

Qalaa Holdings Sustainability and ESG Report 2024

First: Overview of Qalaa Holdings Environmental, Economic, Social, and Governance (EESG) Framework and Journey

Since its establishment in 2004, Qalaa Holdings has adopted a responsible and sustainable investment approach aimed at creating long-term added value for the economies and communities in which it operates. The company believes that success is measured not only by its ability to maximize investment returns but also by achieving a tangible positive impact on economies and societies in Egypt and Africa while preserving and restoring the environment. Qalaa's strategy is based on integrating economic, environmental, social, and governance (EESG) considerations into all policies, operations, and investment decisions, stemming from its conviction that sustainability is a fundamental pillar for risk management and a central element of its values as a responsible investor. The company seeks to embed these principles across all its subsidiaries, ensuring consistency of vision and policy implementation at all levels of business.

Qalaa Holdings is committed to contributing to the implementation of the “sustainable economy” model, which is based on responsible consumption, reusing resources to the greatest extent possible, and responsible waste management. In this context, our Sustainability Strategy serves as a roadmap for advancing economic, environmental, social, and governance (EESG) objectives, while the accompanying policy frameworks—including Environmental, Climate, Water, and Diversity, Equity, and Inclusion (DEI) Policies—set clear principles and commitments to drive sustainable impact amidst the various challenges.

These principles are reflected in the range and the implementation of our projects that balance profitable growth with maximizing neutral environment and positive social impact. The company also places particular importance on the safety of its employees and the communities surrounding its operations and invests in strategic sectors that contribute to driving economic growth and providing sustainable job opportunities, thereby strengthening its position as a key driver of sustainable development in Egypt and Africa.

Demonstrating its commitment to the essential role of governance in fostering transparency, accountability, and long-term commitment, the company has established an integrated governance system, complemented by the development of overarching frameworks and general policies to guide sustainability governance across all subsidiary investments.

1. Qalaa’s Sustainability Strategy Framework:

The company continuously seeks to innovate and provide a variety of high-quality products and services including, for example, innovative energy solutions that give access to affordable energy to millions of citizens and private-to-private renewable energy solutions; transportation solutions characterized by efficient fuel consumption; and solid waste management and recycling solutions.

Furthermore, Qalaa plays a leading role in promoting the adoption of renewable energy solutions and waste management for the optimal utilization and protection of natural resources, significantly contributing to the transition towards a circular and sustainable economy. The company holds a pivotal role in the manufacturing sector, spearheading impactful efforts to localize industry and enhance local added value, solidifying its position as a catalyst for sustainable industrial development. Directly contributing to national food security, Qalaa cultivates and manufactures high-quality, high-value food products in accordance with the highest safety and health standards.

On the other hand, the sustainable development strategy framework adopted by Qalaa Holdings focuses on investing in human capital development, placing it at the top of its priorities, being aware of and meeting the various needs of the team and the people of the surrounding communities, and evaluating their impact in advancing the development pace and contributing to achieving sustainable development in a tangible way, in

accordance with the highest levels of integrity and transparency and the rules of professional conduct, regulations, and responsible practices.

2. Sustainability, Environmental, Economic, Social and Governance Approaches and Standards

Qalaa Holdings' sustainability framework reflects its unwavering commitment to advancing projects that embody economic, environmental, social, and governance (EESG) principles across all areas of its operations. As a pioneer in the manufacturing industry field, Qalaa plays a critical role in fostering sustainable industrial development and enhancing economic resilience through strategic investments that drive growth in Egypt and across the African continent. Its diverse investment portfolio includes a group of manufacturing companies focused on localizing and deepening key strategic industries, with a strong emphasis on export promotion and import substitution—solidifying Qalaa's position as a leading industrial and agricultural force in the region.

Our strategy is aligned with the United Nations Sustainable Development Goals (UNSDGs) and the Ten Principles of the UN Global Compact (UNGC 10 Principles), reflecting our commitment to promoting ethical business practices on a local, regional, and global scale and achieving global sustainability goals.

Integral to our approach are **eight areas** of focus:

1. **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 EESG considerations across our business practices, operations, and culture. This includes driving our firmwide climate strategy, managing our EESG disclosure, engaging with stakeholders, and reducing the environmental impact of our operations.
 - **Sustainable Energy Products and Solutions:** We provide innovative EESG-driven solutions that integrate environmental, economic, social, and governance considerations to drive sustainable economic growth, enhance societal well-being, and create long-term value for stakeholders.
2. **Environmental Stewardship:** We recognize the importance of preserving the environment for current and future generations. Qalaa Holdings strives to minimize its environmental footprint by promoting energy efficiency, reducing greenhouse gas emissions, conserving natural resources, and supporting initiatives that mitigate climate change.
3. **Social Responsibility:** Qalaa Holdings is dedicated to being a positive force in the communities and societies where we operate. We prioritize the well-being of our employees, promote diversity and inclusion, equity, and support initiatives that enhance education, healthcare, and social welfare.
4. **Human Capital Development Through Qalaa Holdings Scholarship Foundation (QHSF) and Other Human Capital Initiatives and Programs:** At Qalaa Holdings, we adopt a holistic approach to advancing education in Egypt, supporting all stages and benefiting more than 54,000 beneficiaries to date through our human capital development initiatives across Qalaa and its subsidiaries. QHSF – Qalaa Holdings' human capital development flagship program and Egypt's largest private sector funded scholarship program- was established in 2007, exemplifying our commitment to fostering human capital development through sustainable governance and finance. To date, QHSF has awarded over 215 scholarships, adhering to the highest standards of accountability and financial sustainability.
5. **Governance Excellence and Stakeholder Engagement:** Qalaa Holdings upholds the highest standards of corporate governance and ethical conduct, emphasizing transparency, accountability, and integrity in all business dealings.

- We prioritize **stakeholder engagement mapping**, continuously developing it to ensure transparency and accountability.
 - **Sustainability Governance:** Qalaa is considered the first industrial company in Egypt to appoint a Group Chief Sustainability Officer and create a **sustainability office** for the management and coordination of sustainability matters across its company functions, and the first to establish a **Sustainability Committee** at the corporate Board level for sustainability governance that assists Qalaa Holdings' management in drafting short and long-term policies, and guidance on strategies and goals that promote responsible and sustainable practices across the company and its subsidiaries as well as to relevant stakeholders to mediate risks and create shared value.
6. **Continuous Development & Improvement:** Qalaa Holdings is committed to continuously improving its sustainability performance. We regularly build carefully, set goals, and monitor our progress and assess our EESG practices, set targets for improvement, and engage with stakeholders to address their concerns and feedback.
 7. **Transparency, Accountability Reporting and Self-Regulation to Measure Our Impact:** Qalaa Holdings upholds rigorous accountability and self-regulation to ensure transparency, integrity, and compliance with regulatory requirements. We integrate environmental, economic, social, and governance (EESG) considerations to drive sustainable growth, enhance societal well-being, and create long-term value. We submit both mandatory reports to regulators, as well as voluntary report to partners, including DFIs and coalitions. Working closely with our subsidiaries and internal departments, we collect and consolidate data to uphold high reporting standards. This reinforces our governance leadership, sustains our inclusion in key indices and initiatives, and strengthens stakeholder trust.
 8. **Advocacy and Partnerships:** Partnering with like-minded local and international organizations like UNGC, ABLC, UN Women, and FEI who are working towards common goals, will enable us to further our reach and add more value to our communities. Qalaa has clearly demonstrated how partnerships in the public and private sectors can promote sustainable development.

We prioritize the following sustainability and EESG goals:





- **Developing policies, standards, and KPIs** to lead by example and achieve best practices across our subsidiaries and supply chains economically, socially, and environmentally while maintaining a robust governance system.
- **Reducing our carbon footprint and progressively transitioning to low-carbon operations to achieve a net-zero future by 2050.** (Qalaa has signed a pledge to set science-based emission reduction targets aligned with a net-zero future, responding to what the latest climate science indicates is needed to limit the worst impacts of climate change)
- **Risk Assessment, Reporting, and measuring progress:** We have made and continue to make significant progress throughout our subsidiaries in terms of production, consumption, and waste management with the aim of achieving climate neutrality. We are constantly improving our reporting mechanisms and following the international reporting standards and framework to help us track sustainability performance, including SBTI, GRI, GIIN, and TCFD.
- **Establishing “Win-Win” partnerships:** Qalaa has been one of the early companies to join climate pledges, joining forces with other companies to advocate for change. For example, it has participated in initiatives such as Race to Zero, Business Ambition for 1.5°C, African Business Leaders Coalition, and Chapter Zero Egypt, as well as forming cross-border innovative partnerships for climate action.

3. **Aligning Qalaa’s Strategy with The Sustainable Development Goals**

Qalaa Holdings became a member of the United Nations Global Compact (UNGC) in April 2014, which is the largest voluntary framework aimed at promoting corporate social responsibility and includes more than 12,000 corporate and non-profit members from 145 countries around the world. As one of the most prominent members, Qalaa Holdings has aligned its strategy, sustainable development program, and governance framework with the ten globally agreed-upon principles in the areas of human rights, labor, environment, and anti-corruption.

Qalaa is keen to deepen its commitment to achieving the goals of sustainable development (SDGs) and confronting climate change, so the company is working to mitigate the climate impacts of its operations activities, in addition to improving the process of resource management and waste management, as they are among the foremost pillars of this framework. Accordingly, the company has developed a comprehensive climate policy framework covering all its operating sectors.

Qalaa Holdings integrates responsible investing and the triple bottom line (People-Planet-Prosperity) into its core strategy, focusing on advancing the following 12 Sustainable Development Goals (SDGs): 1, 4, 5, 7, 8, 9, 10, 11, 12, 13, 16, and 17.

Economy	Social	Environment	Governance
			

4. **Sustainability Governance**

Governance plays a pivotal role in ensuring compliance and accountability and stands as one of the core pillars of Qalaa Holdings’ sustainability strategy. The company has developed a comprehensive governance system built on corporate responsibility, transparency, and the promotion of ethical business practices, with the aim of reinforcing governance across all its subsidiaries. Qalaa has also established a range of forward-looking policies—including those focused on the environment, climate, water, diversity, and inclusion—within a broader sustainability framework designed to embed these principles across all levels of operations.

As part of its commitment to transparency and integrity, Qalaa Holdings actively complies with both voluntary and mandatory reporting requirements issued by relevant regulatory bodies. The company remains fully aligned with the directives of the Financial Regulatory Authority and is dedicated to upholding the highest standards of environmental, social, and governance (ESG) performance. This commitment positions Qalaa as a regional leader in responsible and sustainable business management

5. **Qalaa’s International Memberships and Coalitions: Driving Sustainable Development.**

- United Nations Global Compact (UNGC)
- Arab Federation of Capital Markets (AFCM) - Sustainability Committee
- **On the governance front:**
 - Integrity Network Initiative (INI)
- **On the environmental responsibility front:**
 - Business Ambition for 1.5°C
 - Climate Ambition Coalition
 - African Business Leaders Coalition (ABLC) Climate Pledge

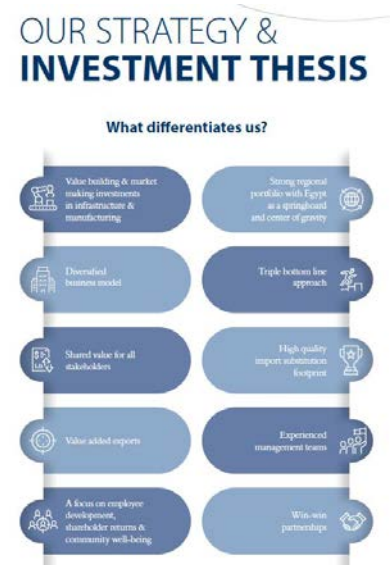
- Chapter Zero Egypt
- On the community development front:
 - Women Empowerment Principles (WEPs)
 - Closing the Gender Gap Accelerator
 - African Business Leaders Coalition (ABLC) Gender Statement

Second: Achieving Shared Prosperity, The Responsible Investment Model

I. Our Business Model:

Since its launch, Qalaa has succeeded in driving economic growth and building sustainable and responsible businesses as a leading company in investing in energy and infrastructure in Egypt and Africa, where more than 80 leading companies have been built and acquired more than 40,000 job opportunities have been created in all the markets in which it operates. Qalaa occupies a pioneering position in the markets in which it operates, as it has the full confidence of the investment community, international finance institutions, and sovereign funds. This is due to the positive role that the company plays in advancing the Egyptian and African economy, as well as its firm commitment to achieving Egypt's 2030 Vision for Sustainable Development and the localization of industries while enhancing the efficiency of using local resources.

Qalaa continues to focus its investments on leading companies with a significant impact in strategic sectors, fostering sustainable growth and creating long-term value. Since its inception, Qalaa and its subsidiaries, in partnership with development finance institutions, have invested in projects exceeding USD 10.5 billion, reflecting its ongoing commitment to driving economic development and maximizing positive impact in the communities it serves.



II. An Investment Portfolio with A Sustainable Return

Qalaa Holdings invests in a variety of vital sectors such as industry, agriculture, and infrastructure. Qalaa Holdings is proud of the pivotal role it plays in supporting Egypt's national economic growth strategy and the company is moving forward towards leading efforts to develop the private sector in Egypt. In this context, Qalaa Holdings' main investments include the Egyptian Refining Company, Qalaa Holdings' flagship energy project in the energy sector and the largest private sector-led infrastructure megaprojects in Africa; and Qalaa's subsidiary ASCOM in the mining sector, which has succeeded in entering new international markets and growing its revenues; and Tawazon, which adopts a waste-to-energy model through recycling.

At the heart of Qalaa Holdings' mission is a commitment to advancing sustainable development by striking a strategic balance between economic growth and environmental responsibility, while bridging the local manufacturing gap. The company is focused on reducing its overall investment carbon footprint through targeted investments in high-quality, export-oriented products that incorporate locally sourced, high-value-added components—contributing to job creation across Egypt and Africa.

Qalaa has adopted a comprehensive decarbonization approach that integrates both internal and external practices. Internally, the company has taken significant steps to decarbonize its operations by applying the highest environmental sustainability standards and implementing energy-efficient technologies and processes. These measures are aimed at reducing greenhouse gas emissions and minimizing the company's environmental footprint, while setting a benchmark for responsible industrial operations. Externally, Qalaa's subsidiaries

contribute to environmental sustainability by offering products, services, and solutions specifically designed to mitigate negative environmental impacts—reinforcing the Group’s long-term vision of responsible growth and sustainability leadership. Additionally, Qalaa’s efforts directly contribute to achieving national targets such as meeting energy security needs by providing energy products and services to consumers and businesses with reliable and clean energy alternatives, offering fuel-efficient transportation solutions, and delivering solutions in solid waste management for proper recycling. It also contributes to food security through the cultivation and manufacturing of safe and healthy food products, in addition to its involvement in vital national infrastructure projects.



III. Leadership In Forging Sustainable Partnerships:

Qalaa and its subsidiaries cooperate with a wide range of 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). Accordingly, 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.



44

civil society organizations as partners

6+

government organizations in Egypt

4.3 USD
bn

refinery to provide environmentally friendly Euro V diesel and refined products for the local market

13+

academic and international organizations

50

river barges, serving as a one stop shop for transporting goods efficiently and economically

34

Businesses developed by Qalaa Holdings

80+

Businesses founded & developed

C. 17,500

Employees currently employed by Qalaa Holdings and its subsidiaries

40,000+

Jobs created

40

Businesses founded by Qalaa Holdings (excluding businesses founded by Dr. Ahmed Heikal)

Third: Environmental Sustainability – Our Decarbonization Journey

Qalaa Holdings pays great attention to the protection of the environment and strives to achieve a balance between sustainability practices and the business requirements, reducing the potential negative environmental impact of all its investment activities, which constantly interact with a diverse and highly volatile business climate. In this context, Qalaa continues its commitment to promoting responsible and sustainable practices regarding consumption, production, and waste management patterns, to achieve carbon neutrality and net zero emissions. Qalaa is also keen to disseminate these practices throughout all its investment activities and subsidiaries through the application of environmental responsibility frameworks and policies as well as considering the coordination between the company’s policy and the other policies within the group.

The company has adopted an investment strategy that focuses on achieving environmental sustainability aimed at providing innovative solutions and contributing to enhancing energy and food security. Therefore, the company has developed a comprehensive climate policy framework that covers all its operational sectors and supply chain. The policy framework includes the following:



I. Environmental Responsibility:

Qalaa has adopted a multi-pronged investment strategy that places environmental sustainability, innovation, and share value creation at the core of its operations. Qalaa is keen to deepen its commitment to achieving sustainable development goals, especially those relating to combating climate change. Therefore, the company works to mitigate the negative environmental impacts of its operational activities, as well as improving the process of resource and waste management, which is one of its core pillars.

Therefore, the company seeks to reduce the harmful environmental impacts of its various businesses by enhancing energy efficiency, reducing greenhouse gas emissions, saving natural resources, and supporting initiatives that limit the effects of climate change.

II. Establishing Environmental Policies and Frameworks to Achieve Carbon Neutrality and Decarbonization:

Within the framework of the company’s strategy to achieve carbon neutrality and transition to a green economy, the company has established environmental policies and frameworks, especially comprehensive climate policy that covers all its operational sectors and their relationship with the supply chain. The company works to reduce its carbon footprint, not only through its business and the work of its subsidiaries but also by integrating its environmental policies into the production and supply chain and building relationships with companies that have a positive, sustainable environmental impact. Qalaa Holdings’ climate policy aims to reduce its business’s carbon footprint to the minimum, internally through adopting sustainable practices and externally through the

solutions and products offered by Qalaa's subsidiaries with an aim to achieve carbon neutrality. The climate strategy adopted by the company is based on ensuring that all its businesses adhere to all climate rules and regulations in the various countries in which it operates, and priority is given to investing in green projects. In this context, many of Qalaa's subsidiaries calculate their total carbon emissions annually and a study is being conducted for the remaining subsidiaries within the group.

Qalaa has succeeded in maintaining its position as a strategic partner with major export credit institutions and global development finance institutions. Accordingly, the company offers a variety of clean products to the market.

Qalaa is a member of the Global Impact Investing Network (GIIN) and is committed to the integration of its principles into the company's environmental strategy. In addition, Qalaa's environmental compliance framework ensures the adoption of various global guidelines, management systems, and standards at Qalaa's level and across its subsidiaries. The company integrates and monitors many factors related to environmental protection in all its sectors, which serve as a point of scrutiny for experts and investment partners. This includes our focus on:

- Adopting a precautionary approach in our investment strategy by ensuring careful consideration of our environmental impact before investments are put into practice
- Focusing on the effective use of resources in all sectors to reduce the depletion of natural resources
- Gradually shifting toward the use of clean energy
- Introducing sustainable transport services to reduce our industries' and our communities' carbon footprints
- Committing to investing in the latest technologies for waste management as a major solution to the resource and energy problem
- Improving the environmental performance of our business through adopting innovative technologies, therefore reducing our emissions and our waste
- Investing, adhering, and complying with the highest health, safety, and environmental standards

III. Managing The Carbon Footprint and Investing in Environmentally Friendly Projects:

Qalaa Holdings studies and explores various investment opportunities, taking into account climate-related risks/opportunities on its investments in the short, medium, and long term, in accordance with the company's investment approach, which is geared towards long-term investments. Climate risk management is one of the key pillars that the company works on within its governance systems. Qalaa understands the importance of identifying and mitigating climate risks to protect its business, stakeholders, and the environment. The proactive approach ensures flexibility and sustainability in the face of evolving challenges to its investments and takes preventative and transitional precautionary measures to adapt and reduce risks related to climate change in various sectors from agriculture to energy in the short, medium, and long term, and invests in projects related to the transition to new and renewable energy and waste recycling in cooperation with governments. Additionally, Qalaa invests in transferring expertise and innovative solutions across borders to African countries, replicating its success-story projects. Qalaa's subsidiaries are committed to implementing various environmentally friendly solutions and initiatives as part of the company's expanding strategy.

IV. Commitment To Environmental Standards and Transparency of Disclosures

Qalaa works closely and collaborates with development finance institutions (DFIs) to strengthen the company's compliance and disclosure framework.

The company's sustainability department is responsible for environmental protection, social participation, and governance policies, as well as defining and disseminating those policies to all employees within the group and

beyond. The Board of Directors, through the Sustainability Committee, is responsible for approving these policies within the group, and the Executive Committee is responsible for implementing and developing the policies.

Many of Qalaa's subsidiaries report their environmental performance to our DFIs partners on a quarterly basis to ensure transparency and ongoing commitment towards improving environmental performance. Qalaa also transparently discloses its environmental practices annually through the company's annual report, which is published on the company's website, and the annual disclosures of Environmental, Social, and Governance (ESG) practices related to sustainability that are submitted to the Financial Regulatory Authority (FRA), in addition to the report that is submitted to the Egyptian Exchange annually and the annual Communication on Progress report (CoP) submitted to the United Nations Global Compact (UNGC) and is published on Qalaa Holdings and the UNGC websites.

V. Guidelines For Responsible Production, Consumption, and Efficient Waste Management

Qalaa recognizes the need to shift patterns towards efficient and responsible production and consumption to optimize resource utilization

a) Responsible Consumption:

Qalaa and most of its subsidiaries have adopted specific policies concerning waste recycling and the optimization of resource consumption, particularly water and energy. Work is underway to prepare a unified methodology for adoption and implementation across all companies, as well as standardized reporting across the group. Regarding responsible consumption practices, Qalaa and its subsidiaries are committed to applying a circular economy model that prioritizes maximizing resource efficiency over waste and manufacturing new, environmentally friendly products. This is achieved through a multi-faceted strategy aimed at comprehensive growth and desired development. Qalaa's subsidiaries, including the Egyptian Refining Company, Dina Farms, ASCOM, and the National River Port Management Company, are actively pursuing various environmentally friendly solutions and initiatives to mitigate negative impacts and reduce their carbon footprint.

b) Responsible Production and Solutions for Energy, Food, and Water Security

Through its investments, Qalaa aims to pioneer in investing in clean energy solutions at affordable prices, while providing local alternatives to imports that rely on local components with high-value-added. Additionally, it remains committed to expanding alternative energy, wind energy, and natural gas projects, thereby contributing to enhancing energy and food security in Egypt through its industrial investments across various sectors. These investments aim to meet local demand and facilitate the export of high-quality products to global markets.

Qalaa is dedicated to embedding sustainable practices in its urban development and new construction projects, with a strong focus on advancing sustainable cities. This commitment is primarily driven by GlassRock Insulation (an ASCOM subsidiary), Egypt's leading rock wool and only glass wool manufacturer. GlassRock provides high-quality, efficient, and sustainable insulation solutions for thermal, acoustic, and fire applications, expertly engineered by local teams. Supplying rock wool and glass wool to construction, industrial, agricultural, transportation, and OEM sectors, GlassRock aligns with Qalaa's vision of responsible and sustainable development. These products are proven to reduce energy consumption by approximately 40%.

c) Infrastructure For Waste Management and Recycling:

Qalaa's subsidiaries implement stringent waste management policies, with some leveraging waste for diverse raw material production. Examples include Tawazon's waste-to-energy initiatives, Dina Farms' conversion of animal waste into compost fertilizers, and GlassRock Insulation Co.'s thermal insulation solutions, which contribute to a 40% reduction in energy consumption.

Regarding Qalaa's investments in waste management and recycling solutions, Tawazon, through its two subsidiaries, ECARU and ENTAG, specializes in providing leading circular economy solutions in the field of waste management and recycling and converting them into energy. During 2024, Tawazon made remarkable

progress in providing alternative fuels derived from agricultural waste, solid recovery fuel (SRFs) and refuse-derived fuel (RDFs) to fuel consumption-intensive industrial projects.

Fourth: Social Sustainability

I. Overview: Aligning The Company's Community Policies with The UNGC's Ten Principles

At Qalaa Holdings, prioritizing the “people pillar” within its multi-dimensional investment strategy demonstrates a steadfast commitment to enhancing the well-being of employees, communities, and societies. Qalaa Holdings believes that its success depends not only on its ability to grow profits and maximize investment returns for shareholders but also to achieve a tangible positive return and benefit for its employees and the communities surrounding its investments in Egypt and Africa. Qalaa Holdings believes in the necessity of investing in the human element as a primary driver towards achieving success and growth in the markets and communities in which it operates.

The obligations of the UNGC Principles include commitments related to human rights, labor, environmental protection, and anti-corruption. The company and its subsidiaries operate within a comprehensive framework of ethical behavior, regulations, and procedures, in line with the UNGC Initiative and the UNSDGs.

Qalaa and its subsidiaries are also continuing to adopt the rules of the code of conduct, regulations, and other procedures and practices set by the UNGC Initiative in an effort to achieve the desired goals in accordance with the highest levels of integrity and transparency, which are closely aligned with the company’s vision and strategic objectives.

Qalaa Holdings’ core values in line with the United Nations Global Compact principles:

a) Respecting Human Rights:

Respect for human rights is a prerequisite for ethical operations. As such, at Qalaa we uphold complete and ultimate respect for individuals and their rights, working diligently to ensure that this is incorporated into our practices. Qalaa Holdings also urges all employees to adhere to the values of honesty, integrity, and hard work that are established through the Code of Conduct. The company also continues its commitment to providing a work environment that is based on justice, mutual respect, and full preservation of employee rights. The company also ensures that human rights values are not violated by following up and monitoring all processes and practices of various projects.

b) Prioritizing The Rights and Development of Human Resources and Labor

Qalaa Holdings places its workers’ rights at the forefront of its priorities and considers all their interests in accordance with what is stipulated in the rules and regulations. Qalaa follows the Egyptian Labor Law completely and without any exceptions, which is a law inspired by the standards of the International Labor Organization (ILO). Qalaa Holdings also works to keep pace with developments in international labor laws, standards, and human rights in a way that does not conflict with the Egyptian labor law. This falls within the framework of Qalaa’s support for the United Nations guidelines on respect for labor and human rights and the standards of the ILO, and the company is committed to a set of values and principles of integrity, responsibility and transparency throughout the company and its subsidiaries, which include:

- Diversity, equity and inclusion
- Stakeholder and community engagement
- Respecting human rights
- Providing a healthy work environment

The company is eager to provide a suitable work environment for its employees by taking care of them and providing them with training opportunities and helping them gain various experiences, as well as ensuring equal opportunities for their advancement and access to leadership positions within the company. In this context, the

company is keen to provide decent wages, contributing to the improvement of its employees' living conditions. It also grants a range of benefits including life insurance, health and social insurance, and disability allowances, as well as the official holidays and vacation days as stipulated by law.

The company also works to review and update bonus granting policies on a frequent basis to keep pace with the county's economic conditions. They also work to adopt human resource policies that contribute to empowering workers and enhancing their skills by providing high-level professional training programs, in accordance with the principle of equal opportunities, which allows for fair job promotions. The company's employment policy prohibits any form of discrimination against individuals appointed or planned to be appointed, whether based on race, religion, gender, nationality, age, or social status. The company continuously reviews and updates its policies to keep pace with any developments that arise within the framework of labor laws, and to ensure full compliance with international human rights laws regarding granting employees appropriate wages and benefits.

In early 2022, Qalaa's Board of Directors amended its Code of Business Conduct to clearly define the company's values and obligations to all stakeholders, including employees, shareholders, vendors, and local communities. This Code of Conduct explicitly mandates zero tolerance for any form of harassment or discrimination based on ethnicity, religion, or gender, and Qalaa Holdings and its subsidiaries have consistently adhered to these principles.

c) Adherence To the Highest Standards of Occupational Health and Safety:

Occupational health and safety for workers is the top priority for Qalaa and its subsidiaries, and the company is committed to implementing the highest necessary safety standards to reduce potential risks. These measures include, but are not limited to:

- Conducting comprehensive assessments and procedures to identify risks
- Providing periodic training and awareness programs on health and safety for all employees
- Implementing strict safety protocols and procedures in all operational activities
- Continuously monitoring and auditing safety performances to identify areas of improvement

The company is proud to maintain an honorable record of zero fatality occupational accidents at the hold level and among the majority of its subsidiaries during 2024. This is proof of our firm commitment to and the effectiveness of our rigorous health and safety measures and protocols in promoting a safe work environment. This is achieved by monitoring recent developments and modern practices, periodically improving protocols, and enhancing and enriching Health, Safety and Environment (HSE) measures as well as continuously assessing, adapting, innovating, and promoting a safer work environment.

d) Diversity, Inclusion, and Women Empowerment:

Qalaa believes in the importance of establishing an inclusive work environment based on diversity, which contributes to the empowerment of all its employees, particularly women. The company is unique in having a diverse team of administrative leaders, including many experts in various fields. Qalaa Holdings and its subsidiaries provide policies aimed at creating an environment supportive of diversity and inclusion in the field. The company is distinguished by the diversity and equality of its administrative team.

- ❖ **Women Empowerment:** Qalaa Holdings and its subsidiaries implement workplace policies aimed at fostering a supportive environment for women. These policies include flexible working hours for female employees during and after maternity leave, facilitating a smooth return to work, and opportunities for skill development. Qalaa's strategy revolves around supporting and empowering women in the workplace, guided by the principle of "**Leading by Example.**" This approach is built on five key pillars:

- **Engaging male leadership in driving the gender equality strategy and agenda.** By supporting and empowering women, male leaders also advocate for initiatives that enhance the status of women and promote equal opportunities for both sexes.
 - **Implementing equal opportunities, gender equality, and creating a supportive environment for women** throughout their career lifecycle is central to our gender equality strategy. We ensure diversity in the applicant pool and appoint qualified Egyptian women across various fields. As part of our commitment to transparency, we voluntarily publish reports to track progress, particularly in gender equality, ensuring an inclusive and empowering workplace in alignment with our sustainability and governance objectives. As of 2024, women represent 18% of Qalaa Holdings' Board of Directors, 26% of senior leadership, and 31% in middle management, in addition to 100% female representation across our International Legal Affairs and Admin teams.
 - **Launching various social development programs and initiatives to train, prepare, and empower women.** It is worth noting Qalaa Holdings Scholarship Foundation focuses on achieving gender equality, with women making up 46% of the total beneficiaries across 15 Egyptian governorates. Additionally, our "Tamkeen" program in Mostorod has benefited over 9,740 women, reinforcing our commitment to gender equality and economic empowerment.
 - **Awarding and honouring female talents in the public sphere,** highlighting their vital role across various sectors, and contributing to changing stereotypical beliefs about the role of Egyptian women in both the local and international business communities. Qalaa has honoured six women among the 50 most influential women in the Egyptian economy and three female leaders within the company listed in Forbes for their impactful roles in the Middle East
 - **Actively participating in national and international initiatives and supporting governmental and UN efforts** to enhance the status of women, achieve equality, and provide equal opportunities between genders. As part of its ongoing efforts to promote gender equality in the workplace and empower women economically, Qalaa has signed ABLC's gender statement commitment and joined the **United Nations Women Empowerment Principles (WEPs)**. The company has developed an action plan with key performance indicators (KPIs), which are currently being implemented and monitored. By joining the WEPs initiative and applying its seven principles, Qalaa reaffirms its commitment to "**Lead by Example,**" promoting women's roles, unlocking their potential, and recognizing them as key partners in the workforce, societal advancement, and Egypt's economic growth. Furthermore, Qalaa's involvement in the "**Closing the Gender Gap Accelerator**" initiative, launched by the Ministry of International Cooperation and the National Council for Women in partnership with the World Economic Forum, highlights its dedication to bridging the gender economic gap
- ❖ **Empowering and Integrating People with Disabilities:** Qalaa focuses on integrating people with disabilities through the Egyptian Refining Company's Takaful program, which directly and indirectly benefits 17,830 people, as of the end of 2024.

II. **Investing In Community and Human Capital Development:**

a) **Integrated Community Plan:**

Qalaa Holdings believes in the importance of adopting **responsible and sustainable community development programs** as part of its continuous endeavor to achieve public benefit and support and develop the surrounding communities. Qalaa places at the top of its priorities meeting the various needs of human resources and investing in the development of human capital. The initiatives and programs launched by the company also contribute to achieving sustainable development goals related to the development of human capabilities. Qalaa Holdings and

its subsidiaries are committed to implementing a declared integrated plan for responsibly and sustainably developing the community through:

- Allocating periodic **sustainable funding** for its initiatives in this regard, whether through allocating a permanent endowment and contributing to pioneering initiatives such as the scholarship program in cooperation with the government, or the Decent Life (Hayah Kareema) initiative
- Committing to programs that advance surrounding communities, invest in infrastructure, enhance the standard of living, and support youth and the local community
- Measuring environmental impact, improving performance and community participation
- Expanding the positive societal impact
- Spreading environmental awareness in surrounding communities

b) Investing In Sustainable Community Development:

Qalaa Holdings has allocated financial investments exceedingly approximately **EGP 1 billion** to finance its initiatives in community and environmental development and preparing a new generation of leaders from its inception until December 2024.

c) Community development pillars and programs:

Community development initiatives and programs launched by Qalaa Holdings and its subsidiaries focus on interconnected pillars and programs:

- Improving the educational system
- Human Capital Development and Women & Youth Empowerment
- Technical and vocational training
- Creating impactful partnerships for community development

Below is a more elaborate explanation of each of these **four** pillars:

1) Improving The Educational System to Support the Fourth Goal of The Sustainable Development Goals: Quality Education for All:

Qalaa Holdings and its subsidiaries are committed to advancing education in Egypt through a comprehensive approach spanning all levels, driven by their human capital development initiatives, which have directly benefited over 54,000 individuals.

These initiatives encompass early childhood education programs like "Mostakbaly" for teachers and the American University in Cairo's "CELE Program" as well as "Nadarty," and higher education programs such as "Mostakbaly" for students and Qalaa Holdings Financial Services Center. Furthermore, the Qalaa Holdings Scholarship Foundation (QHSF) supports postgraduate studies, alongside vocational training provided by the ASEC and Salesian Don Bosco Technical Institute. These efforts contribute to offering scholarships and vocational training courses at prestigious local and international universities and institutes, with a focus on enhancing the educational system's structure at all levels and strengthening the competencies and capabilities of educators.

This includes:



- **Qalaa Holdings Scholarship Foundation (QHSF) “Post Graduate Studies”**



The Qalaa Holdings Scholarship Foundation (QHSF) aims to provide Egypt’s promising youth with opportunities to complete their educational careers at the most prominent universities and scientific institutes in the United States and Europe, in an effort to enable beneficiaries to contribute to advancing economic and social development in Egypt.

The Qalaa Holdings Scholarship Foundation stands as Egypt’s largest private sector-funded scholarship program, representing the highlight of Qalaa’s investments in human potential development. The foundation aims to help young Egyptian talents complete their academic careers. The Qalaa Scholarship Foundation operates under the leadership of an independent Board of Trustees and is managed by a full-time Executive Director. The foundation offers scholarships annually to obtain Masters and Doctoral degrees from the most prominent international universities and scientific institutes, on the condition that the beneficiaries pledge to return to work in Egypt and contribute to achieving the nation’s progress after completing their scholarship.

Qalaa Holdings has been funding the foundation’s activities since its founding through the proceeds of the permanent endowment that it allocated to ensure the continuity of the foundation’s work and enhance its ability to support talented Egyptian youth to complete their Masters and Doctoral studies at the most prominent international universities in the more than **35 majors**, including filmmaking, anthropology, mental health science, mechanical engineering, biotechnology, and architecture. Since its inception, the foundation has succeeded in providing about **215 scholarships** to students from more than **15 Egyptian governorates**, in order to complete their academic careers in more than **65 prestigious international universities** around the world, noting that the percentage of women’s representation in the scholarships has reached **46% in 2024**.

- **Qalaa Holdings Financial Services Center (QHFSC) at the American University in Cairo “Higher Education”**

The Qalaa Holdings Financial Services Center (QHFSC) at the American University in Cairo (AUC) was established in 2006, with funding from Qalaa, based on its commitment to contribute to improving the quality of education in Egypt, in cooperation with AUC to provide training activities and academic qualifications for students wishing to work in the fields of risk management, securities trading, and asset allocation. The center is one of the most important development projects adopted by Qalaa Holdings, and it is the first center of its kind in the Middle East and North Africa. The center contributes to developing human capabilities in an effort to advance the local communities and advance economic growth in Egypt. Qalaa has donated USD 250,000 as initial funding to establish the center, and the company also supports the center with USD 30,000 annually to cover operating expenses. It is worth noting that the Qalaa Financial Services Center at the American University in Cairo provides a unique educational experience, as it gives students the opportunity to combine scientific financial concepts with applied and practical practice. Since its inception in 2024, the Center has succeeded in graduating **10,000 male and female researchers and faculty members** from various parts of Egypt.

- **The Egyptian Refining Company Programs & Scholarships:**

- **“Mostakbaly” for students’ scholarship program– East Cairo region (Mostorod – Al Khosos – East Shubra Al-Khaymah – Matareya)**

In 2016, the Egyptian Refining Company, Qalaa Holdings’ subsidiary in the energy sector, launched an educational initiative for university and technical education students in the region, from which **182 students** benefited as of 2024 under the name “**Mostakbaly**”, where students were provided with the opportunity to complete their higher education at a selection of universities: The American University in Cairo, The Arab Academy for Science and Technology, Ain Shams University, Zewail University or Nile University. The initiative also provided scholarships to study abroad, offered under the management of the Qalaa Holdings

Scholarship Foundation (at the University of Sheffield, Imperial University, the University of Manchester, the University of Oxford, New York University, and London Business of School). In addition to the scholarships, **138 students** took training courses at the Salesian Don Bosco Institute to train in maintenance, welding, refrigeration, air conditioning, car mechanics, precision instruments, and computers and PLC cars.

- **“Mostakbaly” for teachers’ scholarship program – East Cairo region (Mostorod – Al Khosos – East Shubra Al-Khaymah – Matareya)**

The company launched the “Mostakbaly” initiative for teachers in 2017, under which **255 teachers** received the opportunity to participate in the “Teaching Early Learners” (CELE) program presented by the American University in Cairo.

- **Other Activities to Support Education:**

- The Egyptian Refining Company also provided **13,891** medical glasses to students to improve their academic level, as studies have proven that poor vision is one of the main reasons for students’ absence from school
- It has also provided **20,014** in-kind assistances to sponsored students to complete their studies
- **School renovation:** The Egyptian Refining Company began addressing the problem of public schools that lack maintenance in 2012 by launching projects to renovate dilapidated school buildings and unsafe school courtyards in the East Cairo area. Currently, 45 schools have been developed
- **Environmental awareness initiatives:** The Egyptian Refining Company implemented **33 environmental awareness campaigns** in various schools in the Mostorod area to raise awareness among students about the importance of environmental care and ways to reduce individual environmental impact, benefiting around **1,650** students as of 2024.

2) Human Capital Development and Women & Youth Empowerment:



- **“Mashrouy” and “Tamkeen” programs:**

The Egyptian Refining Company established the Community Development Center in 2008 to work with the residents of the area surrounding the project, assess the available skills, and monitor the interests and needs of the community. Since its inception, the company has trained **2,798 young men and women** from the communities surrounding the project and qualified them for the labor market. They were trained in welding, lathe, electricity, and mechanics as well as mobile phone maintenance, computer technology, sewing, accessories, hairdressing, and small project management. This is in addition to providing **15,000 job opportunities** during the construction of projects and **1,500 job opportunities** within the company and companies assisting with the project.

In this context, the company launched the “Mashrouy” and “Tamkeen” programs in 2016, which support and empower youth and women in the Mostorod region by supporting new and existing small projects they have developed, as well as providing training courses on personal skills for those wishing to join the labor market. The “Mashrouy” program resulted in the **direct and indirect support of 95,680 beneficiaries** as of 2024.

The Egyptian Refining Company sponsors the “Tamkeen” program to provide financial and non-financial support to female entrepreneurs. So far, the initiative has resulted in **1,604** women being qualified for the labor

market and **259** small projects being funded to increase economic support for women. The total number of direct and indirect beneficiaries of the “Tamkeen” program reached **9,740** women as of the end of 2024.

As part of its commitment to fostering social inclusion and empowering vulnerable groups, the company established the "Takaful" program to support people with disabilities. This initiative aims to improve their quality of life by providing assistive devices such as hearing aids and mobility aids like wheelchairs and crutches, thereby promoting their integration into society and expanding their opportunities in education, employment, and daily life. The program has reached approximately **17,830** direct and indirect beneficiaries, underscoring the company's dedication to the principles of equity and equal opportunity.

- **Mashrouy Program**
 - 1194 young people trained to enter the labor market
 - 117 small projects to empower the youth
 - 25 scholarships for vocational training in the field of mobile maintenance
 - 4 computer centers were developed to serve youth in the Mostorod region
- **“Tamkeen” Program**
 - 1,604 women were trained to enter the labor market
 - 259 small projects were supported to empower women
 - 85 grants were provided for craft training
- **Takaful Program**
 - 3,135 individuals with special needs were supported
 - 4 childcare centers were supported
 - 4 schools for people with special needs have been developed
 - 5 Guest houses and orphanages supported
- **“Reyada” Program**

Motivating youth to volunteer and participate in community activities and initiatives is one of the main goals of the Egyptian Refining Company. This is based on its belief that young people have the greatest opportunity to maximize the positive impact on the surrounding communities, as well as their ability to continue implementing various initiatives with continuity and sustainability, generation after generation. In this context, the company launched the “Reyada” initiative, which has so far succeeded in training **153 volunteers** on managing social initiatives, including 30 beneficiaries who are currently directing and managing volunteer groups independently. As of the end of 2024, the initiative has reached **16,859 direct and indirect beneficiaries**.

- 5 youth centers development
- 153 volunteers
- 9 community development initiatives
- 15 capacity building training courses
- 10 youth forums
- 3 motivational courses

3) Technical Training and Vocational Training Program:

The Egyptian Refining Company also develops human capabilities and professional and technical qualifications by giving **138 students** training courses at the Salesian Don Bosco Institute to train them in the skills of lathe, welding, refrigeration and air conditioning, car mechanics, precision instruments, computers, and PLC cars.

4) Forging impactful partnerships for community development – the 17th UNSDG: establishing partnerships to achieve goals

Qalaa Holdings believes that establishing partnerships with like-minded local and international institutions that adopt the same vision and work to achieve common goals will have a positive impact on enhancing the company’s ability to benefit more people from the local communities and maximize value for them. These partnerships also contribute to ensuring that its local initiatives are aligned with global initiatives in order to ensure more comprehensive benefits and gains. Qalaa Holdings and its subsidiaries cooperate with a wide range of local and international organizations such as the UNGC and the World Economic Forum to define common goals and work to achieve them and maximize value to the local communities.

Qalaa and its affiliates work with more than:

- 6+ Qalaa partners from financial institutions
- 6+ Qalaa partners from government bodies
- 49 Qalaa partners from civil society organizations
- 13+ Qalaa partners from academic and international institutions
- 5 ministries concerned with sustainable development initiatives and programs

Fifth: Sustainable Governance

As part of the company’s commitment to establishing the culture and practices of responsible investment and corporate governance in the organization in line with international best practices, the company has prepared an integrated sustainability governance system based on a set of pillars, the most prominent of which are:

- Compliance with local and international sustainability standards
- Establishing responsible environmental and societal practices and policies
- Corporate responsibility and environmental and societal risk assessment
- Integrating climate change opportunities and risks into the strategy
- Transparency, integrity, and disclosure

Qalaa believes that governance and accountability are two basic pillars to ensure the company’s business is in line with its priorities. The company also takes upon itself the responsibility of stimulating the optimal use of resources across its various businesses, as well as its subsidiaries’ businesses, improving the efficiency of the energy used and adhering to standards in the hope of building a better future free of carbon emissions by 2050. To this end, Qalaa has established essential frameworks for measuring and managing its progress, including climate, water, and environment policies that are crucial for regulating resource management, alongside a comprehensive sustainability framework and strategy adopted by Qalaa and its subsidiaries.

I. Compliance With Local and International Sustainability Standards

As a responsible investor, the company is internally committed to pursuing a triple bottom line strategy that yields three-dimensional returns encompassing economic, environmental, and social aspects. Responsible investment is an integral part of the company’s DNA and principles, as is the principle of “Leading by Example”. Qalaa voluntarily joined the UNGC in 2015 and was the first Egyptian company to join the “Business Ambition for 1.5°C Goal” campaign and be among the first 177 global companies to face the problem of climate change in addition to joining African Business Leaders Coalition (ABLC) and Chapter

Zero Egypt. By joining these campaigns, the company affirms its responsibility and leadership in reducing the carbon footprint and building a more sustainable future for generations to come. Furthermore, Qalaa signed the Women's Empowerment Principles (WEPs) in 2022. Notably, Qalaa's strategy and goals align with Egypt's Vision 2030 and the National Climate Change Strategy 2050.

II. Integrating Responsible Environmental and Societal Practices and Policies

Qalaa and most of its subsidiaries have established several policies including climate, water, environment, and DEI policies with a sustainability framework, and have set indicators to monitor and improve performance. Work is currently underway to implement these policies and indicators in the rest of Qalaa's subsidiaries. Qalaa and 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.

The company complies with environmental and governance regulations and policies, as it evaluates the environmental risks and the social impact of its activities, labor standards, labor recruitment, and occupational health and safety policies, to support and encourage the adoption of the highest standards followed in the various sectors in which it operates, and to avoid potential risks.

The company's initiatives aim to advance the EESG sustainability agenda, as well as integrate it into its operational business model to achieve the UNSDGs and the International Finance Corporation (IFC) performance standards for ESG risk management.

III. Corporate responsibility and the assessment of environmental and social risks.

As a major investor in the energy and infrastructure sectors, Qalaa strictly adheres to environmental standards and laws by using metrics to periodically evaluate risks and investment opportunities resulting from climate change in line with its investment strategy and risk management process that includes ESG, SWOT Analysis, TCFD recommendations, and UNSDGs and the company is considering contributing to the Egyptian, African and global voluntary carbon market. This policy stems from within the company as well as derived from national policies, best practices, and global standards.

At the Qalaa Group level, the company's risk management officer conducts a comprehensive periodic assessment of the risks affecting and resulting from economic activity. The company identifies and evaluates the environmental and social risks arising from its economic activities and those of its companies and investments in various sectors. The group's management includes risks and opportunities related to climate change in its study of various investment opportunities and its assessment of those risks and opportunities influences the company's investment decision. Qalaa also directs its investments towards opportunities that reduce environmental risks and enhance energy security.

IV. Integrating The Opportunities and Risks of Climate Change into The Investment Strategy

Qalaa Holdings recognizes the importance of the positive impact of its business on the environment and investment opportunities, and the group includes risks and opportunities related to climate change in the assumptions on which studies of its subsidiaries are based, which feed into its investment plans and financial plans. Qalaa Holdings and its subsidiaries include climate-related risks in their pre-investment studies for various projects and post-investment studies related to evaluating the performance of those investments and preparing and approving their future financial plans. Work is underway to prepare a specific approach to be adopted and applied in all its subsidiaries in a unified manner on the following basis:

- Determine the type of risk
- Explain the risk
- Identify the potential risk resulting from it
- The potential for risk
- Impact of the risk

- Severity of the risk (likelihood * impact)
- Work plan

V. **Transparency, Integrity, and Disclosure:**

Committed to good governance and corporate sustainability, Qalaa Holdings voluntarily assesses and discloses its environmental and social practices. It issued its first comprehensive sustainability report and received an "A" rating in Africa from the Global Reporting Initiative (GRI) for 2014–2015. The company adheres to the highest standards of transparency and accountability in its reporting, both voluntary and mandatory, fully complying with the Financial Regulatory Authority's requirements.

In this context, Qalaa has developed an integrated set of environmental, economic, social, and governance (EESG) policies, including a sustainability strategy, and policies for water, environment, climate, diversity, equity, and inclusion (DEI). These aim to embed sustainability principles across all operational activities and enhance corporate compliance throughout its subsidiaries. The company continues to refine its disclosure and periodic reporting mechanisms in line with global standards, contributing to the measurement of responsible performance and the monitoring of environmental indicators, such as its carbon footprint, through its participation in international initiatives like the Science Based Targets initiative (SBTi), the Global Reporting Initiative (GRI), the Global Impact Investing Network (GIIN), and the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

To foster a culture of corporate integrity, Qalaa has established a Code of Business Conduct for employees, supply chains, and clients, requiring all employees to sign it after review and understanding. The code is published on the company's official website, reinforcing transparency and responsibility in all aspects of its operations.

Furthermore, the company employs an effective “Whistleblowing” system and is committed to combating corruption and unethical behavior through clear procedures aligned with local and international laws and regulations, thereby establishing a work environment based on ethics and responsibility.

Sixth: Our Way Forward

Continuing its leadership in the field of responsible investment and sustainable investments in the Middle East and Africa, Qalaa continues to fuel sustainable development in Egypt and the region through a number of initiatives and practices that strengthen the pillars of growth of the Egyptian economy and its commitment to assessing and managing the environmental impact of its operations and improving the level of operational efficiency and optimal use of resources through several practices and pledges, including:

- Seek international certifications, affiliations, and reporting agencies to ensure compliance with international best practices in all sectors
- Continuing to establish fruitful strategic partnerships to achieve sustainable development goals and joint initiatives
- Prioritize comprehensively benchmarking carbon footprint and continue to report voluntarily on sustainability progress
- Continue to explore and identify ways to reduce carbon footprint across our investment portfolio to reach neutrality by 2030
- Focusing on the creation of green solutions and technologies aimed at enhancing the reduction of carbon emissions and achieving strategic partnerships (win-win) between the public and private sectors that have a positive and rewarding return for all parties
- Develop a plan for climate change benchmarking and set group-wide science-based targets in line with the Science-Based Targets Initiative (SBTi)

- Assist individual managers in setting goals to gradually integrate sustainability into all business operations and performance assessments
- Conduct industry-specific training, as needed, for senior managers in sustainability and SDG awareness at the holding and subsidiary levels
- Qalaa renews its commitment to enhancing its investments in employment and human capital development, especially youth, women, and people with special needs in the surrounding communities, and considering the public interest and all parties concerned in its investments and practices
- Take account of existing policies and practices, and work alongside subsidiaries to set and maintain group-wide HSE standards
- Continue to refine our ESG monitoring and reporting structure to collect measurable data, and accordingly set indicators/KPIs at the holding, subsidiary, and platform levels for responsible resource consumption, production, and waste management
- Improving company disclosures by relying on modern data collection and auditing tools, as well as following the best global reporting standards and investing in infrastructure to digitize reporting processes
- Ensure continued awareness of all sorts of risks across all subsidiaries, and leverage opportunities to achieve shared value and develop best practices
- Continue adopting sound, sustainable, efficient, and inclusive practices across all stakeholders across our current and potential investments
- Examine internal policies to ensure the adoption of international best practices in health, safety, governance, labour, and the environment
- Continuing to incorporate international best practices and continuous dialogue with stakeholders in accordance with the highest levels of integrity and transparency that are consistent with the company's vision and strategic objectives, and to continuously improve performance

Moving forward, Qalaa will continue to strengthen its position in existing investments in sectors with high growth potential and a promising future, especially in the field of national energy security and food security.

In addition to supporting the government's goals to increase overall domestic clean energy production and reduce energy consumption intensity, as well as accelerating the pace of the transition to low-carbon energy sources, which includes and prioritize the following:

- Developing additional renewable energy capabilities
- Expanding the use of renewable energy connected to the national electricity grid
- Developing new business models and innovative cross-border partnerships (private sector – Private to Private)
- Raising the efficiency of energy consumption through the company's operations and investment portfolio and replacing diesel power plants with solar power plants

Qalaa Holdings will continue its focus on applying the best sustainability standards and practices in its various investments, based on its firm belief in the private sector's pivotal role and responsibility towards achieving sustainability and responsible investment. As such, we renew our commitment to striving to reduce our carbon footprint, contribute to Egypt's transition to clean energy, advance efforts to transition to a green economy, and create green projects that are in line with Egypt's Vision 2030 and the National Strategy for Climate Change 2050.

Note:

- To view the detailed report on Qalaa's environmental, societal, and economic achievements for 2023, please visit the following link:
<https://www.qalaaholdings.com/media/Qalaa%20Holding/Files/21102024110154-08082024142037-Qalaa%20Holdings%20Sustainability%20and%20ESG%20Report%202023%20-%20Eng.pdf>
- To view Qalaa Holdings' sustainability framework, please visit the following link:
<https://www.qalaaholdings.com/media/Qalaa%20Holding/Files/21102024110938-08082024140331-Qalaa%20Holdings%20Sustainability%20Policy%20Framework%20Draft%20-Eng-%20V3.pdf>
- To View Qalaa Holdings and its subsidiaries' annual report for 2022, please visit the following link:
<http://www.qalaaholdings.com/media/Qalaa%20Holding/Files/28042024125857-QH%20AR22%20V1.4.pdf>
- To View UN Global Compact Communication on Progress Report 2022 please visit the following link:
<https://www.qalaaholdings.com/media/Qalaa%20Holding/Files/17042024154243-QH%20COP%202022%20V1.2.pdf>