

Qalaa Holdings Sustainability Strategy

Our Vision:

Qalaa Holdings is dedicated to building businesses that add value to the economies and societies in which it operates, sustainably and responsibly. We prioritize the well-being of our employees and the communities we serve, recognizing that sustainability is both a business imperative and an opportunity. Our strategy integrates economic, environmental, social, and governance (EESG) considerations into every aspect of our operations and investment decisions. By focusing on reducing environmental impacts, supporting communities, embracing diversity and inclusion, and upholding robust governance principles, we aim to drive sustainable growth and create shared value. Our approach aligns with the United Nations Sustainable Development Goals (SDGs), the UN Global Compact's Ten Principles of Human Rights, Labour, Environment, Governance, and Anti-Corruption, Egypt's Vision 2030, and the National Renewable Energy Strategy 2035, reflecting our commitment to advancing global sustainability objectives and promoting ethical business practices on a global scale.

Qalaa Holdings and its subsidiaries made a commitment to embed sustainability into its business practices and articulated the company's purpose to be: "***We build business sustainability and responsibly and add value to the economies and societies we build business in***". Through our subsidiaries, we are committed to implementing green projects and investments with a high local value-added component, in addition to continuously refining our green policies.

Our sustainability strategy is meticulously crafted to support and enhance our broader strategic vision and long-term commitments. Anchored in four fundamental pillars—**Planet, People & Communities, Prosperity, and Governance**—this strategy delineates the comprehensive measures we will implement across short, medium, and long-term timelines. These initiatives are designed to align seamlessly with global commitments and targets, driving sustainable growth and responsible stewardship.

Our Sustainability Framework & Approach:

Our sustainability strategy is structured around four fundamental pillars:

1. Planet: Environmental Sustainability

We recognize the importance of preserving the environment for current and future generations. Qalaa Holdings strives to minimize the impacts its operations have on the environment and minimize the environmental footprint by promoting energy efficiency, reducing greenhouse gas emissions,

conserving natural resources, and supporting initiatives that mitigate climate change and protect the environment for the benefit on future generations. Qalaa Holdings and its subsidiary's environmental sustainability is based on three main prisms:

- **Responsibility:** We ensure all employees incorporate environmental compliance into their work and address issues proactively.
- **Efficiency:** We use natural resources responsibly, enhance efficiencies to reduce emissions and waste, and conserve water, materials, and energy.
- **Environmental Stewardship:** We respect natural resources, comply with regulations, and continuously improve our environmental performance. Our goals include minimizing greenhouse gas emissions, promoting energy efficiency, and supporting climate change mitigation.

2. People & Communities: Social Responsibility:

At Qalaa Holdings, prioritizing the “**people pillar**” within our multi-dimensional investment strategy underscores our unwavering commitment to sustainability and the well-being of employees, communities, and societies. Our success is measured not only by growing profits and maximizing investment returns for shareholders but also by achieving substantial positive impacts for our employees and the communities surrounding our investments in Egypt and Africa.

- **Our People:** We are committed to advancing labor and human rights practices to ensure the safety, well-being, and balanced livelihoods of our employees. Concurrently, we prioritize fostering diversity, equity, and inclusion within our organization to create a sustainable and inclusive work environment. We establish strategic partnerships with nonprofits, regulators, and labor unions, ensuring our entire supply chain is sustainable and increasingly diverse.
- **Community Development:** We are committed to being a positive force in the communities where we operate by prioritizing employee well-being, championing diversity and inclusion, and supporting initiatives that enhance education, healthcare, and social welfare. Our initiatives focus on improving education, developing human capital, providing technical and vocational training, empowering women, and forging impactful partnerships for community development. We allocate sustainable funding to support these programs and measure their impact on the communities we serve.

3. Prosperity: Responsible Investment:

Qalaa Holdings is committed to making responsible investment decisions that create long-term value for its stakeholders. We prioritize investments that promote sustainable economic growth, environmental stewardship, and social development.

- **Firmwide Sustainability Works:** We integrate ESG considerations into our business practices, manage our climate strategy, and engage with stakeholders to reduce our operational environmental impact.

- **Sustainable Energy Products and Solutions:** We provide innovative environmental, social, and governance (ESG) solutions that achieve economic and societal well-being.

4. Sustainable Governance:

Qalaa's sustainability culture is built on a solid foundation of high ethical standards, integrity and transparency and is governed by policies and procedures that support robust planning processes, accountability and financial discipline.

- **Policies & Standards:** Qalaa and its subsidiaries have established several policies and frameworks for environmental sustainability, safety, quality, and community development, and have set indicators to monitor and improve performance. Qalaa and all its subsidiaries adopt an integrated system of codes of conduct, regulations, and procedures that have been developed in line with the principles of the UNGC and the UNSDGs. Our policies include the below:

- **People:**

- Human Resource Policy
- Diversity, Equity & Inclusion (DEI) Policy
- Health, Safety, Environment, & Quality (HSEQ) Policy
- Information Security & Privacy Policy
- Human Rights Policy (to be discussed)

- **Environment:**

- Environmental Policy
- Climate Change Policy
- Water Policy

- **Governance:**

- Compliance Policy
- Anti-Corruption Policy
- Anti-Fraud Policy
- Code of Conduct

- **Stakeholder Engagement:** We uphold high standards of corporate governance, emphasizing transparency, accountability, and integrity. We **engage with stakeholders** to ensure accountability and address their concerns.
- **Sustainability Leadership and Governance:** Qalaa Holdings is a pioneer in sustainability governance, having appointed a **Chief Sustainability Officer** and established a **Sustainability Committee** at the board level. We implement robust accountability reporting and self-regulation to maintain transparency and build trust.
- **Accountability Reporting and Self-Regulation to Measure Our Impact:** We implement robust accountability reporting mechanisms and practices self-regulation to build trust and ensure transparency, integrity, and compliance with regulatory requirements. By adhering and communicating with our internal & external stakeholders to rigorous reporting standards and actively regulating our operations,

we uphold our commitment to responsible corporate citizenship and foster trust among stakeholders.

- **Continuous Improvement:** Qalaa Holdings is committed to continuously improving its sustainability performance. We regularly build carefully, set goals, and monitor our progress and assess our ESG practices, set targets for improvement, and engage with stakeholders to address their concerns and feedback.

Advocacy and Partnerships:

Partnering with like-minded local and international organizations that seek to achieve the same goals, and this comes within the framework of the company's efforts to maximize value to economies and societies we do business in (vs local communities). Qalaa works to establish public-private partnerships (PPP) with governments, international organizations, corporate organizations, and their contributors. Qalaa actively participates in the UNGC as a founding member of the UNGC Egyptian Network. Moreover, Qalaa has joined several strategic partnerships in the public and private sectors to implement its major projects. Qalaa Holdings has also joined a strategic partnership with the Egyptian government to implement many community development programs with select ministries, including the Ministry of Education and the Ministry of Planning and Economic Development.

Our Sustainability and ESG Goals:

We prioritize the following sustainability and ESG goals:

- 1. Developing Policies and KPIs:** We aim to establish and uphold best practices for health, safety, environment, and quality (HSEQ) across our subsidiaries and supply chains.
- 2. Transitioning to Low-Carbon Operations:** We are committed to reducing emissions and achieving a net-zero future by 2050, aligned with science-based targets.
- 3. Risk Assessment and Reporting:** We continuously improve our reporting mechanisms and adhere to international standards such as SBTi, GRI, GIIN, and TCFD to track and report on sustainability performance.
- 4. Forming Strategic Partnerships:** We engage in climate pledges and cross-border collaborations to drive innovative climate solutions and support global sustainability efforts.