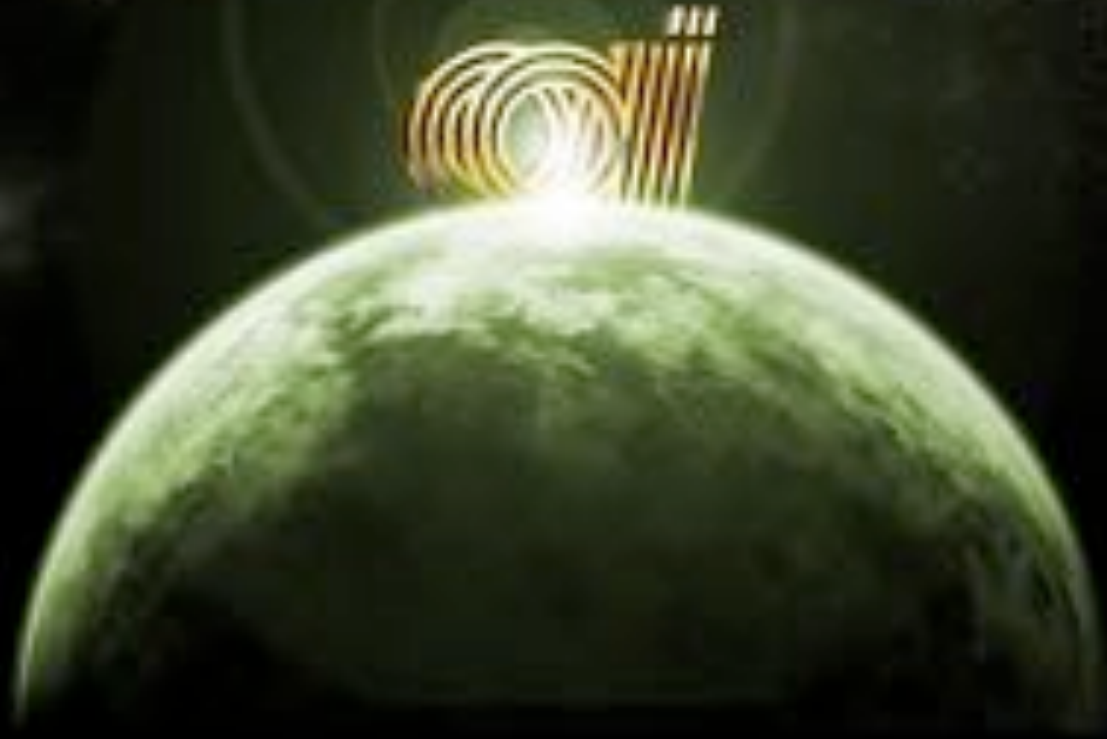


ARAB AFRICAN INTERNATIONAL BANK SHARING EXPERIENCE

Dr. Dalia Abdel Kader

**Head of Marketing and Communications
Arab African International Bank**



The Power of SMEs

Economic Impact

65-80% of GDP
70% of non-agricultural jobs

Social
Impact

Environmental
Impact

Concept of Value Creation

Learning Experience 1:

It is dangerous to see value in purely **material** terms, value has a **non-material** component

Value Creation:

Redefining Wealth



Quantitative Value

- Money & Material
- Accumulation



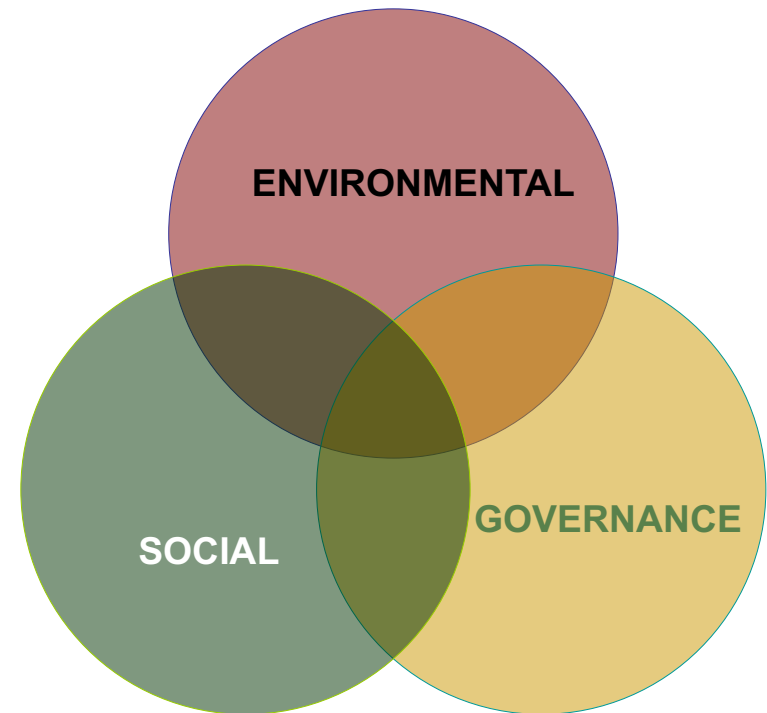
Qualitative Value (Sustainability)

- Environmental Regeneration
- Social Empowerment
- Governance Practices

SUSTAINABILITY OF BUSINESS DEPENDS ON ADDRESSING SUSTAINABILITY ISSUES

BUSINESSES CAN
NOT GROW IN
ISOLATION OF “ESG”:

- ENVIRONMENT
- SOCIAL
- GOVERNANCE



BIG COMPANIES CAN FALL AT THE PEAK OF GROWTH



BEAR
STEARNS



tyco

MCI WORLD COM

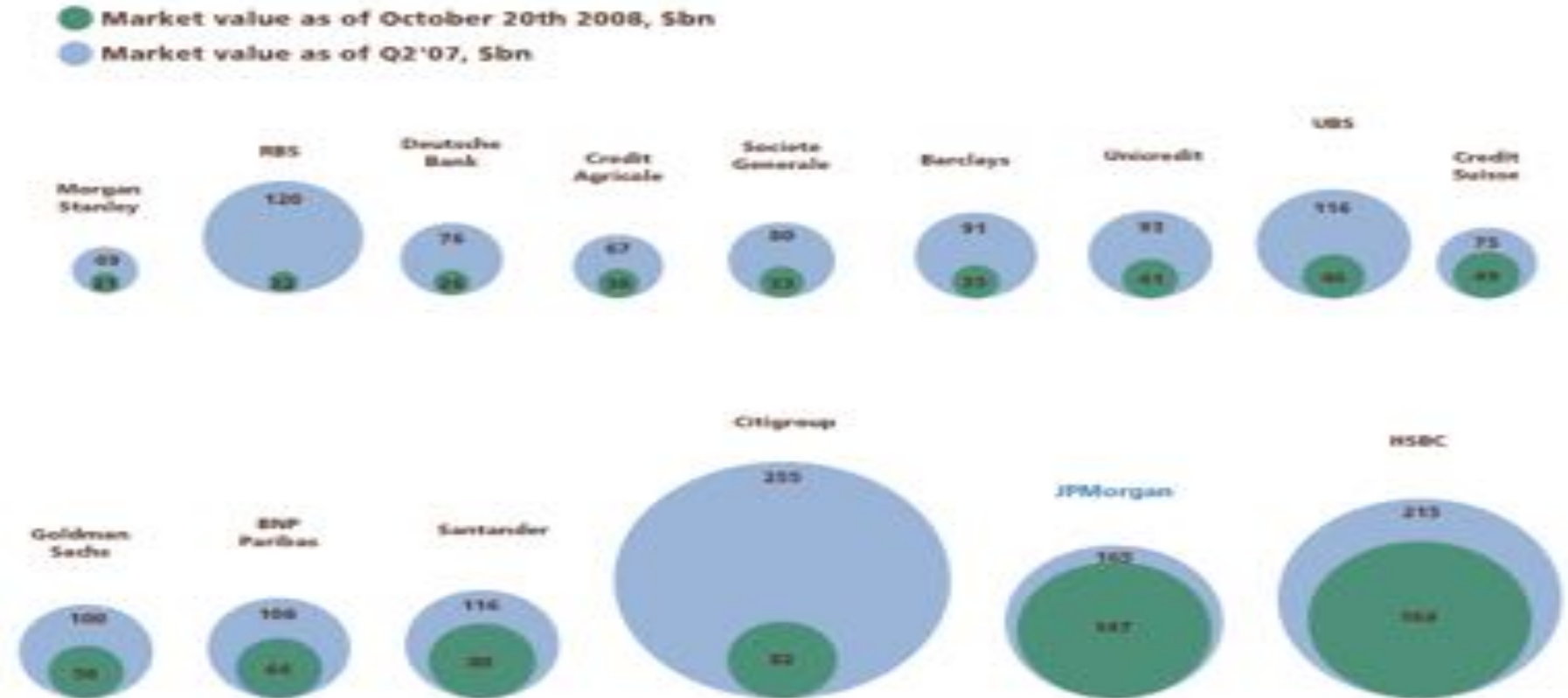
Adelphia



BANK'S EROSION OF VALUE

VALUE CREATION ENDED IN VALUE DESTRUCTUION

Banks: Market Cap



Source: Bloomberg, Oct 20 2008

J.P.Morgan

While JPMorgan considers this information to be reliable, we cannot guarantee its accuracy or completeness.

GROWTH is **NOT** ONLY in NUMBERS



“Sustainability of
Business is function of
addressing Sustainability
issues: Social,
Environmental and
Governance”



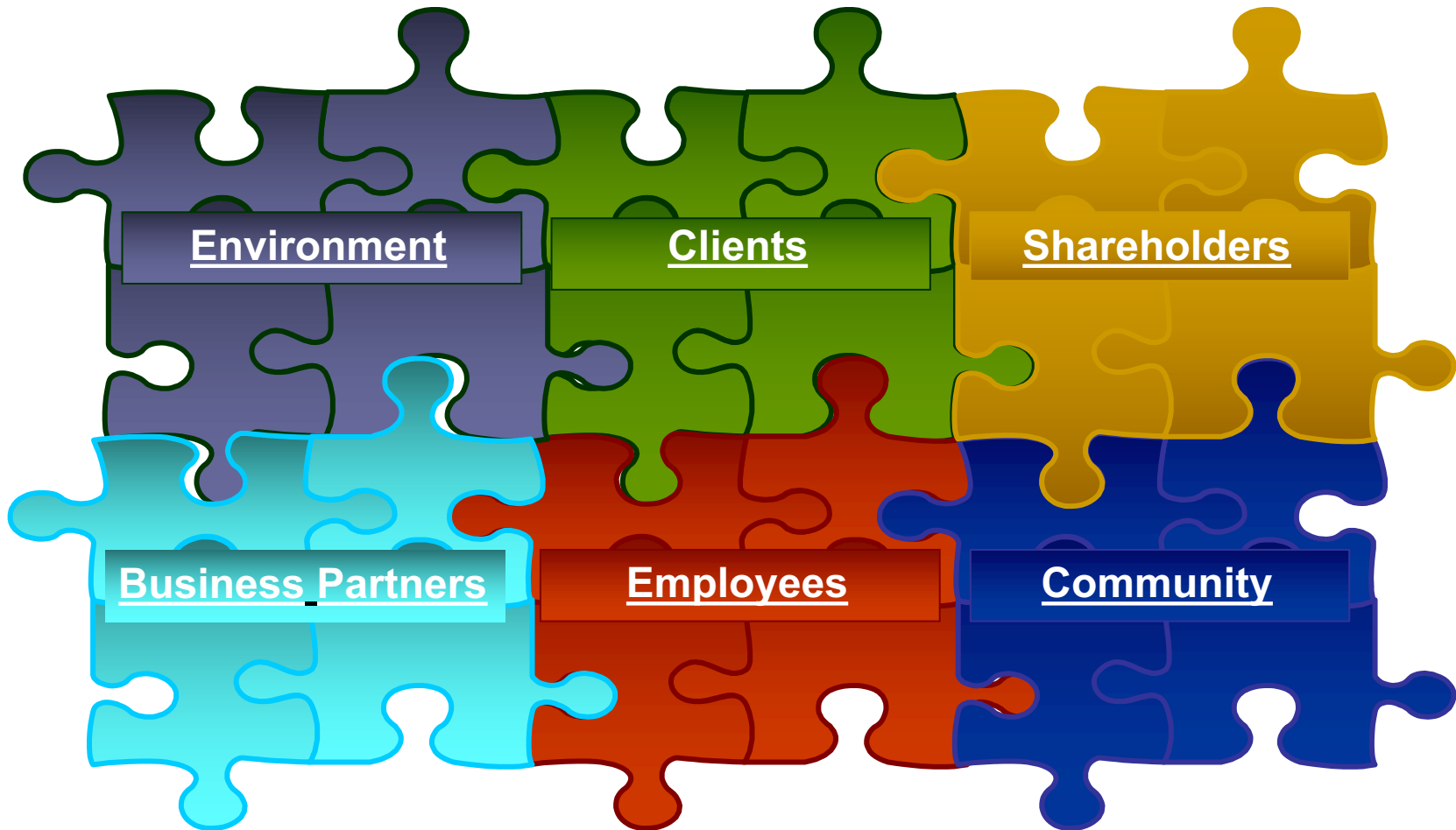
Learning Experience II:

**It is crucial to create value to all
Stakeholders in a Comprehensive Balanced
Approach**



AAIB's CSR Vision: “To be a bank that grows with **integrity**, **morality** and **accountability**, a bank that readily acknowledges its responsibility towards all its stakeholders and lives up to its duties with both **eagerness** and **passion**”.

STAKEHOLDER'S APPROACH



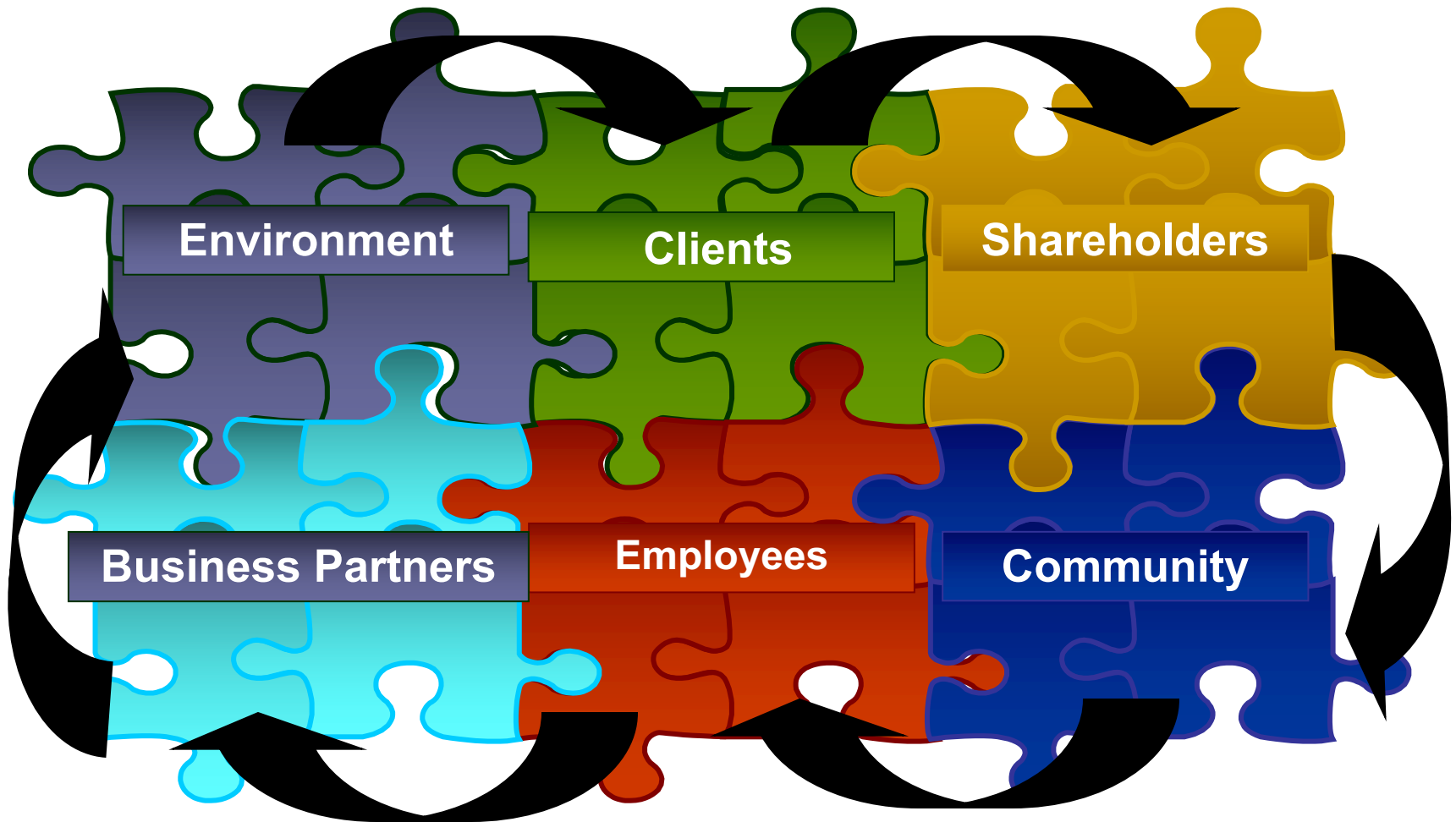
Stakeholders' Ecosystem



An ecosystem is about:

- **Interdependence:** Every part of the ecosystem is dependent on other parts. If one part is damaged the other suffers
- **Sustainability:** a healthy ecosystem is self generating

Stakeholders' Value Migration



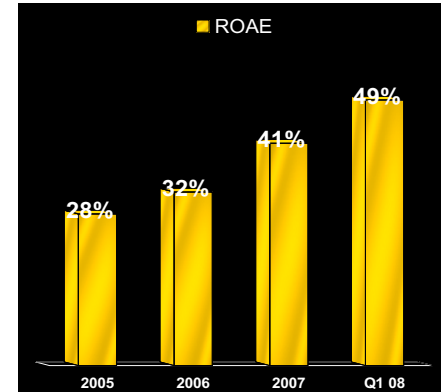
AAIB STAKEHOLDERS' APPROACH



Green Finance



Customer Delight



Return on Equity



Business Partners



Employees



We Owe it to Egypt

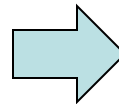
Social Concerns & Value Creation



Migration of Value from Employees to Shareholders

Creating Value to Employees:

- Improvement of Working Conditions
 - Work/life Balance
- Training & Development
- Better Health & Safety Measures



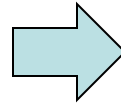
Creating Value to Shareholders:

- Better Productivity
- Enhanced Profitability
 - Satisfied Clients
- Enhanced Image: Employer of Choice
- Talent Retention

Migration of Value from Environment to Shareholders

Creating Value to Environment:

Waste Management
Energy Efficiency
Resource Efficiency
Clean Energy
Alternative Energy (Solar /Wind /



Creating Value to Shareholders:

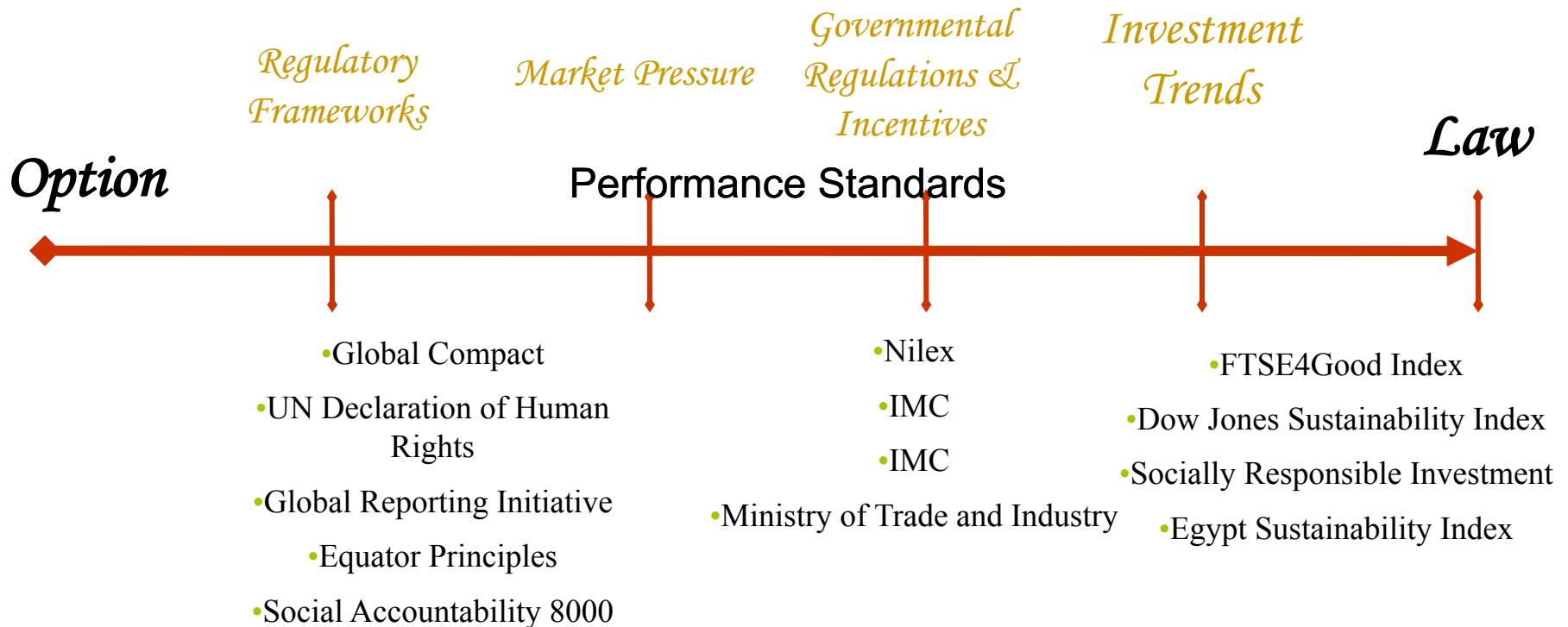
Cost Efficiency
Cost Reduction
Sustainable Supply of Energy
New Markets

Learning Experience III:

CSR : No Longer an Option

CSR Milestones

Better Lead than Follow



Green Finance



The Equator Principles

A benchmark for the financial industry to manage social and environmental issues in project financing



**Global
Reporting
Initiative™**



البنك العربي الافريقي الدولي
arab-african international bank

Green Finance...
sustaining profit
sustaining earth

Green Finance:

Banks are starting to focus on

Social Risk

**Environmental
Risk**

Equator Principles Performance Standards

- Performance Standard 1: Social & Environmental Assessment & Management System
- Performance Standard 2: Labor and Working Conditions
- Performance Standard 3: Pollution Prevention and Abatement
- Performance Standard 4: Community Health, Safety and Security

Equator Principles Performance Standards Cont.

- Performance Standard 5: Land Acquisition and Involuntary Resettlement
- Performance Standard 6: Biodiversity Conservation and Sustainable Natural Resource Management
- Performance Standard 7: Indigenous Peoples
- Performance Standard 8: Cultural Heritage

Thank You