

Sustainability Strategy 2020 - 2030

*Accelerating the transition towards
a sustainable, digital and resilient
energy future*



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Our Vision

During the past century, energy has been crucial to improving the quality of life and providing basic services to the global population. Those achievements came along with significant pressure on the Planet, and today we face the need to reconcile this contradiction. Based on this knowledge, we believe that a sustainable future is the only future we can afford. As a Group of 19,000 employees, 950 suppliers and working in 110 countries, we have a share to contribute.

To continue providing our customers with high quality, reliable and affordable energy products, the Group should also be sustainable and resilient over the long term. We can only if our business strategy and development are aligned with nature that sustains us and provides abundant resources.

With this sustainability strategy, we aim to extend and enhance our positive impact, providing energy services to a growing customer base, driving decarbonization, digitalization and sustainable transition in Egypt and beyond. At the core of our vision are the UN Sustainable Development Goals, Paris Agreement, Egypt's 2030 vision, National Renewable Energy Strategy 2035, and the National Climate Change Strategy 2050.

We envision a sustainable, inclusive and resilient energy future for all. We will achieve it by action spanning across our value chain and engaging everyone to leverage the full-scale transformation of the energy system towards sustainability.

We strive to support Egypt in becoming a leader in sustainable and renewable energy generation and smart energy infrastructure, showing that fast and profound transformation towards sustainability is possible and feasible. Our initial steps will aim at improving sustainability governance to ensure an effective and smooth transition.

We will further fully employ the power of digitalization and innovative technology to drive decarbonization and resource efficiency while supporting employees and customers in leading sustainable, healthy and prosperous lifestyles in a busy and fast-paced world.

Sustainable financial growth aligned with low-carbon scenarios will assure our shareholders and investors are on board with the evolving business, increasing coverage and positive impact locally and worldwide. Ultimately, we will pursue a culture of innovation, diversity, transparency and trust, which is essential to keep the efforts grounded in what matters to all our stakeholders and the flourishing future we strive to create.

The strategy is aimed to assist in fulfilling our broader strategic vision and long-term commitments, distilled across four pillars: Planet & Resources; Technology & Innovation; Governance & Economy; and People & Society. It highlights the strategic measures which we will adopt over the short, medium and long term in line with the global commitments and targets.

From Risk to Opportunity

We analyzed, assessed and developed mitigation measures to sustainability risks based on five drivers: markets, regulations; technological change; reputational issues; and environmental aspects. The risk groups and factors are attuned to a low carbon scenario, listed below and the main mitigation actions. The analysis of sustainability risks and opportunities relevant to our operations is further reflected in our long-term commitments.

RISKS/OPPORTUNITIES	RESPONSES
<ul style="list-style-type: none"> ● A decline in hydrocarbons demand ● Loss of results and cash flow ● "Stranded assets" ● Decreasing shareholders' returns ● Price fluctuations ● Rising operation and investments costs for hydrocarbons ● Cuts to fossil fuel subsidies ● Higher carbon tax ● Breakthroughs in renewables, energy storage and sustainable mobility ● Interruptions of industrial operations ● Difficulty in complying with legal and other requirements ● Damage to plants and infrastructures ● Recovery and maintenance costs ● Employee health and productivity deterioration ● Impacts on stakeholders' relations ● Impacts on stock price ● ESG scores and investor views 	<ul style="list-style-type: none"> ● Improve sustainability governance ● Implement a sustainability management system ● Identify, assess and manage environmental and social risks and impacts across the value chain ● Align goals with SDGs and national priorities ● The transition towards a sustainable business model ● Adopt circular economy principles ● Adopt a product stewardship approach ● Align asset development with low-carbon scenarios ● Foster impactful partnerships for sustainability ● Model an optimal sustainable energy mix ● Increase the share of renewable energy /resources ● Achieve science-based climate and water targets ● Facilities comprehensive ESG integration ● Ensure transparent ESG disclosures ● Define and monitor SMART sustainability targets ● Invest in sustainable infrastructure ● Protect critical infrastructure via nature-based and technical measures ● Diversify the portfolio across geographies and less vulnerable sectors

Looking Back and Moving Forward

From the very start creating a better world was at the foundation of Elsewedy values. A family business created to improve energy systems for the country was the beginning of a sustainability journey that has developed and evolved over time. With substantial achievements reflected in our recent Sustainability Reports, we are ready to step up our ambition towards the next stage.

MILESTONES	
1962	<ul style="list-style-type: none"> • Elsewedy Company appointed by the Egyptian Government as the main supplier of all electrical materials for the largest Hydro power Plant Aswan High Dam • Leading supplier of all electrical materials for (High Dam) in Aswan
2004	<ul style="list-style-type: none"> • First ISO 9001 certification obtained
2014	<ul style="list-style-type: none"> • Established Elsewedy Electric PSP • Proudly Made in Egypt' seal introduced • Becoming a signatory of the UN Global Compact in 2017 • Enhancements in product quality and durability
2017-2018	<ul style="list-style-type: none"> • First Group Sustainability Report and Carbon Footprint Report • Sustained compliance with ISO 14001 and OHSAS 18001 certificates • Best in-house legal team in Africa and best performance certification from JICA • First Group Carbon Footprint report
2019	<ul style="list-style-type: none"> • First Group GRI Sustainability report and GRI community member • Second Group Carbon Footprint report • Elsewedy Cables first in MENA to gain ISO 14067 and ISO 14064 • 41 social projects • ECOVADIS – BRONZE Rating • Elsewedy PSP certified with SA 8000 • 60% of purchases made in Egypt, 40% in operational companies' locations • 10 companies a year established around the world
2020	<ul style="list-style-type: none"> • Obtained ISO 45001 for select subsidiaries
2021	<ul style="list-style-type: none"> • Major revision of group policies to extend contributions to sustainability • New sustainability strategy adopted for 2030 • Rigorous Climate and Water policies introduced • Submission to Climate and Water CDP and S&P CSA
2022	<ul style="list-style-type: none"> • Established a Group-wide Environmental and Social Management System • Awarded EcoVadis Silver medal ranking (top 25%) • Initiated the establishment of Chapter Zero Egypt
2023	<ul style="list-style-type: none"> • Achieved a “B” score in the CDP Climate Change (highest scoring Company in Egypt in the 2023 disclosure cycle) • Published the Group’s 5th Sustainability and Carbon Footprint Reports • Committed to setting science-based near-term and net-zero GHG reduction targets according to the SBTi


For further details and updates, please refer to our [Annual Sustainability Reports](#).
















Sustainability Framework

Our sustainability framework reflects our vision of what matters three decades ahead. It presents four essential pillars of our sustainability action broken down into 14 specific commitments. The strategy is effectively linked to 15 out of 17 Sustainable Development goals. Aspirational targets have been defined for each commitment, with key targets provided below.

The framework highlights areas where we can do our best to support the global transition towards sustainability, including actions to address environmental change, a fully sustainable business model, and comprehensive ESG integration. Considering the Group's expertise in developing smart and sustainable solutions, we devised Technology & Innovation as an essential pillar of our sustainability ambition while preserving a solid stance on all other facets of our action.

The measures further outlined in this strategy shall be formalized within applicable corporate-level policies operational worldwide, applicable to all subsidiaries and enacted through high-level operating procedures. However, some of the measures shall be applicable within specific boundaries, such as office buildings, facilities, construction sites, greenfield developments, or else, depending on exposure to risks or other relevant criteria.

Pillars	SDGs	Commitments	Key Targets
Governance & Economy		Corporate Governance	<ul style="list-style-type: none"> Conduct a biennial comprehensive review of organizational structure, departments, roles, and responsibilities by 2023, to be revised every 2 years Conduct a biennial comprehensive review of all existing corporate policies, standards, instructions, plans and procedures by 2023, to be revised every 2 years Develop a corporate context analysis and systematic environmental and social risk assessment process related to the production facilities, turnkey projects, and renewables by 2023
		Sustainable Business Model	<ul style="list-style-type: none"> Establish a Corporate Environmental and Social Management System (C-ESMS) in line with international standards and Good International Industrial Practices (GIIP) by 2023
		ESG Integration	<ul style="list-style-type: none"> 100% of employees trained on sustainability and ESG aspects by 2025 ESG KPIs identified for each subsidiary/new investment with clear roles and responsibilities assigned to sustainability focal points by 2025 All primary suppliers screened and assessed annually based on their ESG performance and given an ESG Performance Score by 2030 Environmental and Social Due Diligence Process (covering physical and economic displacement, biodiversity and land use, among others) developed, adopted and implemented for all new investments, greenfield developments and renewable energy projects by 2025 Supplier ESG Capacity Building program developed, adopted and implemented for all primary suppliers based on their ESG Performance by 2026

Pillars	SDGs	Commitments	Key Targets
Technology & Innovation	  	Digitalization with Purpose	<ul style="list-style-type: none"> ● 100% coverage by digital services by 2023 ● 100% coverage by digital ESG & GHG Accounting Management System by 2025 ● 100% coverage by remote energy monitoring systems by 2030 ● Transition to an electrified fleet wherever technically and financially feasible, achieving 50% by 2030
Planet & Resources	     	Resource Efficiency & Renewable Sources	<ul style="list-style-type: none"> ● 40% of energy consumption from renewable energy sources by 2030 ● Reduce energy consumption intensity by 20% and maintain the achieved target by 2030 ● Reduce water withdrawals intensity by 40% and maintain the achieved target by 2030 ● Double investments in renewable energy, climate action, and water projects compared to 2020 by 2030
		Climate Action	<ul style="list-style-type: none"> ● Achieve 100% corporate-wide coverage of Scope 1, 2, and 3 GHG emissions accounting by 2026 ● Introduce interim targets for Scope 1, 2, and 3 by 2025 ● Net-zero emissions for scope 1 and 2 by 2050 ● Net-zero emissions for scope 3 (including the entire supply chain) by 2050 ● 100% of investment portfolio accounted for under scope 3 emissions by 2030
		Circular Economy	<ul style="list-style-type: none"> ● 100% of packaging free from single-use plastics by 2030 ● 90-100% of sourced materials by volume are renewable, recycled, or recyclable by 2030 ● 100% green office buildings by 2030 ● Achieve and maintain a Virtual Zero Waste to Landfill across all manufacturing facilities and 75% diversion from landfill across all construction sites annually
		Protecting Ecosystems & Biodiversity Conservation	<ul style="list-style-type: none"> ● Develop, adopt and implement a formalized process for identification, assessment, and management of risks and impacts on biodiversity and ecosystem services by 2023 ● Net-Zero Biodiversity Loss by 2030 + No deforestation
		Product Design & Life Cycle Assessment	<ul style="list-style-type: none"> ● Environmental Product Declarations (EPDs) or Green Labels developed for 100% of the products by 2030 ● Allocate 1% of revenues toward R&D in low carbon products and technologies investments by 2030
People & Society	     	Occupational Health and Safety	<ul style="list-style-type: none"> ● All employees assessed on a comprehensive well-being metric by 2023 ● Maintain zero fatalities, major injuries, and severe accidents annually ● Revise and update labor management policies and procedures according to international standards and GIIP by 2023 ● Zero accidents related to hazardous materials safety annually

Pillars	SDGs	Commitments	Key Targets
		Employee Development	<ul style="list-style-type: none"> ● Achieve and maintain Top Employer Certification ● Assess KPIs related to productivity optimization to eliminate unnecessary workload, processes, or reports by 2023 ● Maintain workplace satisfaction levels above 85% annually
		Diversity & Inclusion	<ul style="list-style-type: none"> ● Comprehensive diversity and inclusion annual assessment by 2025 ● 30% women within the workforce by 2030 ● 20-25% women within the board and management by 2030
		Human Rights and Working Conditions	<ul style="list-style-type: none"> ● All operations are audited for human rights compliance annually ● 100% of employees covered by human rights training on an ongoing basis ● Zero human and labor rights violations across the supply chain by 2025
		Local Community Impact	<ul style="list-style-type: none"> ● All new community projects to have a balanced contribution to all SDGs within their geographic boundaries by 2023 ● Affected communities continuously engaged throughout the project life cycle for all new and existing developments by 2025 ● Adopt Local Community Hiring Policy by 2025 ● Volunteering events with local communities annually ● Partnerships per community with local NGOs and CSOs, with focus on SDGs by 2025 ● Develop and adopt Land Acquisition and, Resettlement Operational Procedures by 2023

Governance & Economy

Unlocking sustainable and inclusive growth

At the core of our sustainable growth ambition, we will be generating more value from fewer resources across the entire value chain, acknowledging the physical limits of decoupling and enhancing our supply chains. We will strive for excellence in ESG compliance of our new investments and aim to create sustainable value for our business, customers and society while delivering growth and profits.

Corporate Governance

We have made significant progress in sustainability governance within the group and across our subsidiaries during the past decade. This strategy marks another milestone in the journey towards sustainability but postulating sustainability at the center of our activities.

We commit to further supporting sound, robust and effective sustainability governance and high standards of corporate ethics and integrity as the foundation of the Group's corporate citizenship efforts.

Priority areas of action

- Forming teams and assigning responsibilities across the Group to ensure holistic and streamlined sustainability governance
- Supporting high business ethics and integrity standards
- Act on suspected misconduct and adopt control measures

Aspirational targets

- Conduct a biennial comprehensive review of organizational structure, departments, roles, and responsibilities by 2023, to be revised every 2 years
- Conduct a biennial comprehensive review of all existing corporate policies, standards, instructions, plans and procedures by 2023, to be revised every 2 years
- Develop a corporate context analysis and systematic environmental and social risk assessment process related to the production facilities, turnkey projects, and renewables by 2023

Sustainable Business Model

Sustainable business model innovation is crucial for the Elsewedy Electric Group. Our suppliers undergo reviews to ensure their adherence to local laws and international regulations and agreements in HSE, human rights adherence, environmental regulations, labor rights, child labor, and other supply chain sustainability issues. Over the next period, we will further transform our business models and supply chains towards sustainability. Our key priority will be implementing a product stewardship approach to help Elsewedy become one of the major producers of sustainable electric products in Egypt and beyond.

Using the power of digital technology, we will also improve our material tracking automation and material planning towards creating a unified and responsible supply chain system. Starting 2025, we will implement a standardized process throughout all our companies for screening suppliers for environmental health and safety and social sustainability aspects as the starting point towards developing broader ESG criteria following good international best practices and international requirements.

We will ensure the alignment of our financial targets and sustainability goals and assess and mitigate financial risks connected to climate change.

Priority areas of action

- Sustainable business model innovation
- Alignment of financial and sustainability metrics

Aspirational targets

- Establish a Corporate Environmental and Social Management System (C-ESMS) in line with international standards and Good International Industrial Practices (GIIP) by 2023

ESG Integration

Building on previous efforts, we will strive to incorporate social and environmental criteria within our investment efforts. We will seek to consider both financial return and sound social/environmental practices. We will develop comprehensive ESG criteria, with ESG assessments for 100% of new projects, strictly aligning investment criteria with sustainability priorities.

We will also focus on sharing information and knowledge on ESG-related matters, including developing an information repository in each division to share information with other divisions, offices, and regions to improve communication and learning. Such information will include business practices, scripts from regulatory conference calls, and breakout sessions from training conferences. Disclosure on major ESG international platforms is already being adopted with a gradual increase in exposure to major media for similar businesses.

We are committed to fully integrating ESG criteria into our investment decisions, enhancing cross-divisional knowledge sharing on ESG practices, and continuing to increase our transparency and disclosure on major international ESG platforms.

Priority areas of action

- Internal ESG integration in line with industry standards and regulatory requirements
- ESG assessments and ratings
- ESG integration across the supply chain
- ESG-aligned investment

Aspirational targets

- 100% of employees trained on sustainability and ESG aspects by 2025
- ESG KPIs identified for each subsidiary/new investment with clear roles and responsibilities assigned to sustainability focal points by 2025
- All primary suppliers screened and assessed annually based on their ESG performance and given an ESG Performance Score by 2030
- Environmental and Social Due Diligence Process (covering physical and economic displacement, biodiversity and land use, among others) developed, adopted and implemented for all new investments, greenfield developments and renewable energy projects by 2025
- Supplier ESG Capacity Building program developed, adopted and implemented for all primary suppliers based on their ESG Performance by 2026

Technology & Innovation

Driving the digital revolution

Technology has the power to facilitate social change. We will harness this power to explore and utilize positive opportunities for improving quality of life, increasing our competitiveness and treading more ambitious sustainability trajectories. We will use digital technology to empower consumers to optimize their home energy management and adopt more sustainable living patterns. Crucially, we will transform our built environment and mobility, investing efforts into smart green buildings, electrifying fleets and improving our monitoring and management capabilities.

Digitalization with Purpose

By digitalizing our business lines and the energy sector at large, we allow energy suppliers to optimize their valuable assets, integrate renewable energies from variable and distributed resources, and reduce operational costs. New digital solutions will help balance the grid, optimize supply chains, defer grid investment, and generate new revenue streams.

By implementing blockchain, real-time demand response and the internet of things (apps), our products and systems gather information and feedback, allowing utility companies to manage energy use, anticipate demand and optimize costs, making them attuned to the continuously evolving societal needs.

We commit to transforming energy markets by ensuring reliable, accessible, and affordable energy for all, with a focus on consumers and sustainability. Through innovation, digital tools, and R&D, we will enhance our management systems and support the transition to an electric fleet.

Priority areas of action

- Analyzing and harnessing the disruptive potential of digital technology and technological innovation
- Developing digital management systems for data collection, KPIs tracking, analysis and benchmarking
- Developing remote monitoring systems to complement the digital management systems
- Developing digital solutions that help to upscale sustainability transitions
- Future-proofing of our networks and customer processes through grid digitalization
- Customer experience management
- Improving energy choices via smart appliance and AI
- Smart buildings and sustainable fleets

Aspirational targets

- 100% coverage by digital services by 2023
- 100% coverage by digital ESG & GHG Accounting Management System by 2025
- 100% coverage by remote energy monitoring systems by 2030
- Transition to an electrified fleet wherever technically and financially feasible, achieving 50% by 2030

Planet & Resources

Aligning with nature for a liveable future

At Elsewedy, we know that our potential for development depends on how successful we are in appreciating nature and respecting its limits. We will focus on achieving a holistic transition to environmental sustainability, enacted through rapid decarbonization, renewable energy, further improving our energy efficiency and wise use of resources. We aim to produce superior solutions that simultaneously meet rigorous environmental sustainability requirements while delivering outstanding performance, longevity and user experience. We will align our path with the low carbon scenarios, extending the energy management system and utilize novel tools that extend our journey towards supporting a liveable planet for all.

Resource Efficiency & Renewable Sources

Resource efficiency and the transition to renewable sources are critical to building a sustainable future and addressing the global challenges of resource depletion and environmental degradation. Our [Group Environmental Policy](#) outlines key principles focused on optimizing resource use, minimizing waste, and increasing reliance on renewable energy. These efforts aim to reduce our environmental footprint and promote circular economy practices. In the coming years, we will continue to integrate resource efficiency across our operations and expand the use of renewable sources, aligning our efforts with international best practices and sustainability standards.

We are committed to enhancing resource efficiency across our operations and increasing the use of renewable energy, promoting a circular economy and reducing our environmental impact in line with global sustainability standards.

Priority areas of action

- Identifying, assessing and managing climate and water risks and opportunities
- Reducing organizational carbon and water intensity, absolute GHG emissions and water use
- Energy management system
- Developing specific smart, climate a water-resilient and carbon neutral solutions
- Investing into renewable energy and climate-resilient infrastructure
- Capacity building and consulting on climate and water action
- Energy, water and resource use management and monitoring
- Improving efficiency across the value chain
- Reducing product energy, water and material footprint

Aspirational targets

- 40% of energy consumption from renewable energy sources by 2030
- Reduce energy consumption intensity by 20% and maintain the achieved target by 2030
- Reduce water withdrawals intensity by 40% and maintain the achieved target by 2030
- Double investments in renewable energy, climate action, and water projects compared to 2020 by 2030

Climate Action

At Elsewedy Electric, we recognize the delicate balance between our operations and the environment. Our commitment to climate action is central to our strategy, driven by our awareness of the environmental impact of our activities and our determination to prevent and mitigate any adverse effects while contributing to ecological restoration. Our [Group Climate Policy](#) emphasizes both mitigation and adaptation, guided by the TCFD's recommendations to provide our investors and stakeholders with clear and actionable insights into climate-related risks and opportunities.

Although our short to medium-term climate-related risks are of moderate concern, including potential impacts from new policies and regulations and increasing product carbon footprint requirements, our primary focus is on long-term risks. These include the physical impacts of climate change on the regions where we operate. To address these risks, we are implementing a robust decarbonization plan, quantifying the environmental footprint and GHG potential of our products, and developing third-party verified Environmental Product Declarations (EPDs).

In the coming years, we will adopt climate scenarios, assess physical climate risks, and integrate climate risk assessments into our overall business risk management processes. This ongoing process will be refined through iterative improvements to our policies, processes, and disclosures, ensuring alignment with TCFD recommendations and addressing any identified gaps with transparency and accuracy.

We commit to leadership in facilitating the transition to a net-zero carbon, and climate-resilient world powered by 100% renewable and sustainable energy.

Priority areas of action

- Identifying, assessing and managing climate risks and opportunities
- Reducing organizational carbon intensity, and absolute GHG emissions
- Reducing the carbon footprint of our products
- Developing specific smart, climate resilient and carbon neutral solutions
- Investing into renewable energy and climate-resilient infrastructure
- Capacity building and consulting on climate action

Aspirational targets

- Achieve 100% corporate-wide coverage of Scope 1, 2, and 3 GHG emissions accounting by 2026
- Introduce interim targets for Scope 1, 2, and 3 by 2025
- Net-zero emissions for scope 1 and 2 by 2050
- Net-zero emissions for scope 3 (including the entire supply chain) by 2050
- 100% of investment portfolio accounted for under scope 3 emissions by 2030

Circular Economy

We live in a world that is 8.6% circular, which leads to a significant number of resources being wasted or landfilled, while feasible, practical and sustainable alternatives are abundant. Elsewedy Electric is committed to maximizing efficiency and ensuring sustainable use of the Earth's limited resources. Our approach focuses on optimizing productivity and value while minimizing input. We aim to improve the environmental and energy performance of all our existing office buildings and adopt green design criteria for the new ones.

We aim to assess all our facilities and resources to produce a baseline report and action plan to promote sustainable refurbishment, operational and maintenance measures. Further, going full circle is more than doing less harm, but about proactively helping nature to recover, replenish and thrive.

We envision a circular future, where everything has value, and nothing goes to waste. We commit to becoming a circular business, ensuring efficient and sustainable use of resources.

Priority areas of action

- Managing the life cycle of products, equipment, facilities and infrastructure
- Creating fully circular and sustainable products
- Attaining circular and sustainable certifications and labels

Aspirational targets

- 100% of packaging free from single-use plastics by 2030
- 90-100% of sourced materials by volume are renewable, recycled, or recyclable by 2030
- 100% green office buildings by 2030
- Achieve and maintain a Virtual Zero Waste to Landfill across all manufacturing facilities and 75% diversion from landfill across all construction sites annually

Protecting Ecosystems and Biodiversity Conservation

At the Group level we recognize that sustainability spans far beyond our business and our direct impacts. We operate in a world of rapidly degrading ecosystems and biodiversity extinction. While preventative measures remain as relevant as ever, we also need to proactively replenish nature and tackle the biodiversity crisis

We support the Convention for Biological Diversity, the Nature Needs Half concept and forward-looking work by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, as well as other international and local initiatives working for the benefit of the Planet.

We commit to protecting and restoring nature's diversity and beauty by preventing negative impacts on the environment and extending our contribution to restoring and rewilding global ecosystems.

Priority areas of action

- Adopting ecosystem-based management and nature-based solutions within applicable facilities, developments and sites
- Assessing impacts on ecosystems and biodiversity
- Implementing projects that promote biodiversity protection and ecosystem restoration

Aspirational targets

- Develop, adopt and implement a formalized process for identification, assessment, and management of risks and impacts on biodiversity and ecosystem services by 2023
- Net-Zero Biodiversity Loss by 2030 + No deforestation

Product Design & Life Cycle Assessment (LCA)

Every product we design carries with it a story that begins long before it reaches the consumer and extends far beyond its initial use. From concept to production, and ultimately to disposal, the choices we make in product design influence not only functionality and aesthetics but also environmental sustainability and social responsibility.

We commit to integrating Life Cycle Assessment into our product design process to evaluate the environmental impacts of our products at every stage. By prioritizing sustainable materials, minimizing waste, and promoting circularity, we aim to create innovative solutions that protect our planet and enhance the well-being of future generations.

Priority areas of action

- Supply chain transparency and traceability
- Creating Inventory, categorizing and rating materials and chemicals used
- Identifying, assessing and managing our impact on human health and biodiversity
- Developing a comprehensive framework and internal standards for suppliers with a list of restricted hazardous and potentially harmful materials and chemicals in manufacturing and final products exceeding industry standards and regulatory requirements
- Identifying, assess, developing and implementing alternatives to hazardous and potentially harmful materials and chemicals suited to specific applications and contexts
- Harnessing group capacities and solutions to develop the next generation of sustainable solutions
- Developing product stewardship guidelines in line with stringent ESG and Impact criteria

Aspirational targets

- Environmental Product Declarations (EPDs) or Green Labels developed for 100% of the products by 2030
- Allocate 1% of revenues toward R&D in low carbon products and technologies investments by 2030

People & Society

Empowering a thriving society

Building on previous achievements, we aim to continue promoting and enhancing talent within our workforce, investing in training and addressing local causes through creating shared value and contributing to achieving the SDGs. We will keep building trust and confidence among employees, improving upon diversity, inclusivity, safety, promoting sustainable lifestyles, encouraging open communication and supporting employee wellbeing. We will also monitor the success of our actions and ensure that nobody is left behind and everyone is given equal opportunity to do their best. And those who are in a less favorable situation will be particularly encouraged to realize their potential.

Occupational Health and Safety

Occupational health and safety are not merely regulatory requirements; they are fundamental pillars of a thriving workplace. Ensuring the health, safety, and well-being of our employees and contractors is a top priority for us. Our Occupational Health and Safety (OHS) framework is built on robust policies and practices designed to create a safe and secure working environment across all operations. By adhering to international safety standards and continuously improving our safety culture, we aim to minimize risks, prevent workplace incidents, and promote the well-being of our workforce. We are committed to fostering a proactive safety mindset through regular training, risk assessments, and the integration of advanced technologies that enhance workplace safety.

We commit to promoting physical and mental health of our employees, to stand behind our promise of being an employer of choice.

Priority areas of action

- Improving coverage of lectures medical care and physical activities
- Ensure Continuous and high-quality training, improving awareness and enhancing management procedures and monitoring
- Identifying health hazards, assessing exposure and impact, including improved identification, assessment and management of OHS risks and medical surveillance
- Encourage sustainable lifestyles among employees, paying particular attention to creating a culture of sustainability leadership among Elsewedy executives
- Provide relevant physical infrastructure, options at the workplace and incentives for sustainability leaders
- Identifying, assessing and managing our impact on human health and biodiversity
- Developing a comprehensive framework and internal standards for suppliers with a list of restricted hazardous and potentially harmful materials and chemicals in manufacturing and final products exceeding industry standards and regulatory requirements
- Identifying, assess, developing and implementing alternatives to hazardous and potentially harmful materials and chemicals suited to specific applications and contexts

Aspirational targets

- All employees assessed on a comprehensive well-being metric by 2023
- Maintain zero fatalities, major injuries, and severe accidents annually
- Revise and update labor management policies and procedures according to international standards and GIIP by 2023
- Zero accidents related to hazardous materials safety annually

Employee Development

We aim to foster a leadership culture that facilitates employee potential. To improve employee effectiveness and foster creativity, we will encourage making decisions at the appropriate level, creating autonomy within boundaries based upon the level of risk, assessment and revision of our practices in terms of delegation of authority.

We commit to providing all our employees with meaningful career growth opportunities, allowing them to do their best, help gain new skills and fulfill their aspirations.

Priority areas of action

- Creating realistic workload expectations, providing for sufficient staffing and ensure a reasonable length of time to complete assigned tasks
- Supporting management in focus on "people management"
- Encouraging and gathering employee insights on improvement opportunities.
- Improving the transparency and effectiveness of the Elsewedy Human Resources Committee (HRC)

Aspirational targets

- Achieve and maintain Top Employer Certification
- Assess KPIs related to productivity optimization to eliminate unnecessary workload, processes, or reports by 2023
- Maintain workplace satisfaction levels above 85% annually

Diversity & Inclusion

As a Group with a global presence, we will further advance our commitment to diversity, equity, disabilities and support of vulnerable groups within our company and beyond. We will also continue improving our zero-tolerance policy towards discrimination while offering fair salaries and benefits to all employees. We also recognize that social patterns

We commit to improving the gender balance in both the general workforce and executive positions, with over three fourth currently being male, making extra effort to reach out to and employ highly qualified women and support their career growth.

Priority areas of action

- Bridging the diversity and inclusion gap
- Providing equal opportunities for all
- Integrating inclusion and diversity considerations in development programs at all levels

Aspirational targets

- Comprehensive diversity and inclusion annual assessment by 2025
- 30% women within the workforce by 2030
- 20-25% women within the board and management by 2030

Human Rights and Working Conditions

Respect for human rights and the provision of fair, safe, and inclusive working conditions are fundamental to our operations. We are committed to upholding internationally recognized human rights principles, ensuring that all employees, contractors, and stakeholders are treated with dignity, respect, and fairness. Our [Group Human Rights Policy](#) outlines our commitment to eliminating all forms of discrimination, child labor, forced labor, and ensuring freedom of association and collective bargaining. We strive to create a supportive and empowering work environment by promoting equal opportunities, fair wages, and safe working conditions. Through continuous monitoring, grievance mechanisms, and regular assessments, we work to protect the rights and well-being of our workforce, aligning our practices with global human rights frameworks and labor standards.

We commit to protecting and cherishing human rights within our operations and across the supply chain in line with our Code of Conduct and the UN Guiding Principles on Business and Human Rights

Priority areas of action

- Training on human rights
- Supply chain transparency and traceability
- Assessment of human rights compliance and action on human rights violations
- Integrating verification and enforcement of the respect of Human Rights within the supply chain auditing procedures
- Implement proper policies, measures and monitoring mechanisms to mitigate adverse effects of retrenchment of workers, child and forced labor

Aspirational targets

- All operations are audited for human rights compliance annually
- 100% of employees covered by human rights training on an ongoing basis
- Zero human and labor rights violations across the supply chain by 2025

Local Community Impact

Our operations extend beyond the boundaries of our business; they resonate within the communities we serve. Each decision we make has the potential to uplift or undermine the social fabric and environmental health of local populations. Recognizing the profound connection between our success and the well-being of these communities, we strive to be a catalyst for positive change.

We commit to expanding our positive impact on vulnerable groups and communities facing significant environmental and social challenges and exploring best practices and expertise to scale positive change.

Priority areas of action

- Assessing impacts of our previous and ongoing initiatives across Accessible Education, Better Healthcare and Inclusive Development
- Identifying and applying opportunities to extend contribution to SDGs across communities where we operate
- Stakeholder engagement and consultation
- Projects and campaigns to enhance group contribution to all SDGs where this impact matters most and where our expertise can work best
- Providing tailored training on sustainability, resource efficiency and renewable energy for underprivileged communities and groups

Aspirational targets

- All new community projects to have a balanced contribution to all SDGs within their geographic boundaries by 2023
- Affected communities continuously engaged throughout the project life cycle for all new and existing developments by 2025
- Adopt Local Community Hiring Policy by 2025
- Volunteering events with local communities annually
- Partnerships per community with local NGOs and CSOs, with focus on SDGs by 2025
- Develop and adopt Land Acquisition and, Resettlement Operational Procedures by 2023

Looking Ahead

Setting our sustainability foundation, along with short and long-term priorities for achieving our long-term commitments enables us to build upon all that has already been completed, address barriers and risks and harness opportunities. We strive to evolve and transform the Group to meet emerging challenges and extend our efforts to support the industry and society towards sustainable trajectories.

From top quality products to adaptable holistic energy services addressing the needs and expectations of our customers and stakeholders, we are looking forward to an exciting and empowering part of Elsewedy quest. Our journey is now about making sustainability integral to all Elsewedy operations and processes, unlocking the power of digitalization, decarbonization, green finance and other sustainable opportunities unfolding in front of our eyes.

The goals set out in this plan are part of a much longer journey aimed at the ultimate success of the Global Sustainable Development Goals, Paris targets, Egypt's 2030 vision and our long-term commitments. Confident about the chosen path, we will use the incredible potential of our employees and partners to do our best.

With bold ambitions in mind, we shall not forget that rapid progress in any area should never leave other areas behind. Transparency, gender equality, fair wages, human rights and safety will go hand in hand with ambitious climate goals, green finance and other developments.

Building on a culture of holistic thinking and systems approach, we will seek to utilize available leverage points while overcoming barriers to change. We will aim beyond making incremental improvements and make sure all our actions align well with the chosen path and embrace the complexity of our environment.

Embracing risk and uncertainty as a new reality, we will stay curious and open to respond to the rapidly changing world. Only through a balanced and holistic approach can we achieve the future that is truly sustainable for all. Meanwhile, this is far more than just about an individual company doing its share. Effective collaboration across industries and supply chains is required to make real change happen. Driven to fuel progress towards sustainability, we invite all stakeholders to collaborate on creating a vibrant economy, thriving society and a liveable climate.

With targets set and sustainability compass adjusted, we are ready to head full speed towards the future we want and the future we can create together.