



HSBC Bank Egypt S.A.E.
Environmental, Social and Governance (ESG)
Annual Report 2024
Date: June 2025



HSBC

| Opening up a world of opportunity

Introduction

About this report

HSBC Bank Egypt S.A.E ('HBEG') is publishing the second Environmental, Social, and Governance ('ESG') report for the year ended 31 December 2024. This report sets out HBEG approach to environment, customers, employees and governance. It explains how HBEG aims to achieve its purpose, deliver its strategy in a sustainable manner, whilst building strong relationships with all its stakeholders.

Reporting period and scope

This report presents HSBC Bank Egypt S.A.E, ESG performance covering the reporting period from 1 January to 31 December 2024 unless stated otherwise.

This ESG annual report 2024, along with ESG- related information presented in the [HSBC Group Annual Report and Accounts 2024](#), is intended to provide key ESG data and insights relevant to HBEG's operations for the year ending 31 December 2024.

Measurement techniques and calculations are explained next to

data tables where necessary. There is no restatement in the previous reporting period for HBEG ESG annual report for the year ended 31 December 2023.

HBEG will continue to develop and refine reporting and disclosures on ESG matters in line with feedback received from stakeholders, and in view of HBEG obligations as part of HSBC Group and the local regulatory standards.

At a Group level, HSBC Holding plc publishes information on environmental, social, and governance (ESG) performance on

HSBC Group corporate website, as part of HSBC Group Annual Report and Accounts (ARA).

HSBC Egypt is publishing the second ESG annual report and in line with Central Bank of Egypt guidance.

This ESG Report has been prepared in accordance with Global Reporting Initiative (GRI) Standards.

Please refer to [HSBC Bank Egypt S.A.E Annual Report and Accounts 2024](#) for further information on 2024 Financial performance.

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Who we are

HSBC Bank Egypt S.A.E is a 94.54% subsidiary of HSBC Holdings plc and part of the HSBC Group. Headquarters in London, HSBC is one of the largest banking and financial services organisations in the world. HSBC Group is listed on the London, Hong Kong, New York and Bermuda stock exchanges. In 2024, HSBC Group served around 41 million customers worldwide through a network covering 58 countries and territories.

HBEG is one of the largest multinational banks in Egypt, providing a comprehensive range of banking and financial services. HBEG serves its personal and corporate banking customers through a full range of services including Wealth and Personal Banking, Commercial Banking and Global Banking and Markets. Effective from 1 January 2025, HSBC Group has implemented a new organisational business structure that aims to unleash HSBC Group's full potential by building on strong progress in recent years and driving success into the future. For further details please refer [HSBC Bank Egypt S.A.E Annual Report and Accounts 2024](#).

Guided by its purpose of opening up a world of opportunity, HSBC Group's ambition is to be the preferred international financial partner for its clients. HSBC's values help define who we are as an organisation and are key to its long-term success.



HSBC Egypt CEO letter



HBEG's approach to ESG is focused on creating long-term value for customers and wider stakeholders. Following HSBC Group approach, HBEG focuses its efforts on three areas: the transition to net zero, building inclusion and resilience, and acting responsibly.

I am pleased to present the second HSBC Bank Egypt ESG 2024 annual report which sets out the steps taken to incorporate environmental, social and governance (ESG) principles throughout the organisation as HBEG supports the success of its customers, people and the communities we serve.

Supporting the transition to net zero is a key priority for HSBC. In HSBC Group's net zero transition plan published in January 2024, HSBC Group has committed to continually calibrate its approach to take into consideration the latest scientific methodologies, climate-related policy measures and developments in the real world.

Transition to Net Zero

In 2020, HSBC Group set an ambition to become a Net Zero bank by 2050. Since HSBC Group has set its net zero ambition, collective global efforts have driven progress in some vital areas of the decarbonisation challenge. In line with HSBC Group's ambition, HBEG believes that supporting customers' transition both benefits their business and helps generate long-term financial returns for HBEG shareholders. Since 1 January 2020, HBEG has provided and facilitated a cumulative US\$902mn of sustainable finance, as

defined in the HSBC Group's Sustainable Finance and Investment Data Dictionary 2024 (see www.hsbc.com/who-we-are/esg-and-responsible-business/esg-reporting-centre). Despite the economic headwinds, HBEG continues to achieve new milestones, both by introducing new financing structures and leading on key deals in the market.

Build Inclusion and Resilience

To help create long-term value for all stakeholders, HBEG focuses on fostering inclusion and building resilience for employees, customers and the community.

For employees, focus is on creating an inclusive, healthy and rewarding environment while supporting their resilience through extensive well-being and learning resources.

HBEG strives to provide an inclusive and accessible banking experience for our customers. We do this by providing resources that help them manage their finances, and services that help them protect what they value.

In recognition of our efforts, HBEG has been named Egypt's Best Bank for Diversity, Inclusion at the Euromoney Awards for Excellence 2024. One of the key award-winning initiatives was HBEG's collaboration with the Global Fund for Widows.

Act Responsibly

HBEG focuses on operating a strong and sustainable business that puts the customer first, values good governance, and gives HBEG's stakeholders confidence in how we do what we do. HBEG's conduct approach provides guidance to do the right thing and to focus on the impact HBEG has on its customers and the financial markets HBEG operates in. Customer experience is at the heart of how HBEG operates. HBEG aims to act responsibly and with integrity across the value chain.

This report highlights the progress HBEG is making towards its ESG ambitions and how these goals are being translated into tangible actions.

Assurance related to ESG data

For 2024, HSBC Group’s certain ESG data is subject to standalone independent limited third party assurance in accordance with International Standard on Assurance Engagements 3000 (Revised) ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’ and, in respect of the greenhouse gas emissions, in accordance with International Standard on Assurance Engagements 3410 ‘Assurance Engagements on Greenhouse Gas Statements’, issued by the International Auditing and Assurance Standards Board, more details can be found at [ESG reporting centre | HSBC Holdings plc](#)

Engaging with stakeholders and material ESG topics

HBEG believes that engaging with its stakeholders is core to being a responsible business. To determine material topics that its stakeholders are interested in, HBEG conducts a number of activities throughout the year including engagements outlined in the table below.

HBEG **stakeholders’** engagements

<p>Customers HBEG customers’ voices are heard through interactions with them, surveys and by listening to their complaints.</p> <p>Employees HBEG employees’ voices are heard through annual Snapshot survey, exchange sessions, townhall meetings, leadership summits, and HSBC Group ‘speak-up’ channels, including global whistleblowing platform, HSBC Confidential.</p> <p>Communities HBEG regularly engages with non-governmental organisations (‘NGOs’), charities and other civil society groups through communities’ investment partnerships, forums, and round tables supporting ESG causes.</p> <p>Regulators and Government HBEG proactively engage with regulators and government to build strong relationships through virtual and in-person meetings.</p> <p>Suppliers HBEG aligning with HSBC Group Code of Conduct sets out the expectations and the minimum standards expected from suppliers on the environment, diversity, and human rights.</p>	<p>Material topics highlighted through engagements¹</p> <ul style="list-style-type: none"> - Customer advocacy. - Cybersecurity. - Employee training - Inclusion. - Employee engagement. - Supporting our customers. - Embedding Net Zero into the way HBEG operates. - Sustainability risk policies, - Net Zero transition plan. - Financial inclusion and community investment. - Climate risk. - Anti-bribery and corruption - Conduct and product responsibility. - Supply chain management. - Human Rights.
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¹ These form part of HBEG’s ESG disclosures suite together with other requirements and are not exhaustive or exclusive to one stakeholder group.

ESG performance highlights

HSBC Group established ambitions and targets, that guide how they do business, including how they operate and how they serve their customers. These include targets designed to help track HSBC Group's progress against its environmental and social sustainability goals. They also help us to improve employee advocacy and the representation of senior leadership, as well as strengthen the group's market conduct. Group targets for these measures are linked to the pillars of HSBC Group ESG strategy: transition to Net Zero, building inclusion and resilience, and acting responsibly. HBEG continues to support HSBC Group ambitions, metrics and targets as follows:

Environmental: Transition to Net Zero	Sustainable finance and investment US\$902m Cumulative total provided and facilitated since 1 January 2020. (2023: US\$806m). Group ambition: Provide and facilitate US\$750bn to US\$1tn of sustainable finance and investment by 2030.	
Social: Build inclusion and resilience	Gender representation 38% Senior leadership roles held by women. (2023: 36.7%). Group Ambition: Achieve 35% senior leadership roles held by women by 2025.	Inclusion Index 70% Inclusion index score. (2023: 71%). Group Ambition: Maintain 75% in the Snapshot Inclusion index.
Governance: Acting responsibly	Conduct training 100% Employees who completed conduct training in 2024. (2023: 100%). Group Target at least 98% of employees complete conduct and financial crime training each year.	

Environmental

Transition to Net Zero

HSBC Group aims to support the transition to Net Zero and a sustainable future in partnership with customers and other stakeholders

Understanding HSBC's climate reporting

The HSBC Group engages with standard setters to support the development of transparent and consistent climate-related industry standards in areas such as product labelling, sustainability disclosures, sustainable finance taxonomy and emissions accounting.

The effective measurement, governance, and reporting of progress against the HSBC

Group's climate ambition relies heavily on the availability and quality of both internal and external data. Newer data sources and topics may be difficult to assure using traditional verification techniques. This, coupled with diverse external data sources and complex structures, further complicates data consolidation.

HSBC Group continues to invest in the development of data and analytics capabilities to support HSBC Group's net-zero transition. This includes sourcing more reliable data from external providers. HSBC Group is also developing its processes, systems, controls, and governance to meet the demands of future ESG reporting.

Supporting our customers

Sustainable finance

In line with HSBC Group's approach, focus is on three key areas that play to its strengths as an organisation and can help deliver an impact on decarbonisation in the global economy.

Transitioning Industry

HSBC Group supports its clients in emissions-intensive industries with their transition goals by engaging with them on their transition plans and by providing financing solutions. In 2024, HSBC Group refreshed transition plan

assessments for major clients in the oil and gas, power and utilities and coal mining sectors, and began assessing major clients in the automotive, aviation, cement, steel and aluminum sectors, to better understand their objectives and identify opportunities to enable their decarbonisation strategies.

Catalysing the new economy

HSBC Group aims to support clean industrial development and the scaling of entrepreneurial new economy companies at all stages of financing across its operating

markets. This is achieved through direct financing and investment as well as through catalytic partnerships.

Decarbonising trade and supply chains

HSBC Group continues to focus on helping to decarbonise trade flows and supply chains through green trade finance and sustainable trade instruments, sustainable supply chain financing and sustainability-linked lending for trade finance and sustainable trade instruments.

HBEG Sustainable Finance Deals

As part of HSBC's aspiration to assist in its clients' transition towards more sustainable operational models, HSBC Group continue to work on developing tools and products that can aid client's transitioning, from Use of Proceeds to Sustainable Linked loans (SLL). Additionally, in 2024, sustainability Improvement Loans (SIL) have been developed and launched in HBEG aiming to support mid-size businesses in their journey towards more sustainable practice.

Since 1 January 2020, HBEG has provided and facilitated a cumulative US\$902m of sustainable finance, as defined in HSBC Group Sustainable Finance and Investment Data Dictionary 2024¹.

In 2024, HBEG launched Egypt's first Sustainability Improvement Loan, which integrated measurable ESG performance targets into corporate financing. The Bank also closed Egypt's first Green Tech Supply Chain deal, supporting the growth of sustainable mobility solutions.

Additionally, HBEG structured the first sustainability-linked loan in the apparel sector.

Despite challenging economic headwinds, HBEG continues to provide financial support and referral opportunities to startups that are involved in the transition of sustainability. This is guided by leveraging KPIs, impact-driven business models, and transition-linked funding mechanisms. The bank also continues to finance social projects that promote youth, women empowerment, affordable housing and access to health.

¹Sustainable finance and investment data dictionary: HSBC Group defines sustainable finance and investment as any form of financial service that integrates ESG criteria into business or investment decisions. This includes financing, investing and related activities that support the achievement of the UN SDGs, including but not limited to the aims of the Paris Agreement on climate change. For further details please refer to [HSBC Group Annual Report and Accounts 2024 P.45](#)

Partnering for systemic change

Supporting systemic change to help deliver Net Zero

HSBC Group focuses on building strategic partnerships that can help to create an enabling environment for mobilising finance, and support development and scaling-up of solutions for the Net Zero transition. HSBC Group continues to participate in several sustainability-related cross-industry alliances and initiatives to help stimulate industry engagement on climate. Through philanthropy, HSBC Group partners with a range of non-governmental organisations to develop thought leadership, spur innovation, build capacity and test and scale climate solutions.

Highlights from HBEG sustainability-aligned partnerships

HBEG engages with governments, public bodies and organizations to support the implementation of policies and regulations, including promoting good practice, below illustrates HBEG key engagements for 2024.

HBEG is a member of the Egyptian Federation of Banks-Sustainable Finance Committee. HBEG has been actively engaging in all meetings, workshops and sessions delivered by the committee.

AmCham, German Chamber and the UK Embassy, HSBC was invited to participate in a Panel hosted by the German Chamber (AKH) addressing Egypt's Green Transition: Efforts, Steps & Strategies for Carbon Footprint Reduction" highlighting the components of the journey of transition.

Climate Finance Accelerator (CFA) Programme to elevate the ESG narrative and promote sustainable finance. HSBC has been invited for the second consecutive year to participate in the British Embassy sponsored CFA Programme, which aims at encouraging the flow of climate finance in Egypt by supporting project developers and financiers to collaborate. HBEG participation extends to providing constructive feedback to startups to enhance and better articulate their pitches from a financial and sustainable perspective, to be more attractive to investors and ultimately become more bankable.

HSBC hosted a roundtable on: **"Theory to Practice"**, bringing together industry leaders to share best practices in ESG adoption. The roundtable was part of HSBC's

second edition of the MENAT Sustainable Finance Week.

American University in Cairo (**'AUC'**) to develop a Participatory Mangrove Ecosystem Restoration Model (MERS). Established the Climate Smart Agri-Hub at AUC to train and educate local communities. Develop a GIS-based platform for mangrove CO2 sequestration and biodiversity conservation and increased number of mangrove stands.

Chapter Zero Egypt, HBEG joined Chapter Zero Egypt leading on the transition planning sessions to the various Egyptian Corporate Board members and C-suite, helping organizations to develop strategies to transition towards sustainable business models. In addition, HBEG is part of the Advisory Committee and leads on the Banking Committee.

Net Zero in our own operations

HSBC Group has revisited its ambition to achieve Net Zero in its own operations and supply chain by 2030 and is now focused on actions to cut emissions across these areas as part of its overall ambition to become Net Zero by 2050. HBEG is taking measures to contribute to the HSBC Group’s climate ambitions.

Reduce, replace and remove

HSBC Group’s guiding approach is, and will continue to be to reduce, replace and remove emissions from Group’s own operations and supply chain. HSBC Group plans to first focus on reducing carbon emissions from consumption and then replace remaining emissions with low-carbon alternatives in line with the Paris Agreement.

Energy consumption

Although HBEG is experiencing an increase in energy consumption, efforts will continue to enhance efficiency and manage usage more effectively. This commitment to sustainable practices reflects HBEG’s responsibility towards the environment.

Business travel

HSBC Group has analyzed its travel patterns to identify areas where it can continue to reduce emissions. For example, HSBC Group has introduced internal regional reduction targets and emission information at the point of booking to encourage ownership and flexibility in decision making.

Engaging with HSBC Group supply chain

HSBC Group’s supply chain contributes to c.81% of its operational emissions and represents the most significant challenge in achieving decarbonisation.

It has become clear that progress in reducing emissions in HSBC Group’s supply chain is proving slower than anticipated, mainly driven by the slower pace of the transition across the real economy. Many

suppliers are still in the early phase of their decarbonisation journey, do not have sufficient insight into their own emissions footprint, and have not set decarbonisation targets. HSBC Group has stepped up targeted efforts to support decarbonisation across its supply chain.

HSBC Group aims to deepen its collaboration with suppliers and increase the focus on those without public disclosures or emissions reduction plans, supporting them through education and incentivisation.

In 2024, HSBC Group incorporated an additional supply chain data source to complement data from CDP (formerly the Carbon Disclosure Project), and continues to improve the measurement, quality and reporting of its supply chain emissions data to generate insights to drive targeted reduction activities. HSBC Group has engaged with its 300 highest-emitting suppliers globally to collaborate and identify emissions reduction opportunities based on supplier maturity levels.

2024 Emissions from energy and travel
HSBC Group reports its emissions following the Greenhouse Gas Protocol. HSBC Group reports greenhouse gas emissions resulting from the energy used in its buildings and employee’s business travel. Due to the nature of HSBC primary business, carbon dioxide is the main type of greenhouse gas applicable to its operations.

HBEG remains committed to exploring innovative solutions to manage its emissions effectively and enhance overall environmental performance.

HBEG Energy and travel greenhouse gas emissions in tonnes CO₂e ^{1,2}

	2024	2023		2024	2023
Scope 1	6	6	Total Energy consumption (Kwh)	15.4 M	11 M
Scope 2 (Market based)	4,857	4,415	Total Business Travel (Km)	2.8 M	1.2 M

Scope 3 emissions (category 6: Business travel)	660	293	Total Energy Emissions (Tonnes)	4.8 K	4.4 K
Greenhouse gas emissions in tonnes CO2e per full-time equivalent staff	1.56	1.3			

1. Data is based on the 12-month period to 30 September.
2. Due to data constraints for HBEG scope 3 emissions includes Business travel only.

Managing climate risk

Climate risk relates to the financial and non-financial impacts that may arise as a result of climate change and the move to a Net Zero economy. HSBC Group manages climate risk across all business lines and is incorporating climate considerations within the traditional risk types in line with its risk management framework.

HSBC Group manages the climate risk in its banking portfolios through its risk appetite and policies for financial and non-financial risks. This enables HSBC Group to identify opportunities to support its customers, while continuing to meet stakeholder expectations. For the most material wholesale customers, HSBC Group uses

transition engagement questionnaire to understand clients' climate strategies and risks. HSBC Group has formal policies to guide the management of climate risk and is working to develop metrics to help manage exposures globally for the wholesale portfolio.

Sustainability Risk Policies

HBEG follows HSBC Group's sustainable risk policies, these form part of global broader risk management framework and are important mechanisms for

managing risks, including delivering Global Net Zero ambition. These policies focus on mitigating reputational, credit, legal and other risks related to

customers' environmental and social impacts. For further details please refer to [HSBC Group Annual Report and Accounts 2024 P.61 and 62](#)

Social

Building inclusion and resilience

HSBC Group plays an active role in opening up a world of opportunity for customers, employees and communities by connecting across Group's international networks to help build a more inclusive and resilient society.

HSBC Group commitment to inclusion

Approach to inclusion

Group purpose, 'Opening up a world of opportunity', explains why HSBC exists as an organization and is the foundation of global inclusion strategy. HSBC Group has identified specific Group-wide priorities, which Group tracks and monitors progress against. Embracing HSBC Group's unique international footprint, Group adapts implementation of the global inclusion strategy to help ensure it remains locally relevant and compliant with local laws.

HBEG aligns with **HSBC Group's accountability practices**

Setting strategic priorities

The strategic priorities are aligned to HSBC Group aspirational ambitions, which have been created to increase representation of under-represented groups.

HBEG continued to maintain balanced gender diversity in 2024 by reaching a 38% representation of women in senior leadership roles.

Monitoring progress

HSBC Group consistently tracks and measures performance against its priorities, utilizing its data capabilities to accurately monitor progress through inclusion dashboard, which monitors progress against ambitions.

Being transparent

HSBC Group is transparent in sharing data through external disclosures and participates in benchmarking to measure the progress across the industry. HSBC Group has enabled employees to self-identify through systems and Snapshot surveys, helping to understand the diverse composition of its global workforce.

In 2024, HBEG was named Egypt's Best Bank for Diversity & Inclusion at the Euromoney Awards for Excellence 2024.

Fostering a diverse environment

Work force

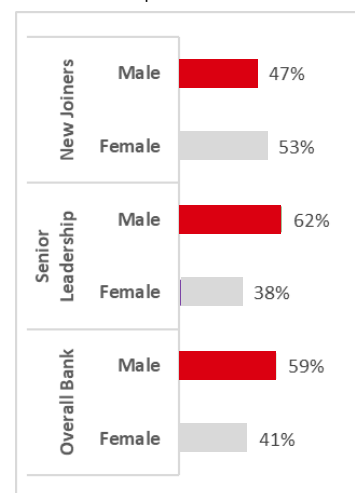
On 31 December 2024, HBEG had a total workforce equivalent to 1,610 full-time employees compared to 1,604 at the end of 2023. Of total workforce HBEG has 41% representation of women and 59% representation of men. HBEG also has 115 contractors/service providers. Total Number of Joiners by end of 2024 reached 137 which is 60% higher than the previous year. The variation in new joiners' volume is mainly driven by the hiring of WBP Front Line roles throughout the year. In 2024 HBEG annual voluntary turnover was 5.3% vs 6.1% in 2023 representing 88 individuals who left the organization during 2024 with 41% of leavers being women and the

majority of leavers (59%) fell under the 20-30 age group.

Women in senior leadership
Increasing women representation in senior leadership roles is one of HSBC Group's longest standing strategic priorities. HBEG has met its female representation goal, with 38% of senior leadership roles held by women at the end of 2024. Moreover, HBEG aims to strengthen its talent pipeline to improve the representation of women in senior leadership roles. Flagship programmes, coaching and networking in leadership team offsites conducted for individuals identified as talent. HBEG hiring practices are merit-based, and HBEG seeks to ensure that every candidate, regardless of

their identity and background, has an equal opportunity to demonstrate their skill and potential.

Gender representation





Fostering an inclusive culture

Looking to the future and beyond publicly stated commitments, the Global inclusion strategy was refreshed to refocus ambitions with strategic priorities and to set out the approach to inclusion over the next three to five years. HSBC Group have established key principles that enable it to pivot towards building a more inclusive culture for all our employees.

At HBEG, employees' personal sense of belonging and psychological safety are two key measures captured as part of HBEG's Inclusion Index in the annual Snapshot survey, which is monitored and reviewed by various identities that comprise HBEG workforce.

In 2024, HBEG achieved a score of 70%, which is close to the previous year results.

Analysis of Inclusion index allows HBEG to measure engagement levels of specific employees' groups in greater detail, in particular different personal identities, to better understand the experiences of HBEG employees.

HBEG employee resource groups

Bringing together the shared identities, values and interests of HBEG employees allow us to build an inclusive culture across the organization and the volunteer-led employee resource groups ('ERGs') enable this.

In 2024, HBEG ERGs led numerous initiatives and events including hosting several panels whether to celebrate key occasions such as International Women's Day and International Men's Day or key topics such as

generational leadership and mentoring future leaders, financial Wellbeing awareness tailored to each generation's needs as well as running several sessions to explain the benefits which HSBC offers to employees. ERGs also arranged for women-led focus groups to explore snapshot survey responses in a safe environment for them to share their concerns.

HBEG focus on disability

HSBC Group is dedicated to creating an inclusive culture where all employees can thrive. HBEG sponsors students with disabilities and supports their development to enable them to work in the Banking industry after graduation.

Building a healthy workplace

Listening to employees

HSBC Group values difference, this is done by seeking out different perspectives and listening. HSBC Group employees succeed together by being connected across the organization, and they take responsibility by speaking up. These activities are core to HSBC Group's values, and globally regular feedback is captured from employees to help improve the organisation and its employee experience.

How HSBC Group listens

The annual employee engagement survey is called 'Snapshot' and is an opportunity for all employees to share feedback on what it is like to work at HSBC.

High level of participation enables HBEG to collate results confidentially across all levels of the organization. Insights from the HBEG Snapshot survey are shared with the Country Executive management and Board, in addition to the Manager dashboards, teams are supported to have good conversations about their feedback through the provision of interactive dashboards, action planning tools and discussion guides.

Employee Engagement Index is a key measure of how people feel about HSBC. HBEG Engagement Index has scored positive results and showed how proud and motivated employees feel while working with HSBC.

Employee conduct and harassment

Globally it is expected that all employees treat each other with respect and dignity, with no tolerance or condone discrimination, harassment or bullying in any form, as outlined in HSBC's Global Anti-Bullying and Harassment Code. This is supported by HSBC's Global Code of Conduct, which helps to maintain high standards across HSBC Group.

Fostering a 'Speak Up' culture remains a key area of importance hence in 2024 and with the support of Regional Employee Relations and Regional Regulatory Compliance Teams, HBEG delivered an all-staff session on "Speaking Up" to remind HBEG employees of various Speak Up channels, explain how they can report issues confidentially and safely, and highlight the importance of these channels in supporting a culture of trust and openness.

HSBC Group encourages employees to speak up about poor behaviour or things that do not seem right. At times, it can be difficult to raise concerns, so regular communication and tracking is important.

HSBC employees continue to receive training on bullying, harassment, discrimination and retaliation at least every other year in the Global Mandatory Training curriculum and as part of other learning resources, including in People Manager training.

HSBC Group has mandatory procedures for handling and investigating employee concerns, which include those for bullying and harassment. Cases are continually monitored from Global speak-up channels, and data is reported to management committees to ensure there is visibility at leadership level.

HBEG received a total of 8 concerns relating to bullying and harassment. Where the concerns were substantiated following an investigation, appropriate consequence management was taken. HBEG remains committed to addressing this type of behaviours and will continue to take action where we find that an employee has breached HSBC Group values and high standards of conduct.

Being a great place to work

To align with HSBC Group's purpose and strategy, HBEG needs the best people, performing at their best. Focusing on opportunities for employees, making them a part of something bigger and being clear on what they can expect when they deliver on the bank's strategy, is

fundamental to delivering for customers. HBEG workforce proposition strengthens its ability to attract, retain and energize its employees and is driven by three key reward principles of rewarding employees responsibly, recognizing employees' success

and supporting employees to grow.

Rewarding employees responsibly

HBEG pay and benefits proposition aims to reward employees responsibly, helping to ensure financial security for all. HBEG remains committed to providing a

competitive total compensation package with an appropriate mix of fixed pay and variable pay.

Recognizing employees' success

HBEG believes in recognising its employees' success and have a number of mechanisms to help enable them to be rewarded for their work.

In 2024, HSBC Group introduced performance routines, to encourage employees to talk about their ambitious goals throughout the year. This is complemented with improving the exchange of feedback, so employees know how they are doing and how they can improve. These activities are brought together through performance check-in conversations at the year-end, with a simplified approach to performance assessments. HSBC has supported managers to better understand the changes through sessions and workshops with nearly 100% of people managers attending. HSBC Group's 'At Our Best' recognition platform offers employees the opportunity to recognize their peers for role model behaviours linked to its values.

Well-being

To help employees grow personally and professionally, HBEG is committed to supporting their mental, physical and financial well-being, offering flexibility and helping employees develop new skills.

In 2024, HBEG upgraded the Employee Assistance Programme to support the mental health of employees and their families.



Physical well-being

The Snapshot survey revealed that employees rated their physical health less positive compared to 2023.

In 2024, HBEG continued to make the Personify Health app available to employees, supporting them to increase their physical activity. In collaboration with HBEG Medical Service provider, an onsite 'Know Your Numbers' checkup campaign was launched, in addition to Breast & Prostate Cancer Awareness campaigns. HBEG ERGs also conducted many fitness and sports events and sessions to increase employees' awareness to the importance of physical exercise.

Financial well-being

Financial challenges remain a concern for many employees, caused by increases in the cost-of-living, currency devaluation and increase in interest rates which impacted the inflation rate in Egypt throughout the last couple of years. In 2024, 35% of employees said they felt positive about their financial health and 27% of employees said they have at least three months of essential outgoings saved, both lower than 2023.

Considerable efforts and actions took place to address the macro-

economic situation and to encounter inflation rates throughout the year.

Flexible working

Flexible working remains one of the top reasons employees say they would recommend HSBC to someone else.

HBEG continuously works on enhancing and improving employees workplace experience and with the newly renovated Head Office, hybrid working has been applied more effectively. To further support flexibility and work-life balance HBEG have improved family leave policies. Maternity paid time off duration was increased to 4.5 months from 3 months.

Compassionate Leave was enhanced to become five working days instead of three calendar days and extending the policy to cover more relatives. Starting January 2025, Paternity Leave will be doubled in all MENAT countries including Egypt.

Supporting employees with caring responsibilities We have found that many of HSBC employees are often involved in both their careers and significant caring responsibilities outside work and are finding managing both responsibilities increasingly challenging. Caregiver Leave provides employees with five days of paid time off in case of family emergencies or in case an employee needs to make arrangements for their immediate care, which has been disrupted.

Developing skills, careers and opportunities

Learning and skills development

Employee development energises HSBC Group employees for growth and helps equip them with the skills they need today while also preparing them to meet future challenges.

Enabling future skills

HSBC Group has adapted skills development platforms and learning resources, to help prepare their workforce for future challenges and enable skills building at scale.

In 2024, HBEG:

- increased the number of active users and participation in learning programmes via HSBC Group’s learning experience “Degreed”. This aims to address skills gaps through internal and external learning content and courses, enabling employees to share, collaborate and learn individually or in groups through structured learning pathways.

Energising HBEG employees for growth

HBEG aims to provide employees with the opportunity to develop critical skills while creating a pipeline of talent to support strategic ambitions. It is essential that HBEG promotes effective leadership and foster an environment that inspires employees to grow. In 2024, HBEG managed to:

- Deliver ‘CARE’ programme, which embodies the principles of being connected, accountable, responsive

- increased the focus on face-to-face trainings.
- continued sign language programme for front liners to increase employees’ awareness on the fundamentals of sign language to support customers with hearing impairment.
- capitalized on the launch of HSBC Group’s Talent Marketplace platform to encourage employees to create profiles and participate in projects.

Training at HSBC

11 average training hours per HBEG’s full time equivalent staff in 2024

Skilling the transition to Net Zero

HSBC Group Sustainability Academy continues to support HSBC Group’s Net Zero ambitions and strategy. As the Academy has evolved, HBEG have increased the focus on building capabilities and empathic. It outlines the behaviours that reflect these values, guiding employees in delivering exceptional service to customers. The programme has also been integrated into HBEG customer experience objectives, with progress tracked through Customer Centricity Index, which is included in 2024 Snapshot survey.

- Participate in the Managing Director Leadership Programme, which was expanded in 2024. It combines immersive in person sessions on leadership with virtual deep dives on key issues

beyond foundational skills, specifically targeting priority groups that support both customers and operations in the transition to Net Zero. In 2024, HBEG was able to facilitate certifications and qualifications, as needed, to deepen employees’ expertise hence two of HBEG employees working on sustainability agenda completed Global Reporting Initiative “GRI” Standards certified training programme & sustainability reporting. Additionally, HBEG continues to upskill front-line employees and raise awareness on Wealth and Personal Banking (WPB) sustainability strategy through interactive challenges, learnings, to dig deeper into WPB sustainability strategy and understand how HBEG helps customers transition to a more sustainable lifestyle besides the staff sustainability engagement and volunteering initiatives.

and all-hands strategy sessions, alongside an enterprise risk leaders programme and a series focused on doing business in key locations.

- Nominate key Talents to attend Flagship programmes such as Future Leaders (2024), Leading with Impact and Leading Businesses and Functions.
- Complete 2024 summer internship programme which offers an exciting opportunity to gain fresh perspectives, strengthen talent pipeline and promote HBEG employer branding.

Building customer inclusion and resilience

Approach to customer inclusion and resilience

HSBC Group believes that financial services, when accessible and fair, can reduce inequality and help more people access opportunities. HSBC Group is playing an active role in opening up a world of opportunity for individuals by supporting their financial well-being and removing barriers in accessing financial services.

Access to products and services

HBEG provides solutions to help improve customer access to products and services and enable them to manage their day-to-day finances. Also, re-vamped cashback credit card to provide customers with up to 6% cashback on their daily spend. Furthermore, HBEG offered a variety of installment plans for a tenor of up to 24 months with discounted interest rate including the Cash Installment Plan, the Flexible Installment Plan and the Balance Transfer. Additionally availing the 0% instalment plan offers, through Fin-tech service providers: "Paymob / Fawry". HBEG has also launched a proactive limit increase programme, availing a credit limit increase to customers, to meet customers' needs for higher credit limits especially with the witnessed high inflation rates, thus reflecting HBEG's continuous efforts to create value for clients. HBEG continues to offer Electric Vehicles (EV) and Energy Efficient Products (EE) Personal Finance at

competitive rates as well as flexible repayment periods.

Ongoing partnership with Electrified for electric mobility and Solarena for solar engineering solutions to promote the sustainable finance awareness among mutual clients and increase sustainable finance reach to wider segments.

HBEG continues to enable customers to redeem their credit card points towards sustainability initiatives, such as tree planting projects across Egypt.

Financial Inclusion

HBEG continues to issue cards with built-in accessibility features, including contrasting colours, and an arrow and notch signaling which end to put into card readers and ATMs, to support customers with disabilities (visual impairments, learning difficulties, and colour blindness).

Supporting financial knowledge and education
HBEG continues to invest in financial education content across different channels to help

customers, colleagues and communities be confident users of financial services, for example by holding several financial awareness events for school and university students e.g. in Assiut University and Hamata school in Marsa Alam. We also conducted financial wellbeing sessions for female cancer patients to support them during their treatment journey. And through our INJAZ Al Arab Saving for Good programme, we delivered sessions for low-income workers to equip them with essential financial skills for life.

Launch of the Financial Wellbeing HUB on HBEG Public website:

The HUB is equipped with a wide range of resources, in English and Arabic versions to support customer financial education. HBEG is currently working on phase two of the HUB where we will launch financial literacy children content.

All WPB front-line employees have completed training focused on understanding the unique needs of customers with disabilities and how to serve them more effectively.

Engaging with our communities

Helping to build a more inclusive and resilient society

HSBC Group has a long-standing commitment to support communities that HSBC operates in. HSBC Group aims to empower people and communities to develop the skills and knowledge needed to thrive in the future. Through the global reach of charitable partnerships HSBC brings together diverse people, ideas and perspectives that help open up opportunities and build a more inclusive world.

Through charitable partnerships and volunteering opportunities, people share their skills and create a positive impact in society.

HSBC has been present in Egypt for more than 40 years and have a long-standing commitment to stakeholders to deliver on philanthropic activities. HBEG focuses on the areas of Future Skills (for young adults and entrepreneurs) and in unlocking next -generation climate solutions to accelerate the transition to Net Zero. A summary of flagship programmes is presented below:

Widows' Saving and Loan

Association

The programme is in partnership with Global Fund for Widows to implement their award-winning micro-banking innovation designed to address widows' specific needs whereby widows can draw loans to finance micro- and small businesses and receive ongoing business support to create sustainable income.

Mangrove Ecosystem

Restoration Model (MERS)

In partnership with the American University in Cairo (AUC), the MERS project aims to support

greenhouse gas mitigation, climate resilience, and sustainable development by creating a scalable, community-based model for mangrove restoration. The initiative has successfully planted and restored up to 10,000 mangrove seedlings, enhancing carbon sequestration. It also established a Climate Smart Agri-Hub at AUC to promote research, training, and knowledge sharing. Additionally, a GIS-based platform was developed to provide data on mangrove ecosystems, CO2 capture, and biodiversity, helping attract investment by addressing information gaps in climate action.

Next Generation of Automotive Technicians in Green Jobs
HBEG continued the collaboration with Ghabbour Foundation in Egypt, to equip a pioneer class to join the electric vehicle labour market. The objective of the project is to collaborate on the qualification and empowerment of a class of 25 young automotive technicians to become specialized in the maintenance of electric vehicles, an imperative requirement for the eminent deployment of electric vehicles. The graduation of the EV class is expected in October 2025.

Governance

Act Responsibly

HSBC Group remains committed to high standards of governance. HSBC Group works alongside regulators and recognise its contribution to building healthy and sustainable societies.

Setting high standards of governance

HBEG governance structure and ESG governance

Corporate Governance at HSBC is of paramount importance to ensure sound practices, promoting transparency and efficiency, in consistency with the law. The HBEG Board ('The Board') and the management are committed to the long-term success of the Bank and generating stable and sustainable returns for the shareholders. Standards of Corporate

Governance, in particular those defined by Central Bank of Egypt ('CBE') and other regulatory bodies, are fundamental in supporting HBEG to facilitate better execution of activities and creating sustainable shareholder value, without overlooking the interests of other stakeholders in the Bank and the business community at large.

HBEG has a comprehensive range of policies and procedures in place designed to help ensure that it is well managed. HBEG is continuously developing its Corporate Governance Framework ('The Framework') to meet the highest standards by leading professional bodies and regulatory authorities. The Framework outlines a consistent approach

across the Bank infused into its culture and will be reviewed on a periodic basis by the Board of Directors. HBEG as a whole, along with The Board, Senior Management and employees are collectively responsible for integrating the Corporate Governance Framework into their day-to-day activities. The Board sets the “tone at the top”, the management ensures that the Corporate Governance Framework is implemented through a robust set of policies and procedures, and employees follow the Corporate Governance requirements in their day-to-day business.

HBEG is committed to complying with the highest standards of corporate governance principles, which is reflected in the relationships and responsibilities of the management, the Board and the shareholders in line with local regulatory requirements and global

requirements of the HSBC Group. HBEG's Governance policies and practices cover all aspects of the Bank's daily operations including the approval and execution of strategies, the definition and application of risk appetite parameters and setting the balance between shareholders' obligations and depositors' interests. HBEG Management ensures that the daily activities of the Bank's operations are executed in a secure manner and in compliance with the prevailing laws and regulations.

HBEG's commitment to organizational governance is evidenced by:

- The composition of the HBEG Board of Directors and the inclusion of independent, non-executive Directors.
- The clear definition of Directors' duties.

- The operation and composition of Board's committees including the Audit Committee, the Risk Committee, the Governance and Nomination Committee and the Salaries and Remuneration Committee.
- The frequency of meetings of the Board and of the Board's Committees in line with local regulatory requirements.
- The internal control framework, reflected in the structure and operation of the Bank.
- The adoption and implementation of internal policies and procedures covering all business aspects.
- The existence of transparent communication and disclosure channels.

The Board Committees

The Board Committees

The purpose of HBEG's corporate structure, headed by the Board of Directors and led by the Chairman, is to deliver sustainable value to its shareholders. The Board approves the strategy for the Bank and sets the risk appetite and capital, and operating plans presented by management to achieve the strategic objectives it has set. Implementation of the strategy set by the Board is delegated to the Executive Committee, led by the Chief Executive Officer. To achieve its strategic objectives, the Board has also appointed a number of Directors and Executive Management to serve on Board Committees. The responsibilities of these committees and its membership are as follows:

- Audit Committee
- Risk Committee
- Governance and Nomination Committee
- Salaries and Remuneration Committee

For more on Board committees and Board of directors, shareholding info please refer to [HSBC Bank Egypt S.A.E Annual Report and Accounts 2024](#).

Nomination and selection of the highest governance body

HBEG follows its Corporate Governance Framework and ensure alignment with local regulation in terms of nominating its Board of Directors and related Committees with consideration to diversity and independence. Diversity and inclusion are embedded within the culture of HBEG. The Board remains committed to having an inclusive culture that recognises the importance of diversity in gender, capabilities, skills, experience, knowledge and age group and the benefits gained from different perspectives.

Board Responsibilities

The Board, led by the Chairman, is responsible among other matters for:

- promoting HBEG's long-term success and delivering sustainable value to shareholders.
- establishing and approving HBEG's strategy and objectives, and monitoring the alignment of purpose, strategy and values with the desired culture and standards.
- approving and monitoring capital and financial resource plans for achieving strategic objectives.
- considering and approving HBEG's technology and environmental, social and governance strategies.
- ensuring effective engagement with, and encouraging participation from, shareholders and other key stakeholders.
- approving the appointment and remuneration of Directors, including Board roles.
- approving the selection and appointment of the senior executives and supervising their performance.
- reviewing HBEG's overall corporate governance arrangements.

The Board delegates day-to-day management of the business and implementation of strategy to the HBEG CEO. To assist the CEO in his day-to-day management of HBEG, he is supported by recommendations and advice from the Executive Committee, an executive forum comprising of senior HBEG management which he chairs.

Management Committees

- Executive Committee (EXCO)
- Risk Management Committee (RMM)
- Assets and Liabilities Committee (ALCO)
- Country Impairment Forum (CIF)

Conflicts of interest

There is an established policy and set of procedures to ensure that the Board's management of Directors' conflicts of interest is effective.

The responsibility for the ongoing review of the conflicts register is conducted by the Board. Upon appointment, new Directors are advised of the policy and procedures for managing conflicts. Directors are required to notify the Board of any actual or potential conflicts of interest and to update the Board with any changes to the facts and circumstances surrounding such conflicts. Directors are requested to review and confirm their own and their respective closely associated persons outside interests and appointments on quarterly basis. All non-executive Directors are re-vetted every three years following appointment and as part of such process all conflicts checks are refreshed.

Collective knowledge of the highest governance body

The Company Secretary works with the Chairman to ensure that all Board members receive appropriate training, both individually and collectively, throughout their time on the Board. On appointment, new Directors are provided with tailored and comprehensive induction programmes to fit with their individual experiences and needs, including the process for managing conflicts.

The Company Secretary also helps to arrange and deliver the induction programme through formal briefings and introductory sessions with other Board members, senior management, legal counsel, auditors, tax advisers and regulators, as appropriate. Topics covered in the induction programme include but are not limited to purpose and values; culture and leadership; governance and stakeholder management; Directors' legal and regulatory duties; anti-money laundering and anti-bribery; technical and business briefings; and strategy. The structure of the induction supports good information flows within the Board and its committees, as well as between senior management and non-executive Directors, providing a clear understanding of HSBC culture and way of operating. Directors were also issued routine training modules that all staff must complete annually. During 2024, this training covered topics including risk management, cybersecurity, sustainability, health, safety and well-being, financial crime, Conduct. Non-executive Directors also discussed individual development areas with the Chairman as part of their ongoing performance discussions with regard to their contributions on the Board. The Company Secretary makes appropriate arrangements for any additional training needs identified including arranging topic-specific deep dives.

Evaluation of the performance of the highest governance body

The Board and its committees are committed to annual evaluation of their effectiveness through a review that covers the Board's performance and the extent of the board member's compliance with the duties of his / her position and the necessary requirements to enhance his/her efficiency.

How ESG is Governed

The Board aims to promote HSBC's long-term success, deliver sustainable value to shareholders and promote a culture of openness and debate. There are also several committees consisting of certain Directors and co-opted non-director members - for full details on HSBC's Global ESG governance structure please refer to [HSBC Holding plc's Annual Report and Accounts 2024 - see page 74](#)

The Board takes overall responsibility for ESG strategy, overseeing executive management in developing the approach, execution and associated reporting. Progress against ESG ambitions is reviewed through Board discussion and review of key topics such as updates on customer experience and employee sentiment. The Board is regularly provided with specific updates on ESG matters. As per

Central Bank of Egypt regulations The Board is responsible for reviewing and approving the ESG reported information, including the organization's material topics.

As per Central Bank of Egypt mandate, a Sustainability Unit is in place to ensure that ESG is embedded within the bank's credit aspects and operations whilst aligning with HSBC Global approach.

Human Rights

HSBC Group's respect for human rights

As set out in HSBC Group's Human Rights Statement, the role of business in respecting human rights is recognised. This approach is guided by the UN Guiding Principles on Business and Human Rights ('UNGPs') and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

HSBC Group salient human rights issues

HSBC Group continues to develop its understanding of its salient human rights issues.

Managing risks to Human Rights

In 2024, HSBC Group continued the process of adapting its risk management procedures to reflect what it had learned from its work on salient human rights issues and related guidance. HSBC Group continued to embed and build on the sustainable procurement mandatory procedure, which sets

out the minimum sustainability requirements for procurement activity. This included enhanced procedures for human rights risk identification through the introduction of a human rights residual risk questionnaire for suppliers as part of the global onboarding assessment process. Sustainability risk policies Some of the business customers operate in sectors in which the risk of adverse human rights impact is considered greater. HSBC Group Sustainability Risk Policies consider human rights issues such

as forced labour, harmful or exploitative child labour, workers' rights and land rights. Financial crime controls HSBC Group's financial crime risk framework also helps to mitigate the risk of being associated with adverse human rights impacts, by helping to identify and assess the financial crime risk associated with our employees and third parties. For further details see [HSBC Group Annual Report and Accounts 2024 , Human rights P.75,76](#)

Customer Experience

Dedication to exceptional customer experience remained HBEG's top priority in 2024. Customers pain points were proactively addressed by implementing a strategic plan that delivered tangible service quality enhancements, fostered a customer-centric culture, and strengthened the complaints resolution capabilities.

Customer satisfaction

Listening to drive improvement

HSBC Group continues to embed feedback system to better listen, learn and act on customer feedback. HSBC Group uses the net promoter score ('NPS') and customer satisfaction to provide a consistent measure of HSBC Group performance. NPS is measured by subtracting the percentage of 'detractors' from the percentage of 'promoters'.

HBEG continues to align and drive Customer Protection Unit agenda, thus complying with the Central Bank of Egypt regulations.

HBEG continues to focus on Customer Protection key areas of focus, which include:

- Treating customers fairly.
- Disclosure and transparency regarding pricing of all products and services offered by HSBC.

- Efficient complaints handling process.
- Enhancing the banking culture.
- Protecting customers' data and information security.

HBEG maintains consistent oversight and governance over customer experience and customer rights protection in all aspects of managing the business, HBEG regularly runs multiple governance forums including a dedicated Customer Experience Forum, Risk Management Forums, Audit Committee and Senior management meetings in order to ensure prioritizing customer journey improvement and ensure HBEG journey remapping strategy is underpinned by clear trackers and ultimately to track HBEG complaints handling and resolution performance metrics.

How we listen

To improve how HBEG serves their customers, they must be open to feedback and acknowledge when things go wrong. HBEG continue to adapt at pace to provide support for customers facing new challenges, new ways of working and those that require enhanced care needs.

Aligning with HSBC Group's approach, HBEG aims to be open and consistent in how they track, record and manage complaints, although as they serve a wide range of customers – from personal banking and wealth customers to large corporates, institutions and governments – HBEG tailors the approach in each of its businesses. HBEG has a consistent set of principles that enable us to remain customer-focused throughout the complaints process.

How HBEG handles complaints

HBEG Principles

HBEG Actions

Making it easy for customers to complain	Customers can complain through the channel that best suits them. HBEG provides a point of contact along with clear information on next steps and timescales.
Acknowledging complaints	All employees' welcome complaints as opportunities and exercise empathy to acknowledge customers' issues. Complaints are escalated if they cannot be resolved at first point of contact.
Keeping the customer up to date	HBEG sets clear expectations and keep customers informed throughout the complaint resolution process through their preferred channel.
Ensuring fair resolution	HBEG thoroughly investigate all complaints to address concerns and ensure the right outcome for HBEG customers.
Providing available rights	HBEG provides customers with information on their rights and the appeal process if they are not satisfied with the outcome of the complaint.
Undertaking root cause analysis	Complaint causes are analysed on a regular basis to identify and address any systemic issues and to inform process improvements.

Acting on feedback

In 2024, HBEG have continued to focus on developing products and services, and enhancing HBEG's digital capabilities to improve customer experience.

Commercial Banking and Global Banking

HBEG continues to focus on improving digital penetration and is constantly encouraging customers to process their transactions through the various HSBC channels. Till date HBEG witnessed an increase in the digital channels usage and considerable decrease in branch visits. A new global client segmentation change took place starting 2025 and its mainly to create a globally consistent service model for HSBC Group's clients. The new model will align and standardize how the

bank operates and manages customers, driving a consistent service experience and clearly defined quality standards, the approach for this new initiative is to deliver for 3 key areas –Clients, People, Process & Technology. HBEG listened to customers feedback on Trade operations and worked to improve the service levels through investing into systems and processes. HBEG adopted new Trade Solutions platform ('HTS') and new capabilities (like TradePay) which

help to provide a consistent user experience and enable easy connectivity to other platform ecosystems. In 2024, HBEG increased the awareness of front-line employees through several approaches including enhanced training, this led to an increase of 36% in the logged complaints year on year and helped HBEG to better understand the root causes of complaints and customers pain points.

Wealth & Premier Banking

Despite the fact that the overall complaints volume increased by 19% in 2024, HBEG maintained complaint resolution efficiency progress demonstrated via improving the Complaints resolution rate. In 2024, HBEG aimed to deliver the products and services in a fair and transparent manner and responded to their feedback and needs with suitable solutions. HBEG gathered feedback from over 72,000 customers across multiple channels to help recognize the

strengths and identify areas of focus. Given the dynamic business and economic environment, HBEG focused on improving how they serve customers. In 2024, HBEG continued driving customer experience capabilities under a solid customer experience strategy, this includes staff recognition programmes where over 100 of HBEG employees were recognized, a customer experience-focused workshop covering 100% of HBEG branch network leadership and over 50%

of HBEG frontline, as well as multiple journey remapping workstreams ranging from credit card and foreign currency usage to customer communication and Contact Centre journeys. In 2024, HBEG also introduced CARE, an HSBC Group developed customer experience values framework developed by HSBC Group. HBEG successfully delivered CARE training across 100% of HBEG frontline emphasizing HSBC values of being Connected, Accountable, Responsive, and Empathetic.

Integrity, conduct and fairness

Safeguarding the financial system

HSBC Group has continued its efforts to combat financial crime and reduce its impact on the organization, customers and the communities that they serve.

HBEG follows HSBC Group's approach which have a financial crime risk management framework that is applicable across all global businesses and functions. For further details please refer to [HSBC Group Annual Report and Accounts 2024 P.80](#).

Whistleblowing

HSBC Group wants employees and stakeholders to have confidence in speaking up when they observe unlawful or unethical behaviour. HBEG leverage on HSBC Group's policies which offer

a range of speak-up channels to listen to the concerns of individuals and have a zero-tolerance policy for acts of retaliation. For further details please refer to [HSBC Group Annual Report and Accounts 2024 P.80](#).

Conduct: Our product responsibilities

HSBC Group conduct approach guides to do the right thing and to focus on the impact it has for the customers and the financial markets in which it operates.

HBEG applies HSBC Group policies and procedures. For further details please refer to [HSBC Group Annual Report and Accounts 2024 P.82](#).

Safeguarding data

Data privacy

HSBC Group is committed to protecting the data it processes, in accordance with the laws and regulations. HSBC Group-wide data risk policy and principles provide a consistent global approach to managing data privacy risk and must be applied by all global businesses and functions, for further details please refer to [HSBC Group Annual Report and Accounts 2024 P.83](#).

Cybersecurity

The threat of a cyber incident remains a concern for HSBC globally, as it does across the financial sector and other industries. HBEG follows HSBC Group's policies, procedures, and controls on cybersecurity. For further details please refer to [HSBC Group Annual Report and Accounts 2024 P.84](#).

GRI Content Index

Statement of Use: HSBC Bank Egypt S.A.E. has reported the information in accordance with the GRI Standards for the period from January 1st, 2024, to December 31st, 2024.

GRI Standard	Disclosure	Direct response / section in this report / reference
GRI 1: Foundation 2021		
GRI 2: General disclosures 2021		
1) The organisation and its reporting practices	2-1 Organizational details	Introduction p. 1,2&3
	2-2 Entities included in the organization's sustainability reporting	Introduction – Reporting period and scope p.1
	2-3 Reporting period, frequency and contact point	Introduction – Reporting period and scope p.1
	2-4 Restatements of information	Introduction – Reporting period and scope p.1
	2-5 External assurance	Introduction - Assurance Related to ESG Data p.4
2) Activities and workers	2-6 Activities, value chain and other business relationships	Introduction – who we are p.2
	2-7 Employees	Social – Work force p. 11

	2-8 Workers who are not employees	Social – Work force p. 11
3) Governance	2-9 Governance structure and composition	Governance – Setting high standards of governance p. 18
	2-10 Nomination and selection of the highest governance body	Governance - Setting high standard of governance p.19
	2-11 Chair of the highest governance body	Governance - Setting high standard of governance p.18-19
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance – Setting high standards of governance p. 19
	2-13 Delegation of responsibility for managing impacts	Governance – Setting high standards of governance p.19
	2-14 Role of the highest governance body in sustainability reporting	Governance – Setting high standards of governance p.19
	2-15 Conflicts of interest	Governance – Setting high standards of governance p.19
	2-16 Communication of critical concerns	Governance – Setting high standards of governance p.19
	2-17 Collective knowledge of the highest governance body	Governance – Setting high standards of governance p.19
	2-18 Evaluation of the performance of the highest governance body	Governance – Setting high standards of governance p. 20
	2-19 Remuneration policies	Governance – Setting high standards of governance p. 20
	2-20 Process to determine remuneration	Governance – Setting high standards of governance p. 20
	2-21 Annual total compensation ratio	See ref.1
4) Strategy, Policies and Practices	2-22 Statement on sustainable development strategy	Introduction – HSBC Egypt CEO letter p.3
	2-23 Policy commitments	See ref.2
	2-24 Embedding policy commitments	See ref.2
	2-25 Processes to remediate negative impacts	See ref.2
	2-26 Mechanisms for seeking advice and raising concerns	Social – Building a healthy workplace– Listening to employees p.13 Governance – whistleblowing p.24
	2-27 Compliance with laws and regulations	Governance – see ref 1
	2-28 Membership associations	Environmental - Partnering for systemic change P. 8
5) Stakeholder engagement	2-29 Approach to stakeholder engagement	Introduction - Engaging with stakeholders and material ESG topics p.4
	2-30 Collective bargaining agreements	See ref. 3

GRI 3: Material Topics 2021		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Introduction - Engaging with stakeholders and material ESG topics p.4
	3-2 List of material topics	Introduction - Engaging with stakeholders and material ESG topics p.4
	3-3 Management of material topics	Introduction - Engaging with stakeholders and material ESG topics p.4
GRI Standard	Disclosure	Direct response / section in this report / reference
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Governance – Safeguarding the financial system p.24
	205-2 Communication and training about anti-corruption policies and procedures	Governance – Safeguarding the financial system p.24
	205-3 Confirmed incidents of corruption and actions taken	See ref. 1
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental – Net Zero in our own operations p.10
	302-2 Energy consumption outside of the organization	See ref. 1
	302-3 Energy intensity	Environmental – Net Zero in our own operations p.8
	302-4 Reduction of energy consumption	Environmental – Net Zero in our own operations p.8
	302-5 Reductions in energy requirements of products and services	See ref. 1
GRI Standard	Disclosure	Direct response / section in this report / reference
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental – Net Zero in our own operations p.8
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental – Net Zero in our own operations p.8
	305-3 Other indirect (Scope 3) GHG emissions	Environmental – Net Zero in our own operations p.8
	305-4 GHG emissions intensity	Environmental – Net Zero in our own operations p.8
	305-5 Reduction of GHG emissions	Environmental – Net Zero in our own operations p.8
	305-6 Emissions of ozone-depleting substances (ODS)	See ref. 4
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	See ref. 4

GRI Standard	Disclosure	Direct response / section in this report / reference
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Social - Developing skills, careers and opportunities p.15
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Social – Developing skills, careers and opportunities p.15
	404-3 Percentage of employees receiving regular performance and career development reviews	Social – Being a great place to work p.14

GRI Standard	Disclosure	Direct response / section in this report / reference
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Social – Fostering a diverse environment p.12
	405-2 Ratio of basic salary and remuneration of women to men	See ref. 1
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	See ref. 1

References

1. Disclosures are either made at HSBC Group level or not currently disclosed externally or deemed confidential.
2. Our policy commitments, embedment and remediation of negative impacts are stated under each material Topic section disclosed in this document
3. We do not hold collective bargaining agreements at HBEG
4. Not Applicable

Cautionary statement regarding forward-looking statements

This ESG Annual Report 2024 contains certain forward-looking statements with respect to the financial condition, ESG related matters, results of operations and business of the group, including the strategic priorities; financial, investment and capital targets; and HBEG ability to contribute to the HSBC Group’s environmental, social and governance (‘ESG’) targets, commitments and ambitions described herein.

Statements that are not historical facts, including statements about the group’s beliefs and expectations, are forward-looking statements. Words such as ‘expects’, ‘anticipates’, ‘intends’, ‘plans’, ‘believes’, ‘seeks’, ‘estimates’, ‘potential’ and ‘reasonably possible’, variations of these words and similar expressions are intended to identify forward-looking statements. These statements are based on current plans, estimates and projections, and therefore no undue reliance should be placed on them. Forward-looking statements apply only as of the date they are made. HBEG makes no commitment to revise or update any forward-looking statements to reflect events or circumstances occurring or existing after the date of any forward-looking statement.

Forward-looking statements involve inherent risks and uncertainties. Readers are cautioned that a number of factors, including ESG related factors, could cause actual results to differ, in some instances materially, from those anticipated or implied in any forward-looking statement.

Additional cautionary statement regarding ESG and climate-related data, metrics and forward-looking statements.

The ESG Annual Report 2024 contains a number of forward-looking statements with respect to HSBC's ESG ambitions, targets, commitments, climate-related pathways, processes and plans, and the methodologies and scenarios the Group (including the group) uses, or intends to use, to assess the Group's (including the group's) progress in relation to these ('ESG-related forward-looking statements').

In preparing the ESG-related information contained in the Annual Report and Accounts 2024, the Group (including the group) has made a number of key judgements, estimations and assumptions, and the processes and issues involved are complex. The Group (including the group) have used ESG (including climate) data, models and methodologies that it considers, as of the date on which they were used, to be appropriate and suitable to understand and assess climate change risk and its impact, to analyse financed emissions and operational and supply chain emissions, to set ESG-related targets and to evaluate the classification of sustainable finance and investments. However, these data, models and methodologies are often new, are rapidly evolving and are not of the same standard as those available in the context of other financial information, nor are they subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. In particular, it is not possible to rely on historical data as a strong indicator of future trajectories in the case of climate

change and its evolution. Outputs of models, processed data and methodologies are also likely to be affected by underlying data quality, which can be hard to assess, and the Group (including the group) expects industry guidance, market practice, and regulations in this field to continue to change. The Group (including the group) also face challenges in relation to its ability to access data on a timely basis, lack of consistency and comparability between data that is available and its ability to collect and process relevant data. Consequently, the ESG-related forward-looking statements and ESG metrics disclosed in the Annual Report and Accounts 2024 carry an additional degree of inherent risk and uncertainty.

Due to the unpredictable evolution of climate change and its future impact and the uncertainty of future policy and market response to ESG related issues and the effectiveness of any such response, the Group (including the group) may have to re-evaluate its progress towards its ESG ambitions, targets and commitments in the future, update the methodologies it uses or alter its approach to ESG (including climate) analysis and may be required to amend, update and recalculate its ESG disclosures and assessments in the future, as market practice and data quality and availability develop.

No assurance can be given by or on behalf of the group as to the likelihood of the achievement or reasonableness of any projections, estimates, forecasts, ambitions, targets, commitments, prospects or returns contained herein. Readers are cautioned that a number of factors, both external and those specific to the Group (including the group), could cause actual achievements, results, performance or other future events or conditions to differ, in some cases materially, from those stated, implied and/or reflected in any ESG-related forward-looking statement or metric due to a variety of risks, uncertainties and other factors (including without limitation those referred to below):

- Climate change projection risk: this includes, for example, the evolution of climate change and its impacts, changes in the scientific assessment of climate change impacts, transition pathways and future risk exposure and limitations of climate scenario forecasts;
- ESG projection risk: ESG metrics are complex and are still subject to development. In addition, the scenarios employed in relation to them, and the models that analyse them have limitations that are sensitive to key assumptions and parameters, which are themselves subject to some uncertainty, and cannot fully capture all of the potential effects of climate, policy and technology-driven outcomes;
- Changes in the ESG regulatory landscape: this involves changes in government approach and regulatory treatment in relation to ESG disclosures and reporting requirements, and the current lack of a single standardised regulatory approach to ESG across all sectors and markets;
- Variation in reporting standards: ESG reporting standards are still developing and are not standardised or comparable across all sectors and markets, new reporting standards in relation to different ESG metrics are still emerging;
- Data availability, accuracy, verifiability and data gaps: the Group's (including the group's) disclosures are limited by the availability of high-quality data in some areas and the Group's (including the group's) ability to timely collect and process such data as required. Where data is not available for all sectors or consistently year on year, there may be an impact to the Group's (including the group's) data quality scores.

While the Group (including the group) expects its data quality scores to improve over time, as companies continue to expand their disclosures to meet growing regulatory and stakeholder expectations, there may be unexpected fluctuations within sectors year on year, and/or differences between the data quality scores between sectors. Any such changes in the availability and quality of data over time, or the Group's (including the group's) ability to collect and process such data, could result in revisions to reported data going forward, including on financed emissions, meaning that such data may not be reconcilable or comparable year-on-year;

- Developing methodologies and scenarios: the methodologies and scenarios the Group (including the group) uses to assess financed emissions and set ESG-related targets may develop over time in line with market practice, regulation and/or developments in science, where applicable. Such developments could result in revisions to reported data, including on financed emissions or the classification of sustainable finance and investments, meaning that data outputs may not be reconcilable or comparable year-on-year;
- Risk management capabilities: global actions, including the Group's (and the group's) own actions, may not be effective in transitioning to net zero and in managing relevant ESG risks, including in particular climate, nature-related and human rights risks,

each of which can impact the Group (including the group) both directly and indirectly through its customers, and which may result in potential financial and nonfinancial impacts to the Group (including the group). In particular:

- the Group (including the group) may not be able to achieve its ESG ambitions, targets and commitments (including with respect to the positions set forth in the Group’s thermal coal phase-out policy and its energy policy, and its targets to reduce its on-balance sheet financed emissions and, where applicable, facilitated emissions in its portfolio of selected high-emitting sectors), which may result in the Group’s (including the group’s) failure to achieve some or all of the expected outcomes of its strategic priorities; and
- the Group (including the group) may not be able to develop sustainable finance and ESG-related products consistent with the evolving expectations of its regulators, and its capacity to measure the environmental and social impacts from its financing activity may diminish (including as a result of data and model limitations and changes in methodologies), which may affect its ability to achieve the ESG ambitions, targets and commitments, including its net zero ambition, its targets to reduce its on-balance sheet financed emissions and, where applicable, facilitated emissions in its portfolio of selected high-emitting sectors and the positions set forth in its thermal coal phase-out policy and energy policy, and increase the risk of greenwashing.

Any forward-looking statements made by or on behalf of the Group (including the group) speak only as of the date they are made. The Group (including the group) expressly disclaims any obligation to revise or update these ESG forward-looking statements, other than as expressly required by applicable law. Written and/or oral ESG-related forward-looking statements may also be made in the Group’s (including the group’s) periodic reports to its regulators, public offering, disclosure documents, press releases and other written materials, and in oral statements made by the Group’s (including the group’s) Directors, officers or employees to third parties, including financial analysts. The Group’s data dictionaries and methodologies for preparing the above ESG-related metrics and third-party limited assurance reports can be found on: www.hsbc.com/who-we-are/esg-and-responsible-business/esg-reporting-centre.

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