

Qalaa Holdings Climate Policy

1. Purpose and vision

Qalaa Holdings is dedicated to leading the transition to a low-carbon, sustainable future. As a model for responsible business practices, we recognize the urgent need to address climate change. Our climate policy aligns our operations and investments with global climate action goals, aiming to mitigate environmental impacts, enhance resilience, and contribute to a sustainable economy.

We strictly comply with all national environmental legal obligations and international voluntary commitments. As a member of the United Nations Global Compact (UNGC), Global Impact Investing Network (GIIN), and a signatory of the 1.5°C Business Ambition and Africa Business Leader Coalition (ABLCLC), we incorporate these principles into our climate strategy.

Qalaa and its subsidiaries are committed to finding sustainable solutions to today's climate challenges. Thus, Qalaa has developed and evolved its Climate Strategy Policy, Goals, and Commitments in alignment with the below UN Sustainable Development Goals (SDGs):

- **Goal 9: Industry, Innovation, and Infrastructure**
- **Goal 11: Sustainable Cities**
- **Goal 12: Responsible Consumption and Production**
- **Goal 13: Climate Action**

To do this, we have developed a rigorous climate policy that covers the full breadth of our operations. The objective of this policy is to bring leading practice in integrating climate change related risks into Qalaa's day-to-day operations and investment practices. This will enable Qalaa to sustain its position as a pioneering responsible investor which leads by example by maintaining the highest standard of care in its investment approach.

2. Scope

This policy applies to Qalaa Holdings and its subsidiaries, when relevant, across the regions where we operate. It encompasses all activities, from investment decisions to daily operations, ensuring a unified approach to climate stewardship.

3. Guiding Principles

a) Core Values and Philosophies:

We cultivate a proactive culture by fostering a strong sense of ownership for climate responsibilities across individual, managerial, and organizational levels. Through active engagement, consultation, and training, we empower our people and encourage their participation in shaping and sustaining this proactive culture.

b) Holistic Approach:

Qalaa Holdings embraces a comprehensive climate strategy that integrates climate action across all business operations. We recognize the importance of considering the impact of our activities on the climate in the short, medium, and long term, ensuring that our approach is aligned with broader sustainability goals.

c) Resilience and Mitigation:

Climate change requires continuous adjustments and enhancement of actions. We implement solutions that perform well across diverse climate futures, focusing on protecting our business as the foundation of climate action.

d) Science-Based Approach:

Our climate policy is based on the latest scientific information. As a signatory to the Business Ambition 1.5°C pledge, we align with science-based emissions reduction targets for a net-zero future.

e) Stakeholder Engagement:

We consider stakeholder needs and perspectives throughout our climate action, engaging in a two-way process based on internationally recognized standards.

f) Transparency:

We consider stakeholder needs and perspectives throughout our climate action, engaging in a two-way process based on internationally recognized standards. The company conducts impact assessments and continuously works to:

- Operating honestly and ethically, deterring wrongdoing, and supporting compliance with applicable laws and regulations as outlined in our Code of Conducts
- Quantify and publicly report our climate footprint activities, progress, and communicate this information with local communities comprehensively and transparently

4. Priority Areas of Action

Qalaa Holdings aims to:

- Achieve net-zero carbon emissions across our operations, in line with global climate goals.
- Integrate climate risk assessments into all business decision-making processes.
- Promote innovation and technology to drive sustainable solutions.
- Engage with policymakers and industry peers to advocate for stronger climate policies.
- Ensure the availability of information and resources to meet our goals, and report regularly and transparently on our progress toward those goals
- Achieve operational excellence through:
 - **Carbon Footprint Management:** Measuring, reporting, and reducing our carbon footprint across all subsidiaries.

- **Renewable Energy Transition:** Diversifying our portfolio investments to expand in renewable clean energy sources such as solar and wind power, incorporating innovative solutions like mobile CNG waste management, and becoming environmentally responsible in consumption, production, and waste management, reaffirming our goals to expand in renewable energy.
- **Waste Reduction:** Implementing circular economy principles to minimize waste and enhance resource efficiency.

5. Compliance

- Compliance with Legislation:** We ensure compliance with all relevant legislation and regulations while advocating for public policies that support a low-carbon economy and mitigate climate and human health risks.
- Reporting:** Measure, quantify, and report on greenhouse gas emissions at a pace and scale that is necessary to limit global warming in accordance with Business Ambition 1.5°C science-based emissions reduction targets pledge and other accredited international organizations/entities
- Transparency:** Publicly disclose climate-related data and initiatives, ensuring stakeholder trust and compliance with all relevant regulations.
- Continuous Improvement:** Using monitoring and reporting insights to identify opportunities for improvement and to enhance our climate practices.

6. Responsibilities

All employees, partners, and stakeholders of Qalaa Holdings are responsible for supporting and adhering to this policy. The Board of Directors is responsible for the biennial review of the policy, ensuring its relevance and effectiveness in the face of evolving climate challenges.