

Qalaa Holdings Environmental Policy

1. Purpose & Vision

Qalaa Holdings' environmental policy is grounded in strict compliance with all national environmental legal obligations and international voluntary commitments. Protecting the environment and ensuring sustainable development are core values integral to our business strategy. We are committed to minimizing our environmental impact while fostering economic growth across all sectors we operate in. This policy outlines our commitment to environmental stewardship, compliance, and innovation, guiding our subsidiaries and stakeholders toward a sustainable future.

Qalaa Holdings ensures the adoption of various global guidelines, management systems, and standards at both the holding and subsidiary levels when relevant. As a member of the United Nations Global Compact (UNGC), Global Impact Investing Network (GIIN), and a signatory of the 1.5C Business Ambition, Qalaa Holdings is committed to incorporating their principles and systems into the company's environmental strategy.

We work closely with like-minded developmental funding institution (DFI) partners to enhance our compliance and reporting frameworks. This includes adherence to IFC's performance standards on environmental and social performance. Many of our subsidiaries report quarterly on their environmental performance to our DFI partners to ensure transparency and ongoing dialogue toward improved environmental performance.

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 environmental stewardship.

3. Guiding Principles

a) Core environmental Values and Philosophies:

We cultivate a proactive culture by fostering a strong sense of ownership for environmental 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 environmental strategy that integrates environmental action across all business operations. We recognize the importance of considering the environmental impact of our activities in the short, medium, and long term, ensuring that our approach is aligned with broader sustainability goals. We adopt a preventive approach by

conducting thorough Environmental Impact Assessments (EIA) before initiating any investment or project. This ensures that potential environmental risks are identified, mitigated, and managed from the outset.

c) Stakeholder Engagement and Transparency

Qalaa Holdings values the perspectives of its stakeholders, including employees, partners, and the communities in which we operate. We are committed to transparent reporting on our environmental performance, ensuring accountability and fostering trust through regular communication and engagement.

4. Priority Areas of Action

a) Clean Energy and Carbon Footprint Reduction

We are dedicated to promoting the use of clean energy across our industries and within the communities we operate. We strive to reduce our carbon footprint by investing in renewable energy sources, sustainable transportation, and innovative technologies that prevent and reduce GHG emissions.

b) Resource Efficiency and Waste Minimization

Our strategy emphasizes responsible consumption and production through the efficient use of resources, aiming to minimize waste and reduce the depletion of natural resources. We are committed to adopting best practices in resource management, including water, energy, and materials, throughout our operations.

c) Water Resource Management and Conservation

Recognizing the critical importance of water, we adopt sustainable water management practices, ensuring efficient use, conservation, and pollution prevention. We support initiatives that address water scarcity and contribute to regional and global water sustainability.

d) Biodiversity Protection and Ecosystem Restoration

We recognize the importance of safeguarding biodiversity and restoring ecosystems. Our projects are designed with an eco-centric approach, considering the impact on biodiversity during planning, construction, and operation. We aim to partner with local actors and NGOs to raise awareness and support biodiversity protection initiatives.

e) Climate Change Mitigation and Adaptation

Qalaa Holdings supports initiatives aimed at combating climate change. We are dedicated to reducing greenhouse gas emissions and enhancing the resilience of our infrastructure and operations to the impacts of climate change.

f) Circular Economy and Waste Management

We promote the adoption of circular economy principles across our value chain. This includes reducing waste generation, enhancing resource recovery, and collaborating with partners to create closed-loop systems that minimize environmental impact.

g) Innovation and Sustainable Practices

Innovation is at the core of our environmental strategy. Qalaa Holdings invests in research and development of new technologies and practices that enhance environmental performance, reduce waste, and promote circular economy principles.

h) Environmental Management Systems (EMS)

We are committed to implementing and maintaining internationally recognized Environmental Management Systems, such as ISO 14001, across all our subsidiaries and operations. This ensures a systematic approach to managing environmental risks and improving performance.

5. Compliance:

a) Commitment to Compliance

We ensure strict compliance with national and international environmental laws, standards, and guidelines. The policy is subject to continuous review and improvement, adapting to new scientific knowledge, technologies, and environmental challenges.

b) Monitoring and Reporting

At Qalaa Holdings, monitoring and reporting are integral components of our regulatory compliance framework. Our commitment to environmental sustainability and adherence to regulatory standards necessitate a robust system for tracking, evaluating, and communicating our environmental performance.

5. 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 environmental challenges.