



## Abu Dhabi Islamic Bank (ADIB)-Egypt

### Carbon Footprint Report 2022



# ABOUT THE BANK

## Abu Dhabi Islamic Bank- Egypt (ADIB-Egypt)

**ADIB-Egypt** is an award-winning bank that started its operations in Egypt after the acquisition of the National Bank for Development (NBD), through the Emirati consortium between Abu Dhabi Islamic Bank and Emirates International Investment Company (EIIC) in 2007. As part of its strategy to be a leading universal Islamic bank in Egypt, the Bank focuses on offering a broad spectrum of Shari'a compliant banking solutions, to cater to the needs of corporate and retail customers, the development of a state-of-the art infrastructure, and revamping its over 70 branch network. Aiming at integrating its services, the Bank established an Investment Banking arm, ADIB Capital, ADILease a leasing company, and ADIB Invest an assets management arm.

Following the acquisition, the paid-up capital doubled almost seven-fold, increased from EGP 281Mn to EGP 2Bn and EGP 4Bn authorized capital. **ADIB-Egypt** posted EGP 1,228Mn net profit end of 2019, which represents a 44% increase compared to year 2018. **ADIB-Egypt** succeeded in establishing a Retail, Corporate & SME platform to serve customers in different segments and provide the necessary services of short-term and long-term finance. All these measures enabled the Bank to build a broad base portfolio of leading local and international companies operating in the Egyptian market as well as a large base of individual clients.

In addition to the asset and liabilities products and treasury services all delivered through client centric teams, **ADIB-Egypt** employs a dynamic team of over 2,300 experts providing a growing portfolio of Shari'a compliant products and services via a stimulating work environment for staff across its nationwide network of over 70 branches.

**ADIB-Egypt** believes that the true contribution of a company lies not only in the value it brings to its shareholders and clients, but equally important to the community in which it operates. The Bank has partnered with a number of leading Egyptian NGOs to building bridges towards a brighter and healthier future, and to contribute in nationwide CSR projects supporting underprivileged segments of society.



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## ABOUT THIS REPORT

This report provides a comprehensive analysis of the carbon emissions produced by **ADIB-Egypt's** activities within Egypt during the year 2022. It encompasses the evaluation of emissions falling under Scope 1, Scope 2, and pertinent aspects of Scope 3. It's worth noting that, even though **ADIB-Egypt** has previously conducted a greenhouse gas (GHG) emissions assessment, the current year is considered the baseline year. This distinction arises from the fact that, for the first time, the assessment accounts for the entire organization's carbon footprint, rather than solely focusing on two specific buildings. All the data collected and examined in this report adhere to the principles outlined by the World Resources Institute Greenhouse Gas Protocol, including relevance, completeness, consistency, transparency, and accuracy.





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# ACRONYMS & ABBREVIATIONS

<b>ADIB-Egypt</b>	Abu Dhabi Islamic Bank- Egypt
<b>ATM</b>	Automated teller machine
<b>BY</b>	Base year
<b>CBE</b>	The Central Bank of Egypt
<b>CDP</b>	Disclosure Insight Action (Previously called carbon disclosure project)
<b>CFP</b>	Carbon Footprint
<b>CO<sub>2</sub></b>	Carbon Dioxide
<b>CO<sub>2</sub>e</b>	Carbon Dioxide equivalent
<b>DEFRA</b>	Department for Environment, Food & Rural Affairs
<b>EF</b>	Emission Factor
<b>EGP</b>	Egyptian pound
<b>EPA</b>	United States Environmental Protection Agency
<b>ERA</b>	Egyptian Electric Utility and Consumer Protection Regulatory Agency
<b>FTE</b>	Full-time Equivalent
<b>GHG</b>	Greenhouse Gases
<b>GWP</b>	Global Warming Potential
<b>HVAC</b>	Heating, ventilating, and air conditioning;
<b>IPCC</b>	Intergovernmental Panel on Climate Change
<b>ISO</b>	International Standard Organization
<b>kg</b>	Kilograms
<b>kWh</b>	Kilowatt hour
<b>L</b>	Litre
<b>LED</b>	Light-emitting diode
<b>m<sup>2</sup></b>	Square meter
<b>m<sup>3</sup></b>	Cubic meter
<b>MWh</b>	Megawatt hour
<b>mtCO<sub>2</sub>e</b>	Metric tons Carbon Dioxide equivalent
<b>t</b>	tons
<b>Scp</b>	Scope
<b>WBCSD</b>	World Business Council for Sustainable Development
<b>WRI</b>	World Resources Institute
<b>WTT</b>	Well-to-Tank





# EXECUTIVE SUMMARY

In an era defined by the critical challenges posed by climate change and the increasing emphasis on environmental responsibility, the financial sector finds itself at the forefront of the global sustainability movement. The impact of carbon emissions and their contributions to climate change have thrust banks and financial institutions into a pivotal role, one that necessitates not only the reassessment of traditional banking practices but also the reimagining of their influence on a changing world.

**ADIB-Egypt** as a subsidiary of ADIB Group, recognizing its pivotal role, not only champions sustainability but also undertakes a comprehensive carbon footprint analysis, demonstrating its unwavering commitment to environmental stewardship, transparency, and accountability.

As climate-related regulations become more stringent, investor expectations evolve, and stakeholder demands intensify, banks that proactively address their environmental footprint are better positioned to manage risks, enhance their reputation, and capitalize on emerging sustainable business opportunities.

We hereby present our Carbon Footprint Report for the reporting period spanning from January 1<sup>st</sup>, 2022, to December 31<sup>st</sup>, 2022. This report encompasses direct emissions from **ADIB-Egypt** owned assets (Scope 1), indirect emissions stemming from purchased electricity (Scope 2), and other pertinent activities (Scope 3).

The analysis and calculations of this assessment adheres rigorously to established protocols and standards, including **the Greenhouse Gas Protocol Guidelines**, **the 2006 IPCC Guidelines** for Greenhouse Gas Inventories (incorporating refinements from 2019), and **the ISO 14064-1:2018 Standards**.



The report encompasses all operational facilities within **ADIB-Egypt's** organizational boundaries, including branches, head offices, and other premises such as call center and sales offices. The total carbon footprint for the year 2022 is **12,550 mtCO<sub>2</sub>e**. According to the GHG protocol, the GHG emissions are categorized into three scopes:

**Scope 1 – Direct Emissions of 1,521 mtCO<sub>2</sub>e (12%)**

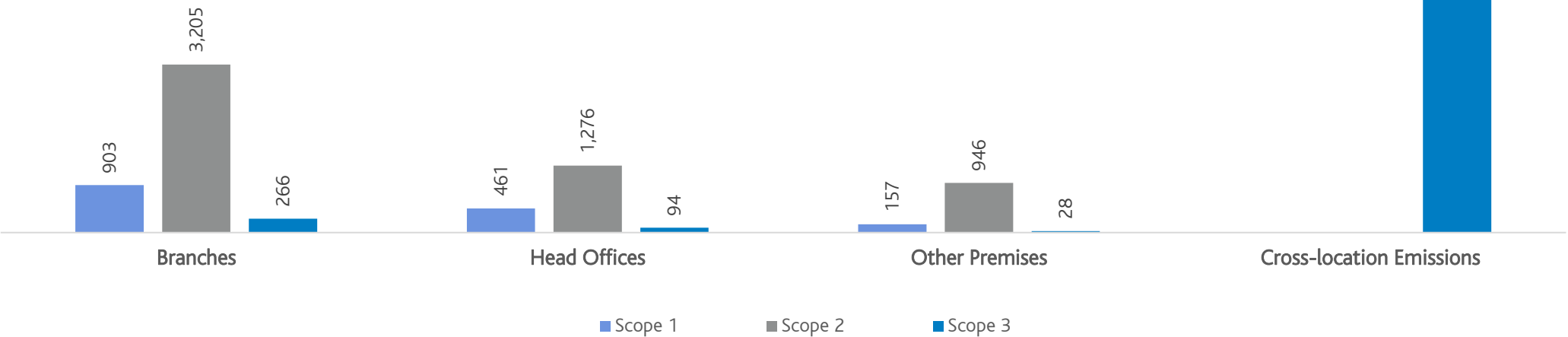
**Scope 2– Indirect Emissions of 5,427 mtCO<sub>2</sub>e (43%)**

**Scope 3 – Indirect Emissions of 5,602 mtCO<sub>2</sub>e (45%)**

Among **ADIB-Egypt** facilities, the most emitting facilities are the branches with a total emission of **4,374 mtCO<sub>2</sub>e** representing around **35%** of total emissions, followed by head offices with a percentage of **15%** and other premises with a percentage of **9%**. The cross-location emissions represent general emissions that cannot be distributed on the different facilities. These emissions represent around **41%** of total emissions.

In this reporting period, **ADIB-Egypt** exhibited an emissions intensity of **1.71 mtCO<sub>2</sub>e per Full-time Equivalent (FTE)** for Scope 1 + 2 emissions. When compared to external benchmarks, **ADIB-Egypt's** GHG emissions intensity stands notably lower, approximately **40%** below the global average. This exceptional performance underscores **ADIB-Egypt's** distinguished position concerning GHG emissions.

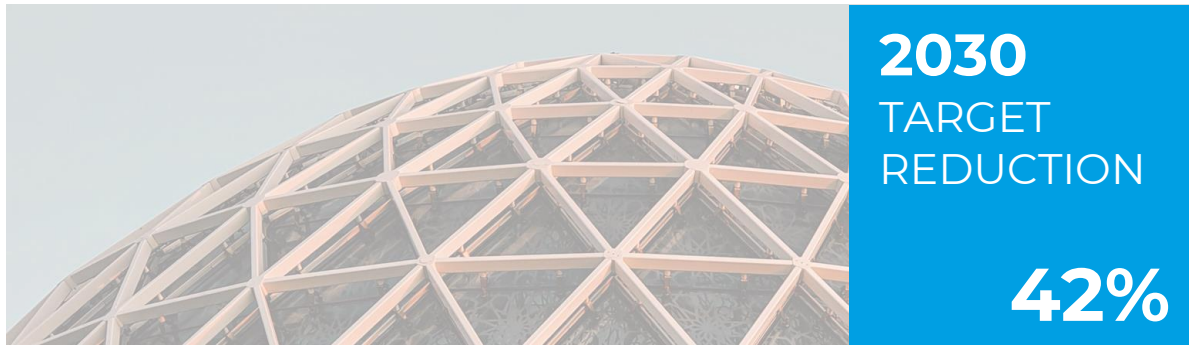
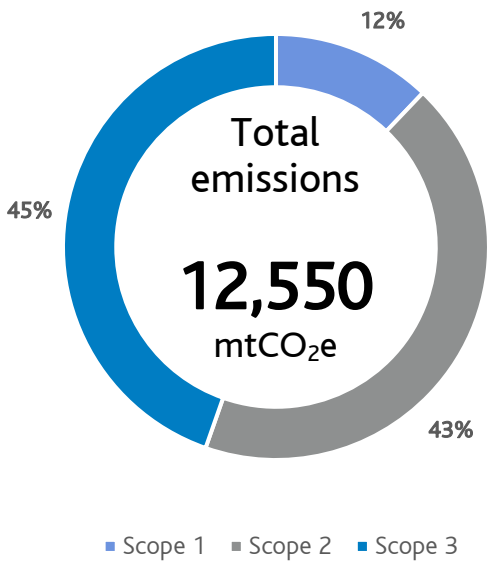
## Emissions Per Scope and Facility (mtCO<sub>2</sub>e)



On an international scale, electricity consumption intensity per area is used to assess the performance of office spaces. Within **ADIB-Egypt's** 77 facilities, 7 locations have earned an impressive **A+** score, indicating their exceptional energy efficiency. However, it's noteworthy that **52** facilities received an **E** score, indicating room for improvement in their energy efficiency measures.

In alignment with the objective of constraining the global temperature increase to 1.5 degrees Celsius, **ADIB-Egypt** has made a firm commitment to establish absolute emissions reduction targets, with a target completion date set for 2030. Specifically, the bank is striving for a **42%** reduction in Scope 1 and 2 emissions by the year 2030.

The analysis of our environmental performance provided the way forward to develop a preliminary decarbonization plan to reduce our carbon footprint.







# INTRODUCTION

Climate change is undeniably one of the most pressing global challenges of our time, with profound and far-reaching implications for our planet and its inhabitants. As the world confronts the escalating impacts of climate change, industries across the spectrum are being called upon to examine their environmental footprint and adopt sustainable practices. The banking sector, a cornerstone of modern economies, is no exception.

The scientific consensus on the reality of climate change is unequivocal. The Intergovernmental Panel on Climate Change (IPCC) has provided overwhelming evidence of the anthropogenic origins of global warming and the associated consequences for our planet. The Earth's average temperature is increasing at an alarming rate, with catastrophic consequences for ecosystems, societies, and economies. From rising sea levels and extreme weather events to biodiversity loss and disruptions in global food systems, the impacts of climate change are far-reaching.

In response to the urgent need to address climate change. The 2015 Paris Agreement is primarily focused on addressing the pressing issue of climate change. Its core objectives include limiting the global temperature increase to less than 1.5°C compared to preindustrial levels and accelerating investments in sustainable, low-carbon technologies. Achieving these targets necessitates a significant reduction in greenhouse gas (GHG) emissions over the coming decades, a task that comes with substantial transition challenges.

The financial sector has a pivotal role to play in this endeavor by facilitating the flow of funds toward the transition to a low-carbon economy and significantly increasing climate-related financing. According to the 2018 report from the International Finance Corporation (IFC), this increase should aim to boost climate financing from an estimated **7%** of total funding in 2017 to **30%** by 2030.

In the ever-evolving landscape of the financial sector, the principles of Environmental, Social, and Governance (ESG) have become pivotal, not only on a global scale but also within the banking sector of the United Arab Emirates and Egypt. Climate change is now a paramount global challenge, with far-reaching consequences spanning continents and industries. As climate change takes center stage as a matter of paramount importance, the banking sector finds itself standing at a crucial juncture.

Within this context, banks in the Middle East are in the fight against climate change. As economic pillars and key players in the financial industry, they are uniquely positioned to champion the cause of environmental sustainability and drive the transition to a low-carbon economy. Their role extends beyond the provision of financial services; they act as agents of change, catalysts for innovation, and stewards of responsible investment.

Banks play a vital role in channeling funds toward green initiatives, renewable energy projects, and environmentally sustainable businesses. **ADIB-Egypt** incorporate Environmental, Social, and Governance (ESG) criteria into their lending and investment decisions, which encourage the adoption of eco-friendly practices among our clients. Furthermore, the bank's responsibilities extend to risk assessment and management as they evaluate climate-related financial risks and promote resilience within their portfolios.

As responsible corporate citizens, banks can set high standards of environmental performance, leading the way towards a low-carbon economy. In doing so, they not only protect the financial interests of their stakeholders but also contribute to a sustainable and climate-resilient future.

In recent years, there has been a growing demand for transparency and disclosure in the banking sector. Stakeholders, including investors, customers, and regulators, are increasingly seeking information on how banks are addressing climate change, reducing their carbon footprints, and supporting sustainable practices. Transparent reporting on carbon emissions and sustainability efforts is crucial for building trust and accountability.

In response to this demand, **ADIB-Egypt** is presenting here its first comprehensive carbon footprint report, covering all of its operations in Egypt. **ADIB-Egypt** is a subsidiary of **ADIB-Group** and thus it is committed to align with the Central Bank of Egypt (CBE) mandates and requirement and Egypt's sustainable development strategy (Egypt Vision 2030) in addition to aligning with UAE national plans and visions, including UAE's Net Zero 2050 roadmap, Principles of the 50 and Climate Change National Plan, and the National Green Economy for Sustainable Development to ensure net zero emissions by 2050 is achieved.

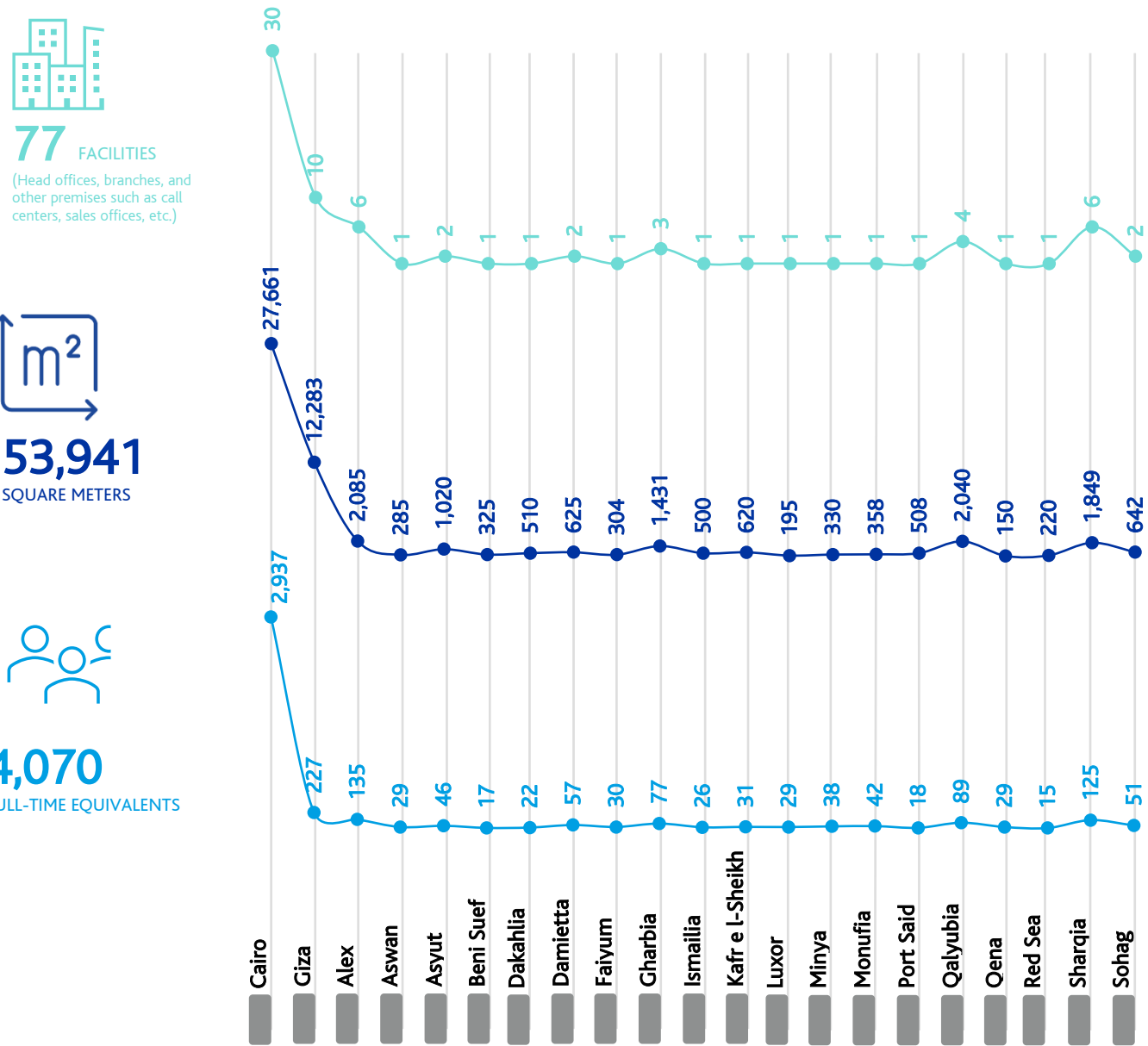


# INVENTORY BOUNDARIES

## ORGANIZATION BOUNDARIES

For the purpose of tracking and disclosing Greenhouse Gas (GHG) emissions, the organizational boundary specifies the businesses and operations encompassed within the company. Companies have the option to report emissions either based on the operations they have direct financial or operational authority over (referred to as the control approach) or based on their proportional equity share in the operations (known as the equity share approach).

Adhering to the GHG protocol, the control approach entails that an organization accounts for the entirety of GHG emissions generated by operations over which it exercises financial or operational control. In the context of this carbon footprint assessment undertaken by **ADIB-Egypt**, the control approach is employed, encompassing the following aspects:




## OPERATIONAL BOUNDARIES


Operational boundaries establish the scope of business activities within the reporting company that contribute to emissions, indicating which of these activities should be incorporated into calculations and how they should be categorized (e.g., as direct or indirect emissions). These emissions are categorized into distinct scopes: Scope 1, which pertains to emissions originating from equipment and assets owned or controlled by **ADIB-Egypt**; Scope 2, encompassing emissions stemming from purchased electricity and chilled water; and Scope 3, which includes substantial indirect emissions resulting from the bank's operations.

In accordance with the GHG Protocol Corporate Standard, it is obligatory to report Scope 1 emissions (direct emissions) and Scope 2 emissions (indirect emissions originating from purchased electricity and chilled water). For **ADIB-Egypt's** carbon footprint assessment in 2022, the operational boundaries encompassed the following elements:


### SCOPE 1 – Direct Emissions



Stationary Combustion




Mobile Combustion



Refrigerant Leakage

Emissions from sources that are owned or controlled by **ADIB-Egypt** (i.e. any owned or controlled activities that release emissions straight into the atmosphere).


### SCOPE 2 – Indirect Emissions




Purchased Electricity

Emissions associated with the consumption of purchased electricity from a source that is not owned or controlled by **ADIB-Egypt**.


### SCOPE 3 – Indirect Emissions




Purchased Goods



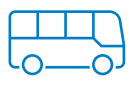
Fuel and Energy related-activities




Waste Generated in Operations




Business Travel



Employee Commuting



Processing of Sold Products



Downstream Leased Assets

Emissions resulting from other activities that are not covered in Scope 1 and 2. This includes transport fuel used by air business travel, employees commuting to and from work; emissions from waste disposal, ... etc.

## REPORTING PERIOD & BASE YEAR (BY)

The reporting period for the carbon footprint assessment is from the 1<sup>st</sup> of January 2022 to the 31<sup>st</sup> of December 2022.

While **ADIB-Egypt** conducted an assessment for its head offices in the previous year, this year's assessment is distinctive as it represents the first comprehensive evaluation of the entire organization. Consequently, it is considered the new base year (BY), supplanting the prior year's assessment. It's important to note that the BY may be adjusted in the event of future boundary changes.



# OVERALL METHODOLOGY

## Protocols & Standards

The carbon footprint assessment in this report aligns with a variety of globally recognized standards, protocols, and guidelines that are widely accepted for the purpose of measuring and disclosing emissions. These encompass, among others:

**The Greenhouse Gas (GHG) Protocol Guidelines:** These guidelines outline the criteria for identifying emission sources and GHGs to be measured and reported. They also define the boundaries for holding entities accountable for GHG emissions, considering geographical, organizational, and operational constraints.

- **Corporate Accounting and Reporting Standard:** This standard offers guidance to companies for preparing their GHG emissions reports at the corporate level.
- **Corporate Value Chain (Scope 3) Accounting and Reporting Standard.**

**ISO 14064-1:2018:** This specification, accompanied by guidance, pertains to the quantification and reporting of greenhouse gas emissions and removals at the organizational level.

**2006 Intergovernmental Panel on Climate Change (IPCC):** Guidelines for Greenhouse Gas Inventories (with 2019 Refinements).



Activity  
[unit]



Emission Factor  
[mtCO<sub>2</sub>e/unit]

GHG Emissions  
[mtCO<sub>2</sub>e]

## Emission Factors

Emission factors (EFs) serve to quantify the volume of greenhouse gases (GHGs) discharged into the atmosphere due to particular activities. These factors are usually denominated in carbon dioxide equivalent (CO<sub>2</sub>e) and gauge emissions generated for each unit of weight, volume, distance, or duration linked to the activity. For instance, EFs can be represented as CO<sub>2</sub>e per liter of fuel consumed, CO<sub>2</sub>e per kilometer traveled, or CO<sub>2</sub>e per kilowatt-hour of electricity purchased, among other metrics. Within this report, the emission factors utilized were determined through:

- Department for Environment, Food & Rural Affairs, UK, 2022 (DEFRA)
- IPCC: Intergovernmental Panel on Climate Change
- Emission factors specific to the country

Regarding the country-specific electricity emission factor, it is determined using data from the Egyptian Electric Utility and Consumer Protection Regulatory Agency (Egypt ERA), as published in monthly reports on grid electricity. This emission factor is calculated based on Egypt's real fuel composition and energy generation sources.

The emission factors employed for water supply and wastewater treatment are sourced from DEFRA 2022. These factors have been customized to accommodate Egypt's electricity-specific emission factor.

## Calculation Approach

Each activity is categorized into one of the defined Scopes as per the GHG Protocol Guidelines, including Scope 1 (direct emissions), Scope 2 (indirect emissions related to purchased energy) and Scope 3 (indirect emissions resulting from operations not under the direct ownership or control of the reporting entity). The standard method for calculating emissions, expressed in metric tons of carbon dioxide equivalent (mtCO<sub>2</sub>e), involves the multiplication of activity data by its corresponding emission factor. This calculation process includes a unit analysis to ensure that the resulting emissions are expressed in the desired mtCO<sub>2</sub>e unit.

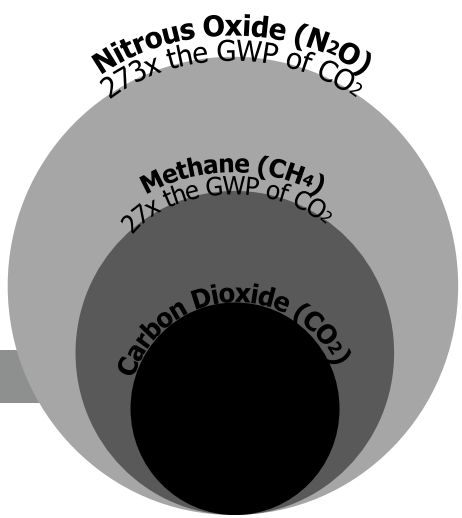
The emissions calculation approach is determined by multiplying the activity by its associated emission factor, following a unit analysis procedure to convert emissions into the mtCO<sub>2</sub>e unit, as described in the equation below.

In adherence to best practices in organizational greenhouse gas (GHG) accounting and following the selected WBCSD/WRI GHG Protocol, the carbon footprint assessment has incorporated all seven Kyoto Protocol greenhouse gases, whenever relevant and significant.

Global warming potentials (GWPs) serve as coefficients that quantify the radiative forcing impact of a specific greenhouse gas, such as methane, in comparison to an equivalent amount of carbon dioxide. These GWPs are employed in GHG accounting to standardize greenhouse gas emissions, expressing them in a common unit for easy comparison, known as carbon dioxide equivalent (CO<sub>2</sub>e).

In the course of this inventory, **ADIB-Egypt** has applied 100-year GWPs to all emissions data to calculate the total emissions in metric tons of carbon dioxide equivalent (mtCO<sub>2</sub>e). The GWP values utilized for this purpose have been sourced from the Intergovernmental Panel on Climate Change's (IPCC) sixth Assessment Report (AR6 2021), which was the most current IPCC report available at the time of this assessment. The greenhouse gases specified in the Kyoto Protocol, along with their corresponding GWPs, are detailed in the below table.

Greenhouse Gas	100-Year GWP
Carbon dioxide (CO <sub>2</sub> )	1
Methane (CH <sub>4</sub> )	27
Nitrous oxide (N <sub>2</sub> O)	273
Hydrofluorocarbons (HFCs)	124 – 14,800
Perfluorocarbons (PFCs)	7,390 – 12,200
Nitrogen trifluoride (NF <sub>3</sub> )	17,400
Sulphur hexafluoride (SF <sub>6</sub> )	25,200





# CARBON FOOTPRINT RESULTS



2022  
CARBON  
INTENSITY

 **1.71**

Scope 1 & 2  
Emissions Intensity

mtCO<sub>2</sub>e/FTE

Scope 1  
Emissions

**1,521**

mtCO<sub>2</sub>e

Scope 2  
Emissions

**5,427**

mtCO<sub>2</sub>e


Scope 3  
Emissions

**5,602**

mtCO<sub>2</sub>e



# SCOPE 1- DIRECT EMISSIONS




Stationary Combustion

6 mtCO<sub>2</sub>e

## Fuel Burning in On-site Generators

Diesel and petrol fuel are used in **ADIB-Egypt's** on-site emergency generators to supply the electricity demand in case of power outage. Emissions arising from the combustion of fuel in these generators are part of Scope 1 emissions. During 2022, **ADIB-Egypt** consumed **1,974 liters** of diesel and **482 liters** of petrol. This fuel consumption resulted in **6 mtCO<sub>2</sub>e** direct emissions, making this activity the least emitting in all scopes.




Mobile Combustion

167 mtCO<sub>2</sub>e

## Owned Vehicles Fuel Burning

**ADIB-Egypt's** head offices own a fleet of **25 passenger cars**, all powered by petrol fuel. Emissions stemming from the combustion of petrol in these cars represent a component of our direct emissions and are part of Scope 1 emissions. During the reporting period, these 25 cars consumed **71,332 liters** of petrol, which subsequently generated emissions equivalent to **167 mtCO<sub>2</sub>e**.



Fugitive Emissions

1,348 mtCO<sub>2</sub>e

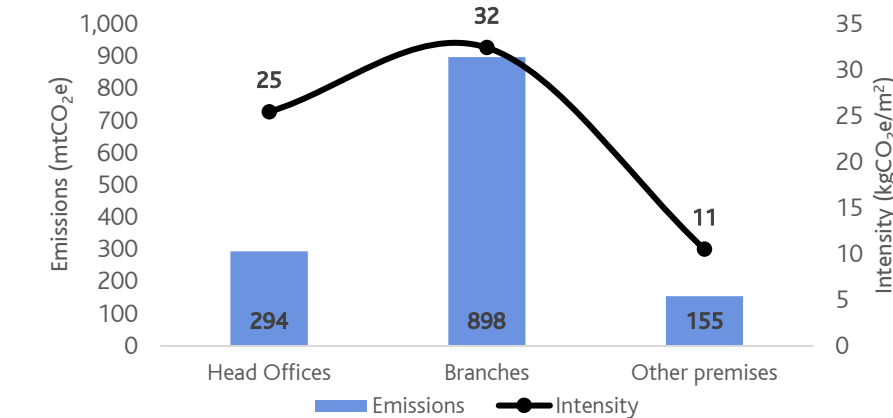
## Refrigerants Leakage

Refrigerants play a crucial role in maintaining comfortable working conditions by cooling buildings through the air conditioning system. Fugitive emissions stemming from the cooling cycle are classified as direct emissions, falling under Scope 1 emissions.

The selection of refrigerants varies widely, and within **ADIB-Egypt's** facilities, the primary refrigerant employed is R-22, complemented by minor quantities of R-410a and R-424a. During the reporting period, **ADIB-Egypt's** facilities procured and charged **737 kg** of R-22, along with **3 kg** of R-410a and an additional **3 kg** of R-424a. These refrigerants amount resulted in direct emissions amounting to **1,348 mtCO<sub>2</sub>e**, making this activity the third highest among all scopes with a percentage of **11%**.

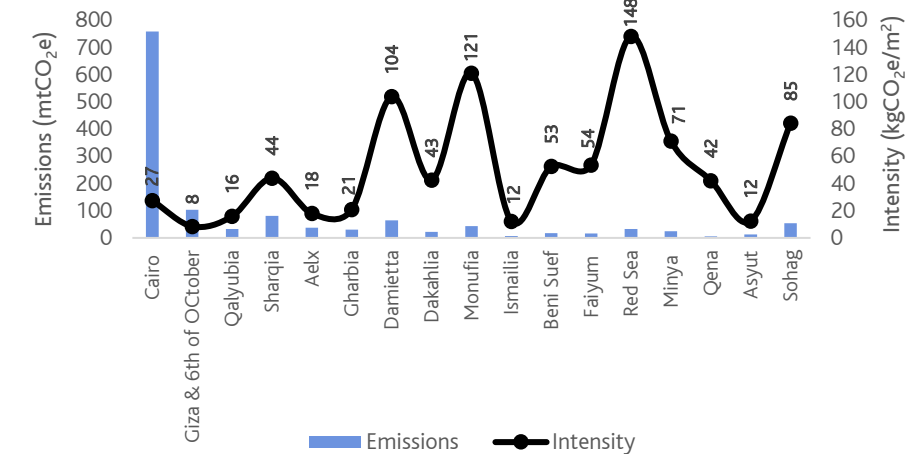
A significant proportion of these emissions, approximately **67%**, can be attributed to **ADIB-Egypt's** branch locations, while the two head offices collectively account for about **22%** of the emissions. The four other premises contribute to the remaining **11%** of emissions. In terms of intensity, branches had the highest emissions intensity per area with a value of **32 kgCO<sub>2</sub>e/m<sup>2</sup>**, followed by the head offices with a value of **25 kgCO<sub>2</sub>e/m<sup>2</sup>**.

Refrigerants Leakage Emissions and Intensity Per Type of Facility



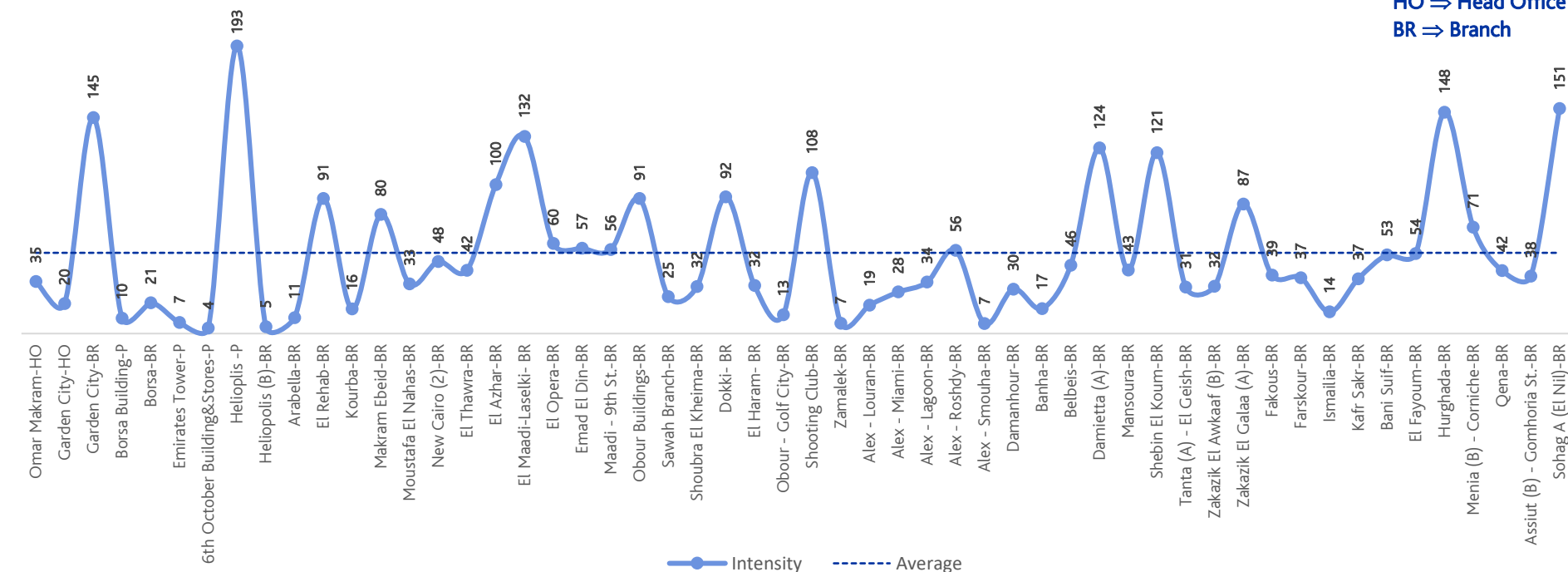
Among Egypt's governorates, **ADIB-Egypt** has 77 facilities. Within the reporting period, facilities located in Cairo exhibited the highest emissions attributed to refrigerant leakage. However, it's noteworthy that these Cairo-based facilities demonstrated emissions intensity considerably below the overall average, indicating superior performance compared to facilities in other governorates.

Refrigerants Leakage Emissions and Intensity Per Governorate



Among **ADIB-Egypt's** reporting facilities, the **6<sup>th</sup> of October** building stands out as the most efficient, boasting an impressive intensity value of **4 kgCO<sub>2</sub>e/m<sup>2</sup>**. However, there is room for enhancement in the performance of certain facilities. Notably, specific measures aimed at enhancing refrigerant efficiency may be deemed necessary for the least efficient facilities, including the **Heliopolis premises, Sohag branch, Hurghada branch, and Garden City branch**.

Refrigerants Leakage Intensity Per Facility (kgCO<sub>2</sub>e/m<sup>2</sup>)





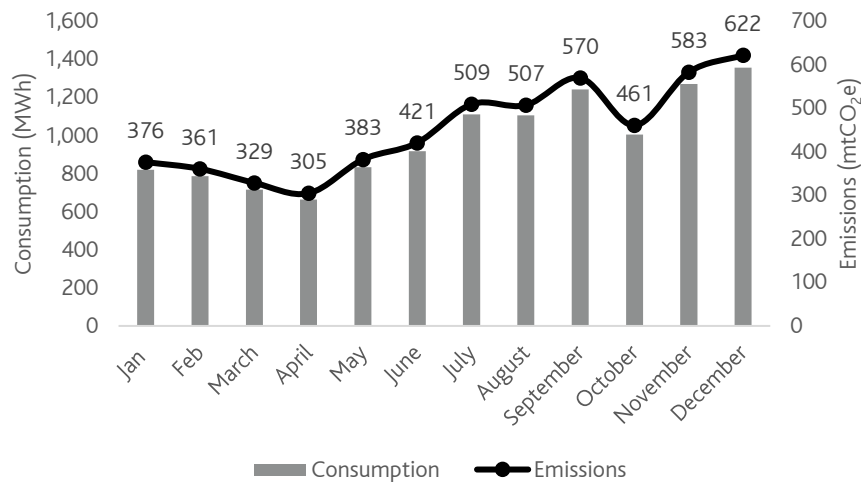
# SCOPE 2- INDIRECT EMISSIONS



Throughout the reporting period, **ADIB-Egypt's** various facilities consumed a total of **11,831 MWh** of electricity. These electricity expenditures translated into indirect emissions of **5,427 mtCO<sub>2</sub>e**, which remarkably accounted for **43%** of **ADIB-Egypt's** total emissions during that year. Notably, this activity emerged as the most significant contributor to emissions, a common trend in the operational carbon footprint of banks. Given the office-based nature of banking operations, electricity consumption invariably constitutes the most substantial portion of emissions in this sector.

The below chart shows the monthly electricity consumption and emissions of **ADIB-Egypt's** facilities during 2022. The highest electricity consumption was witnessed in December with corresponding emissions of **622 mtCO<sub>2</sub>e**, while the lowest month was April with emissions of **305 mtCO<sub>2</sub>e**.

Monthly Electricity Consumption and Emissions

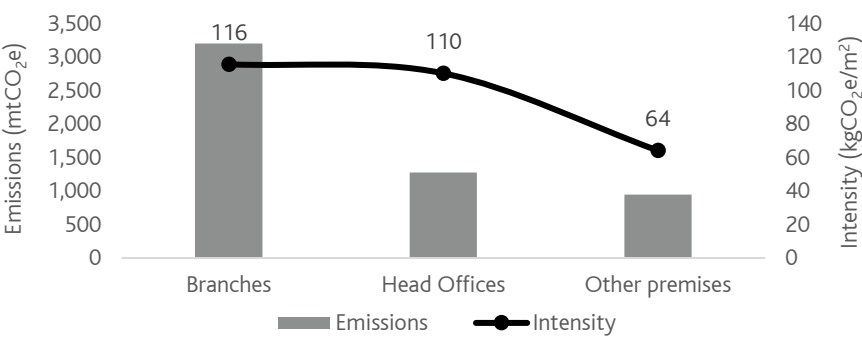


**ADIB-Egypt's** branches, spread across Egypt, accounted for the highest electricity consumption during the reporting year. This substantial consumption led to indirect emissions totaling **3,205 mtCO<sub>2</sub>e**, representing **59%** of the total electricity-related emissions.



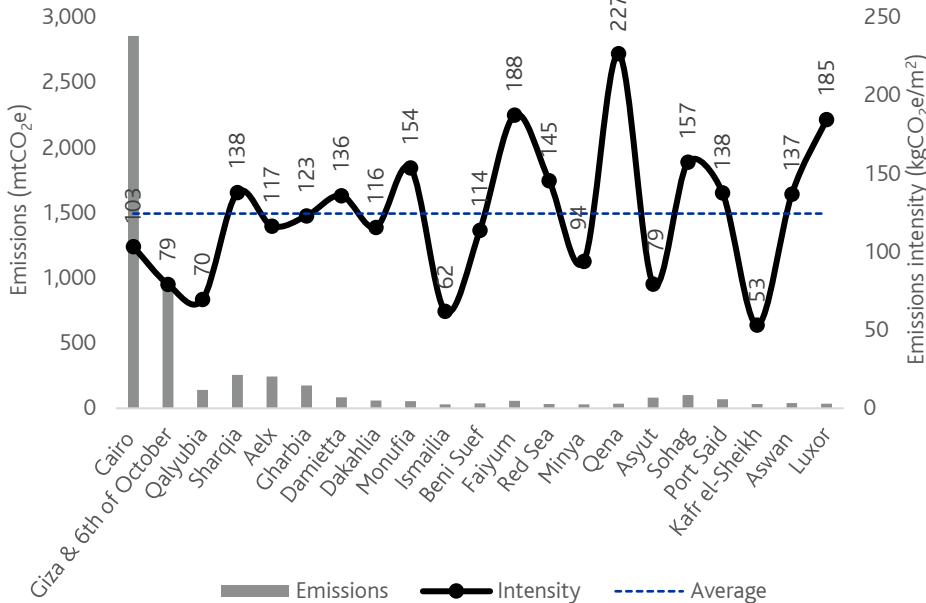
The two head offices collectively consumed **2,781 MWh** during the reporting period, resulting in **1,276 mtCO<sub>2</sub>e** of indirect emissions, which accounts for **24%** of the total electricity-related emissions. The remaining **17%** of these emissions, amounting to **946 mtCO<sub>2</sub>e**, is attributed to the four other premises. In terms of intensity, the other premises had the lowest intensity with a value of **64 kgCO<sub>2</sub>e/m<sup>2</sup>**, which signifies their efficient performance in terms of electricity consumption.

Electricity Emissions and Intensity Per Type of Facility



Cairo facilities recorded the highest electricity emissions due to the substantial number of facilities located there. Impressively, Cairo branches exhibited an emissions intensity of **103 kgCO<sub>2</sub>e/m<sup>2</sup>**, which is below the average for all governorates, indicating a commendable level of electricity efficiency in these facilities. Conversely, Monufia, Damietta, and Sharqia reported the highest emissions intensities per unit area among all governorates, signifying a need for these locations to prioritize electricity efficiency measures.

Electricity Emissions and Intensity Per Governorate



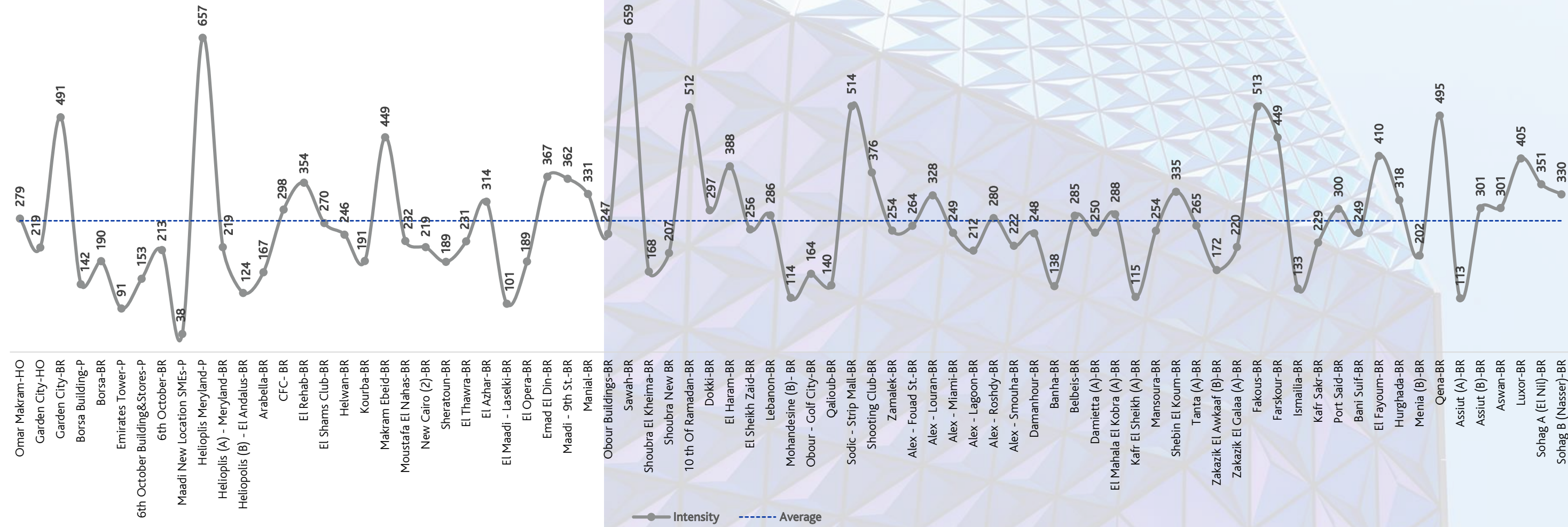


# SCOPE 2- INDIRECT EMISSIONS

Electricity consumption intensity serves as a commonly utilized metric for international performance evaluation. Following extensive research on international banks and office spaces, a performance assessment criterion has been established, as illustrated in the adjacent table. Within **ADIB-Egypt's** 77 facilities, **7** locations have earned an impressive **A+** score, indicating their exceptional energy efficiency. However, it's noteworthy that **52** facilities received an **E** score, indicating room for improvement in their energy efficiency measures. Of all the facilities, the Maadi SMEs premises shines with the lowest electricity intensity, boasting an exceptional rating of **38 kWh/m²** and earning the prestigious **A+** score. Conversely, the Sawah branch reported the highest electricity intensity at **659 kWh/m²**, resulting in a less favorable **E** score. Given these disparities, it's imperative to prioritize energy efficiency measures in buildings with the highest electricity intensity to effectively reduce consumption and associated emissions.

SCORE	Electricity Consumption (KWh/m²)	Number of Facilities in this range
A+	< 128	7
A	128 – 148	4
B	148 – 168	3
C	168 – 195	6
D	195 – 218	5
E	> 218	52

Electricity Consumption Intensity Per Facility (kWh/m²)





# SCOPE 3- INDIRECT EMISSIONS

Scope 3 emissions refer to greenhouse gas emissions originating from activities associated with assets that are not under the direct ownership or operation of the reporting bank. However, they are indirectly impacted by the bank through its entire value chain. Scope 3 emissions included in **ADIB-Egypt's** carbon footprint are categorized as follows in accordance with the GHG Protocol:

- Category 1: Purchased goods and services.
- Category 3: Fuel and energy related activities
- Category 5: Waste generated in operations.
- Category 6: Business travel
- Category 7: Employee Commuting
- Category 10: Processing of sold products
- Category 13: Downstream leased assets



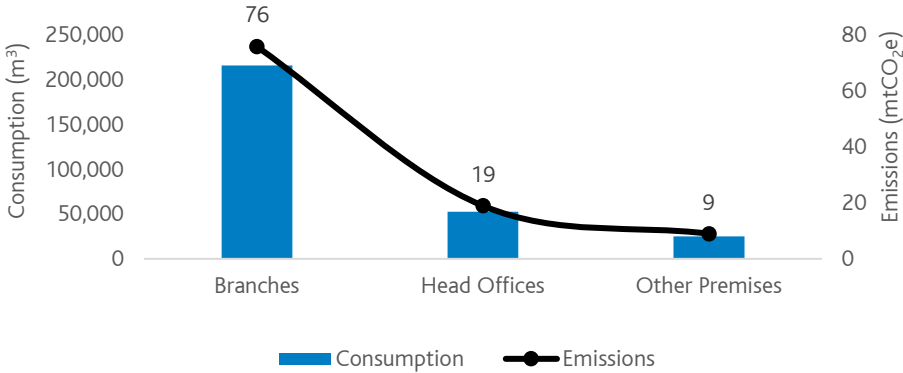
### Water Consumption



Scope 3 emissions encompass various types of indirect emissions, including emissions associated with water consumption. During the 2022 reporting period, **ADIB-Egypt's** facilities consumed a total of **294,279 m<sup>3</sup>** of water. This water consumption led to emissions equivalent to **104 mtCO<sub>2</sub>e**. Although emissions resulting from water consumption may not constitute a substantial fraction of our overall carbon footprint, it's vital to recognize the environmental implications connected to our water usage.

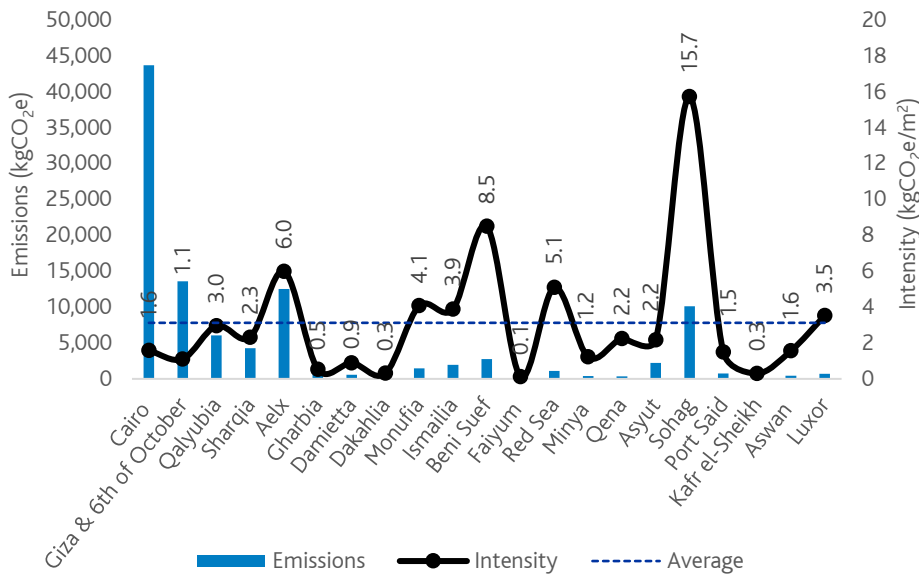
Main water emissions are contributed to water consumption in **ADIB-Egypt's** branches with a value of **76 mtCO<sub>2</sub>e**, representing **73%** of total water emissions.

Water Consumption and Emissions Per Type of Facility



The highest water consuming zone within **ADIB-Egypt's** operations is Cairo with resulting emissions of **44 mtCO<sub>2</sub>e**. However, this zone has the highest emissions, it has a water emissions intensity per area lower than the average of all governorates. This demonstrates that Cairo facilities are managing water resources more efficiently than the remaining facilities. The highest water emissions intensity is noticed in Sohag governorate. This means that facilities in this governorate should focus more on water efficiency measures.

Water Emissions and Intensity Per Governorate



### Paper and Ink Consumption



The paper consumption practices at **ADIB-Egypt** constitutes mainly of A4 copy paper. Records regarding paper quantities and specifications were diligently maintained in **ADIB-Egypt's** database.

In the 2022 reporting period, the bank procured a total of **15,000,000 sheets** with a cumulative weight of **75 tons**. This consumption of paper resulted in emissions of around **69 mtCO<sub>2</sub>e**. Additionally, the bank employed **4,756** toner cartridges for its printing operations, which contributed to an estimated **23 mtCO<sub>2</sub>e** in emissions.

### Other Office Supplies



Beyond the consumption of paper and toner, the evaluation of the carbon footprint took into account various office supplies employed by the bank. These supplies encompassed a diverse array of items, including face masks, gloves, plastic materials, and metal materials. These materials gave rise to an estimated **38 mtCO<sub>2</sub>e** indirect emissions throughout the reporting period of 2022.



### Fuel and Energy Related Activities

45 mtCO<sub>2</sub>e

### Well-to-Tank (WTT)

In order to comprehensively evaluate the environmental consequences linked to fuel combustion activities, **ADIB-Egypt** conducted an assessment of its well-to-tank (WTT) emissions, which fall under the umbrella of Scope 3 emissions.

For the 2022 reporting period, the WTT emissions stemming from both stationary and mobile combustion activities totaled **45 mtCO<sub>2</sub>e**. This comprises **2 mtCO<sub>2</sub>e** attributed to stationary combustion and **43 mtCO<sub>2</sub>e** arising from mobile combustion.






# SCOPE 3- INDIRECT EMISSIONS



Waste Generated in Operations


171 mtCO<sub>2</sub>e

Paper Waste


 0.14 mtCO<sub>2</sub>e

In the spirit of environmental responsibility, **ADIB-Egypt** diligently manages its paper waste by forwarding it to recycling facilities. Over the course of 2022, a total of **7 tons** of paper were conscientiously recycled. The sustainable disposal of this paper waste led to the generation of indirect emissions amounting to **0.14 mtCO<sub>2</sub>e**.

Wastewater Treatment

 171 mtCO<sub>2</sub>e


Emissions associated with wastewater treatment are classified under Scope 3 emissions. In the reporting period, **ADIB-Egypt** produced an approximate volume of **264,851 m<sup>3</sup>** of wastewater, representing 90% of its total water usage. This wastewater management process gave rise to emissions totaling **171 mtCO<sub>2</sub>e**.



Business Travel

99 mtCO<sub>2</sub>e


Air Travel

 31 mtCO<sub>2</sub>e

**ADIB-Egypt's** employees engaged in both international and domestic flights throughout the reporting period. In total, they covered a distance of **82,127 kilometers**, with a passenger-kilometers value of **153,814**. This air travel contributed to indirect emissions totaling **31 mtCO<sub>2</sub>e**, which includes well-to-tank (WTT) emissions.

All information regarding air travel, encompassing details such as number of passengers and destinations, was systematically recorded in **ADIB-Egypt's** database. It is vital to emphasize that when determining emissions associated with air travel, well-to-tank (WTT) emissions were taken into account. This approach allows us to comprehensively address the complete environmental consequences of air travel, encompassing not only emissions from the aircraft but also considering the upstream emissions related to the production and transportation of aviation fuel.

Hotel Stay

 68 mtCO<sub>2</sub>e


In 2022, **ADIB-Egypt's** employees collectively spent a total of **1,532 nights** in hotels, both within and outside of Egypt. The majority of these nights, amounting to **1,503**, were in Egypt, while the remaining 29 nights were distributed between the United States and the United Arab Emirates, with **5 and 24 nights**, respectively. These hotel accommodations led to indirect emissions totaling **68 mtCO<sub>2</sub>e**.



Employee Commuting


4,908 mtCO<sub>2</sub>e

Rented Coasters + WTT

 159 mtCO<sub>2</sub>e

A total of 70 employees rely on coasters for their daily commutes to and from **ADIB-Egypt**. The bank rented 5 coasters in 2022. These coasters traveled a combined distance of **1,303,680 passenger-kilometers** throughout the year. This travel resulted in emissions amounting to **159 mtCO<sub>2</sub>e**, encompassing both the indirect emissions and the well-to-tank (WTT) emissions.

Commuting + WTT

 4,749 mtCO<sub>2</sub>e

Remaining 4,000 employees use different transportation means to commute to and from **ADIB-Egypt's** facilities. Assumptions were made to estimate commuting emissions. During the reporting period, distance travelled by these employees are estimated to be **22,270,472 km** and **1,524,262 passenger-kilometers**. This resulted in commuting emissions of **4,749 mtCO<sub>2</sub>e** including WTT emissions.



Processing of Sold Products

42 mtCO<sub>2</sub>e

Bank Issued Cards

In the year 2022, **ADIB-Egypt** issued a grand total of **466,988 cards** of different types, such as debit, credit, and prepaid cards. The issuance of these cards had an associated environmental impact, contributing to emissions totaling around **42 mtCO<sub>2</sub>e**.



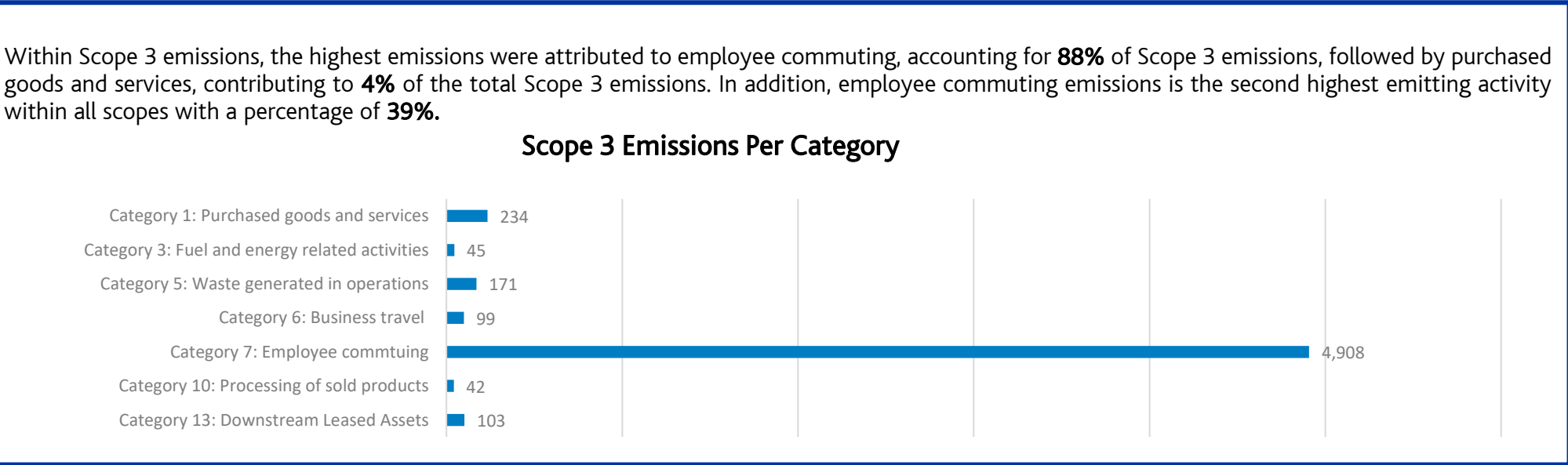
Downstream Leased Assets

103 mtCO<sub>2</sub>e

ATM Transactions

In the 2022 reporting period, **ADIB-Egypt** conducted a detailed examination of emissions linked to ATM transactions, a specific area of focus. Throughout the year, our network of ATMs distributed across Egypt handled a total of **6,608,521 transactions**.

The estimation of emissions from ATM transactions amounted to roughly **103 mtCO<sub>2</sub>e**. These emissions encompass the environmental consequences stemming from the energy consumption and operational processes associated with ATM transactions.

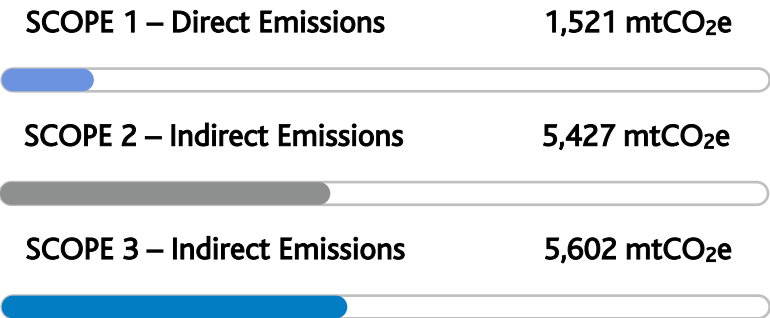
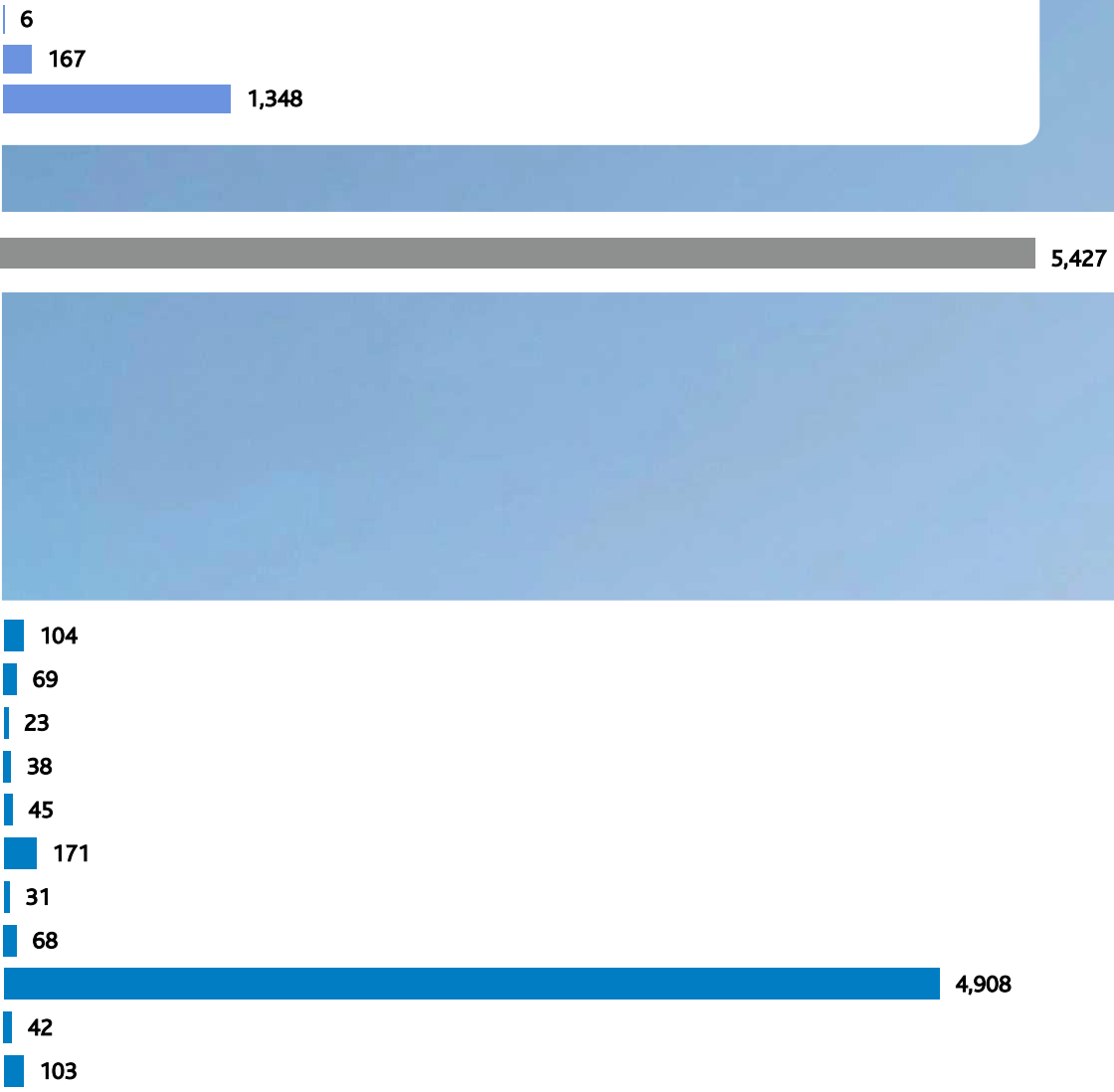




# RESULTS SUMMARY

SCOPE 1 – DIRECT EMISSIONS (mtCO <sub>2</sub> e)		2022 (BY)	12%
Stationary Combustion	Fuel burning – Generators	6	
Mobile Combustion	Fuel burning – Owned vehicles	167	
Fugitive Emissions	Refrigerant Leakage	1,348	
Total Scope 1 (mtCO <sub>2</sub> e)		1,521	
SCOPE 2 – INDIRECT EMISSIONS (mtCO <sub>2</sub> e)		2022 (BY)	43%
Purchased Energy	Purchased Electricity	5,427	
Total Scope 2 (mtCO <sub>2</sub> e)		5,427	
Total Scope 1 & 2 Emissions		6,948	mtCO <sub>2</sub> e
Scope 1 & 2 Carbon intensity (emissions per full time equivalent)		1.71	mtCO <sub>2</sub> e/FTE
Scope 1 & 2 Carbon intensity (emissions per area)		0.13	mtCO <sub>2</sub> e/m <sup>2</sup>
Scope 1 & 2 Carbon intensity (emissions per revenue)		1.18	mtCO <sub>2</sub> e/M.EGP
Electricity Intensity		218	kWh/m <sup>2</sup>
SCOPE 3 – INDIRECT EMISSIONS (mtCO <sub>2</sub> e)		2022 (BY)	45%
Category 1: Purchased Goods and Services	Water Use	104	
	Paper Consumption	69	
	Ink Consumption	23	
	Other Office Supplies	38	
Category 3: Fuel and Energy-related Activities (not included in scope 1 and 2)	Stationary and Mobile Combustion (WTT)	45	
Category 5: Waste Generated in Operations	Solid Waste and Wastewater Treatment	171	
Category 6: Business Travel	Air Travel + (WTT)	31	
	Hotel Stay	68	
Category 7: Employee Commuting	Employee Commuting + (WTT)	4,908	
Category 10: Processing of Sold Products	Bank Issued Cards	42	
Category 13: Downstream Leased Assets	ATM Transactions	103	
Total Scope 3 (mtCO <sub>2</sub> e)		5,602	
Total Scope 1, 2 & 3 Emissions (mtCO <sub>2</sub> e)		12,550	mtCO <sub>2</sub> e

Note: Totals may not add up due to rounding.



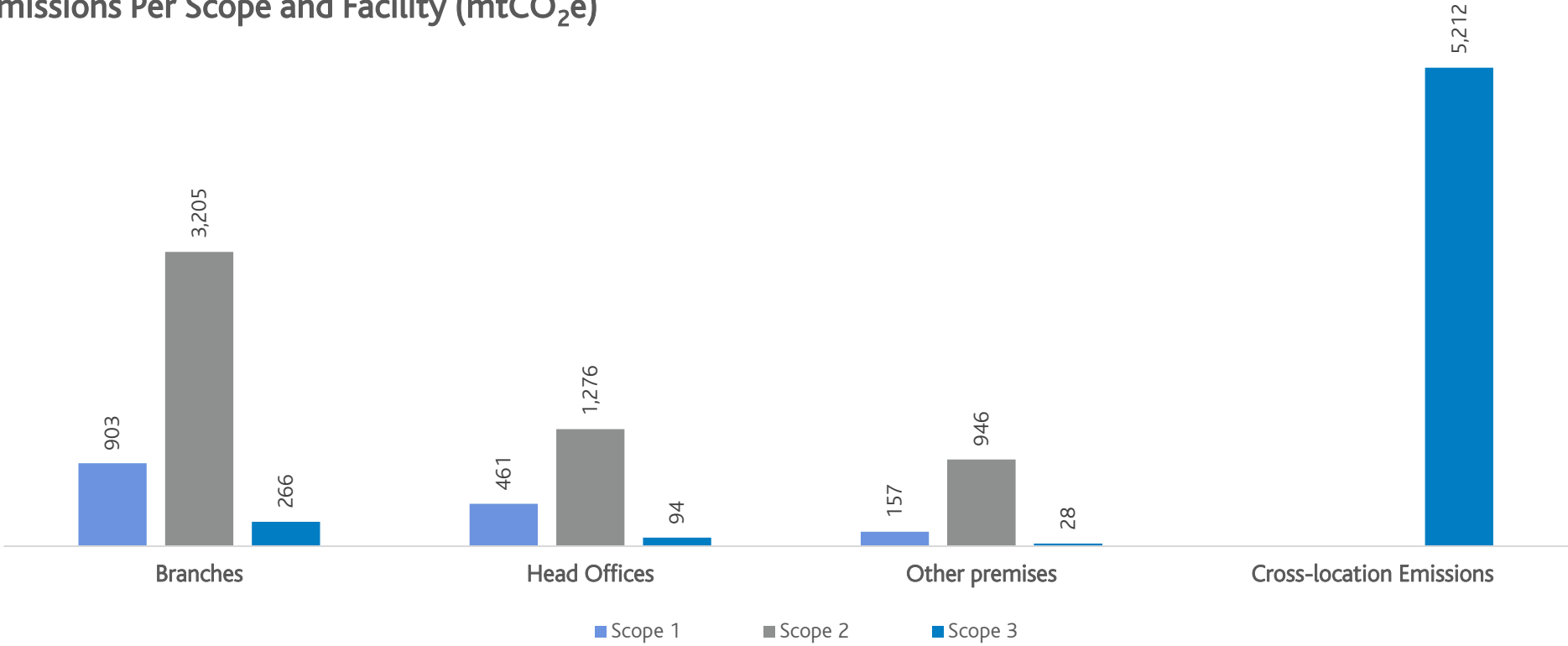
Total Emissions  
2022  
**12,550**  
mtCO<sub>2</sub>e



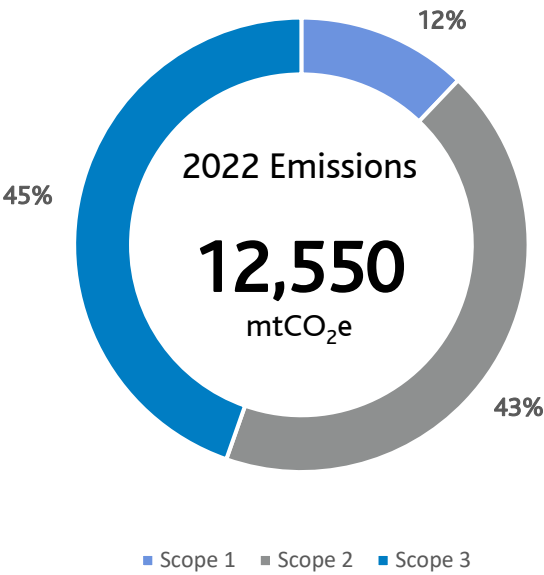
# RESULTS SUMMARY

The chart below offers a comprehensive view of Scope 1, 2, and 3 emissions categorized by facility type. **Branches** emerge as the most significant contributors, accounting for **59%** of Scope 1 and 2 emissions. The cross-location emissions encompass emissions associated with various general categories such as business travel, employee commuting, the processing of sold products, downstream leased assets, and purchased goods emissions.

Emissions Per Scope and Facility (mtCO<sub>2</sub>e)



Emissions Per Scope (mtCO<sub>2</sub>e)





# PERFORMANCE EVALUATION

## External Benchmarking

Leveraging benchmarking techniques offers valuable insights into **ADIB-Egypt** carbon emissions performance, allowing meaningful comparisons with both national and international counterparts.

### Scope of Benchmarking

This evaluation primarily focuses on assessing Scope 1 (direct emissions) and Scope 2 (indirect emissions). It is crucial to highlight that Scope 3 indirect emissions, originating from operations not directly controlled by the bank, pose significant verification challenges, and are therefore not included in this analysis.

### Benchmarking Results

Data from the Disclosure Insight Action (CDP), evaluating emissions across numerous banks in addition to published carbon footprint data of banks operating all over the world, reveals an average emissions intensity of **2.8 mtCO<sub>2</sub>e/FTE** for Scope 1 and 2 emissions across 27 national and international banks. The lowest recorded intensity stands at **0.3 mtCO<sub>2</sub>e/FTE**.

## AVERAGE EMISSIONS INTENSITY OF BANKS ASSESSED\*

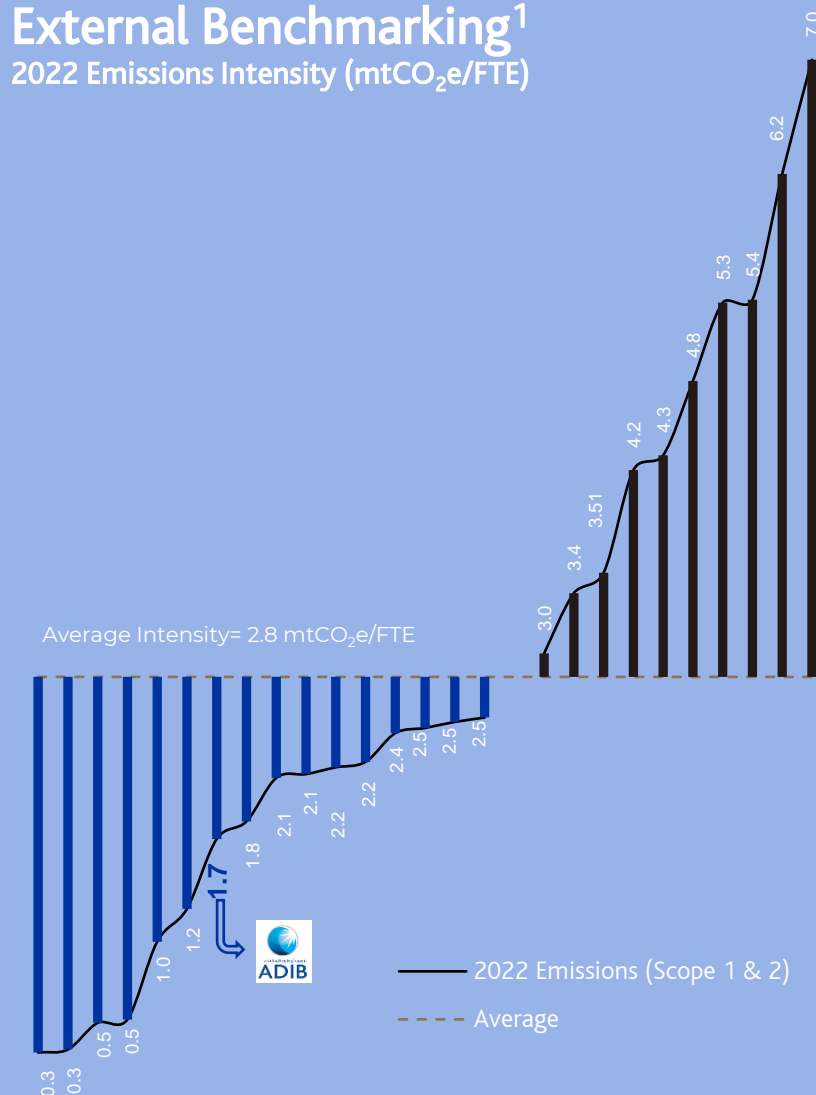
**2.8**  
mtCO<sub>2</sub>e/FTE

Upon meticulous examination of the emissions data, it is evident that **ADIB-Egypt's** emissions intensity per full-time equivalent (FTE) is lower than the CDP's reported average. **ADIB-Egypt** emissions intensity is **1.71 mtCO<sub>2</sub>e/FTE**. It's important to recognize that external benchmarking offers indicative measures due to variations in system boundaries, business activities, and methodologies employed globally. These differences impact reported emissions values and should be considered when interpreting and comparing benchmarking outcomes.

ADIB- Egypt  
2022 intensity\*

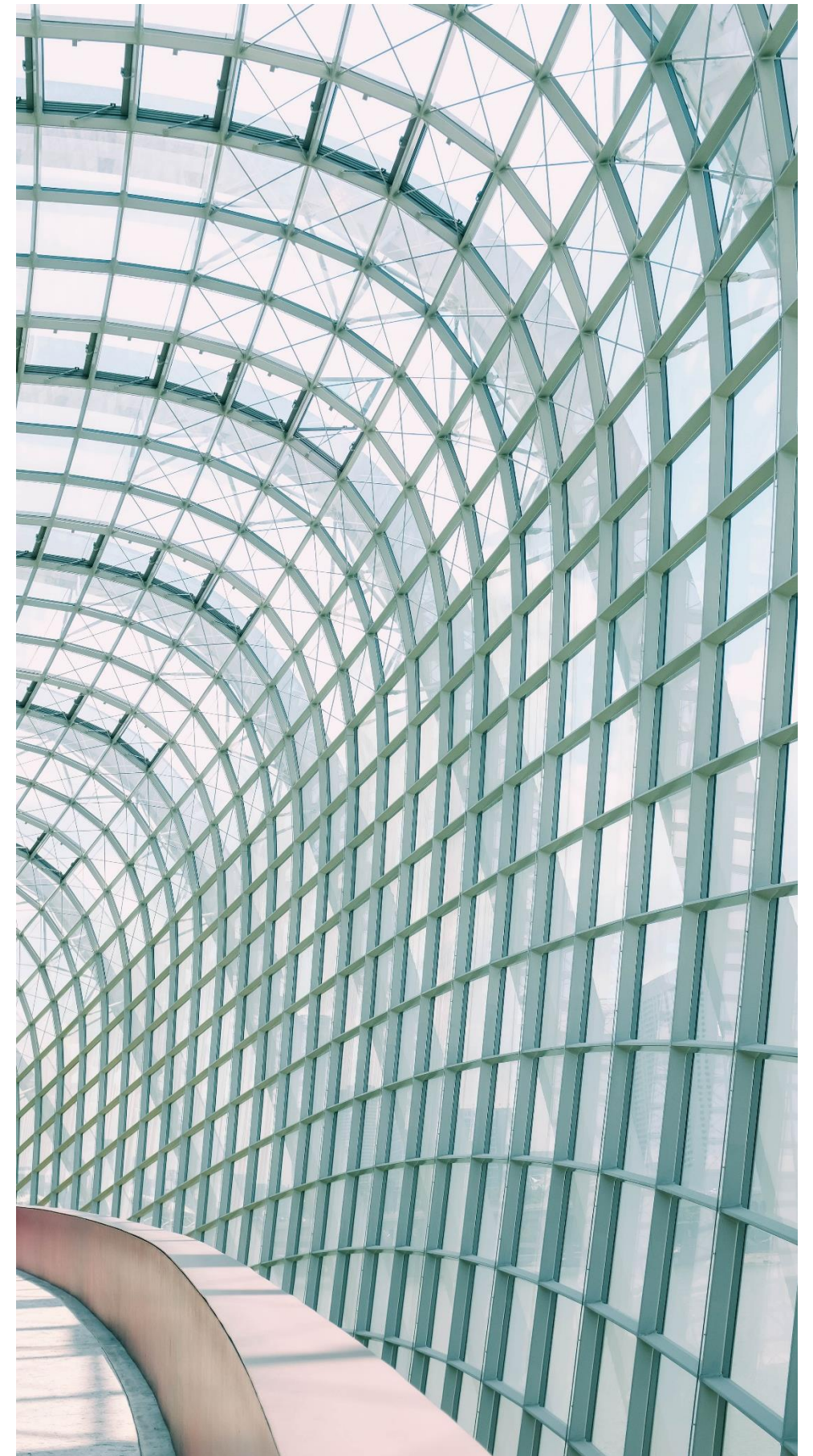
**1.71**  
mtCO<sub>2</sub>e/FTE

External Benchmarking<sup>1</sup>  
2022 Emissions Intensity (mtCO<sub>2</sub>e/FTE)



<sup>1</sup> Source: Disclosure Insight Action (CDP) website, in addition to published carbon footprint data of banks operating all over the world.

\*Scope 1 and 2 emissions only.





# PERFORMANCE EVALUATION

## Internal Benchmarking

Internal benchmarking offers valuable insights into **ADIB-Egypt's** carbon emissions performance, allowing meaningful comparisons between governorates. This will help the bank in prioritizing its decarbonization actions.

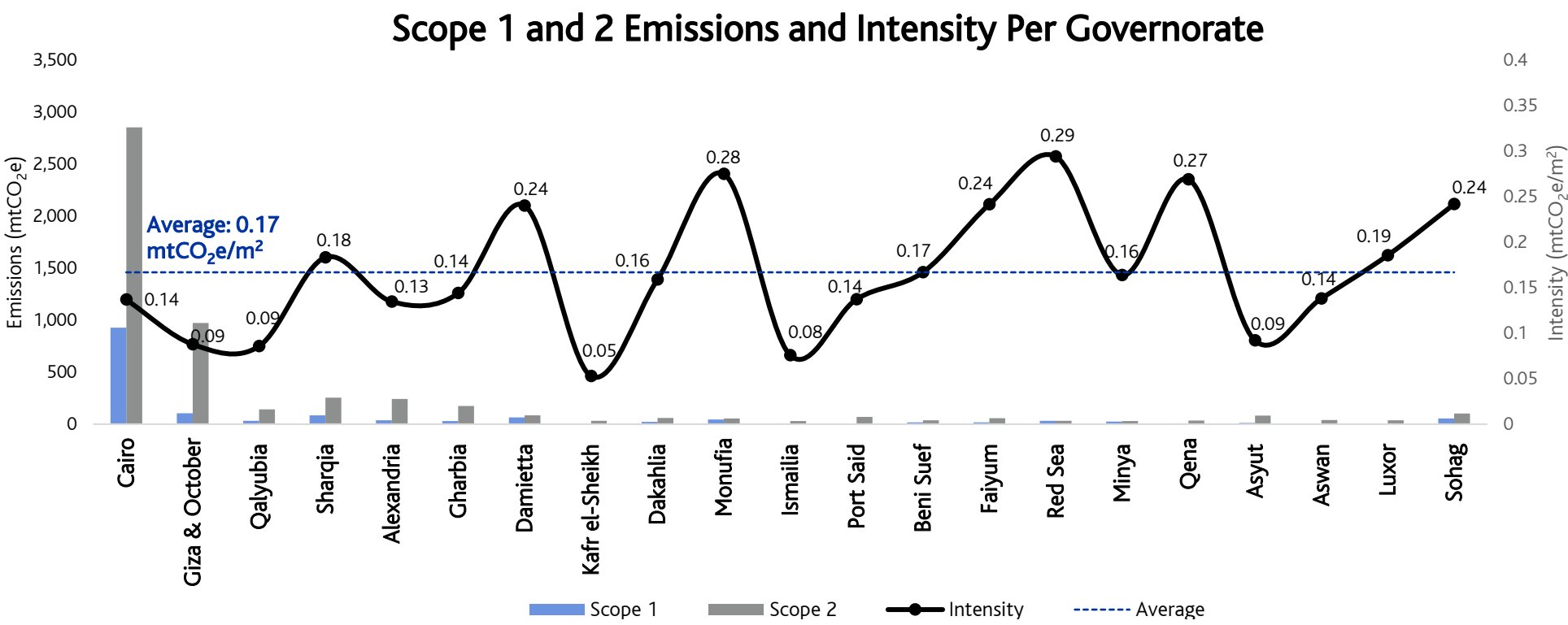
## Scope of Benchmarking

This evaluation primarily focuses on assessing Scope 1 (direct emissions) and Scope 2 (indirect emissions) for **ADIB-Egypt's** 77 facilities distributed among 21 governorates.

## Benchmarking Results

Among all governorates, Kafr El-Sheikh emerges as the top performer regarding emissions intensity per area, encompassing Scope 1 and 2 emissions. It is closely followed by Ismailia, Asyut, Qalyubia, Giza and October, and Alexandria, which also demonstrate commendable emissions efficiency. Notably, Cairo, despite hosting a substantial number of facilities and operations, exhibits a praiseworthy performance with an emissions intensity of **0.14 mtCO<sub>2</sub>e/m<sup>2</sup>**. This figure is notably 18% lower than the established average.

It is imperative to direct specific attention to facilities located in the governorates of Red Sea, Monufia, Qena, Damietta, Faiyum, and Sohag. These six governorates are among the top emitters in terms of emissions intensity per area, suggesting significant room for performance improvement.





# REDUCTION TARGETS

The momentous Paris Agreement of 2015 marked an unprecedented global consensus, uniting almost 200 nations. This accord established ambitious objectives to cap the rise in global temperatures, aiming to keep it well below 2 degrees Celsius above pre-industrial levels, with an even more stringent goal of limiting the increase to 1.5 degrees Celsius. The Intergovernmental Panel on Climate Change (IPCC) underscored the paramount importance of staying below the 1.5-degree threshold to avert disastrous climate change consequences.

Recognizing the pressing necessity to shift toward a low-carbon economy, **ADIB-Egypt** has adopted targets in line with the worldwide objective of constraining temperature increments. **ADIB-Egypt** is committed to ensuring that its operations and resulting emissions align with the global objective of containing temperature increases to no more than 1.5 degrees Celsius. This corresponds to the safe limit for temperature elevations outlined by the IPCC, taking pre-industrial levels as a reference point.

In its pursuit of the 1.5-degree temperature target, **ADIB-Egypt** is resolutely dedicated to establishing unambiguous emission reduction objectives, with a set target achievement date of 2030. Since 2022 signifies **ADIB-Egypt's** inaugural comprehensive carbon footprint evaluation, it has been selected as the definitive reference point for these objectives. **ADIB-Egypt** is unwavering in its commitment to realizing the subsequent absolute reduction goals.

Scope	Base year 2022	Target year 2030	% Reduction
Scope 1	1,521	882	42%
Scope 2	5,427	3,148	42%
Scope 1 and 2	6,948	4,030	42%

These objectives mirror **ADIB-Egypt's** resolute commitment to actively address climate change and move toward a sustainable tomorrow. Through the establishment of these reduction targets, **ADIB-Egypt** strives to make a meaningful contribution to the worldwide initiatives aimed at combatting climate change. Simultaneously, these goals serve as a tangible demonstration of **ADIB-Egypt's** dedication to environmental stewardship and the practice of responsible business operations.





# TOWARDS CARBON REDUCTION

## 1. Energy Management System

- **Upgrading Lighting Systems:** Transitioning to energy-efficient LED lighting systems holds the potential for significant reductions in electricity consumption and maintenance expenditures. Furthermore, LED lighting solutions are not only environmentally friendly but also provide long-lasting illumination. Install occupancy and day light sensors and use daylight more efficiently.
- **Energy Audits:** The undertaking of comprehensive energy audits entails a thorough assessment of energy consumption patterns within the bank's facilities. This process involves the identification of areas with high energy usage and the subsequent formulation of energy-saving recommendations.
- **Implementation of Intelligent Building Controls and Automation Systems:** Embracing intelligent building controls and automation systems offers precise control and optimization of energy utilization. These technologies empower the bank to adjust temperature settings, lighting, and ventilation based on occupancy, thereby enhancing energy efficiency.
- **Exploration of Renewable Energy Alternatives:** A diligent investigation into the feasibility of installing on-site solar panels or wind turbines represents a progressive step. This exploration can lead to the generation of clean and sustainable energy, reduce reliance on fossil fuels, and ultimately lower carbon emissions.

## 2. Sustainable Transportation

- **Regular Maintenance Schedule:** Establish a routine maintenance schedule for all vehicles, implementing effective controls and maintenance procedures. Install GPS systems in all vehicles to optimize route planning. Implement a tracking system for vehicles to promptly identify and address any operational issues.
- **Telecommuting guidelines:** Enforce telecommuting guidelines that allow employees to work remotely, effectively reducing the need for daily commuting and the associated emissions.
- **Sustainable Commuting:** Focus on promoting sustainable commuting alternatives for employees, encouraging practices like carpooling, biking, or using public transportation to reduce the individual carbon footprint related to commuting. Implement awareness campaigns and incentives to drive the adoption of these eco-friendly transportation methods.
- **Electric or hybrid transportation means:** Evaluate the feasibility of transitioning the company's vehicle fleet to electric or hybrid models, which has the potential to significantly reduce emissions in transportation. Factors to consider include the availability of charging infrastructure, vehicle range, and the installation of necessary charging points.

## 3. Refrigerants Management Strategy

- **Scheduled Maintenance and Inspections:** An essential component of the strategy involves the institution of a preventive maintenance program to systematically inspect and maintain refrigeration and air conditioning systems. The aim is to promptly detect and rectify any leaks, thereby minimizing refrigerant losses and associated emissions.
- **Implementation of Leak Detection Systems:** An integral part of the strategy is the deployment of state-of-the-art refrigerant leak detection systems. These systems continually monitor the equipment and provide real-time alerts in the event of any leaks. This real-time monitoring capability facilitates swift response to repair any leaks and prevent further emissions.
- **Equipment Retrofit or Upgrade:** Exploring the option of retrofitting or replacing outdated refrigeration and air conditioning systems with modern, energy-efficient counterparts is another significant step. The newer systems incorporate eco-friendly refrigerants with reduced global warming potential (GWP), aligning with the bank's commitment to emission reduction.

## 4. Supply Chain Management System

- **Environmental and Climate-Centric Procurement Standards:** Develop and put into action procurement guidelines that prioritize environmental and climate-related factors.
- **Enhance Supplier Selection Criteria:** Formulate or revise supplier selection criteria that encompass supplier assessment and audit initiatives in alignment with "sustainable supply chain" policies, with the goal of waste reduction and the enhancement of environmental sustainability.
- **Collaboration with Suppliers to Cut Emissions in the Supply Chain:** Establish "green supply chain" policies, involving prerequisites for selecting new suppliers, overseeing supplier activities, and conducting audits to reduce waste and enhance environmental sustainability. The transition from a conventional supply chain to a sustainable one involves integrating environmental considerations throughout all stages, from product development and manufacturing to distribution and end-users.



## 5. Portfolio Emissions Management

- **Sustainable Lending:** Create and provide financial products that promote environmentally conscious investments, such as financing for home improvements aimed at enhancing energy efficiency.
- **Environmentally Responsible Finance:** Invest in green bonds and endorse initiatives dedicated to sustainability and reducing emissions.
- **Responsible Investment:** Incorporate environmental, social, and governance (ESG) considerations into investment choices and endorse sustainable investment opportunities.





# TOWARDS CARBON REDUCTION


## 6. Water Management System

-  **Water Audit:** Evaluate water usage comprehensively across all facilities to minimize consumption and enhance efficiency.
-  **Water Efficiency Measures:** Implement water-saving measures like low-flow faucets and automatic shut-off faucets. Replace current toilets with low-volume, single or dual flush options.






## 9. Capacity Building

-  **Educational Campaigns:** Launching educational programs that underscore the importance of sustainability, the impact of individual actions, and the collective effort to reduce carbon emissions fosters a culture of environmental responsibility.
-  **Skill Enhancement Workshops:** Providing employees with training in energy conservation, waste management, and sustainable practices equips them with the skills and knowledge necessary to actively engage in decarbonization efforts.
-  **Collaborative Innovation Platform:** Establishing a platform where employees can share ideas, suggestions, and successful approaches related to decarbonization promotes staff engagement and fosters a cohesive approach to sustainability within the company.



## 7. Sustainable Construction Standard

-  Create and implement **eco-friendly building protocols** that encompass building refurbishment practices. These practices encompass insulation, draught-proofing, efficient lighting, lighting control, optimizing HVAC operational parameters, external shading enhancements, daylight and occupancy sensors, as well as improving building energy and water efficiency and management.


## 10. Waste Management System

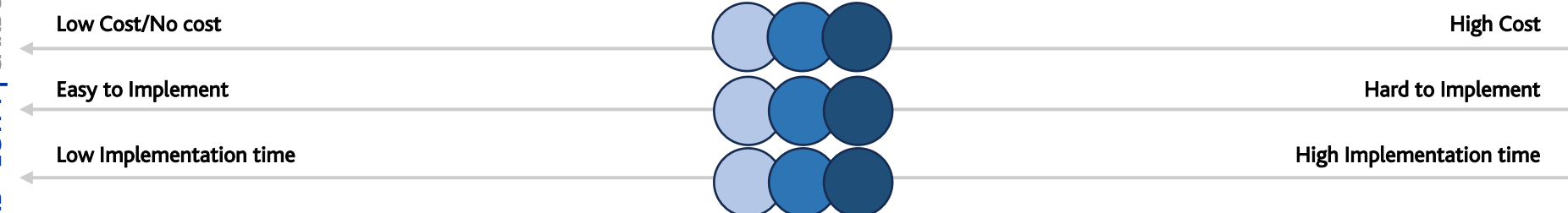
-  **Waste Management Integration:** Establish and put into practice an all-encompassing waste management system in alignment with best practices.
-  **Waste Audits:** Conducting waste audits plays a pivotal role in identifying opportunities for waste reduction, recycling, and the implementation of efficient waste management methods.
-  **Recycling Programs:** Implement recycling initiatives for a variety of materials, including paper, plastics, glass, and metals, ensuring that recyclable items are diverted from landfills and appropriately processed for future use.
-  **Promotion of Reusable and Eco-Friendly Materials:** Encourage the adoption of reusable items like water bottles, coffee mugs, and shopping bags to reduce waste generation. Additionally, advocate for the use of environmentally friendly materials in day-to-day operations to minimize the ecological footprint.
-  **Recycle expired bank cards:** Design an innovative system in which expired banks cards are collected, and its plastic components are recycled.

## 8. Offsetting and Cost Calculation Strategies

-  **Carbon Offsetting:** Acquire carbon offsets to counterbalance emissions that cannot be eliminated. This typically entails backing projects such as reforestation or clean energy endeavors.
-  **Carbon Cost Calculation:** Introduce internal mechanisms for calculating the cost of carbon emissions within decision-making processes.

## 11. Data Monitoring and Controlling System

-  **Sustainable Digital Management System:** An advanced digital platform meticulously engineered to record and aggregate key sustainability metrics across all facets of environmental, social, and governance considerations.





Base year	A base year is a reference year in the past with which current emissions can be compared. To maintain consistency and comparability with future carbon footprints, base year emissions need to be recalculated when structural changes occur in the company that change the inventory boundary (such as acquisitions or divestments). If no changes to the boundaries of the inventory happen, the base year is not adjusted.
Carbon footprint	The amount of Carbon Dioxide that an individual, group, or organization lets into the atmosphere in a certain time frame.
CO <sub>2</sub> e	Carbon dioxide equivalent or CO <sub>2</sub> equivalent, abbreviated as CO <sub>2</sub> e, is a metric used to compare the emissions from various GHGs based on their global-warming potential (GWP), by converting amounts of other gases to the equivalent amount of carbon dioxide with the same global warming potential.
Direct emissions	Greenhouse gas emissions from facilities/sources owned or controlled by a reporting company, e.g., generators, blowers, vehicle fleets.
Emission factors	Specific value used to convert activity data into greenhouse gas emission values.
Fugitive emissions	Fugitive emissions are emissions of gases or vapors from pressurized equipment due to leaks and other unintended or irregular releases of gases, mostly from industrial activities. Besides the economic cost of lost commodities, fugitive emissions contribute to air pollution and climate change.
GHG protocol	Greenhouse Gas Protocol is a uniform methodology used to calculate the carbon footprint of an organization.
GWP	Global Warming Potential is an indication of the global warming effect of a greenhouse gas in comparison to the same weight of carbon dioxide.
Indirect emissions	Greenhouse gas emissions from facilities/sources that are not owned or controlled by the reporting company, but for which the activities of the reporting company are responsible, e.g., purchasing of electricity.
Kyoto protocol	It operationalizes the United Nations Framework Convention on Climate Change by committing industrialized countries to limit and reduce greenhouse gases (GHG) emissions in accordance with agreed individual targets.
Operational boundary	Determination of which facilities or sources of emissions will be included in a carbon footprint calculation.
Organizational boundary	Determination of which business units of an organization will be included in a carbon footprint calculation.
Refrigerant	A refrigerant is a substance or mixture, usually a fluid, used in a heat pump and refrigeration cycle.
Scope 1	Direct emissions from sources that are owned or controlled by the reporting entity (i.e., any owned or controlled activities that release emissions straight into the atmosphere).
Scope 2	Indirect emissions associated with the consumption of purchased electricity, heat or steam from a source that is not owned or controlled by the company.
Scope 3	Indirect emissions resulting from other activities that are not covered in scope 1 and 2. This includes transport fuel used by air business travel, and employee-owned vehicles for commuting to and from work; emissions resulting from courier shipment; emissions from waste disposal, etc.





Data Sources and Quality

The carbon footprint calculations rely on data sourced from **ADIB-Egypt's** database. Data quality has been assessed and is presented below. Data quality is categorized into three levels, which aid in identifying potential areas for improvement in each activity. Types of data used include:

- **Primary data:** data taken from documents that are directly linked to the assessment, such as electricity invoices, to calculate emissions caused due to electricity.
- **Secondary data:** such as databases, studies, and reports.
- **Assumptions:** assumptions made based on internationally recognized standards and studies.

	Good, no changes recommended.
	Satisfactory, could be improved.
	Weak, priority area for improvement.

Activity		Data	Units	Resolution
SCOPE 1				
Stationary Combustion	Diesel fuel	1,974	Liters	Liters/year per facility
	Petrol fuel	482	Liters	Liters/year per facility
Mobile Combustion	Petrol fuel	71,332	Liters	Liters/year for all facilities per type of car
Fugitive Emissions	Refrigerants	743	kg	Kg/year per type of refrigerant/ facility
Scope 2				
Purchased Energy	Electricity	11,831	MWh	EGP/month per facility
Scope 3				
Purchased goods and services	Water consumption	294,279	m³	EGP/month per facility
	Purchased paper	75	tons	Total consumption for the whole bank
	Purchased ink	4,756	toners	Total consumption for the whole bank
		19	tons	Total consumption for the whole bank
	Other consumables	306,80	pieces	Total consumption for the whole bank (face masks and gloves)
Waste generated in operations	Shredded paper	7	tons	Total generation for the whole bank
	Wastewater treatment	264,851	m³	Est. to be around 90% of water usage
Business travel	Air travel	153,814	Passenger.km	Departure and landing airports
	Hotel stays	1,532	Nights	Number of nights per country
Employee commuting	Private cars	19,003,303	Km	In the absence of available data
	Taxi	1,503,439	Km	pertaining to employee commuting, the
	Public buses	1,524,262	Passenger.km	emissions resulting from this activity
	Motorbikes	45,811	Km	were estimated by utilizing the typical
	metro	1,717,919	Km	employee commuting profile for office
Processing of sold products	Rented coasters	1,303,680	Passenger.km	building in Egypt.
	Bank cards	466,988	Cards	Issued bank cards in the reporting year
Downstream leased assets	ATM transactions	6,608,521	Transactions	Transactions for each ATM machine

Relevancy And Exclusions

The following table describes the GHG emissions sources that were excluded from **ADIB-Egypt** GHG inventory due to several reasons, including: lack of data, and data that is beyond **ADIB-Egypt's** operation and control and hence considered technically infeasible to attain. The exclusion rationale per activity has also been specified.

#	Activity	Description	Emissions	Status
1	Purchased goods and services	This includes printed forms and marketing materials as well as office supplies like paper, envelopes, flyers, face masks etc.	234	Relevant, calculated
2	Capital goods	Emissions from embodied carbon in the properties owned by <b>ADIB-Egypt</b> , such as buildings, cars, ... etc.	-	Relevant, not yet calculated
3	Fuel and energy related activities (Not included in Scope 1 and 2)	Includes Well-to-tank emissions from fuel burning in generators and owned vehicles.	45	Relevant, calculated
4	Upstream transportation and distribution	Transportation from <b>ADIB-Egypt's</b> upstream supply chain.	-	Relevant, not yet calculated
5	Waste generated in operations	Includes emissions from the transportation of solid waste and the landfill emissions from the disposed waste. In addition to wastewater treatment emissions	171	Relevant, calculated
6	Business travel	Includes emissions from air travel and hotel stays.	99	Relevant, calculated
7	Employee commuting	Transportation of employees between their homes and their worksites during the reporting year (in vehicles not owned or operated by <b>ADIB-Egypt</b> ).	4,908	Relevant, calculated
8	Upstream leased assets	This category is not directly relevant because all assets leased are already included in the company's scope 1 and 2 emissions.	-	Not relevant, explanation provided
9	Downstream transportation	<b>ADIB-Egypt's</b> downstream transportation emissions include transportation of business cards and letters to clients, armored vehicles, ... etc.	-	Relevant, not yet calculated
10	Processing of sold products	Includes emissions occurring due to bank issued cards	42	Relevant, calculated
11	Use of sold products	This should include emissions from the use of internet banking and other sold products.	-	Relevant, not yet calculated
12	End of life treatment of sold products	This category is not yet embraced in the calculations but could include end of life treatment of credit cards distributed to the customers.	-	Relevant, not yet calculated
13	Downstream leased assets	Emissions resulting from ATM transactions are measured as the power used during active and inactive ATM hours.	103	Relevant, calculated
14	Franchises	This category is not relevant to <b>ADIB-Egypt's</b> business and has therefore been excluded.	-	Not relevant, explanation provided
15	Investments	Emissions resulting from commercial loan activities and/or projects financed by <b>ADIB-Egypt</b> .	-	Relevant, not yet calculated



# QUALITY ASSURANCE STATEMENT

To the **ADIB-Egypt's** Board of Directors,

We have been appointed by **ADIB-Egypt** to conduct carbon footprint calculations pertaining to **ADIB-Egypt** operational activities for the period from 1<sup>st</sup> of January 2022 to the 31<sup>st</sup> of December 2022. The scope covered **ADIB-Egypt** operations in its 77 facilities across Egypt.

## AUDITORS' INDEPENDENCE AND QUALITY CONTROL

We adhere to integrity, objectivity, competence, due diligence, confidentiality, and professional behavior. We maintain a quality control system that includes policies and procedures regarding compliance with ethical requirements, professional standards, and applicable laws and regulations.

## AUDITORS' RESPONSIBILITY

In conducting the carbon footprint calculations, we have adopted the Greenhouse Gas Protocol Guidelines, IPCC Guidelines for Greenhouse Gas Inventories, the global footprint network, and finally ISO 14064-1:2018 specification with guidance at the organization level for quantification and reporting of GHG emissions and removals.

It is our responsibility to express a conclusion about the quality and completeness of the primary data collected/provided by **ADIB-Egypt**. We have performed the following quality assurance/quality control tasks:

- Several rounds of data requests were performed whenever the received information was not clear;
- All data presented in this report were provided by the reporting entity and revised and completed by our technical teams;
- For data outliers, meetings were held to investigate the accuracy of the data and new data was provided when requested;
- Any gaps, exclusions and/or assumptions have been clearly stated in the report.

## CONCLUSION

Based on the aforementioned procedures, nothing has come to our attention that would cause us to believe that **ADIB-Egypt's** raw data used in the carbon footprint calculations have not been thoroughly collected, verified, and truly represent **ADIB-Egypt's** resource consumption in the reporting period related to all categories/aspects identified in this report. We do not assume and will not accept responsibility to anyone other than **ADIB-Egypt** for the provided assurance and conclusion.

**Dr. Abdelhamid Beshara, Founder and Chief Executive Officer**  
**MASADER, ENVIRONMENTAL & ENERGY SERVICES S.A.E CAIRO,**  
**Dec 2023**



## ABOUT MASADER

Masader is an innovative interdisciplinary consulting, design and engineering sustainability firm based in Cairo, aiming at leveraging positive impact across the MENA region and globally. It specializes in Resource Efficiency, Sustainable Management of Natural Resources and Integrated Sustainability Solutions. Since 2015, Masader has led 100+ projects across the areas of energy, environment, climate change & carbon footprint, circular economy, green building (LEED), as well as corporate sustainability strategies, reporting and certification.

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