportunities?	-Head of Audit -Head of Sustainability	<ul style="list-style-type: none"> • Yes for all or most departments • Yes for core departments only • Yes but not all core departments, but more than one • Yes for one department • No 	Yes for one department	25.00%
112.2	Sustainability risk framework is revealed in the EP report	-Is the bank's sustainability risk framework described in the sustainability report?	EP report	<ul style="list-style-type: none"> • Yes described • Yes stated as existing but not described • No 	No	0.00%
112.3	Bank produced recent Carbon footprint report	Did the bank produce a recent carbon footprint report?	-CO2 report -Bank website -Head of Sustainability -Head of Maintenance	<ul style="list-style-type: none"> • Yes recent • Yes sustainability report produced but not within the last two years • No 	Yes sustainability report produced but not within the last two years	50.00%
Internal Environment						
<i>General</i>						
113	An EMS exists with set numerical targets for reduction, and performance measures going forward.	-In your view, does the bank have an EMS along with its associated numerical targets and performance measures?	-Head of Sustainability	<ul style="list-style-type: none"> • EMS exists with numerical targets and performance measures • EMS exists with non numerical targets and performance measures • EMS exists with numerical targets only but no performance measures • EMS exists with non numerical targets only but no performance measures • EMS exists without targets or performance measures • No EMS exists 	No EMS exists	0.00%
114	An institutional based EMS exists	Does the bank have EMS certification?	-Head of Sustainability -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%

115	Bank has LEED or Breeam Certification	-In your view, does the bank hold a LEED/Breeam or any international Green Building certification?	-Head of Sustainability -Sustainability Report -Maintenance -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
115.1	General monthly maintenance checks are carried out for all branches	What extent of branches undergo general monthly maintenance checks	Head of Maintenance Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for all branches	100.00%
<i>Employee Satisfaction</i>						
116	There is a diversity of employees	-How do you ensure diversity among employees? Do you have certain racial/gender/faith/youth/disability and social background quotas? Can you elaborate?	-Head of HR -Observation -Sustainability report	<ul style="list-style-type: none"> • There are racial/gender/faith/youth/disability and social background quotas • There are quotas for some of these but not all • There is a mention of diversity in the code of conduct but no quotas • No such quotas or mention of diversity 	There is a mention of diversity in the code of conduct but no quotas	33.33%
117	Employee contracts allow for flexible working hours	-Do flexi-hours exist? Are they implemented?	-Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	No	0.00%
118	Employee contracts' compensation is fair for employees	employee: Do you feel you are being adequately compensated?	-Sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
119	Employee health and safety system is implemented	Are you aware of the bank's health and safety system? Can you give an example?	-Head of HR -Sample of junior employees. -Sustainability report -Head of Maintenance	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%

120	Opportunities for career development and growth are felt	-Do you feel the bank provides you with opportunities for career development and growth?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
121	Employee contracts allow for worker-family benefits	-Do the employee contracts allow for work-family benefits?	-Head of HR. -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
122	Bank follows international human rights code	-In your view, does the bank adhere to an international human rights policy or code? Which one?	-Head of HR -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
122.1	Bank has national or international civil defense certificate	Does bank have national or international civil defense certificate?	-Head of Maintenance	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
<i>Supply Chain</i>						
123	Supplier sustainability risk assessment is carried out.	-In your view, does the bank carry out any form of supplier risk assessment? Can you elaborate?	-Head of Procurement -Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes for all suppliers • Yes for more than half • Yes but less than half • No 	Yes but less than half	33.33%

124	Bank carries out supplier sustainability analysis. (covers at least main topics of energy, waste, water, raw material sourcing, harmful materials, labor treatment, labor compensation, safety standards)	-In your view, does the bank carry out a supplier sustainability analysis? What does it involve? What areas are covered?	-Head of Procurement -Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Supplier sustainability analysis and audit cover at least: energy, waste, water, raw material sourcing, harmful materials, labor treatment, labor compensation, safety standards • Supplier sustainability analysis and audit covers 7 out of the 8 • Supplier sustainability analysis and audit covers 6 out of the 8 • Supplier sustainability analysis and audit covers 5 out of the 8 • Supplier sustainability analysis and audit covers 4 out of the 8 • Supplier sustainability analysis and audit covers 3 out of the 8 • Supplier sustainability analysis and audit covers 2 out of the 8 • Supplier sustainability analysis and audit covers 1 out of the 8 • Supplier sustainability analysis and audit doesn't cover any of these or not carried out 	Supplier sustainability analysis and audit doesn't cover any of these or not carried out	0.00%
125	Supplier screening based on environmental and social criteria exists.	-Does any type of E&S supplier screening exist? If yes, what are the criteria?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes based on both E&S criteria exist • Only environmental/social criteria exist • No screening. 	No screening.	0.00%
126	Bank prioritizes environmental and social labels on all supplies.	-In your view, does the bank prioritize suppliers with environmental or social labels? Such as?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes with all supplies • Yes with more than half • Yes with less than half • No 	No	0.00%
127	Sustainable procurement codes of conduct, guidelines, metrics or standards are communicated to suppliers	-In your view, does the bank communicate either sustainable codes of conduct, guidelines, metrics, standards to all suppliers? How?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes with all supplies • Yes with more than half • Yes with less than half • No 	No	0.00%

128	Bank aware of where raw materials are sourced from for supplies	Are you aware of where the suppliers' raw materials come from?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes with all supplies • Yes with more than half • Yes with less than half • No 	No	0.00%
129	Bank prioritizes local over imported supplies	-Do you prioritize or imported supplies?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes for all supplies • Yes for more than half of the supplies • Yes for less than half of the supplies • No 	Yes for less than half of the supplies	33.33%
130	Bank cards (credit/debit) are sustainably sourced (e.g. biodegradable)	-Are debit/credit cards sustainably sourced? If yes how?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
131	Bank cards (credit/debit) are disposed of safely (e.g. or takeback program)	Are bank credit/debit cards disposed of safely? How?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
132	Bank makes effort to improve suppliers' sustainability awareness	-In your view, does the bank take to improve supplier sustainability awareness? Such as?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes for all suppliers • Yes for more than half of the suppliers • Yes for less than half of the suppliers • No 	No	0.00%
133	A separate team specifically for supply chain sustainability exists.	-Is there a supply chain team focused specifically on sustainability?	-Head of procurement -Head of sustainability	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
134	Supplier benchmarking exists	-Is any form of supplier benchmarking carried out?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes for all suppliers • Yes for more than half of the suppliers • Yes for less than half of the suppliers • No 	No	0.00%
<i>(Below assume no formal LEED or other building management certification)</i>				All below applies to Head Office AND Branches unless specified otherwise		

<i>Energy</i>						
135	Co2 emission targets, methods to reach them and monitoring exist.	Do CO2 emission targets exist with method and monitoring?	-Head of Sustainability -Sustainability Report -Carbon footprint report	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	Targets only exist without methods or monitoring	33.33%
136	Bank measures its co2 emissions or has energy monitoring system	-Does bank have an energy monitoring system or mechanisms to measure C02 emissions?	-Head of Sustainability -Sustainability Report -Carbon footprint report -Heads of Branches -Head of Maintenance	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for head office only	25.00%
137	empty spaces are not heated or cooled	-Are empty spaces being heated/cooled?	-Observation -Head of Sustainability -Head of Maintenance -Heads of Branches -Carbon footprint report	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No all empty spaces heated and cooled throughout 	Yes for all branches	100.00%
138	Light dimmers exist	-Do light dimmers exist?	-Observation -Head of Sustainability -Head of Maintenance -Heads of Branches -Carbon footprint report	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
139	Common light is not kept at full intensity all day	-Is the common light and other electrical equipment kept at full intensity all day?	-Observation -Head of Sustainability -Head of Maintenance -Heads of Branches -Carbon footprint report	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%

140	Energy efficient lightbulbs installed.	-Are the light bulbs energy efficient ones in all the rooms?	-Observation -Head of Sustainability -Head of Maintenance -Heads of Branches -Carbon footprint report	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	Yes for more than half of the offices and branches	75.00%
141	Motion-sensitive lighting installed in all rooms	-Is motion sensitive lighting installed in all of the rooms?	-Observation -Head of Sustainability -Head of Maintenance -Heads of Branches -Carbon footprint report	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	No	0.00%
142	Natural daylight optimized	-Are the windows/buildings made to maximize natural light? Or is there sufficient natural light to replace light bulbs during the day?	-Observation -Head of Sustainability -Head of Maintenance -Heads of Branches -Carbon footprint report -Sample of Junior Employees	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	No	0.00%
143	Bank chooses electrical equipment with energy saving labels.	-What criteria is used when buying electronic equipment, is green energy taken into account?	-Head of Procurement -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	Yes for all branches	100.00%
144	Bank leases equipment not often used to other companies	-In your view, does the bank lease equipment is doesn't use often to other companies?	-Head of Leasing -Head of Admin -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
145	Renewable energy technology is used	Does the bank utilize any form of renewable energy technology on any of its premises?	-Head of Maintenance -Head of Sustainability -Heads of Branches -Carbon footprint report	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	No	0.00%

146	Travelling kept to a minimum	-In your view, does the bank prioritize alternatives to travelling, or only encourages travelling when it is absolutely necessary (and how do you define absolutely necessary if yes)?	-Head of Sustainability -Sustainability report -Carbon footprint report -Head of HR	<ul style="list-style-type: none"> • Only when absolutely necessary from a sustainability perspective (how do they define absolutely necessary) • Only when absolutely necessary from a pure cost perspective (how do they define absolutely necessary) • No efforts made 	No efforts made	0.00%
147	Bank relies on tele-conferencing or video-conferencing (or any other alternative to meeting) as much as possible to replace face-to-face meetings	In your view, does the bank replace face-to-face meetings with tele-conferencing or video-conferencing ?	-Head of Sustainability -Sustainability report -Carbon footprint report -Head of HR	<ul style="list-style-type: none"> • Video conferencing completely replaces face to face meetings that require transportation for sustainability reasons • Video conferencing completely replaces face to face meetings that require transportation for pure cost reasons • Video conferencing sometimes replaces face to face meetings that require transportation • Video conferencing does not exist. 	Video conferencing sometimes replaces face to face meetings that require transportation	33.33%
148	Bank carries out any effort to ensure environmental efficiency of HVAC	In your view, does the bank carry out any effort to ensure environmental efficiency of HVAC?	Head of Sustainability -Sustainability report -Carbon footprint report -Heads of Branches -Head of Maintenance	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for head office only	25.00%
148.1	HVAC system ensures fresh air circulation in the building	Does the HVAC system ensure fresh air circulation in the buildings?	-Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for head office only	25.00%
<i>Transportation</i>						

149	Bank checks delivery vehicle tire pressure, rolling resistance, and any other checks to improve vehicle efficiency.	Does any form of checks on the delivery vehicle tire pressure, rolling resistance, and efficiency occur?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes consistently • Frequently • Occasionally • Never 	Never	0.00%
150	Bank maximizes stops per delivery vehicle to reduce transportation	In your view, does the bank set a stops per delivery quota to reduce transportation costs? What is it?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes for sustainability purposes • Yes for pure cost purposes • No 	No	0.00%
151	Delivery only takes place for essential services (not newsletters or brochures).	What items require delivery? Is it just for essential services?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes for sustainability purposes • Yes for pure cost purposes • No 	No	0.00%
152	Bank organizes bus service for employees	Is there a bus service to transport employees?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
153	Bank tracks ideal route live for delivery services to maximize on time efficiency	-Does any form of live route tracking occur to determine quickest route?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
154	Bank has studied sustainability levels of different service channels as compared to each other	-Bank has studied sustainability levels of different service channels as compared to each other? (such as telebanking versus atm versus kiosks etc...). Which is most sustainable?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
Water						
155	Water use reduction targets, methods to reach them and monitoring exist.	-Do water use reduction numerical targets exist, Or grey water reliance targets with method and monitoring?	-Head of Sustainability -Sustainability Report -Head of Maintenance	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	Neither targets, nor methods nor monitoring exist.	0.00%
156	Bank measures water consumption	-In your view, does the bank measure and record its buildings' water consumption?	-Head of Sustainability -Sustainability Report -Head of Maintenance -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%

157	Low-flow taps in offices	-Are the taps in the buildings low flow?	-Head of Maintenance -Head of Sustainability -Observation -Heads of Branches -Sustainability report	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	No	0.00%
158	Low-flow flushes in offices	-Are the flushes on the toilets low-flow?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	No	0.00%
159	-bi-Monthly checks of leaks exist	-How often are pipes checked for leaks?	-Head of Maintenance -Head of Sustainability -Heads of Branches -Sustainability report	<ul style="list-style-type: none"> • Yes for all standalone branches • Yes for more than half of the offices and standalone branches • Yes for less than half of the offices and standalone branches •Yes for head office only • No 	Yes for all standalone branches	100.00%
160	(If garden exists): reliance on drip irrigation	-If there is a garden, is drip irrigation used?	-Head of Maintenance -Head of Sustainability -Observation -Heads of Branches -Sustainability report	<ul style="list-style-type: none"> •No gardens • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	No gardens	100.00%
161	Greywater recycling exists in the bank's buildings	-Does greywater recycling take place in the bank's buildings?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	No	0.00%
<i>Waste</i>						

162	Waste reduction (disposal) numerical targets, methods to reach them and monitoring exist.	-Do waste reduction numerical targets or targets for reliance on certain waste disposal methods exist with method and monitoring	-Head of Sustainability -Sustainability Report	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	Neither targets, nor methods nor monitoring exist.	0.00%
163	Bank measures paper consumption	-In your view, does the bank measure and record its paper consumption?	-Head of Sustainability -Sustainability Report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for head office only	25.00%
164	Bank measures waste generation by type	In your view, does the bank measure and record its waste generation by type? How and What is the split?	-Head of Sustainability -Sustainability Report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
165	Paper reduction numerical targets, methods to reach them and monitoring exist.	Do paper or recycled paper reduction numerical targets exist with method and monitoring?	-Head of Sustainability -Sustainability report -Head of Retail Banking	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	Neither targets, nor methods nor monitoring exist.	0.00%
166	Recycled paper is used whenever possible	-In your view, does the bank use recycled paper whenever?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report	<ul style="list-style-type: none"> • Always • Sometimes • Never 	Never	0.00%

167	Recycling bins exist (with separation for paper)	-Are there recycling bins for paper easily accessible in the buildings?	-Observation -Head of Sustainability -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
168	Bank employs digital or online banking to some extent	- In your view, does the bank employ any digital or online banking?	-Vice Chairman -Head of Retail Banking -Head of Strategy	<ul style="list-style-type: none"> • Gone digital with all transactions • Gone digital but not to the point of carrying out transactions • No digital banking incorporation 	Gone digital but not to the point of carrying out transactions	50.00%
169	Bank has carried out efforts to reduce physical mail	How often does bank use physical mail?	-Head of Sustainability -Sustainability report -Head of Retail Banking	<ul style="list-style-type: none"> • Bank never uses physical mail • Bank frequently uses physical mail • Bank uses both equally • Bank occasionally uses physical mail not more than digital • Bank only uses physical mail 	Bank occasionally uses physical mail not more than digital	25.00%
170	Bank has carried out efforts to reduce packaging	-What efforts has the bank carried out to reduce and packaging?	-Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Packaging is from recycled source or kept to the minimum possible for all products • Packaging is from recycled source or kept to the minimum possible for some products • No efforts 	No efforts	0.00%
171	Eco-labels exist for physical bank products and their packaging	-Are there eco-labels on the physical bank products and their packaging?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	No	0.00%
172	Bank labels physical products and packaging with materials used	-Do labels on physical bank products and their packaging with materials?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	No	0.00%

173	Bank labels physical product and packaging with proper disposal method.	-In your view, does the bank provide labels indicating proper disposal methods on physical products and their packaging?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	No	0.00%
174	Members all reminded on limiting use of paper	-In your view, does the bank remind all members on reducing use of paper? How?	<ul style="list-style-type: none"> -Sample of junior employees -Head of Sustainability 	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
175	Bank adopts the “freecycle” system in offices	-In your view, does the bank adopt a freecycle system in the office?	<ul style="list-style-type: none"> -Sample of junior employees -Head of Sustainability -Heads of Branches 	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
176	Bank reports and publications are all electronic only	-Are the bank’s reports typically hard copy or electronic?	<ul style="list-style-type: none"> -Sample of junior employees -Head of Sustainability -Vice Chairman -Head of Strategy 	<ul style="list-style-type: none"> • All electronic • Yes for some • None are electronic 	Yes for some (such as only the internal reports)	50.00%
177	Default printer setting is “print on both sides”	-What is the default printer setting?	-Sample of junior employees	<ul style="list-style-type: none"> • Both sides according to all • Both sides according to half or more • Both sides according to less than half • One sided according to all 	One sided according to all	0.00%
178	The bank handbook, insurance information, employee bulletin board, and important forms all only on the firm’s electronic database instead	-Where can employees access the bank handbook, insurance information, employee bulletin board, and important forms?	<ul style="list-style-type: none"> -Head of HR -Sample of junior employees. 	<ul style="list-style-type: none"> • On an online database or folder • Both online and physical • Physically handed out to employees 	On an online database or folder	100.00%
179	Bank considers IT to be harmful waste.	-Do you consider IT to be harmful waste? Why?	<ul style="list-style-type: none"> -Head of Procurement -Head of Sustainability 	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%

180	Banks make dumping e-waste last resort	-What In your view, does the bank do with electronic equipment it no longer needs?	-Head of Administration -Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Bank recycles and/or donates e-waste • Bank dumps e-waste but tracks disposal to ensure safe and environmentally friendly disposal • Bank throws away e-waste normally 	Bank recycles and/or donates e-waste	100.00%
181	Bank chooses electrical equipment with green production labels.	-What criteria is used when buying electronic equipment, are green production labels taken into account?	-Head of Procurement -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
182	Printing relies on greener ink, such as vegetable based ink.	-What type of ink In your view, does the bank use for printing?	-Head of Procurement -Head of sustainability -sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
183	Bank makes effort to reduce as much waste as possible reaching landfill dumping and incineration.	What effort In your view, does the bank make any to reduce waste reaching landfill and incineration? How?	-Head of administration -Head of sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
184	- Are members made aware of the “reduce, reuse, recycle” mentality?	-Are you made aware of the importance of reducing, reusing, and recycling?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
185	Bank tracks disposal of waste	-Do you track the disposal of waste? Where does it go?	-Head of Administration -Head of sustainability -sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%

186	Takeback scheme exists	-In your view, does the bank make use of any takeback scheme?	-Head of procurement -Head of sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	No takeback scheme exists.	0.00%
186.1	"Eco-print" option available as a printing	Is there an "eco-print" option available as a printing option?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
<i>Internal Physical Environment</i>						
187	Sufficient circulation of fresh air	-Do you feel sufficient fresh air enters the building?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
188	Thermal temperatures at a comfortable range	-Do you feel temperature is at a comfortable range?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
189	No moldy smells	-Do you ever experience rotting or mouldy smells in the office?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
190	People don't get a sick feeling whenever in the building	-Do you ever feel sick from the atmosphere in the building?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
191	Paint odor is not strong	Is paint odour strong after a paint job?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
192	Irritating chemicals aren't used for cleaning	in your view, are the chemicals used for cleaning irritating or harmful?	-Sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to all	100.00%

193	Cleaning is carried out before/after business hours.	-What are the times of day is cleaning carried out?	-sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
194	Bank employs the services of third party sustainability consultants for the internal environment.	-Does a third party consultant verify the internal operations from a sustainability perspective?	-Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes for all internal environment issues • Yes for some internal environment issues • No 	No	0.00%
194.1	Materials used inside the finishing of the building have been chosen because of sustainable procurement and impacts (such as carpeting, paints, floors)	How much of the materials used in the building have been sustainably sourced?	-Head of Maintenance	<ul style="list-style-type: none"> • Yes for all materials • Yes for more than half • Yes for less than half • No 	Yes for less than half	33.33%
194.2	Other general "internal physical environment" observation reveals a majority of positive aspects	Does general observation reveal a majority or positive or negative aspects?	-Observation	<ul style="list-style-type: none"> • All of the observations made were positive • More than half of the observations made were negative • Less than half of the observations made were positive • None of the observations made were positive 	Less than half of the observations made were positive	33.33%

Appendix-3: The Tool to Account for Future Activities

A	B	C	D	E	F	G
No.	Ideal standards which describe a traditional bank that has perfectly integrated sustainability	Corresponding Question(s)	Source(s) <i>It is assumed that whenever "Head of" is written, this includes two other junior employees in the department</i> <i>The perception based questions are part of "Sample of Junior Employees"</i>	Measurement of the extent to which the standard is integrated	Chosen Response	Score
	Vision and Strategy					
1	Sustainability is part of the bank's mission.	What is the mission statement?	-Bank's website and/or annual report. -CEO -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • Yes part of official mission • Yes part of discussion of vision but not in the statement • No 	Yes part of discussion of vision but not in the statement	50.00%
2	Sustainability strategy is mentioned as a part of the main organizational strategy.	In your view, what is the bank's main organizational strategy? (after answering first part): What is the bank's sustainability strategy?	-CEO -Vice Chairman -Head of HR -Head of Strategy -Head of Sustainability (second question only)	<ul style="list-style-type: none"> • The Sustainability strategy is part of the main organizational strategy • A sustainability strategy exists but not part of the main organizational strategy • No sustainability strategy exists 	A sustainability strategy exists but not part of the main organizational strategy	50.00%
3	The bank has a sustainability policy	-In your view, does the bank have a sustainability policy?	-Head of Sustainability -CEO -Head of Strategy	<ul style="list-style-type: none"> • Yes covering social and environmental aspects • Yes covering social/environmental aspects only • No 	Yes covering social and environmental aspects	100.00%
4	A sustainability market study has been carried out for the sustainability strategy	- Has a sustainability market study for the sustainability strategy (if yes could you please provide the details)?	-Vice Chairman -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • A study of the Egyptian market in relation to the bank itself was carried out • A general Egyptian market study to determine overall sustainability aptitude was carried out. • No market study carried out 	A general Egyptian market study to determine overall sustainability aptitude was carried out.	50.00%

5	The sustainability strategy (or policy) has specific targets, resource allocation, monitoring mechanisms, and revision.,	-Does the sustainability strategy include targets, resource allocation, monitoring mechanisms, and revisions (if applicable)?	-Head of Sustainability -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • Sustainability strategy has all four • Sustainability strategy has three out of the four • Sustainability strategy has two out of the four • Sustainability strategy has one out of the four • Sustainability strategy has neither of the four 	Sustainability strategy has all four	100.00%
6	Sustainability indicators are measured on a strategic level	-Do sustainability indicators exist for measuring progress of the strategy?	-Head of Sustainability -Vice Chairman -CEO -Head of Strategy	<ul style="list-style-type: none"> • Sustainability indicators exist covering all three dimensions. • Sustainability indicators exist but do not cover all three dimensions • No sustainability indicators exist 	Sustainability indicators exist covering all three dimensions.	100.00%
7	A separate budget exists to account for the sustainability portion of the strategy or the sustainability strategy	-Is there a separate budget to carry out the sustainability strategy?	Head of Sustainability -Vice Chairman -CEO -Head of Strategy	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
7.1	Bank's adoption of sustainability came as a result of own motivation, not government policy	Did the bank's adoption of sustainability come as a result of national polices and stipulations?	-CEO -vice chairman -Head of sustainability -Head of Strategy -Head of Strategy	<ul style="list-style-type: none"> • purely the bank's conviction with sustainable development • A mix of policy and other convictions for adopting sustainability • Yes policy was the main trigger 	purely the bank's conviction with sustainable development	100.00%
Core Business						
<i>Corporate banking-corporate loans</i>						
8	The bank offers credit lines to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations	Are there credit lines purposefully targeted to clients carrying out more environmentally and socially responsible enhancements in their businesses and operations?	-Head of corporate banking	<ul style="list-style-type: none"> • Credit lines purposefully include businesses adopting E&S activities • Credit lines purposefully include businesses adopting environmental/social benefits only • No 	Credit lines purposefully include businesses adopting environmental/social benefits only	50.00%

9	The bank offers green leasing.	-In your view, does the bank lease out any asset considered to improve the environmental benefits to other companies?	Head of leasing department -Head of Sustainability.	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
10	The bank offers sustainability advisory services	-In your view, does the bank offer sustainability advisory services?	-Advisory department head -Head of corporate banking	<ul style="list-style-type: none"> • Yes, as a separate service • Yes, but informally as part of corporate lending or other service • No 	Yes, but informally as part of corporate lending or other service	50.00%
11	The bank purposefully offers corporate lending to sustainability-oriented companies. Or companies in the sustainability transition.	-In your view, does the bank purposefully lend businesses with sustainability-oriented business models? (or those in transition)?	-Head of Corporate Banking	<ul style="list-style-type: none"> • Corporate lending purposefully targets businesses with sustainability oriented business models • Corporate lending purposefully targets either social or environmental businesses but not both. • Corporate lending does not purposefully target sustainable businesses •Not witnesses in the Egyptian market 	Not witnesses in the Egyptian market	N/A
12	The bank has a set list of positive criteria for investing that cover sustainability activities.	-In your view, does the bank have a set list of positive criteria for investing in that cover sustainability activities?	-Head of Corporate Banking -Head of compliance	<ul style="list-style-type: none"> • Positive criteria exist and cover environmental and social sectors. • Positive criteria exist covering only environmental/social sectors. • No such list exists. 	No such list exists.	0.00%
13	-The bank has a set list of negative criteria for not investing that cover sustainability activities.	-In your view, does the bank have a set list of negative criteria for not investing in that cover sustainability activities?	-Head of Corporate Banking -Head of compliance -Head of Risk	<ul style="list-style-type: none"> • Negative criteria exists and excludes sectors harmful to both the environment and the community • Negative criteria exists but excludes sectors harmful to only the environment or only the community • List of negative criteria doesn't exist. 	Negative criteria exists and excludes sectors harmful to both the environment and the community	100.00%

14	The bank sustainability screening criteria has been verified by an external consultant.	-Does an external consultant exist to verify the sustainability screening criteria if applicable)?	-Head of Corporate Banking -Head of compliance -Head of Risk	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
15	The bank has client facing teams that promote sustainable products, services and awareness.	- In your view, does the bank also have client facing teams that promote sustainable products, services and awareness? What are the items they promote and how?	-Head of Corporate Banking	<ul style="list-style-type: none"> • Client facing team promotes agreed upon characteristics of the bank's sustainable practices through more than one channels • Client facing team promotes agreed upon characteristics of the bank's sustainable products and services through one channel • Client facing team doesn't promote characteristics of sustainable products and services to customers. 	Client facing team promotes agreed upon characteristics of the bank's sustainable products and services through one channel	50.00%
	<i>Corporate Banking-project Finance</i>					
16	Sustainable project finance offered by the bank is atleast 23% of portfolio	-In your view, does the bank purposefully invest in projects with sustainability-oriented business models? (or those in transition)	-Head of Corporate Banking	<ul style="list-style-type: none"> • sustainability oriented projects are 23% or more of project finance portfolio •sustainability oriented projects are less than 23% of project finance portfolio • No such project finance offered 	sustainability oriented projects are less than 23% of project finance portfolio	50.00%
	<i>Corporate banking-Investment banking</i>					
17	IB services purposefully provided to sustainable projects is atleast 23% of portfolio	-In your view, does the bank purposefully carry out investment banking for projects/companies with sustainability-oriented business models? (or those in transition)	-Head of Investment Banking	<ul style="list-style-type: none"> • sustainability oriented projects are 23% or more of IB portfolio •sustainability oriented projects are less than 23% of IB portfolio • No such services offered 	sustainability oriented projects are less than 23% of IB portfolio	50.00%

18	The valuation process accounts for E&S factors financially and accounting wise.	-In your view, does the bank integrate environmental and social valuation and accounting methodologies in its investment banking activities? In what way?	-Head of Investment Banking	<ul style="list-style-type: none"> • The bank has separate natural capital valuation • The bank incorporates environmental and social factors into its methodology • The bank doesn't account for environmental and social factors into valuation methodology 	The bank doesn't account for environmental and social factors into valuation methodology	0.00%
19	The bank offers green bonds	Does the bank offer green bonds?	-Head of Investment Banking	<ul style="list-style-type: none"> • Yes relating to E&S projects • Yes relating to environmental/social projects • No • The bank does not offer bond issuance services 	The bank does not offer bond issuance services	N/A
20	The bank offers investment in sustainable funds	-Are there any funds the bank offers investment in areas that are active in sustainable development?	-Head of Investment Banking	<ul style="list-style-type: none"> • Bank offers investment in both environmental and social funds. • Bank offers investment in environmentally socially related funds only. • Bank doesn't offer sustainability related funds 	Bank doesn't offer sustainability related funds	0.00%
	<i>Corporate Banking-Trade Finance</i>					
21	Trade finance includes sustainability related commodities	-In your view, does the bank purposefully set out to finance sustainability related commodities?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	Yes environmental/social only	50.00%
22	LCs issuances are dependent upon sustainability criteria	-In your view, are the bank's LC's dependent upon meeting sustainability criteria?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	Yes environmental/social only	50.00%
23	The bank offers sustainable trade finance	-In your view, does the bank offer sustainable trade funds?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	Yes environmental/social only	50.00%

24	The bank promotes the trade of sustainable products and services.	In your view, does the bank promote sustainable products and services, and how?	-Head of trade finance.	<ul style="list-style-type: none"> • Yes environmental and social • Yes environmental/social only • No 	No	0.00%
<i>Risk</i>						
25	A Sustainability risk policy exists	-In your view, does the bank have a sustainability risk policy ?	-Head of risk	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
26	The banks has a sustainability risk management strategy with the following processes: risk identification, risk categorization, analysis, risk mitigation, risk monitoring	In your view, does the bank have a separate sustainability risk management strategy? What does it involve?	-Head of Risk	<ul style="list-style-type: none"> • The bank has a sustainability risk management strategy with the following processes: risk identification, risk categorization, analysis, risk mitigation, risk monitoring • The bank has a sustainability risk management strategy but does not cover all of the above processes • The bank does not have a risk management strategy 	The bank has a sustainability risk management strategy with the following processes: risk identification , risk categorization, analysis, risk mitigation, risk monitoring	100.00%
27	The bank carries out physical inspection of a project post-transaction to ensure compliance with the sustainability risk management requirements is there	-In your view, does the bank carry out physical inspection of a project post-transaction to ensure compliance with the sustainability risk management requirements it made?	-Head of Risk	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
28	Sustainability experts are referred to for high risk or sensitive companies, sectors or projects.	In your view, does the bank involve sustainability experts when the project is a high risk one from a sustainability perspective?	-Head of Risk	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%

29	A bank's risk mitigation strategy relies on institutional standards such as the Equator principles or IFC sector guidelines.	-In your view, does the bank rely on any standards such as the Equator Principles or the IFC sector guidelines in its sustainability risk management strategy?	-Head of Risk -Head of Compliance	<ul style="list-style-type: none"> • Separate standards listed for managing sustainability related risk • Standards for managing risk included as part of general risk policy • Standards do not exist for managing sustainability related risk 	Separate standards listed for managing sustainability related risk	100.00%
30	Industry rankings exist as part of sustainability risk management	-In your view, does the bank have a set of industry codes or rankings as part of its risk management strategy? Such as?	-Head of Risk -Head of Compliance	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
31	It is procedure for the bank to determine the quality and susceptibility of the client's proposed collateral from an environmental perspective	- Is it procedure for the bank to determine the quality and susceptibility of the client's proposed collateral from an environmental perspective?	- Head of Risk	<ul style="list-style-type: none"> • Susceptibility and quality of clients proposed collateral is determined from a sustainability perspective • Susceptibility and quality of client's collateral is determined in general (without a specific sustainability perspective) • Susceptibility and quality of collateral not determined 	Susceptibility and quality of collateral not determined	0.00%
32	It is procedure for the bank to look at the client's long term future ability to meet the E&S conditions set out in the risk policy	It is procedure for the bank to look at the client's long term future ability to meet the E&S conditions set out in the risk policy?	-Head of Risk	<ul style="list-style-type: none"> • Yes long term • Only short term (<5 years) • No 	No	0.00%
33	Tools or software exist to aid employees in the risk management strategy steps	-Are there any tools or soft wares the bank uses to aid employees in the risk management strategy steps?	-Head of Risk	<ul style="list-style-type: none"> • Separate sustainability tool/soft ware exists to aid in sustainability risk management process • One tool/software exists for entire risk management process • No specific tools or soft wares exist to aid in risk management strategy. 	No specific tools or soft wares exist to aid in risk management strategy.	0.00%

34	Portfolio level monitoring and stress testing exists from a sustainability perspective also exists, not just project level.	-In your view, does the bank carry out sustainability based portfolio level monitoring, stress testing, and evaluation?	- Head of Risk	<ul style="list-style-type: none"> • Portfolio level monitoring exists with stress tests and evaluation from a sustainability perspective • Portfolio level monitoring exists, without stress tests from a sustainability perspective • No portfolio level monitoring or stress testing exists from a sustainability perspective but it is carried out from a financial perspective • No portfolio level monitoring or stress testing exists at al. 	Portfolio level monitoring exists with stress tests and evaluation from a sustainability perspective	100.00%
34.1	Bank adheres to Wolfsburg, Basel and FATF guidelines.	Does bank ensure compliance to the Wolfsburg, Basel and FATF guidelines.	-Head of Compliance	<ul style="list-style-type: none"> • Yes at least these two • Yes one of them •Neither 	Yes at least these two	0.00%
	<i>Retail Banking</i>					
35	Bank relies mainly on online statements and forms for individuals instead of paper based statements.	-In your view, does the bank rely more on online or hard copy statements and forms for individuals	-Head of Retail Banking	<ul style="list-style-type: none"> • All statements online • Both hard copy and online exist • Online doesn't exist, only paper based 	All statements online	100.00%
36	Bank offers affinity cards for sustainability related organizations or causes	In your view, does the bank offer affinity cards for sustainability related organizations or causes?	-Head of Retail Banking	<ul style="list-style-type: none"> • Yes to social and environmental organizations • Yes to environmental/social only • No 	Yes to environmental/social only	50.00%
37	Bank offers individuals sustainability related loans to individuals (e.g. green mortgages, loans for education).	-In your view, does the bank offer sustainability related loans to individuals? What percentage are they of the retail portfolio over the years available?	-Head of Retail Banking	<ul style="list-style-type: none"> • Yes environmentally and socially related • Yes to environmentally/socially only • No 	Yes to environmentally/socially only	50.00%
38	Bank offers loans purposefully to sustainable SME projects or to help them become more sustainable?	-In your view, does the bank offer loans to sustainable SME projects or to help them become more sustainable? What percentage are they of the retail portfolio over the years available?	-Head of Retail Banking -Head of SMEs	<ul style="list-style-type: none"> • Yes loans purposefully offered to environmentally and socially related SMEs • Yes loans purposefully offered to environmentally/socially only • Not purposefully offered 	Not purposefully offered	0.00%

39	Saving facilities allow for investment of the money or donation of part of the money in sustainability related projects or organizations	Do some of the saving facilities offered by the bank allow for investment of the money or donation of part of the money in sustainability related projects or organizations?	-Head of Retail Banking	<ul style="list-style-type: none"> • Yes and both environmental and social themes exist • Yes and only environmental/social themes exist • No 	No	0.00%
40	Customer satisfaction and feedback exist.	- What mechanisms does bank uses to implement customer feedback on the individual banking process?	-Head of Retail Banking	<ul style="list-style-type: none"> • More than one mechanism for customer feedback exists • One mechanism for customer feedback exists • Customer feedback doesn't exist. 	More than one mechanism for customer feedback exists	100.00%
41	Sustainability advisory service is offered to SMEs.	-Are sustainability advisory services offered to SME's?	-Head of advisory	<ul style="list-style-type: none"> • Sustainability advisory services offered separately to smes • Advisory services offered but do not include sustainability • No advisory services offered to SMEs. 	No advisory services offered to SMEs	0.00%
42	Leasing of sustainability related equipment offered to SMEs.	-In your view, does the bank lease environmental equipment to SME's ?	-Head of Leasing	<ul style="list-style-type: none"> • Yes • Leasing is offered but not sustainability related • No 	Leasing is offered but not sustainability related	50.00%
43	SME sustainable risk assessment is carried out	-In your view, does the bank have a sustainability risk assessment carried out for SMEs? Is it the same process used for corporate lending? How is it similar/different?	-Head of SMEs -Head of Risk	<ul style="list-style-type: none"> • Yes sustainability risk assessment is carried out in line with the corporate risk assessment • Yes but involving fewer steps • No sustainability risk assessment is carried out for SMEs. 	Yes but involving fewer steps	50.00%
44	Loans to sustainable SMEs are offered at favorable rates	-In your view, does the bank offer favorable rates to sustainable SME's specifically?	-Head of SMEs	<ul style="list-style-type: none"> • Yes, inclusive of both E&S factors • Yes inclusive of only environmental/ social factors • No 	No	0.00%

45	Microfinance, microcredit or any other financial inclusion of the poor is offered by the bank.	In your view, does the bank offer microfinance, microcredit or any other service to financially include the poorer members of society?	Head of Microfinance -Head of Retail	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
46	Mechanisms exist to provide access to service for sections of society that are excluded, such as easy to use ATMs, access to branches in remote location etc...	Do mechanisms exist to provide access to bank services for sections of society that are excluded, such as easy to use ATMs, access to branches in remote location etc...? Such as?	-Head of Microfinance. -Head of Retail	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
47	Loans provided under the umbrella of access to finance base lending decisions on more lenient factors other than the traditional owner collateral (such as on character, credit history etc).	What are the factors used to base financing decisions for the excluded members of society?	-Head of Microfinance. -Head of Retail	<ul style="list-style-type: none"> • Yes more lenient • Different factors but not more lenient • No 	Yes more lenient	100.00%
48	Under the umbrella of access to finance, women are given better or equal treatment when granting loans.	What are the factors used to base financing decisions for excluded members of society who are women ?	-Head of Microfinance. -Head of Retail	<ul style="list-style-type: none"> • Yes better • Yes equal • No 	Yes equal	50.00%
48.1	Bank announces changes in tariffs on website or publicly whenever a change occur as part of customer transparency	Does the bank announce a change in tariff on its website or publically?	-Head of Retail -Head of SMEs	<ul style="list-style-type: none"> • Yes whenever a change occurs • Yes periodically but not what a change occurs • No 	Yes whenever a change occurs	100.00%
48.2	bank is lenient with SME lending to support them	Is the bank more lenient when lending SMEs as part of incorporating them into the portfolio?	-Head of Retail -Head of SMEs	<ul style="list-style-type: none"> • Yes lending terms are more lenient • SMEs are incorporated into the lending but lending terms not more lenient • No SME lending 	Yes lending terms are more lenient	100.00%
48.3	Bank has facilities in branches that cater to the disabled and elderly	Do facilities exist in the branches that cater to the disabled and elderly	-Observation during branch visits -Head of Branches -Head of Maintenance	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for more than half of the branches	75.00%

Culture and Leadership						
<i>Culture</i>						
49	Clear sustainability goals are set on a departmental level	Are there clear sustainability targets set up by department?	-Vice Chairman -CEO -Head of every department -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to all	100.00%
50	Sustainability events are celebrated	Do you celebrate any sustainability related events? Such as?	-Head of HR -Sample of junior employees -Head of sustainability	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
51	Delegation of sustainability related job specific tasks to lower level employees is present	Are sustainability related job specific tasks are delegated to lower-level employees?	-Head every department -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
52	Employees are encouraged to take time off volunteer in sustainability related activities.	Are employees encouraged to take time off for volunteering in sustainability related activities? How?	-Sample of junior employees -Head of HR -Head of Sustainability	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
53	Rewards exist for achievement of sustainability related tasks thinking, and innovation. (e.g. employee of the year).	-Do sustainability related rewards exist for achievement of sustainability related tasks, thinking, and innovation? Such as?	-Head of HR -Sample of junior employees -Head of Sustainability	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	No	0.00%
54	Competition exists to highlight sustainability related thinking.	-Does sustainability related competition take place? Such as?	-Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
55	Employees encouraged to be continuously thinking on how to better integrate sustainability into jobs and lives.	Are employees encouraged to be thinking on how to better integrate sustainability?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No • Head of Compliance: Yes 	Yes according to half or more	66.67%
56	Employees given the opportunity to invest their retirement plan in socially or	Are employees given the opportunity to invest their retirement plan in socially responsible investments?	-Sample of junior employees -Head of HR.	<ul style="list-style-type: none"> • Yes • No 	No	0.00%

	environmentally responsible investments					
57	Sustainability aspects are part of all job descriptions	- Is sustainability a part of job descriptions for all upper, middle and lower level staff?	-Vice Chairman -CEO -Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
58	Achievement of sustainability objectives linked to bonuses	- Are bonuses to achievement of sustainability objectives?	-Head of HR -Sample of junior employees -Vice Chairman	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	No	0.00%
59	Achievement of sustainability objectives linked to compensation	- Is compensation linked to achievement of sustainability objectives?	-Head of HR -Sample of junior employees -Vice Chairman	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	No	0.00%
60	Recruitment process and strategies highlight the importance of sustainability and bank values in this regard.	-In the recruitment process, do you highlight the importance of sustainability and bank achievement in this regard?	-Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
61	HR is clearly aware of sustainability strategy	In your view, what is the bank's sustainability strategy?	-Head of HR	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
62	<i>Sustainability roles are given concurrently with traditional roles for all lower, middle, and upper level employees</i>	<i>-Are sustainability roles given concurrently with traditional roles to all employees?</i>	-Head of Sustainability -Sample of junior employees -Head of HR	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to all	100.00%
62.1	Bank's employees are personally motivated by sustainable development	Does sustainability personally motivate you?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
62.2	Do you feel recognized for innovative sustainability related thinking	Do you feel recognized for sustainability related innovative thinking?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%

<i>Leadership and Structure</i>						
63	sustainability champions are distributed throughout departments to promote sustainability related endeavors	- Are there set representatives or champions distributed throughout the organization to promote sustainability related endeavors?	-Sample of junior employees -Head of Sustainability	<ul style="list-style-type: none"> • Yes (one per department) • Yes but not every department • No 	Yes (one per department)	100.00%
64	A sustainability team exists	-Does a sustainability team exist?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
65	A sustainability team exists to influence, formulate, drive, report, monitor the sustainability portion of the strategy and coordinate efforts between departments.	-What are the tasks of the sustainability team? (After answer: which of the below are part of the tasks)	-Vice Chairman -Head of Sustainability	<ul style="list-style-type: none"> • Sustainability team responsible to: influence, formulate, drive, report, monitor the sustainability portion of the strategy and coordinate efforts between departments, or more • Sustainability team responsible for five out of the six processes • Sustainability team responsible for four out of the six processes • Sustainability team responsible for three out of the six processes • Sustainability team responsible for two out of the six processes • Sustainability team responsible for one out of the six processes • Sustainability team responsible for none of the six processes 	Sustainability team responsible for four out of the six processes	66.67%
66	Chief sustainability officer (or equivalent sustainability head) exists who oversees sustainability integration process.	Does a chief sustainability officer or head of sustainability exist who oversees the sustainability integration process?	-CEO -Vice Chairman	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
67	Bank attempts to make employees aware of the sustainability vision and strategy	- Are there attempts to make all employees aware of the sustainability vision and strategy? How?	-Head of Sustainability -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%

68	Upper management aware of business case for sustainability	-What is the business case for integrating sustainability?	-CEO -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • Upper Management is aware that integrating sustainability is important for business success, reputational purposes, cost benefits, investor importance and global environmental and social betterment of this world, plus others. • Upper Management is aware of the importance of sustainability because of cost reasons • Upper Management is not aware of the importance of sustainability 	Upper management aware that integrating sustainability is important for business success, reputational purposes, cost benefits, investor importance and global environmental and social betterment of this world, plus others.	100.00%
69	Board Committee monitors progress in implementing sustainability related strategies	-Do you (does the board) have any monitoring role for sustainability related strategies?	-Available board member	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
	<i>Training</i>					
70	Technical sustainability training provided	-Is there technical sustainability training provided (i.e sustainability training related to a person's main job role and tasks)? Such as? To whom?	-Sample of junior employees -Head of HR -Head of Training	<ul style="list-style-type: none"> • Technical training provided for all departments • Technical training provided for all core business lines • Technical sustainability provided for more than one department but not all core business lines • Technical training provided for only one department • No technical sustainability provided. 	Technical training provided for all departments	100.00%
71	General-knowledge-type sustainability training provided	-Does sustainability knowledge sharing or general training exist?	-Sample of junior employees -Head of HR -Head of Training	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%

72	Executive level technical sustainability training exists	Is there technical sustainability training that is targeted at executives?	-Head of HR -Vice Chairman -Head of Training -Head of Strategy	<ul style="list-style-type: none"> • Technical training provided for executives from all departments • Technical training provided for executives from all core business lines • Technical sustainability provided for executives from more than one department but not all core business lines • Technical training provided for executives from only one department • No technical sustainability provided specifically for executives. 	No technical sustainability provided specifically for executives.	0.00%
73	Middle managers technical sustainability related training exists	- Is there general technical sustainability training that includes middle managers?	-Head of HR -Vice Chairman -Heads of each department asked in other questions -Head of Training	<ul style="list-style-type: none"> • Technical training provided for middle managers from all departments • Technical training provided for middle managers from all core business lines • Technical sustainability provided for middle managers from more than one department but not all core business lines • Technical training provided for middle managers from only one department • No technical sustainability provided specifically for executives. 	Technical training provided for middle managers from all core business lines	75.00%
74	Training is given specifically on risk management when it comes to sustainability.	- Does sustainability related risk management training exist	-Head of Risk -Head of Sustainability -Head of HR	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
75	Sustainability related technical or general training, awareness sessions, or conferences are mandatory	Are sustainability related technical or general training, awareness sessions, or conferences mandatory?	-Head of HR -Sample of junior employees -Head of Training	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No • None of these exist 	Yes according to half or more	66.67%

76	Hands on community work is counted as training	Does hands on community work count as training?	-Sample of junior employees -Head of HR -Head of Training -Head of CSR	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	No	0.00%
77	Cross-departmental sustainability training is provided.	-Is there cross departmental sustainability training?	-Head of HR -Sample of junior employees -Head of sustainability -Head of Training	<ul style="list-style-type: none"> • Yes involving representatives from all departments together • Yes involving representatives from all core business lines • Yes involving representatives from more than one department but not all core business lines • No covers departments individually • No training 	Yes involving representatives from all core business lines	66.67%
78	Contextual information sessions are given in important community matters at the time (e.g “how can banks play a role in the growing SME sector;” or “role of banks in solar energy.”	-Do any sessions relate to sustainability mega-trends and their relation to Egypt?	-Head of HR -Sample of junior employees -Head of sustainability	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
78.1	Bank provides technical sustainability related training for junior employees	Does the bank provide technical sustainability related training to junior employees?	-Head of HR -Vice Chairman -Heads of each department asked in other questions -Sample of junior employees -Head of Training	<ul style="list-style-type: none"> • Yes from all departments • Yes all core business lines • Yes from more than one department but not all core business lines • Yes from only one department • No such training 	Yes all core business lines	75.00%
Communication						

79	Bank is aware of most important stakeholders: clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media	-Who are the most important stakeholders to you?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Mentioned at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media. • Mentioned 9 out of these 10 • Mentioned 8 out of these 10 • Mentioned 7 out of these 10 • Mentioned 6 out of these 10 • Mentioned 5 out of these 10 • Mentioned 4 out of these 10 • Mentioned 3 out of these 10 • Mentioned 2 out of these 10 • Mentioned 1 out of these 10 • Bank is not aware of any of the aforementioned stakeholders. 	Mentioned 7 out of these 10	70.00%
80	Dialogue takes place with clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters.	-Which stakeholders do you conduct dialogue with on sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Dialogue takes place with at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Dialogue takes place with 9 out of these 10 • Dialogue takes place with 8 out of these 10 • Dialogue takes place with 7 out of these 10 • Dialogue takes place with 6 out of these 10 • Dialogue takes place with 5 out of these 10 • Dialogue takes place with 4 out of these 10 • Dialogue takes place with 3 out of these 10 • Dialogue takes place with 2 out of these 10 • Dialogue takes place with 1 out of these 10 • Dialogue doesn't take place with any of the aforementioned stakeholders. 	Dialogue takes place with 7 out of these 10	70.00%
81	Consultation takes place with clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on	-Which stakeholders do you consult with on sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Consultation takes place with at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Consultation takes place with 9 out of these 10 • Consultation takes place 	Consultation takes place with 4 out of these 10	40.00%

	sustainability related matters.		with 8 out of these 10 <ul style="list-style-type: none"> • Consultation takes place with 7 out of these 10 • Consultation takes place with 6 out of these 10 • Consultation takes place with 5 out of these 10 • Consultation takes place with 4 out of these 10 • Consultation takes place with 3 out of these 10 • Consultation takes place with 2 out of these 10 • Consultation takes place with 1 out of these 10 • Consultation doesn't take place with any of the aforementioned stakeholders. 			
82	Collaboration takes place with clients, investors, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters	- Which stakeholders do you collaborate with on sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Collaboration takes place with at least clients, investors, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Collaboration takes place with 9 out of these 10 • Collaboration takes place with 8 out of these 10 • Collaboration takes place with 7 out of these 10 • Collaboration takes place with 6 out of these 10 • Collaboration takes place with 5 out of these 10 • Collaboration takes place with 4 out of these 10 • Collaboration takes place with 3 out of these 10 • Collaboration takes place with 2 out of these 10 • Collaboration takes place with 1 out of these 10 • Collaboration doesn't take place with any of the aforementioned stakeholders. 	Collaboration takes place with 3 out of these 9	33.33%

83	Partnership takes place with investors, NGOs, community, government and regulators, other banks, suppliers, and media on sustainability related matters	- Which stakeholders do you partner with on sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Partnership takes place with at least investors, NGOs, Community representation, government and regulators, other banks, suppliers, and media on sustainability related matters • Partnership takes place with 6 out of these 7 • Partnership takes place with 5 out of these 7 • Partnership takes place with 4 out of these 7 • Partnership takes place with 3 out of these 7 • Partnership takes place with 2 out of these 7 • Partnership takes place with 1 out of these 7 • Partnership doesn't take place with any of the aforementioned stakeholders. 	Partnership takes place with 1 out of these 7	14.29%
84	Bank keeps track of activities of clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media on sustainability related matters	- Which stakeholders does the bank keep track of regarding sustainability related matters?	-CEO -Vice President -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Bank keeps track of activities of at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Bank keeps track of activities of 9 out of these 10 • Bank keeps track of activities of 8 out of these 10 • Bank keeps track of activities of 7 out of these 10 • Bank keeps track of activities of 6 out of these 10 • Bank keeps track of activities of 5 out of these 10 • Bank keeps track of activities of 4 out of these 10 • Bank keeps track of activities of 3 out of these 10 • Bank keeps track of activities of 2 out of these 10 • Bank keeps track of activities of 1 out of these 10 • Bank doesn't keep track of activities of any of the aforementioned stakeholders. 	Bank keeps track of activities of at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media).	100.00%

85	Bank generated recent GRI (or other institution)-based sustainability report	Did the bank produce a recent sustainability report in line with the GRI (or other) standards?	-Sustainability report	<ul style="list-style-type: none"> • Yes recent • Yes sustainability report produced but not within the last two years • No 	Yes recent	100.00%
86	Guidelines followed in sustainability report are stated	Does the bank state which guidelines it adheres to in the sustainability report?	-Sustainability report	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
87	Bank is transparent in its sustainability report or EP report about negative sustainability related activities.	-Does the sustainability report mention negative sustainability aspects and activities related to the bank?	-Sustainability report -EP report	<ul style="list-style-type: none"> • Yes with details of negative impacts • Yes only stating the negative activities or projects • No 	Yes only stating the negative activities or projects	50.00%
88	Bank's sustainability report or EP report provides an action plan about how to deal with negative activities and outcomes where applicable.	-Does the sustainability report mention how it will deal with negative activities and outcomes?	-Sustainability report -EP report	<ul style="list-style-type: none"> • Yes with all negative activities mentioned • Yes with some negative activities mentioned • No 	No	0.00%
89	Indirect negative consequences of bank activities are communicated in the sustainability report or EP report, not just direct	-Does the sustainability report mention indirect negative consequences of bank activities?	-Sustainability report -EP report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
90	Bank discloses information about types of credit and loan portfolio in sustainability report or EP report	-Does the sustainability report mention types of credit and loan portfolio?	-Sustainability report -EP report	<ul style="list-style-type: none"> • Yes with numerical split • Yes but without numerical split • No 	Yes but without numerical split	50.00%
91	Bank has partnered with NGOs	-Has the bank partnered with an NGO?	-Vice Chairman -CEO -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
92	Bank carries out community service	-In your view, does the bank carry out community service?	-Vice Chairman -CEO -Head of Sustainability -Head of Strategy -Head of CSR	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%

93	It is procedure for the bank to prepare for anticipated sustainability related regulation in Egypt	Is it procedure for the bank to prepare for anticipated sustainability related regulation in Egypt? What is the regulation anticipated and what has been prepared in response?	-Vice Chairman -CEO -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes, environmental and social related regulation • Yes environmental/social only • No anticipation of sustainability related regulation 	Yes, environmental and social related regulation	100.00%
94	Bank partners with other banks on sustainability related matters (e.g. supplier pressuring, leasing)	-In your view, does the bank partner with other banks on sustainability related matters?	-Vice Chairman -CEO -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes partner • Yes but cooperate with not partner • No 	Yes but cooperate with not partner	50.00%
95	Sustainability materiality assessments are conducted with all stakeholders (clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media) in mind	-Who are the stakeholders targeted for the materiality assessment?	-Vice Chairman -Head of Sustainability -CEO -Head of Strategy	<ul style="list-style-type: none"> • Materiality assessment conducted with at least clients, investors, financial rating agencies, employees, NGOs, Community, government and regulators, other banks, suppliers, and media). • Materiality assessment conducted with 9 out of these 10 • Materiality assessment conducted with 8 out of these 10 • Materiality assessment conducted with 7 out of these 10 • Materiality assessment conducted with 6 out of these 10 • Materiality assessment conducted with 5 out of these 10 • Materiality assessment conducted with 4 out of these 10 • Materiality assessment conducted with 3 out of these 10 • Materiality assessment conducted with 2 out of these 10 • Materiality assessment conducted with 1 out of these 10 • No materiality assessment took place take place with any of the aforementioned stakeholders. 	Materiality assessment conducted with 5 out of these 10	50.00%
96	Materiality methodology of engagement with stakeholders is revealed in the	-Is it stated or revealed from the sustainability report the stakeholder engagement methodology used?	-Sustainability report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%

	sustainability report.					
97	Bank's code of conduct (or statement of intent or environmental policy statement) accounts for sustainability.	- What is the bank's code of conduct (or statement of intent or environmental policy statement)?	-Sustainability report -Head of HR -Vice Chairman -Head of Strategy -Head of Sustainability	<ul style="list-style-type: none"> • Yes sustainability is mentioned in the code/statement • Yes but sustainability is not directly acknowledged in the statement but concepts related to sustainability are • No 	Yes but sustainability is not directly acknowledged in the statement but concepts related to sustainability are	50.00%
98	Bank publicly signed an international declaration that openly shows commitment to sustainability, such as the UNEP FI commitment	-Has the bank publicly signed an international declaration that openly shows commitment to sustainability, such as the UNEP FI commitment?	-Sustainability report -Vice Chairman -Head of Sustainability -Head of Strategy	<ul style="list-style-type: none"> • Yes covering E&S • Yes covering environmental/social only • No 	Yes covering E&S	100.00%
99	Bank has engaged in sustainability-related conferences.	-In your view, did the bank take part in any sustainability related conferences? Such as?	-Sustainability report -Vice Chairman -Head of Sustainability -CEO	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
100	Sustainability report and EP report available easily to the public.	-Is the bank's sustainability report easily available to the public?	-Sustainability report -EP report	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
101	Sustainability report sent separately to internal members of the bank.	-Is the sustainability report sent to internal members of the bank?	-Head of Sustainability -Sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
102	Quantitative data and/or indicators are used to back up all information in the sustainability report where relevant	-Quantitative data and/or indicators are used to back up information	-Sustainability report.	<ul style="list-style-type: none"> • Yes for every separate topic a quantitative indicator is used • Yes for more than half of the topics • Yes for less than half • No 	Yes for less than half	33.33%
103	The majority of the sustainability report focuses on issues related to core operations.	-Does the bulk of the sustainability report relates to the core operations of the bank?	Sustainability report	<ul style="list-style-type: none"> • More than half the report is on core operations • Less than half is on core operations • Core operations not discussed 	Less than half is on core operations	50.00%

104	The bank's sustainability risk framework is provided in the sustainability report	-Is the bank's sustainability risk framework described in the sustainability report?	Sustainability report	<ul style="list-style-type: none"> • Yes described • Yes stated as existing but not described • No 	Yes stated as existing but not described	50.00%
105	Problematic sectors, in relation to the bank, are revealed in the sustainability report or EP report	-In your view, does the bank reveal sustainably problematic sectors in relation to it in its sustainability report?	Sustainability report -EP report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
106	Summary section exists with the important KPIs in the sustainability report	-Is there a summary section with important KPIs in the sustainability report?	Sustainability report	<ul style="list-style-type: none"> • Yes • Yes summary section but without KPIs • No 	Yes summary section but without KPIs	50.00%
107	Sustainability report is reviewed by external auditor.	-Has the sustainability report been reviewed by an external auditor?	Sustainability report	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
108	EMS system or sustainability policy is stated in the sustainability report	-The EMS system used by the bank, or sustainability policy, is clearly stated in the sustainability report.	Sustainability report	<ul style="list-style-type: none"> • Yes stated with details on achievement • Yes, but only stated • No 	No	0.00%
109	Sustainability-related training or reward schemes are stated in the sustainability report	-Are the sustainability related trainings and reward schemes stated in the sustainability report?	Sustainability report	<ul style="list-style-type: none"> • Yes stated with details on achievement • Yes, but only stated • No 	Yes stated with details on achievement	100.00%
110	Sustainability related administration and/or structure is mentioned in the sustainability report	-Is there a mention of the sustainability team, sustainability integration in the organizational structure or administration mentioned in the report?	-Sustainability report.	<ul style="list-style-type: none"> • Yes with details of the hierarch • Yes but only stated as existing • No 	Yes but only stated as existing	50.00%
111	Bank relies on benchmarking to other organizations in the sustainability report.	-Does any form benchmarking to other banks or organizations occur in the sustainability report?	-Sustainability report.	<ul style="list-style-type: none"> • Yes in terms of overall sustainability • Yes in terms of some topics • Yes for one topic • No 	No	0.00%

112	Bank reports on supply chain impacts in the sustainability report	-Is there a mention of the sustainability impact of the bank's supply chain in the sustainability report?	-Sustainability report.	<ul style="list-style-type: none"> • Yes with details of positive and negative impacts • Yes with details of only positive impacts • Yes but only acknowledged the source of supplies • No 	No	0.00%
112.1	Internal audit accounts for sustainability risks and opportunities	Does the internal audit process account for sustainability risks and opportunities?	-Head of Audit -Head of Sustainability	<ul style="list-style-type: none"> • Yes for all or most departments • Yes for core departments only • Yes but not all core departments, but more than one • Yes for one department • No 	Yes for all or most departments	100.00%
112.2	Sustainability risk framework is revealed in the EP report	-Is the bank's sustainability risk framework described in the sustainability report?	EP report	<ul style="list-style-type: none"> • Yes described • Yes stated as existing but not described • No 	No	0.00%
112.3	Bank produced recent Carbon footprint report	Did the bank produce a recent carbon footprint report?	-CO2 report -Bank website -Head of Sustainability -Head of Maintenance	<ul style="list-style-type: none"> • Yes recent • Yes sustainability report produced but not within the last two years • No 	Yes sustainability report produced but not within the last two years	50.00%
Internal Environment						
<i>General</i>						

113	An EMS exists with set numerical targets for reduction, and performance measures going forward.	-In your view, does the bank have an EMS along with its associated numerical targets and performance measures?	-Head of Sustainability	<ul style="list-style-type: none"> • EMS exists with numerical targets and performance measures • EMS exists with non numerical targets and performance measures • EMS exists with numerical targets only but no performance measures • EMS exists with non numerical targets only but no performance measures • EMS exists without targets or performance measures • No EMS exists 	EMS exists with numerical targets and performance measures	100.00%
114	An institutional based EMS exists	Does the bank have EMS certification?	-Head of Sustainability -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
115	Bank has LEED or Breeam Certification	-In your view, does the bank hold a LEED/Breeam or any international Green Building certification?	-Head of Sustainability -Sustainability Report -Maintenance -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
115.1	General monthly maintenance checks are carried out for all branches	What extent of branches undergo general monthly maintenance checks	Head of Maintenance Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for all branches	100.00%
	<i>Employee Satisfaction</i>					

116	There is a diversity of employees	-How do you ensure diversity among employees? Do you have certain racial/gender/faith/youth/disability and social background quotas? Can you elaborate?	-Head of HR -Observation -Sustainability report	<ul style="list-style-type: none"> • There are racial/gender/faith/youth/disability and social background quotas • There are quotas for some of these but not all • There is a mention of diversity in the code of conduct but no quotas • No such quotas or mention of diversity 	There is a mention of diversity in the code of conduct but no quotas	33.33%
117	Employee contracts allow for flexible working hours	-Do flexi-hours exist? Are they implemented?	-Head of HR -Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	No	0.00%
118	Employee contracts' compensation is fair for employees	employee: Do you feel you are being adequately compensated?	-Sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
119	Employee health and safety system is implemented	Are you aware of the bank's health and safety system? Can you give an example?	-Head of HR -Sample of junior employees. -Sustainability report -Head of Maintenance	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
120	Opportunities for career development and growth are felt	-Do you feel the bank provides you with opportunities for career development and growth?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
121	Employee contracts allow for worker-family benefits	-Do the employee contracts allow for work-family benefits?	-Head of HR. -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
122	Bank follows international human rights code	-In your view, does the bank adhere to an international human rights policy or code? Which one?	-Head of HR -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
122.1	Bank has national or international civil defense certificate	Does bank have national or international civil defense certificate?	-Head of Maintenance	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
	<i>Supply Chain</i>					

123	Supplier sustainability risk assessment is carried out.	-In your view, does the bank carry out any form of supplier risk assessment? Can you elaborate?	-Head of Procurement -Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes for all suppliers • Yes for more than half • Yes but less than half • No 	Yes for more than half	66.67%
124	Bank carries out supplier sustainability analysis. (covers at least main topics of energy, waste, water, raw material sourcing, harmful materials, labor treatment, labor compensation, safety standards)	-In your view, does the bank carry out a supplier sustainability analysis? What does it involve? What areas are covered?	-Head of Procurement -Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Supplier sustainability analysis and audit cover at least: energy, waste, water, raw material sourcing, harmful materials, labor treatment, labor compensation, safety standards • Supplier sustainability analysis and audit covers 7 out of the 8 • Supplier sustainability analysis and audit covers 6 out of the 8 • Supplier sustainability analysis and audit covers 5 out of the 8 • Supplier sustainability analysis and audit covers 4 out of the 8 • Supplier sustainability analysis and audit covers 3 out of the 8 • Supplier sustainability analysis and audit covers 2 out of the 8 • Supplier sustainability analysis and audit covers 1 out of the 8 • Supplier sustainability analysis and audit doesn't cover any of these or not carried out 	Supplier sustainability analysis and audit doesn't cover any of these or not carried out	0.00%
125	Supplier screening based on environmental and social criteria exists.	-Does any type of E&S supplier screening exist? If yes, what are the criteria?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes based on both E&S criteria exist • Only environmental/social criteria exist • No screening. 	No screening.	0.00%
126	Bank prioritizes environmental and social labels on all supplies.	-In your view, does the bank prioritize suppliers with environmental or social labels? Such as?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes with all supplies • Yes with more than half • Yes with less than half • No 	Yes with more than half	66.67%
127	Sustainable procurement codes of conduct, guidelines, metrics or standards are communicated to suppliers	-In your view, does the bank communicate either sustainable codes of conduct, guidelines, metrics, standards to all suppliers? How?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes with all supplies • Yes with more than half • Yes with less than half • No 	Yes with all supplies	100.00%

128	Bank aware of where raw materials are sourced from for supplies	Are you aware of where the suppliers' raw materials come from?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes with all supplies • Yes with more than half • Yes with less than half • No 	No	0.00%
129	Bank prioritizes local over imported supplies	-Do you prioritize or imported supplies?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes for all supplies • Yes for more than half of the supplies • Yes for less than half of the supplies • No 	Yes for less than half of the supplies	33.33%
130	Bank cards (credit/debit) are sustainably sourced (e.g. biodegradable)	-Are debit/credit cards sustainably sourced? If yes how?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
131	Bank cards (credit/debit) are disposed of safely (e.g. or takeback program)	Are bank credit/debit cards disposed of safely? How?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
132	Bank makes effort to improve suppliers' sustainability awareness	-In your view, does the bank take to improve supplier sustainability awareness? Such as?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes for all suppliers • Yes for more than half of the suppliers • Yes for less than half of the suppliers • No 	No	0.00%
133	A separate team specifically for supply chain sustainability exists.	-Is there a supply chain team focused specifically on sustainability?	-Head of procurement -Head of sustainability	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
134	Supplier benchmarking exists	-Is any form of supplier benchmarking carried out?	-Head of Sustainability -Head of Procurement -Sustainability report	<ul style="list-style-type: none"> • Yes for all suppliers • Yes for more than half of the suppliers • Yes for less than half of the suppliers • No 	No	0.00%
<i>(Below assume no formal LEED or other building management certification)</i>				All below applies to Head Office AND Branches unless specified otherwise		

<i>Energy</i>						
135	Co2 emission targets, methods to reach them and monitoring exist.	Do CO2 emission targets exist with method and monitoring?	-Head of Sustainability -Sustainability Report -Carbon footprint report	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	Targets, methods to reach them and monitoring exist	100.00%
136	Bank measures its co2 emissions or has energy monitoring system	-Does bank have an energy monitoring system or mechanisms to measure C02 emissions?	-Head of Sustainability -Sustainability Report -Carbon footprint report -Head of Maintenance -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for head office only	25.00%
137	empty spaces are not heated or cooled	-Are empty spaces being heated/cooled?	-Observation -Head of Sustainability -Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No all empty spaces heated and cooled throughout 	Yes for all branches	100.00%
138	Light dimmers exist	-Do light dimmers exist?	-Observation -Head of Sustainability -Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
139	Common light is not kept at full intensity all day	-Is the common light and other electrical equipment kept at full intensity all day?	-Observation -Head of Sustainability -Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%

140	Energy efficient lightbulbs installed.	-Are the light bulbs energy efficient ones in all the rooms?	-Observation -Head of Sustainability -Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	Yes for more than half of the offices and branches	75.00%
141	Motion-sensitive lighting installed in all rooms	-Is motion sensitive lighting installed in all of the rooms?	-Observation -Head of Sustainability -Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	No	0.00%
142	Natural daylight optimized	-Are the windows/buildings made to maximize natural light? Or is there sufficient natural light to replace light bulbs during the day?	-Observation -Head of Sustainability -Head of Maintenance -Carbon footprint report -Sample of Junior Employees -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	No	0.00%
143	Bank chooses electrical equipment with energy saving labels.	-What criteria is used when buying electronic equipment, is green energy taken into account?	-Head of Procurement -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	Yes for all branches	100.00%
144	Bank leases equipment not often used to other companies	-In your view, does the bank lease equipment is doesn't use often to other companies?	-Head of Leasing -Head of Admin -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
145	Renewable energy technology is used	Does the bank utilize any form of renewable energy technology on any of its premises?	-Head of Maintenance -Head of Sustainability -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches •Yes for head office only • No 	No	0.00%

146	Travelling kept to a minimum	-In your view, does the bank prioritize alternatives to travelling, or only encourages travelling when it is absolutely necessary (and how do you define absolutely necessary if yes)?	-Head of Sustainability -Sustainability report -Carbon footprint report -Head of HR	<ul style="list-style-type: none"> • Only when absolutely necessary from a sustainability perspective (how do they define absolutely necessary) • Only when absolutely necessary from a pure cost perspective (how do they define absolutely necessary) • No efforts made 	No efforts made	0.00%
147	Bank relies on tele-conferencing or video-conferencing (or any other alternative to meeting) as much as possible to replace face-to-face meetings	In your view, does the bank replace face-to-face meetings with tele-conferencing or video-conferencing ?	-Head of Sustainability -Sustainability report -Carbon footprint report -Head of HR	<ul style="list-style-type: none"> • Video conferencing completely replaces face to face meetings that require transportation for sustainability reasons • Video conferencing completely replaces face to face meetings that require transportation for pure cost reasons • Video conferencing sometimes replaces face to face meetings that require transportation • Video conferencing does not exist. 	Video conferencing sometimes replaces face to face meetings that require transportation	33.33%
148	Bank carries out any effort to ensure environmental efficiency of HVAC	In your view, does the bank carry out any effort to ensure environmental efficiency of HVAC?	Head of Sustainability -Sustainability report -Carbon footprint report -Head of Maintenance -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for more than half of the branches	0.00%
148.1	HVAC system ensures fresh air circulation in the building	Does the HVAC system ensure fresh air circulation in the buildings?	-Head of Maintenance -Carbon footprint report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for head office only	25.00%
<i>Transportation</i>						

149	Bank checks delivery vehicle tire pressure, rolling resistance, and any other checks to improve vehicle efficiency.	Does any form of checks on the delivery vehicle tire pressure, rolling resistance, and efficiency occur?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes consistently • Frequently • Occasionally • Never 	Never	0.00%
150	Bank maximizes stops per delivery vehicle to reduce transportation	In your view, does the bank set a stops per delivery quota to reduce transportation costs? What is it?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes for sustainability purposes • Yes for pure cost purposes • No 	No	0.00%
151	Delivery only takes place for essential services (not newsletters or brochures).	What items require delivery? Is it just for essential services?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes for sustainability purposes • Yes for pure cost purposes • No 	No	0.00%
152	Bank organizes bus service for employees	Is there a bus service to transport employees?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
153	Bank tracks ideal route live for delivery services to maximize on time efficiency	-Does any form of live route tracking occur to determine quickest route?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
154	Bank has studied sustainability levels of different service channels as compared to each other	-Bank has studied sustainability levels of different service channels as compared to each other? (such as telebanking versus atm versus kiosks etc...). Which is most sustainable?	-Head of Administration -Carbon footprint report	<ul style="list-style-type: none"> • Yes • No 	No	0.00%
<i>Water</i>						
155	Water use reduction targets, methods to reach them and monitoring exist.	-Do water use reduction numerical targets exist, Or grey water reliance targets with method and monitoring?	-Head of Sustainability -Sustainability Report -Head of Maintenance	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	Neither targets, nor methods nor monitoring exist.	0.00%
156	Bank measures water consumption	-In your view, does the bank measure and record its buildings' water consumption?	-Head of Sustainability -Sustainability Report -Head of Maintenance -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for all branches	100.00%

157	Low-flow taps in offices	-Are the taps in the buildings low flow?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
158	Low-flow flushes in offices	-Are the flushes on the toilets low-flow?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
159	-bi-Monthly checks of leaks exist	-How often are pipes checked for leaks?	-Head of Maintenance -Head of Sustainability -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all standalone branches • Yes for more than half of the offices and standalone branches • Yes for less than half of the offices and standalone branches • Yes for head office only • No 	Yes for all standalone branches	100.00%
160	(If garden exists): reliance on drip irrigation	-If there is a garden, is drip irrigation used?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report	<ul style="list-style-type: none"> • No gardens • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No gardens	100.00%
161	Greywater recycling exists in the bank's buildings	-Does greywater recycling take place in the bank's buildings?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
<i>Waste</i>						

162	Waste reduction (disposal) numerical targets, methods to reach them and monitoring exist.	-Do waste reduction numerical targets or targets for reliance on certain waste disposal methods exist with method and monitoring	-Head of Sustainability -Sustainability Report	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	Neither targets, nor methods nor monitoring exist.	0.00%
163	Bank measures paper consumption	-In your view, does the bank measure and record its paper consumption?	-Head of Sustainability -Sustainability Report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for head office only	25.00%
164	Bank measures waste generation by type	In your view, does the bank measure and record its waste generation by type? How and What is the split?	-Head of Sustainability -Sustainability Report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
165	Paper reduction numerical targets, methods to reach them and monitoring exist.	Do paper or recycled paper reduction numerical targets exist with method and monitoring?	-Head of Sustainability -Sustainability report -Head of Retail Banking	<ul style="list-style-type: none"> • Targets, methods to reach them and monitoring exist • Targets exist with methods to reach them but no monitoring • Targets only exist without methods or monitoring • Neither targets, nor methods nor monitoring exist. 	Targets only exist without methods or monitoring	33.33%
166	Recycled paper is used whenever possible	-In your view, does the bank use recycled paper whenever?	-Head of Maintenance -Head of Sustainability -Observation -Sustainability report	<ul style="list-style-type: none"> • Always • Sometimes • Never 	Never	0.00%

167	Recycling bins exist (with separation for paper)	-Are there recycling bins for paper easily accessible in the buildings?	-Observation -Head of Sustainability -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
168	Bank employs digital or online banking to some extent	- In your view, does the bank employ any digital or online banking?	-Vice Chairman -Head of Retail Banking -Head of Strategy	<ul style="list-style-type: none"> • Gone digital with all transactions • Gone digital but not to the point of carrying out transactions • No digital banking incorporation 	Gone digital with all transactions	100.00%
169	Bank has carried out efforts to reduce physical mail	How often does bank use physical mail?	-Head of Sustainability -Sustainability report -Head of Retail Banking	<ul style="list-style-type: none"> • Bank never uses physical mail • Bank frequently uses physical mail • Bank uses both quality • Bank occasionally uses physical mail not more than digital • Bank only uses physical mail 	Bank occasionally uses physical mail not more than digital	25.00%
170	Bank has carried out efforts to reduce packaging	-What efforts has the bank carried out to reduce and packaging?	-Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Packaging is from recycled source or kept to the minimum possible for all products • Packaging is from recycled source or kept to the minimum possible for some products • No efforts 	No efforts	0.00%
171	Eco-labels exist for physical bank products and their packaging	-Are there eco-labels on the physical bank products and their packaging?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	No	0.00%
172	Bank labels physical products and packaging with materials used	-Do labels on physical bank products and their packaging with materials?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	No	0.00%

173	Bank labels physical product and packaging with proper disposal method.	-In your view, does the bank provide labels indicating proper disposal methods on physical products and their packaging?	-Head of Sustainability	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	No	0.00%
174	Members all reminded on limiting use of paper	-In your view, does the bank remind all members on reducing use of paper? How?	-Sample of junior employees -Head of Sustainability	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
175	Bank adopts the "freecycle" system in offices	-In your view, does the bank adopt a freecycle system in the office?	-Sample of junior employees -Head of Sustainability -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
176	Bank reports and publications are all electronic only	-Are the bank's reports typically hard copy or electronic?	-Sample of junior employees -Head of Sustainability -Vice Chairman -Head of Strategy	<ul style="list-style-type: none"> • All electronic • Yes for some • None are electronic 	Yes for some (such as only the internal reports)	50.00%
177	Default printer setting is "print on both sides"	-What is the default printer setting?	-Sample of junior employees	<ul style="list-style-type: none"> • Both sides according to all • Both sides according to half or more • Both sides according to less than half • One sided according to all 	One sided according to all	0.00%
178	The bank handbook, insurance information, employee bulletin board, and important forms all only on the firm's electronic database instead	-Where can employees access the bank handbook, insurance information, employee bulletin board, and important forms?	-Head of HR -Sample of junior employees.	<ul style="list-style-type: none"> • On an online database or folder • Both online and physical • Physically handed out to employees 	On an online database or folder	100.00%
179	Bank considers IT to be harmful waste.	-Do you consider IT to be harmful waste? Why?	-Head of Procurement -Head of Sustainability	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%

180	Banks make dumping e-waste last resort	-What In your view, does the bank do with electronic equipment it no longer needs?	-Head of Administration -Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Bank recycles and/or donates e-waste • Bank dumps e-waste but tracks disposal to ensure safe and environmentally friendly disposal • Bank throws away e-waste normally 	Bank recycles and/or donates e-waste	100.00%
181	Bank chooses electrical equipment with green production labels.	-What criteria is used when buying electronic equipment, are green production labels taken into account?	-Head of Procurement -Sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
182	Printing relies on greener ink, such as vegetable based ink.	-What type of ink In your view, does the bank use for printing?	-Head of Procurement -Head of sustainability -sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	No	0.00%
183	Bank makes effort to reduce as much waste as possible reaching landfill dumping and incineration.	What effort In your view, does the bank make any to reduce waste reaching landfill and incineration? How?	-Head of administration -Head of sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes • No 	Yes	100.00%
184	- Are members made aware of the “reduce, reuse, recycle” mentality?	-Are you made aware of the importance of reducing, reusing, and recycling?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
185	Bank tracks disposal of waste	-Do you track the disposal of waste? Where does it go?	-Head of Administration -Head of sustainability -sustainability report -Heads of Branches	<ul style="list-style-type: none"> • Yes for all branches • Yes for more than half of the branches • Yes for less than half of the branches • Yes for head office only • No 	Yes for all branches	100.00%

186	Takeback scheme exists	-In your view, does the bank make use of any takeback scheme?	-Head of procurement -Head of sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes for all • Yes for majority of products • Yes for few but not most products • No 	No takeback scheme exists.	0.00%
186.1	"Eco-print" option available as a printing	Is there an "eco-print" option available as a printing option?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
<i>Internal Physical Environment</i>						
187	Sufficient circulation of fresh air	-Do you feel sufficient fresh air enters the building?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to less than half	33.33%
188	Thermal temperatures at a comfortable range	-Do you feel temperature is at a comfortable range?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
189	No moldy smells	-Do you ever experience rotting or mouldy smells in the office?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
190	People don't get a sick feeling whenever in the building	-Do you ever feel sick from the atmosphere in the building?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
191	Paint odor is not strong	Is paint odour strong after a paint job?	-Sample of junior employees	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
192	Irritating chemicals aren't used for cleaning	in your view, are the chemicals used for cleaning irritating or harmful?	-Sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to all	100.00%

193	Cleaning is carried out before/after business hours.	-What are the times of day is cleaning carried out?	-sample of junior employees.	<ul style="list-style-type: none"> • Yes according to all • Yes according to half or more • Yes according to less than half • No 	Yes according to half or more	66.67%
194	Bank employs the services of third party sustainability consultants for the internal environment.	-Does a third party consultant verify the internal operations from a sustainability perspective?	-Head of Sustainability -Sustainability report	<ul style="list-style-type: none"> • Yes for all internal environment issues • Yes for some internal environment issues • No 	No	0.00%
194.1	Materials used inside the finishing of the building have been chosen because of sustainable procurement and impacts (such as carpeting, paints, floors)	How much of the materials used in the building have been sustainably sourced?	-Head of Maintenance	<ul style="list-style-type: none"> • Yes for all materials • Yes for more than half • Yes for less than half • No 	Yes for more than half	66.67%
194.2	Other general "internal physical environment" observation reveals a majority of positive aspects	Does general observation reveal a majority or positive or negative aspects?	-Observation	<ul style="list-style-type: none"> • All of the observations made were positive • More than half of the observations made were negative • Less than half of the observations made were positive • None of the observations made were positive 	Less than half of the observations made were positive	33.33%

Appendix-4: Interview Dates

CEO/Vice Chairman: 10 April 2017

Available Board Member: 10 April 2017

Head of Strategy/SME/Microfinance: 12 March 2017

Strategy Juniors: 12 March 2017

Head of Sustainability: 27 March 2017

Sustainability Junior: 2 March 2017

Head of Corporate Banking: 13 March 2017

Corporate Banking Juniors: 6 March 2017

Head of Compliance: 29 March 2017

Compliance Juniors: 29 March 2017

Head of Investment banking: 7 March 2017

Investment Banking Juniors: 7 March 2017

Head of Trade Finance: 1 April 2017

Head of Risk: 1 April 2017

Risk Juniors: 1 April 2017

Head of Retail: 19 March 2017

Retail Juniors: 19 March 2017

Head of Leasing: 15 March 2017

Head of HR: 15 March 2017

HR Juniors: 7 March 2017, and 15 March 2017

Head of Maintenance: 15 March 2017

Maintenance Juniors: 15 March 2017

Head of Administration/Procurement: 7 March 2017

Administration/Procurement Juniors: 7 March 2017

Head of Audit: 29 March 2017

Three juniors in Audit: 12 March 2017

Head of Training: 7 March 2017

Head of CSR: 20 March 2017

Treasury Juniors: 8 March 2017.

Market Risk Junior: 8 March 2017.

Anonymous Junior: 12 March 2017

Customer service Junior: 12 March 2017

Head of Branches: March 30 2017

Head of Kasr Al Ainy Branch: 5 April 2017

Head of Maadi Laselky: 5 April 2017

Head of First Mall Giza Branch: 5 April 2017

Head of 10th Ramadan Branch: 5 April 2017

Head of New Cairo Road 90 Branch: 6 April 2017

Head of Porto Sokhna Branch: 6 April 2017

Head of Tanta Branch: 10 April 2017

Appendix-5: Consent Form for all Interviewees

Note: The thesis title has changed to that which was stated in the consent form. The change though reflects a minor from the original title

New title: "Developing a Tool to Assess the Integration of Sustainability into a Bank: A Case Study on a Bank in Egypt"



Documentation of Informed Consent for Participation in Research Study

Project Title: The Extent to Which Sustainability is Integrated into an Organization: A Study on a Bank in Egypt

Principal Investigator: Arwa Sayyadi, e-mail: arwasayyadi@aucegypt.edu Tel: 01001071560

*You are being asked to participate in a research study. The purpose of the research is to study the bank's process of integrating sustainability. It seeks to determine whether the bank follows proposed methods in literature, or if it adopts a method of its own.

*The purpose of this research is to benefit the bank and the people in it. It will not be used for public shaming or to degrade the bank's reputation in any way. All information is collected with the intention of being useful to the bank after completion. The aim is also not to judge the bank, but to discover if the bank follows proposed methods of sustainability integration and to what extent, or if it has its own method.

*The findings may be presented and published. The expected duration of the bank's participation is around two weeks, but depending on the availability of participants, this could take longer. The duration of participation for each respondent is not expected to exceed an hour.

*The procedures of the research will involve interviewing representatives from different departments on how sustainability relates to their work.

*There will be no risks or discomforts associated with this research.

*Anytime the participant must leave, he/she is free to do so.

*There will be benefits to you from this research:

- If you choose, this research and conclusion about the bank's processes can be disclosed to you upon completion.
- Also, based on your answers, certain changes in your favor may be made.
- This research can serve to inform the bank and its members on the sustainability integration models and methods suggested in literature.
- It will also reveal to the bank where it stands in comparison to these models so it knows exactly what areas it need to work on and how, should it choose to follow these models.

- Your responses can also bring to light the bank's own method of sustainability integration, to be presented in academia as model or method that hasn't been previously proposed. Therefore, you are encouraged to provide opinions and commentary on each question.

*The information you provide for purposes of this research is confidential in the following sense:

- Anything stated in an interview will only be used for the research paper and not distributed through any other means of communication.
- If the bank prefers, its name will not be stated in the research, as well as any direct references that could clearly identify it.
- If the participants prefer, their positions and names will not be stated in the research.
- Participants have the right not to answer a question if they choose not to.
- If there is any information given during an interview process a participant wishes to retract, my contact information is provided here, and the request can be made to not include certain information that was mentioned in the interview.

Questions about the research, my rights, or research-related injuries should be directed to contact Arwa Sayyadi, e-mail: arwasayyadi@aucegypt.edu tel: 01001071560

*Participation in this study is voluntary. Refusal to participate will involve no penalty or loss of benefits to which you are otherwise entitled. You may discontinue participation at any time without penalty or the loss of benefits to which you are otherwise entitled.

Signature _____

Printed Name _____

Date _____