

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Elsowedy Electric is a leading corporate entity in the MENA region, and a global provider of energy, digital and infrastructure solutions. As of 2022, our total corporate revenues was EGP 92,168 Million with a 52.2% y-o-y., employing over 17,000 people worldwide. Our company has been listed on the Cairo stock exchange since 2006 and we operate in five primary business sectors: Wire & Cable, Electrical Products, Engineering & Construction, Smart Infrastructure and Infrastructure Investments. At the core of our business approach is an integrated Engineering, Procurement & Construction (EPC) service that allows us to efficiently manage and execute the most complex projects, ensuring timely delivery and adherence to budget constraints. As pioneers in the field of energy management and efficiency, we are fully committed to sustainability and have implemented numerous green energy and smart metering projects throughout Africa, the Middle East and Eastern Europe.

As an organization, Elsowedy Electric recognizes the importance of sustainability across all aspects. Our primary focus is making a meaningful impact in the communities we serve by delivering clean energy, reducing the environmental impact and investing in education and well-being. To achieve this, we have established a set of commitments shared with our stakeholders through a variety of channels, including our Sustainability Reports and non-financial disclosures such as S&P's Corporate Sustainability Assessment and CDP's Water Security and Climate Change disclosures.

In 2022, our commitment to environmental responsibility remains steadfast, where we have continued our efforts in alignment with our Sustainability Strategy 2020-2023, which aims to fulfill our broader strategic vision and long-term commitments, distilled across four main pillars: *Planet & Resources*, *Technology & Innovation*, *Governance & Economy*; and *People & Communities*.

We have further worked on conducting a comprehensive group wide GHG assessment of the operations of FY2022. Another project that has been major for us, is the Environmental Product Declarations (EPDs) of our cable products, published on the EPD Hub. In 2022, **S&P Global Ratings**, we improved our score by a significant 11 points compared to 2021, achieving a noteworthy **37 points**. At EcoVadis, we elevated our ranking from Bronze in 2020/2021 to the **Silver medal in 2022**, placing us in the **top 25%** of rated companies. Moreover, our risk rating from **Sustainalytics** has decreased from an initial score of 26.9 to an ESG risk rating of **20.2**, indicating a **medium risk level**.

We have recently updated our group's policies to extend contributions to sustainability, in addition to publishing our Water and Climate Policies. For the third year we are disclosing for CDP's Climate Change Questionnaire and the Water Security Questionnaire for the second time. Our target is to include 100% of our operational boundaries, enhance our quantitative data through establishing a corporate-wide Environmental and Social Management System across all business lines worldwide to ensure all required E&S requirements and KPIs are periodically measured, monitored, and analyzed.

This year we expanded our boundaries to include more facilities and activities, e.g. imports and raw materials with a **total of 22 facilities** operated by Elsowedy, **where 4 facilities are newly added this year** as first year of disclosure. The included factories representing 41% of Elsowedy Electric total revenue 2022. The facilities covered are:

- 1) Egyplast (Egypt)
- 2) United Steel Wires (USW) - (Egypt)
- 3) Iskraemeco (Egypt)
- 4) United Industries Company (UIC) (Egypt)
- 5) Elsowedy Transformers (Egypt)
- 6) Egytech Cables (Egypt)
- 7) Iskraemeco (Slovenia)
- 8) United Metal (Egypt)
- 9,10) SEDCO, ELASTIMOLD (Egypt)
- 11) ECMEI (Egypt)
- 12) GIAD Elsowedy (Sudan)
- 13) Yanbu Al-Sinaiyah (Saudi Arabia)
- 14) Elsowedy Cables (Algeria)
- 15) Elsowedy Cables (Ethiopia)

- 16) Doha Cables (Qatar)
- 17) Iskraemeco (Bosnia)
- 18) Elsewedy Electric Infrastructure (Egypt)
- 19) Transformers (Pakistan)
- 20) SEDCO Petroleum (Egypt)
- 21) Transformers (Indonesia)
- 22) Transformers (Zambia)

Our latest GRI Sustainability Report 2021: <https://www.elsewedyelectric.com/media/4867/elsewedy-electric-sustainability-report-2021.pdf>

(2022 Sustainability Report) is expected to be published by the end of 2023.)

Further information:

Website: <https://www.elsewedyelectric.com/en/home/>

Group Sustainability website section: <https://www.elsewedyelectric.com/en/sustainability/>

Policies and Strategy:

Water Policy: <https://www.elsewedyelectric.com/media/4234/elsewedy-group-water-policy-aug21.pdf>

Climate Policy: <https://www.elsewedyelectric.com/media/4235/elsewedy-group-climate-policy-aug21.pdf>

Group Environmental Policy: <https://www.elsewedyelectric.com/media/4552/elsewedy-group-environmental-policy-2022.pdf>

Sustainability Strategy 2020-2023: <https://www.elsewedyelectric.com/media/4277/elsewedy-electric-sustainability-strategy-2020-2023.pdf>

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1 2022

End date

December 31 2022

Indicate if you are providing emissions data for past reporting years

Please select

Select the number of past reporting years you will be providing Scope 1 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for

<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

- Algeria
- Bosnia & Herzegovina
- Egypt
- Ethiopia
- Indonesia
- Pakistan
- Qatar
- Saudi Arabia
- Slovenia
- Sudan
- Zambia

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- EGP

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

- Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	SWDY

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

- Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Chief Executive Officer (CEO)	<p>As the leader of Elsewedy Electric, the CEO holds a critical responsibility in driving the company's sustainability efforts forward. This includes approving budgets for climate-related projects and endorsing targets and future plans that align with the company's sustainability goals.</p> <p>By taking an active role in approving these budgets and plans, the CEO plays a key role in ensuring that the company remains committed to sustainability and continues to prioritize climate-related initiatives in its operations. This is essential not only for meeting the company's sustainability goals, but also for demonstrating its accountability to stakeholders, including customers, investors and the wider community.</p> <p>The CEO's oversight and approval of these budgets and plans reflects the company's dedication to sustainability and its willingness to take concrete action to address climate change and other sustainability-related challenges.</p>

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> Reviewing and guiding annual budgets Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Overseeing the setting of corporate targets Overseeing and guiding public policy engagement Overseeing value chain engagement 	<Not Applicable>	<p>Agenda includes:</p> <ul style="list-style-type: none"> - Monitoring the adoption of environmental, climate and social commitments and initiatives as part of its 2025 and 2030 Goals, - External communication issues and decisions related to environmental; sustainability and climate-related issues; covering the value chain and potential risks and opportunities and market regulations and trends - Review the non-financial reporting systems and products including sustainability reporting and carbon footprint reporting; - Review of annual budget for sustainability and water and climate -related aspects; - Update on the company’s CSR and internal/external training and capacity building program; - Revision and approval of the water, climate, and group environmental policies. - Sign company commitment letters on sustainability-related initiatives.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	<p>We assess competence by drawing on prior experience. For instance:</p> <ol style="list-style-type: none"> 1. Comprehensive knowledge of sustainability, energy efficiency, net-zero initiatives, clean energy, renewable electricity opportunities, and water scarcity. 2. Proficiency in strategic execution competencies, such as supporting the shift towards a low-carbon economy, risk mitigation, stakeholder engagement, and implementation of climate-related vision and strategies 3. Familiarity with international policies and industry best practices, including the GHG Protocol and UNFCCC. 4. Demonstrated participation and experience in significant international events related to climate change. <p>Eisewedy Electric’s CEO has shown competence and commitment towards sustainability (environmental, social and human rights, and governance) since 2017, by approving and publishing the company’s first sustainability and carbon footprint report. Committing to sustainability and reporting on ESG performance in accordance with global frameworks (GRI, UNGC, SASB, TCFD, CDP and WEF), as well as reporting on GHG emissions annually, and developing a decarbonisation plan corporate strategy with the aim of achieving a carbon neutral business by 2050.</p> <p>The Group sustainability department and consultants directly provide the CEO with an annual comprehensive ESG materiality assessment that is conducted across Eisewedy Electric’s internal and external stakeholders upon which sustainability-related decisions and actions are taken.</p> <p>The CEO has obtained his bachelors degree in electrical Engineering, and has industry expertise of over 25 years in the fields of energy technology, power distribution, product development, smart grids, and renewable energy.</p>	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position

- Integrating climate-related issues into the strategy
- Monitoring progress against climate-related corporate targets
- Managing public policy engagement that may impact the climate
- Managing value chain engagement on climate-related issues
- Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

As the Chief Sustainability Officer (CSO), one of the key responsibilities is to ensure that material climate-related issues are given appropriate attention and consideration across the organization. This includes overseeing the integration of climate-related considerations into the review of the Group's strategy, financial planning, budgeting, goals, targets, and key performance indicators (KPIs).

The CSO plays a critical role in aligning the organization's efforts with international commitments related to climate change, e.g. targets aligned with a 1.5 Degree Scenario, the United Nations Sustainable Development Goals (SDGs) and a net-zero future. This involves monitoring and reporting on the organization's progress towards meeting these commitments and identifying areas where further action may be needed.

Another important responsibility of the CSO is to build resilience within the organization to withstand the potential impacts of climate change under different degrees of severity. This may involve supervision and push for (promote) act for developing strategies to mitigate the risks associated with climate change, such as extreme weather events or shifts in market demand, and opportunities to capitalize on emerging trends and technologies related to sustainable business practices. The CSO has been involved in the decision-making of our recent review and update of our sustainability policies related to climate change, water and environment. The CSO has also been playing a key role in the Environmental Product Declarations (EPDs), an on-going project in 2022.

Overall, the CSO plays a critical role in ensuring that the organization is taking a proactive and responsible approach to managing climate-related risks and opportunities. By integrating climate considerations into all aspects of the organization's operations, the CSO can help to create a more sustainable future for the organization and contribute to the broader global effort to address climate change.

The CEO and CSO are working closely, with regular meetings, updates and follow-ups regarding the sustainability matters of the entire business, as well as achievements, finance and efforts planned/in the pipe-line/accomplished to bring the company forward in its commitments.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	<p>A priority area of action covered in our Sustainability Strategy is the incentives for the management of climate-related issues and sustainability efforts. We started this year to provide incentives for the Sustainability Manager of one of our largest wire and cable factories, and we are currently in the phase of developing an incentive plan for the managers and teams at all factories as well as all employees.</p> <p>This incentive plan will be designed to reward individuals and teams who demonstrate a commitment to sustainability and take proactive steps to manage climate-related matters and behavior. The plan will be introduced at all levels of the organization and will be rolled out within the next two years.</p> <p>We believe that this incentive plan will help to create a sense of shared responsibility for sustainability across the organization and will encourage all employees to contribute to our sustainability goals.</p>

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Environment/Sustainability manager

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target

Incentive plan(s) this incentive is linked to

Not part of an existing incentive plan

Further details of incentive(s)

The incentive is targeted at the environment/Sustainability manager as well as his team

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

This incentive represents a clear acknowledgement of the efforts exerted by Elsewedy Electric Sustainability Manager and his team, and shows the top management commitment to climate change mitigation.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	Our short-term horizon and vision corresponds to achieving our commitments and targets as defined in our Sustainability Strategy 2020-2023. We are working towards developing a robust corporate-wide ESG data management system with clear defined KPIs for our targets which we are developing in accordance with global ESG standards and reporting frameworks while considering as well sector-specific standards.
Medium-term	3	10	Our medium term vision pertains to achieving targets and leading the industry through our products and services in a way that serves and contributes to Egypt's national 2030 agenda. This also includes achieving targets and milestones towards becoming a carbon neutral business through electrifying 50% of our fleet by 2030, and enhancing our engagement with our suppliers and value chain partners by developing systems on a corporate level by covering all our business lines across all countries where we operate.
Long-term	10	30	The long-term horizon corresponds to the time frame set out in the Science-based target criteria and is aligned with most recent Climate science to limit global warming under 1.5°C increase. We aspire to achieve 100% of revenue from low-carbon products by 2040 and becoming net zero on full end-to-end footprint by 2050 (full scopes 1, 2 and 3 emissions) by achieving net-zero GHG emissions from our direct operations and from the entire supply chain.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

We define "substantive impacts" as those that have the potential to affect our business activities, customer and stakeholders' experience in a positive and/or negative way. Any risk or impact that has the potential to impede production, restrict market access, or negatively affect over 1% of net income is regarded as significant and warrants attention.

These impacts may arise from climate-related risks and opportunities, including conditions or events that could impact our operational costs, earnings, and financial position. To manage these risks, our company integrates this into our overall risk management process.

To recognizing and evaluating risks that are associated with climate change, we use the following criteria:

1. The severity of the impact that the risk could have on our reputation, operating expenses, and revenue.
2. The likelihood of the risk occurring, which is determined by its frequency.

As part of our regular business operations, we conduct assessments to identify crucial and emerging risks that may have a significant impact. We develop tailored plans to mitigate such risks, as well as any new risks that may arise, and continually monitor them for potential changes and adjust accordingly as needed.

- In the absence of alternative suppliers, the lack of a critical supplier could lead to operational risks.
- Financial risks may arise when losses surpass a specified threshold, necessitating the need for mitigation.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Risk/opportunities-impact identification Process:

Risks and opportunities by climate-related aspects are integrated into management practices. The process of impact/risk-impact includes several sessions, such as scoping sessions, where climate related risks and opportunities are identified, assessed and responded to throughout the value chain. This is done by the Board, together with key stakeholders, internal experts and the company's sustainability consultants. Also, the financial, operational, strategic and legal risks of the business are assessed and monitored on a regular basis. The engaged report their practices on early determination of risks, measures to be taken regarding the detected risks, and management of the risks.

For internal risks assessment, we conduct a materiality assessment which represents the process of identifying, refining, and assessing potential environmental, social, and governance issues that could affect our company and stakeholders.

Once the risk/opportunity is identified, it's assessed using a typical impact assessment methodology taking into consideration impact probability of occurrence, intensity, spatial and temporal scale and sensitivity of receptors. Thereafter, the response is developed. This covers the planning phase of the response, monitoring and reporting process.

Management and Monitoring Plan:

The decarbonization roadmap includes the actions and measures, the roles and responsibilities besides performance indicators and objectively verifiable indicators. The objectively verifiable indicators are monitored following the frequency indicated in the plan, and is conducted by the different lines of businesses and supervised by the CSO and the CEO.

Elsewedy has recently published the Sustainability Strategy and several policies such as the Climate policy, Water policy, Environmental and Biodiversity policy to address any climate and water risks. Additionally, we aim to further establish and integrate a Corporate Environmental and Social Management System (C-ESMS) by 2023 that encompasses all sectors, subsidiaries, and projects to further facilitate regular identification, assessment and mitigation of climate-related risks (and opportunities). This is ongoing, (with 80% completion reached), and scheduled for full completion and implementation in Q2 2023. As part of the Groups' ESMS, ESG selection and screening criteria will be imposed on suppliers and new investments starting Q3 2023, with all suppliers and new investments to comply with ESG criteria by 2030.

In addition, we have developed corporate procedures that regulate the modalities to be adopted for the risk identification and environmental and social risk management according to IFC performance standards for 100% of new applicable developments (such as greenfield developments) starting from 2023.

At Elsewedy Electric, the Audit & Risk Management Committee plays a crucial role in supervising the effectiveness of the internal and external audit functions, as well as risk management activities. While the committee receives assignments and responsibilities delegated from the Board of Directors, ultimate decision-making and action plans remain within the scope of the Board. The committee's primary responsibilities include evaluating the organization's risk management practices, assisting management in improving the internal control framework, assessing indicators of fraud, and making recommendations for fraud investigations. Furthermore, the committee performs consultancy engagements upon request from senior management.

According to the Climate Policy, climate change considerations are to be integrated into strategic planning and decision-making (sensitivity analyses, stress-testing, qualitative and quantitative scenarios, robust decision-making, etc.) and support mechanisms (climate finance, remuneration and non-monetary incentives for executives and managers, internal rating system for partners) to facilitate net zero carbon and climate resilience pathways. Secondly, climate change considerations are to be integrated into research and development of all products and services and capital expenditures, acquisitions, and divestitures (via internal carbon pricing, sustainable return on investment, abatement cost calculations). Renovate and upgrade current facilities and infrastructure to make them net-zero carbon and climate-resilient.

In 2022, we have been awarded a silver EcoVadis certificate. The certificate obtained places us in the top 25% of its industry performance. EcoVadis operates the first web-based collaborative platform, allowing companies to assess their (and those of their suppliers) sustainability performance. It allows us to share results with others and provides a globally recognized CSR scorecard with benchmarks, feedback on strengths & weaknesses, online resources, and collaborative tools to improve. This acts as an excellent resource for external audits.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

Relevance & Inclusion	Please explain

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>Elsowedy Electric is subject to International regulations in order to be able to access international markets. Risk on non-compliance may result in loss of export opportunities.</p> <p>There are also regulations for water standards that needs to be met. Additionally, there may be other regulations that affect our business, such as import regulations.</p> <p>Elsowedy Electric's subsidiary Egytech has been awarded the British Approvals Service for Cables (BASEC) certification, as a testimony to the company's high-quality solar photovoltaic cable range. BASEC board of directors awarded Egytech the new certificate after rigid inspections and ensuring that the products meet the rules, regulations, and operations quality standards by independent experts from across the supply chain.</p> <p>As an extension of our commitment to instill the Group with standards valued across the markets we operate. In 2020, our companies have obtained several new certifications while also going through the transition to new versions of standards or renewing previous certificates. All our factories are ISO 14001 certified and more than 50% are ISO 50001 certified.</p> <p>Related to international regulations, we are currently developing environmental product declarations (EPDs) for our products, where the initial phase consisting of 4 EPDs of 37 cables verified in 2022, with the aim to have EPDs for all our products.</p> <p>Since 2017/2018, we have taken initiatives such as ESG and Carbon footprint reporting. These will facilitate compliance with the new Financial Regulatory Authority (FRA) regulations on ESG and TCFD reporting effective from January 2023.</p> <p>We also carefully select and audit our suppliers and sub-suppliers to meet our minimum sustainability performance criteria and respect environmental, health, and safety standards.</p>
Emerging regulation	Relevant, always included	<p>As part of our corporate risk management , we regularly monitor, review, and assess emerging regulations. The review and evaluation of legal and regulatory compliance, pays particular attention to new and emerging requirements related to managing and climate-related concerns on a national and international level, including disclosing on sustainability performance. Such risks of emerging regulation could affect our business in several ways, where action could be critical. As financially and technically feasible, we take climate-related initiatives (such as regular GHG reporting and developing and the implementation of a decarbonization action plan) in order to facilitate compliance and reduce the risk of new regulations.</p> <p>We are aware that there might arise new national regulations with regards to energy efficiency, increased shares of renewable energy as well as international policies and standards, where we aim to explore and enhance our performance with regards to these aspects. For instance, we have set out to double the investments in renewable energy, climate, and water projects by 2025, and derive 20% of our energy consumption from self-supply renewable energy systems by 2030 with the aim to exceed this further.</p>
Technology	Relevant, sometimes included	<p>In addition to monitoring emerging regulations and the market trends, we are concentrating on R&D efforts to research and deliver products and services as opportunities raised by climate change, such as changes in materials, higher efficiency, smart technology and digitalization etc. to mitigate the technological risks that might arise from climate change, e.g. shifts in technologies and/or demand.</p> <p>Advanced technology acquisition and development places Elsowedy Electric at the forefront of world electricity trends, positioning the group to supply the most cost effective, clean technology to regional developing nations. Group- wide sharing of the most advanced production technology extends significant efficiency gains across the group's activities, while effective brand development boosts the group's profile as a leading energy player.</p> <p>We also invest in smart green buildings, electrifying fleets and improving our monitoring and management capabilities, improving employee performance and efficiency of interaction by digitalization, and creating conditions for remote work and further reducing paper waste.</p> <p>The new Elsowedy Electric's Digital Transformation Strategy aims to reposition our business in the digital economy strategically. By digitizing 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.</p> <p>Risk factors:</p> <ul style="list-style-type: none"> - Shifts in technologies/demands affecting our market shares - Regulations and standards related to technology upgrades - Hydrocarbons demand declines with breakthroughs in renewables, energy storage, and sustainable mobility <p>Mitigation activities:</p> <ul style="list-style-type: none"> - Invest in R&D and sustainable solutions - Lead transition rather than catch up - Explore emerging environmental risks across the entire value chain
Legal	Relevant, always included	<p>At present, there are no direct national laws pertaining to climate change that impact our business operations. Nevertheless, we recognize that climate change laws requiring emissions reductions and other actions are becoming more stringent over time. We take our environmental responsibilities seriously and adhere to all local environmental regulations at our manufacturing and business facilities. This includes compliance with the Environment law 4/1994 and its executive regulations as well as the labour laws.</p> <p>A yearly environmental register is developed . This covers several environmental and health and safety indicators including emissions to air, noise , waste management, water quality, among others.</p>
Market	Relevant, always included	<p>We closely monitor global market trends and analyze their potential risks and impacts on our business, taking into account factors such as the state of the global economy, import availability, market interest, and changing consumer behavior. In Egypt, there are currently market risks related to imports, and delays/restrains in markets which could have significant impacts on our business, affecting our ability to produce, incl. cash flows, operational costs and profit.</p> <p>Risk factors identified include:</p> <ul style="list-style-type: none"> • Unexpected changes in supply chain/suppliers • Changed market behavior and demands • Price fluctuations and increased energy costs • Decline in hydrocarbons demand • Loss of results and cash flows • Stranded assets • Decreasing shareholders' returns <p>Associated mitigation activities would cover:</p> <ul style="list-style-type: none"> • Adoption of sustainable business models • Assets aligned with low-carbon scenarios • Increase in the share of natural gas and transition to renewable energy to mitigate risks of higher energy costs • Explore alternative sources of energy and water supply
Reputation	Relevant, always included	<p>Non-compliance with relevant energy, environmental and water standards and regulations may lead to financial losses and substantial fines, potentially resulting in a loss of investment bank financing, as well as a significant damage to our reputation and brand, affecting consumer preferences, stakeholder concerns, and public perception.</p> <p>Another aspect that might be a risk to our reputation, is the potential absence or non-appearance in market events and major happenings, as we are the leading company operating within our field. As an example, COP27 took place in Egypt in 2022, where visibility and cooperation was essential for us to showcase future sustainable solutions, as well as the WETEX & Dubai Solar Show 2022.</p> <p>Risk factors:</p> <ul style="list-style-type: none"> • Impacts on stakeholders' relations • Impacts on stock price • ESG scores and investor views <p>Mitigation activities:</p> <ul style="list-style-type: none"> • Maintain effective sustainability governance • Set and achieve science-based climate targets.. Align goals with SDGs and other global and national priorities • Ensure transparent disclosures and reporting in line with key standards • Support effective communication of goals and progress on SDGs and climate • Foster partnerships for sustainability with a wide range of stakeholders

	Relevance & inclusion	Please explain
Acute physical	Relevant, always included	<p>Our manufacturing operations are heavily dependent on the upstream value chain to procure the necessary materials and parts for production. Severe weather events, such as heavy rainfall, floods, or sudden climate changes, have the potential to interrupt our operations, impacting our business. Additionally, global economic shifts and raw material shortages pose significant risks to pricing, delivery timelines, and supply chain disruptions.</p> <p>Climate change-related events, such as flooding, may also impact our primary suppliers. To mitigate these risks, we are proactively pursuing a strategy of diversifying our supplier base and cultivating more resilient supply chain partnerships.</p> <p>Having faced issues with third-party security providers in the past, and the instability following the Egyptian revolution, Elsewedy Electric formed its own security company to handle security at all our companies, factories and facilities. Our security company has all required licensing to meet all our standards and upholds our core values, ethics, and code of conduct. It conducts background checks on all new hires and secures factories and facilities from theft and fraud. At our project sites in conflicted area such as Syria, Yemen, and Iraq, all bases are secured by local government armies, private security, police, and our own security employees.</p> <p>Risks:</p> <ul style="list-style-type: none"> • Damage to plants and infrastructures • Interruptions of industrial operations • Recovery and maintenance costs • Employee health and productivity deterioration <p>Mitigation activities:</p> <ul style="list-style-type: none"> • Additional technical measures to protect critical infrastructure in most exposed and vulnerable areas • More stringent design criteria for new projects • Advance environmental monitoring and control • Adopt early warning systems and improve emergency action plans • Diversify portfolio across geographies and less vulnerable sectors
Chronic physical	Relevant, always included	<p>Expanding on the previous statement, chronic physical risks can have both direct and indirect effects on our production facilities and those of our suppliers. Long-term risks, such as rising sea levels in coastal regions that we rely on for imports, as well as extreme weather events and alterations in climate patterns, like changes in average temperatures or total annual precipitation, are all significant factors to be taken into account in our risk assessments.</p> <p>As an example, smart electricity meters produced by Iskraemeco are a key contribution to the electronic industry. The supply chain for traditional meters has numerous negative impacts on the environment and society, compounded by irresponsible business practices, such as labor exploitation, toxic pollution, the use of conflict minerals, and hazardous working conditions. Making matters worse, current manufacturing and use models in the electronic industry result in many raw materials being discarded at the end of their technical or economical life when there is an opportunity for recycling. The meter industry faces numerous sustainability challenges, including:</p> <ul style="list-style-type: none"> • Conflict minerals: Around 80% of conflict minerals, gold, tantalum, tungsten, and tin (3TG), are produced in the Democratic Republic of Congo and neighboring countries that have experienced civil unrest. The electronics industry needs to establish a transparent supply chain for the sourcing of these minerals. • Material scarcity: The European Commission has published a list of 27 materials that are of great importance to humanity and are becoming increasingly scarce. The electronics industry should find substitute materials for these scarce resources. • E-waste: Electronic products have always generated waste, but the volume is rapidly increasing, with most materials not being recycled. Most electric products have a relatively short product life. The industry needs to find solutions that prolong the life of products and enable them to be recycled. • Resource usage: Every production process requires resources such as energy, water, gas, and raw materials. In order to minimize its contribution to pollution, the electronics industry must improve its product designs and processes in ways that account for their environmental effects.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Technology	Transitioning to lower emissions technology
------------	---

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

There is a need to transition to lower emissions technology, material reductions and fully recyclable products, and reduce/eliminate plastics use etc. Customers are setting higher requirements and if we are not able to research and develop products and services in line with this, there is a risk that customers will seek other solutions with a reduced demand for our product portfolio.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

N/A

Cost of response to risk

0

Description of response and explanation of cost calculation

We are aware of the significant need to transition to sustainable products and services and the risk it might imply on our business. Therefore, we continuously invest in our R&D, with resources and efforts in future technology. We are also aware of customers requesting EPDs, and this is why we have set a way forward to have all our products EPD verified, where the initial phase consisting of EPDs of cables were verified in 2022, with the aim to have EPDs for all our products. The aim is to have 100% EPD/Green Label products by 2030.

Comment

Cost of response N/A.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials
--------	---------------------------------

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

There is a risk of increased operational costs due to global risings in energy and petrol prices, causing an overall rise in costs. This might imply goods and raw materials shortage, increased transportation and shipping costs, all implying increased operational costs, and further our ability to produce and the revenue of the company.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

N/A

Cost of response to risk

0

Description of response and explanation of cost calculation

As this risk is a fact, already visible, we are managing to operate our business as efficient as possible, with reduced energy and effective consideration of all business lines, facilities and factories, transportation etc. to operate in optimal ways, reducing any losses and rethinking our approaches. As a target set before this risk became present, all our facilities are to become certified, together with the following targets set out in the Sustainability Strategy 2020-2023, which we are all working towards in progress:

- 100% coverage of own office buildings and facilities, and clients by remote energy monitoring and smart appliances by 2030
- 50% electric fleet by 2030
- 20% of energy consumption from self-supply renewable energy systems by 2030
- Reduce energy consumption by 20% for all office buildings and factories by 2030
- Reduce water consumption by 40% for all office buildings and factories by 2030

Comment

Cost of response N/A.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Water scarcity
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Out of our disclosed facilities, 15 out of 22 are exposed to 'high' or 'extremely high' water stress (68%) according to the WRI Aqueduct Tool. We are operating in locations where water scarcity and water stress are a high climate risk and therefore, we need to consider this into our operations, finding more efficient ways to operate and reduce our total water consumption further.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

N/A

Cost of response to risk

0

Description of response and explanation of cost calculation

We have recently revised our water policy, and we are aiming to undertake a water-related risk assessment within the coming years to identify specifically where in our operations, locations and actions to be taken to address and mitigate these risks. Examples are exploring alternative water sources, wastewater treatment plants in our facilities for reuse of water, water efficiency etc. We are also aware that our supply chain might be exposed to water scarcity risks, with high demands and risks of water pollution.

Elsowedy Electric performs environmental measurements every quarter in accordance with Egyptian environmental laws and Good International Industry Practice (GIIP) from around the world. These measurements comprise all of our facilities' and subsidiaries' efforts for measuring and keeping an eye on environmental emissions and discharges. In addition, the Group's Environmental and Social Management Strategy calls for all these measures to be identified, adopted, and put into practice to regulate and safeguard the environment. Therefore, this monitoring system will be expanded to encompass all of these measures (ESMP), covering ambient air, water, and soil quality, as well as air emissions and background noise.

Another response is Elsowedy's efforts in water-related projects, where the Group has been assign the contract of several water projects such as major wastewater treatment plants. An example of this is the contract of "Al Amriya Wastewater Treatment plant – Phase III Extension" with a capacity of 100,000 m3/day located in Alexandria, Egypt.

- Reduce water consumption by 40% for all office buildings and factories by 2030.
- Two times the investments in renewable energy, climate, and water projects by 2025.

Comment

Cost of response N/A.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

The recently created and shared group ESG (Environmental, Social, and Governance) Strategy has established specific goals for our organization to work towards. These goals consist of reducing our energy consumption by 20% and ensuring that all of our office buildings are powered by 100% renewable energy. Additionally, we aim to have 20% of the energy used in our factories and facilities from renewable sources by the year 2030.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

N/A

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

To meet these targets, we must prioritize energy efficiency by implementing measures such as upgrading our equipment and adopting energy management systems in all of our manufacturing facilities and buildings. This will enable us to optimize our energy usage and reduce waste. Renewable energy is to be explored and implemented in our facilities. We recognize that achieving these goals will require a collaborative effort and dedication from everyone at our organization, where we are putting the needed resources into all our efficiency projects .

For all manufacturing facilities and existing buildings, an energy management system will be adopted according to ISO 50001 and an annual energy audit will be conducted which will result in the identification of energy saving opportunities and monitoring the achievements of targets and assessing continual improvement in energy performance. Already, some factories have begun to adopt energy management systems and setting individual targets for reducing energy consumption, with the aim to have this established for all our facilities.

Another scope is the continuous R&D and exploring new ways of productions and our services, and advancement of our processes. This includes more efficient operations, equipment, and exploring alternative ways of distribution processes and continuously optimizing our operations.

Comment

Cost to realize opportunity N/A.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Reduced water usage and consumption

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

We have identified several opportunities related to reduced water use and consumption as part of our energy (and water) management systems according to ISO 50001. Under the newly developed and published group ESG Strategy, targets are set for 40% reduction in water consumption; and 100% green office buildings. Achieving these targets require continual improvement in water efficiency and implementation of water management measures in all our facilities.

An annual water audit is conducted at all our facilities to identify areas where we can reduce water usage and increase efficiency. By monitoring our progress and continuously seeking opportunities for improvement, we aim to achieve our water-saving targets.

We will also be raising awareness among all employees about the importance of water efficiency and adopting sound water management practices. This will involve educating our staff on ways to conserve water in their day-to-day activities and encouraging them to report any leaks or other water-related issues promptly.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

N/A

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Annual water audits are to be conducted, along with a water management system to be implemented for all of our manufacturing facilities and existing buildings. Regular monitoring and dedicated personnel with assigned duties, as well as continuously seeking opportunities for improvements, risk-assessments and updating the status and actions as needed.

Comment

Cost to realize opportunity N/A.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Elsewedy Electric has implemented a number of renewable energy projects, water treatment plants, and has signed to undertake the operation and maintenance of Egypt's high-speed rail network projects.

For the first time in the region, Elsewedy Cables managed to manufacture 1x120 mm² bare flexible copper conductor with a special design according to DIN 43 138 standards to comply with the "High-Speed Rail" requirements and specs. This configuration is used in energized connections in high-speed trains. Elsewedy Electric technical team used their expertise to design a new conductor as a result of research and collaboration between different departments. A consortium of several international companies will deliver an Egyptian rail system that will feature the country's first high-speed, electrified main and freight rail line. Extending over 1,800 km to link the country's eastern and northern coasts the four-line network will serve up to 30 million citizens annually. The \$23 billion electrical system will reduce air pollution by cutting emissions by 70 percent compared to car and bus transportation.

Please see the Group's Sustainability report for further details on recently achieved projects as well as projects in the pipeline/ongoing.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

N/A

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

We are already dedicated to our investments and cooperation, and we have further decided to increase our investments in renewable energy, climate and water projects, to be doubled by 2025. We have certain teams dedicated for each project, with reporting lines and regular follow-ups and assessments and tracking on progress, updates etc. according to the project timeline for each project, with stakeholders' engagement for respective project.

Comment

Cost to realize opportunity N/A.

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Elsewedy Electric has set an ambitious plan and targets for developing Environmental Product Declarations (EPDs) for all products. This requires conducting life cycle assessments (LCAs) for all products and on the other hand lowering the consumption of resources and associated emissions as well as switching to renewable energy sources in order to improve the environmental performance of the products and increase market expansion opportunities. The initial phase of this project, consisted of the EPDs for all our cable products , verification and publication on the EPD hub started in 2022, with the aim to have 100% EPD/ Green Label products before 2030.

Also, by digitalising our business lines and the energy sector at large, we allow energy suppliers to optimise their valuable assets, integrate renewable energies from variable and distributed resources, and reduce operational costs. New digital solutions will help balance the grid, optimise supply chains, defer grid investment, and generate new revenue streams, where we see the development of low emissions products as an opportunity risen by climate related matters. Therefore, R&D is also significant for Elsewedy Electric with focus on future sustainable products and services.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

N/A

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Elsewedy Electric's investment in advanced technology acquisition and development has positioned the group at the forefront of global electricity trends. This has enabled us to provide the most cost-effective and clean technology to developing nations in the region. We continue to invest in R&D, regularly analyze market trends, risks and opportunities in order to act accordingly. Furthermore, the sharing of cutting-edge production technology across the entire group has resulted in substantial efficiency gains, while effective brand development has elevated the group's profile as a leading business.

As for the EPDs, a dedicated team has been assigned for this project, , with a set project timeline and follow ups with responsible parties, data collection, reports, verification etc.

Comment

Cost to realize opportunity N/A.

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

Yearly stakeholders engagement

Frequency of feedback collection

Annually

Attach any relevant documents which detail your climate transition plan (optional)

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Lack of internal resources	<p>We intend to conduct a climate-related scenario analysis within the next two years, where it's currently still under development.</p> <p>In parallel, we are also still extending our Carbon Footprint Assessments to cover the entire business and activities. However, in the meantime we are working towards our set emissions reduction targets developed in alignment with the SBTi and the devised decarbonization plan.</p> <p>In a situation where we cannot cut direct or indirect emission further, we will compensate for these emissions by investing in environmental and renewable energy projects to help balance our total carbon footprint.</p> <p>We have identified priority areas for action in our Sustainability Strategy and Climate and Water policies, which will guide our efforts towards becoming a net-zero corporation. As we begin to implement these policies, we expect to refine our action plans and recalibrate our science-based targets based on a group-level assessment of our greenhouse gas emissions in upcoming reports.</p>

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>We have set core commitments and targets set out in our sustainability strategy, where we have taken our climate-related risks into opportunities. We aim to have 100% EPD/Green Label products by 2030. Digitalization also plays a critical role in our organization's sustainability efforts. We have set ambitious targets to expand our digital services, with a goal of achieving 100% coverage by 2030. This will enable us to provide more efficient services to our customers and also reduce our environmental footprint.</p> <p>As part of our commitment to digitalization, we are working towards implementing a 100% Digital Sustainability Management System and GHG Accounting Systems by 2025. This will improve the accuracy and completeness of our sustainability data, allowing us to better track and report on our progress towards our sustainability goals.</p> <p>By digitalising our business lines and the energy sector at large, we allow energy suppliers to optimise their valuable assets, integrate renewable energies from variable and distributed resources, and reduce operational costs. New digital solutions will help balance the grid, optimise 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 optimise costs, making them attuned to the continuously evolving societal needs.</p> <p>By leveraging digital technologies, we can streamline our operations, reduce our resource consumption incl. energy and water, and minimize our environmental impact and also further facilitate the reduction of the impacts of our customers. We believe that digitalization is an essential component of our sustainability strategy and will play a key role in helping us achieve our long-term sustainability objectives.</p> <p>We also aim to assess all our products and material origins, use and transports etc. by conducting LCAs and verified EPDs, which is an ongoing project with the initial phase of the project completed with a number of verified EPDs in 2022. We aim to have all our products EPD verified.</p>

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Supply chain and/or value chain	Yes	<p>All suppliers of Elsewedy undergo reviews to ensure their adherence to local laws and international regulations and agreements, and are screened and assessed according to our criteria, covering quality, environmental, and social-related aspects based on Elsewedy Electric's Supplier Pre-Assessment Form.</p> <p>All parts of Elsewedy have its procedures and systems depending on the nature and complexity of its supply chain. For example, ECMEI manages its impacts by purchasing raw materials, equipment, energy, gas, chemicals and services from many suppliers and subcontractors. ECMEI accredits all local and external suppliers and assures international accreditation in quality, safety and environment.</p> <p>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.</p> <p>As part of Elsewedy Electric Group 2020-2023 Sustainability Strategy, we are committed to establishing a Corporate Environmental and Social Management System (C-ESMS) by 2023 with the following targets on the supply chain:</p> <ul style="list-style-type: none"> - Sustainability due diligence and gap analysis for 100% of suppliers by 2023 - All suppliers to comply with ESG criteria by 2030 - All suppliers and new investments to comply with ESG criteria by 2030 - 100% transparency across supply chains by 2023 - 100% supplier compliance to internal standards for chemical and material safety by 2030
Investment in R&D	Yes	<p>Elsewedy Electric aims to shape the future of integrated energy solutions, and we are aware that R&D is key to ensure the future solutions to manage today's risks across our operations, business lines and supply chain. Our R&D department is located mainly at our subsidiary Iskraemeco, Slovenia, where over 100 engineers work on innovating our products, raising standards and developing solutions for our clients. Considering the vital role of R&D in our business, Iskraemeco continuously reinvests 8% of its turnover into R&D.</p> <p>Elsewedy strives to continuously working on product manufacturing development, such as the manufacturing of hybrid car charging cable (power + FTP LAN cables) and electron beam treated 150°C XLPE auto wires, where the research and trials are done in cooperation with the National Nuclear Research Center.</p> <p>At ECMEI, we produced the first 500 kV polymer insulator on the Egyptian market. Our insulators are the result of over 15 years of R&D and we continue to research more sustainable products and services as the market leaders in the countries we operate in. All our engineers regularly attend training workshops to stay up to date with leading industry developments.</p> <p>For the first time in the region, Elsewedy Cables managed to manufacture 1x120 mm2 bare flexible copper conductor with a special design according to DIN 43 138 standards to comply with the "High-Speed Rail" requirements and specs. This configuration is used in energized connections in high-speed trains. Elsewedy Electric technical team used expertise to design a new conductor that is not commonly used on the market, but research and cooperation between departments made this conductor feasible. A consortium of several international companies will deliver an Egyptian rail system that will feature the country's first high-speed, electrified main and freight rail line. Extending over 1,800 km to link the country's eastern and northern coasts the four-line network will serve up to 30 million citizens annually. The \$23 billion electrical system will reduce air pollution by cutting emissions by 70 percent compared to car and bus transportation.</p> <p>We will also double the investments in renewable energy, climate and water projects by 2025. Another scope is advancing the circularity of all our products, decreasing material use to address the limited resources and material impacts.</p>
Operations	Yes	<p>We analysed, assessed and developed mitigation measures to sustainability risks based on five drivers: markets, regulations; technological change; reputational issues; and environmental aspects. The analysis of the sustainability risks and opportunities relevant to our operations is reflected in our short- and long-term commitments.</p> <p>By 2030, we aim to reach 50% electric fleet, 100% coverage of all office buildings, facilities and sites to complete audit processes by 2023 and smart technology to be incorporated for all clients, e.g. by remote energy monitoring and smart appliances to be achieved by 2030 in alignment with our targets set out for priority areas and commitments set out in our Sustainability Strategy to address the operational risks related to energy and the limited resources.</p> <p>We are also aware that we are operating in countries with high water scarcity and water stress, where we have recently revised our water policy, as well as the climate and environmental policies, to be more stringent in alignment with international climate standards.</p> <p>At Elsewedy, we are committed to achieving net-zero operations as part of our efforts towards sustainability. To achieve this goal, we have established several initiatives, including:</p> <ul style="list-style-type: none"> - Designing, adopting, and implementing a Zero Waste to Landfill management system by 2030. This will help us minimize waste and reduce our environmental impact in all our facilities and throughout the operations. - Developing a Comprehensive Circular Economy Policy and Action Plan by 2023. - Embedding Life Cycle Assessment as a standard procedure for 100% of the Group products by 2023. - Ensuring that 90% of sourced materials by volume are renewable, recycled, or recyclable by 2030. - Conducting a group-wide comprehensive GHG emissions assessment covering all operations and subsidiaries by 2023. This will help us identify areas where we can reduce our greenhouse gas emissions further and work towards our reduction targets in alignment with a 1.5 DS. <p>All of our companies, business lines, and turnkey solution Groups work to ensure that our products and services meet the highest standards of quality, safety, and consumer satisfaction. All our companies have quality assurance departments that work on improving product life cycle sustainability, environmental compliance, reliability, and safety specifications.</p>

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Access to capital Assets	<p>We have taken climate-related risks and opportunities into account into our financial planning, specially with regards to energy efficiency, upgrades of our facilities and advanced technology, markets and digitalization.</p> <ul style="list-style-type: none"> - Increasing the group's investment on renewable energy with 2X investments in renewable energy, climate and water projects by 2025, in accordance with the key targets set out in the Sustainability Strategy. - Continue to invest in R&D for sustainable, low-carbon products and services for customer's needs in order to assist our entire value chain to reduce its environmental impacts. - Allocating more resources for product environmental certification, carbon management and ISO certifications and green building design, with the needed trainings, personnel and time allocated to establish this. - Allocating more resources for establishing, adopting and implementing a group environmental and social management system including systematic risk assessment. - Material flow assessment and circularity of all our products, where 2022 has been a significant year for Elsewedy, with our first phase of Environmental Product Declarations (EPDs) verified in 2022. We aim to have EPDs for all our products and simultaneously identify and assess main impacts and materials use to be able to further reduce the impacts and mitigate risks identified.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Target ambition

1.5°C aligned

Year target was set

2020

Target coverage

Site/facility

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Base year

2017

Base year Scope 1 emissions covered by target (metric tons CO2e)

4818

Base year Scope 2 emissions covered by target (metric tons CO2e)

55966

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

60784

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2025

Targeted reduction from base year (%)

33.6

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

40360.576

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

5565

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

50803

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

56368

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

In 2020, we set a target in line with the Science-Based Targets initiative (SBTi) using the Absolute Contraction approach. Our objective is to attain a 1.5 degrees Celsius future by 2025, with 2017 designated as the base year. To guarantee a consistent comparison between the base year and the reporting year (2022), we adopted the same organizational and operational boundaries. Consequently, all facilities and activities that were not accounted for in the base year emissions were excluded from the reporting year's emissions that fall under this target. This ensures that our sustainability performance is measured accurately and meaningfully, and that we can track our progress towards achieving our long-term goals. By comparing the emissions from the same activities and facilities in the two years, we can observe that Scope 1+2 emissions have reduced by 7.3%, which means that we achieved 21.6% of our target.

The target covers the following facilities:

- 1- Egyplast (Egypt)
- 2- Iskraemeco (Egypt)
- 3- Iskraemeco (Slovenia)
- 4- United Industries Company (UIC) (Egypt)
- 5- Elsewedy Transformers (Egypt)
- 6- Egytech Cables (Egypt).

In addition, the target encompasses specific activities, including:

- 1- Scope 1: On-site diesel and natural gas fuel burning
- 2- Scope 1: Fuel burning by owned vehicles
- 3- Scope 2: Purchased electricity

By focusing on these facilities and activities, the target aims to reduce greenhouse gas emissions and mitigate the impact of climate change.

It is important to note that the Scope 1 and 2 emissions for 2017 have been slightly revised in 2022 due to data refinement. The figures presented above reflect the new recalculated data.

At present, our emissions target does not encompass Scope 3 emissions. Although we acknowledge the significance of accounting for Scope 3 emissions, we are in the process of developing a more extensive data collection system that can collect this data more accurately and reliably. Our objective is to include Scope 3 emissions targets in our future emissions targets within the next few years, given the importance of such targets in promoting sustainability.

Plan for achieving target, and progress made to the end of the reporting year

As of the end of the reporting year we have achieved 21.6% of our target. As we move closer to the target year, we recognize the importance of taking proactive measures to achieve 100% of our objective. In order to attain our goal, we will intensify our efforts to lessen energy consumption and procure electricity from renewable energy sources. Our unwavering dedication to sustainability remains steadfast, and we are resolute in our pursuit to reach our target and foster advancements towards a more sustainable future.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 2

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Target ambition

1.5°C aligned

Year target was set

2021

Target coverage

Site/facility

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Base year

2021

Base year Scope 1 emissions covered by target (metric tons CO2e)

31219

Base year Scope 2 emissions covered by target (metric tons CO2e)

102750

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

133968

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1:

Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2028

Targeted reduction from base year (%)

33.6

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

88954.752

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

31360

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

107521

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

138881

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

-10.9145645299802

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

The primary objective of this target is to account for the substantial expansion of organizational boundaries that occurred in 2021. This expansion necessitated the establishment of a target that enables meaningful and consistent tracking of performance across future years. The base year for this target has been set as 2021, covering all 18 facilities and all Scope 1 and 2 activities.

Facilities covered:

- 1- Egyplast - (Egypt)
- 2- Iskraemeco (Egypt)
- 3- United Industries Company (UIC) - (Egypt)
- 4- Elsewedy Transformers (Egypt)
- 5- Egytech Cables - (Egypt)
- 6- Iskraemeco (Slovenia)
- 7- United Steel Wires (USW) - (Egypt)
- 8- United Metal (Egypt)
- 9,10- SEDCO, ELASTIMOLD (Egypt)
- 11- ECMEI (Egypt)
- 12- GIAD Elsewedy (Sudan)
- 13- Yanbu Al-Sinaiyah (Saudi Arabia)
- 14- Elsewedy Cables (Algeria)
- 15- Elsewedy Cables (Ethiopia)
- 16- Doha Cables (Qatar)
- 17- Iskraemeco (Bosnia)
- 18- Elsewedy Electric Infrastructure

Activities covered include:

- 1- Scope 1: On-site diesel and natural gas fuel burning
- 2- Scope 1: Fuel burning by owned vehicles
- 3- Scope 1: Fugitive emissions (refrigerants leakage)
- 4- Scope 2: Purchased electricity

To guarantee a consistent comparison between the base year (2021) and the reporting year (2022), we adopted the same organizational and operational boundaries. Consequently, all facilities and activities that were not accounted for in the base year (2021) emissions were excluded from the reporting year's emissions that fall under this target. This ensures that our sustainability performance is measured accurately and meaningfully, and that we can track our progress towards achieving our long-term goals. By comparing the emissions from the same activities and facilities in the two years, we can observe that Scope 1+2 emissions have increased by 3.7%.

Plan for achieving target, and progress made to the end of the reporting year

Elsewedy is committed to reducing our environmental footprint and has set a rigorous target to reduce our Scope 1 and 2 greenhouse gas emissions by 33.6%. Despite the challenges posed by increased production, we are dedicated to making significant strides in achieving this objective.

In 2022, our Scope 1+2 emissions experienced an increase of 3.7%. This was primarily due to an increase in our production activities, which naturally led to higher energy consumption. Specifically, our Wires and Cables production capacity saw a significant increase of 60% from 2021 to 2022. It's important to note that these Wires and Cables facilities constitute 9 out of our 17 reported production facilities, thereby having a substantial impact on our overall energy consumption and consequent rise in Scope 2 emissions.

However, we remain steadfast in our commitment to emissions reduction and decarbonization. In 2022, furthering our dedication to a sustainable future, we became a member of the Alliance for Industry Decarbonization. This international organization offers a crucial platform for us to gain insights and learn effective strategies to decarbonize our industry.

To achieve our emissions reduction target, we have devised a comprehensive plan that includes a variety of measures. Key among these are initiatives to increase energy efficiency and implement renewable energy projects. By enhancing energy efficiency, we aim to lower the energy consumption per unit of output, thereby reducing overall emissions. Our renewable energy projects are designed to decrease our dependence on fossil fuels, directly contributing to a reduction in our Scope 2 emissions.

In addition to these measures, we are exploring a range of potential initiatives to further our emissions reduction goals. These initiatives are being evaluated for their potential impact and feasibility, and will be implemented as part of our ongoing commitment to sustainability.

In conclusion, while we acknowledge the short-term increase in emissions due to the surge in production, our unwavering commitment to the long-term goal of reducing Scope 1+2 emissions remains. We are confident that, through our strategic approach and commitment to industry collaboration, we will successfully achieve our emissions reduction target and contribute substantially to global decarbonization efforts.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Net-zero target(s)

Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2020

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2021

Consumption or production of selected energy carrier in base year (MWh)

243141

% share of low-carbon or renewable energy in base year

0

Target year

2030

% share of low-carbon or renewable energy in target year

20

% share of low-carbon or renewable energy in reporting year

0

% of target achieved relative to base year [auto-calculated]

0

Target status in reporting year

Underway

Is this target part of an emissions target?

The reported electricity consumption for 2021 has been recalculated in 2022 due to data refinement, and the revised figure is the one reported in this question. This revised figure provides a more accurate and reliable representation of our electricity consumption and environmental impact, and encompasses a total of 18 facilities.

This target is expected to make a significant contribution towards reducing our Scope 2 emissions resulting from fossil-based purchased electricity from the national grid. As a result, it will support our efforts to achieve the Scope 1+2 emissions reduction target (Abs2).

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

This target is expected to cover all Elsewedy Electric's offices and facilities; however, the above reported figures cover only the following eighteen facilities:

- 1- Egyplast - (Egypt)
- 2- United Steel Wires (USW) - (Egypt)
- 3- Iskraemeco (Egypt)
- 4- United Industries Company (UIC) - (Egypt)
- 5- Elsewedy Transformers (Egypt)
- 6- Egytech Cables - (Egypt)
- 7- Iskraemeco (Slovenia)
- 8- United Metal (Egypt)
- 9,10- SEDCO, ELASTIMOLD (Egypt)
- 11- ECMEI (Egypt)
- 12- GIAD Elsewedy (Sudan)
- 13- Yanbu Al-Sinaiyah (Saudi Arabia)
- 14- Elsewedy Cables (Algeria)
- 15- Elsewedy Cables (Ethiopia)
- 16- Doha Cables (Qatar)
- 17- Iskraemeco (Bosnia)
- 18- Elsewedy Electric Infrastructure

Plan for achieving target, and progress made to the end of the reporting year

At Elsewedy Electric, we have been diligently exploring the feasibility of installing rooftop solar plants within our manufacturing facilities. We recognize that investing in renewable energy solutions is essential in reducing our carbon footprint and promoting sustainable practices. As of 2022, we are proud to announce that we have successfully completed these feasibility studies and are now moving forward with these projects.

By implementing rooftop solar plants, we will be able to generate clean, renewable energy within our own facilities. This not only reduces our dependence on fossil fuels but also serves as a significant step towards achieving our emissions reduction targets.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2021

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency	MWh
----------------------------------	-----

Target denominator (intensity targets only)

<Not Applicable>

Base year

2021

Figure or percentage in base year

374718

Target year

2030

Figure or percentage in target year

299774

Figure or percentage in reporting year

407639

% of target achieved relative to base year [auto-calculated]

-43.9274658411614

Target status in reporting year

Underway

Is this target part of an emissions target?

This target is expected to make a significant contribution towards reducing our Scope 1 and 2 emissions resulting from fossil-based fuels and purchased electricity from the national grid. As a result, it will support our efforts to achieve the Scope 1+2 emissions reduction target (Abs2).

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

It is imperative that this target encompasses all Elsewedy Electric offices and factories. However, as of 2021, the target only included the 18 factories that were reporting. In an effort to improve our sustainability efforts and expand our reach, we have undertaken an assessment in 2022 that encompasses an additional 4 factories. This expansion, coupled with the increase in our absolute energy consumption, has resulted in a 8.8% rise in energy consumption in 2022 compared to the previous year. This trend highlights the urgent need for us to prioritize energy efficiency projects and implement sustainable practices across our operations. We believe that by taking proactive measures to reduce our energy consumption, we can achieve our targets while also minimizing our environmental impact.

Plan for achieving target, and progress made to the end of the reporting year

As part of our commitment towards a sustainable future, we have taken a significant step forward by becoming a member of the Alliance for Industry Decarbonization in 2022. This international organization provides a valuable platform for us to gain insights and knowledge on how to decarbonize our industry efficiently.

Our comprehensive emissions reduction plan includes a range of potential energy efficiency projects that will help us reduce our energy consumption and achieve our target.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs2

Target year for achieving net zero

2050

Is this a science-based target?

No, but we are reporting another target that is science-based

Please explain target coverage and identify any exclusions

This target is expected to cover all Elsewedy Electric's facilities and operations. In addition to our whole supply chain.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Unsure

Planned milestones and/or near-term investments for neutralization at target year

<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

Elsewedy Electric has established two science-based targets that will contribute significantly to our net-zero emissions target. Furthermore, we are actively studying the feasibility of neutralizing some of the emissions beyond our value chain. While we are still exploring various options, we are committed to developing a solid plan in the coming years to achieve our net-zero targets. We remain dedicated to implementing innovative and effective solutions that minimize our environmental impact and promote a sustainable future.

While our current targets do not encompass Scope 3 emissions, we recognize the importance of accounting for these emissions in our sustainability efforts. Therefore, we are actively working on developing a robust data collection system that can gather sufficient and accurate data to establish Scope 3 emission targets in the upcoming years.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	2	
To be implemented*		
Implementation commenced*	1	
Implemented*		
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Waste reduction and material circularity	Product/component/material recycling
--	--------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

<1 year

Estimated lifetime of the initiative

1-2 years

Comment

At Elsewedy Electric, we are committed to reducing our environmental impact and promoting sustainable practices. As part of our efforts, we are working on recycling the waste generated from our operations.

In 2022, we achieved a diversion rate to recycling facilities of approximately 86% from the reported wastes.

Our ultimate goal is to achieve zero waste to landfill by 2030. This target is a key part of our sustainability strategy and reflects our commitment to responsible environmental management practices.

Initiative category & Initiative type

Other, please specify	Other, please specify (Sustainable Packaging)
-----------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 1: Purchased goods & services

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

At Elsewedy Electric, we recognize the impact of single-use plastics on the environment and are committed to reducing our use of these materials. As part of our sustainability efforts, we are working on the elimination of single-use plastics from our packaging materials.

Our target is to achieve 100% single-use plastics-free packaging by 2030. This target is aligned with our commitment to responsible environmental management practices and reflects our dedication to reducing our environmental impact.

Initiative category & Initiative type

Other, please specify	Other, please specify (Sustainable Sourced Materials)
-----------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Please select

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

At Elsewedy Electric, we recognize the importance of using sustainable sourced materials in our operations and are committed to promoting sustainable practices. As part of our sustainability efforts, we are working on increasing the use of renewable, recycled, or recyclable materials in our operations.

Our target is to ensure that 90% of the materials we source by volume will be renewable, recycled, or recyclable by 2030. This target is aligned with our commitment to responsible environmental management practices and reflects our dedication to reducing our environmental impact.

In 2021 and 2022, two recycled plastics have been used one with 30% and the other with 80% post-industrial recycled granulate.

Initiative category & Initiative type

Please select

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

We implemented the Sunlight SOLERA SUN SQUARE, an off-grid solar-powered hub in Zambia. This project has already made a significant impact, benefiting over 30,000 rural Zambians.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	
Compliance with regulatory requirements/standards	
Partnering with governments on technology development	

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Power	Solar PV
-------	----------

Description of product(s) or service(s)

Eisewedy Electric and Electricité de France (EDF) have formed a strategic partnership to collaborate on the development, financing, construction, and operation of two solar photovoltaic (PV) power plants in the Aswan Province of Egypt. The two power plants, located in Benban and Kom Ombo, will have a combined capacity of 130 (2x65) MWp and are expected to generate an estimated annual electricity output of 290 GWh. This amount of energy is sufficient to power over 140,000 households, contributing to the expansion of Egypt's renewable energy sector.

Moreover, the project is expected to have a significant environmental impact, with an estimated reduction of over 120,000 tons of carbon dioxide emissions per year. These emissions savings were calculated by multiplying the annual electricity output (290 GWh) by the national grid-electricity emission factor. These savings represent the amount of CO2 emissions that would be released if the electricity generated by the solar projects were instead provided by the national grid.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0.23

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Power	Other, please specify (Wind farms)
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Description of product(s) or service(s)

Elsewedy Electric takes pride in its commitment to promoting clean and renewable energy solutions. As part of our efforts, we currently operate three wind farms in Greece, with a combined capacity of 61 MW. These wind farms have an estimated avoided emissions of 73,000 tons of CO2e.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0.22

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Buildings construction and renovation	Other, please specify (Building Efficiency)
---------------------------------------	---

Description of product(s) or service(s)

Elsewedy Technology, a subsidiary of Elsewedy Digital, has achieved a significant milestone by completing the prototype for a state-of-the-art smart building technology that will be implemented in the iconic Gate Towers of New Alamein. This groundbreaking project marks a new era in smart building technology, utilizing cutting-edge innovations to provide a comprehensive end-to-end system that enhances the safety, security, and efficiency of the building.

Standing tall at 42 floors, the Gate Towers is the tallest building in the national strategic project located in the northwest of Egypt, overlooking the picturesque Mediterranean Sea. Elsewedy Technology's innovative smart building technology will incorporate over 15 systems that cover life safety systems, security systems, passive and active networking, light current systems, and building management systems.

The company has collaborated with leading technology giants such as Bosch, Honeywell, and Siemens to integrate their individual systems into a cohesive, harmonious system that will provide unparalleled convenience and efficiency. The smart system will also include features that promote efficient energy consumption by monitoring usage and responding with appropriate actions. This increased energy efficiency will be reflected in the GHG emissions of the building, contributing to our efforts towards achieving our sustainability goals.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Systems integration	Smart meter
---------------------	-------------

Description of product(s) or service(s)

Elsewedy Electric has established a strong presence in the European market through its subsidiary Iskraemeco. With over 75 years of experience in the industry, the Slovenian company Iskraemeco is a leading provider of sustainable energy management solutions, and is currently ranked fourth in the world for smart utility meter production. With 8 production facilities worldwide, the company is the leading meter provider in Germany and the Netherlands, and has a strong reputation for delivering quality products and services.

Iskraemeco's latest addition to its portfolio of software solutions is Symbiot - an IoT-powered intelligent software suite that enables easy, highly secure, and automated management of any utility based on real-time data processing. This powerful software suite offers future intelligence for better management of today's utilities and is quick to deploy and interoperable, allowing it to seamlessly connect and achieve full functionality regardless of the type of meters used in the utility system.

Symbiot is a significant step forward in Iskraemeco's efforts to promote sustainable practices and enhance the efficiency of utility management. By leveraging advanced technology and real-time data processing capabilities, Symbiot offers a comprehensive solution that enables utilities to optimize their operations while reducing their environmental impact.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Systems integration	Smart meter
---------------------	-------------

Description of product(s) or service(s)

Iskraemeco, in collaboration with Arewal, the Brussel southeast grid operator, has forged a strategic partnership aimed at revolutionizing Arewal's electricity network. Through this alliance, they have undertaken the ambitious task of deploying a comprehensive, flexible smart metering solution designed to efficiently manage vast amounts of data while seamlessly integrating cutting-edge energy Internet of Things (IoT) technologies that align with sustainable standards.

Commencing in 2021, the implementation and integration of this groundbreaking initiative have been set in motion, marking the beginning of a transformative journey. By synergizing Iskraemeco's expertise in smart metering with Arewal's in-depth knowledge of the grid domain, they are set to redefine the landscape of energy management.

The ultimate objective of this collaboration is to streamline Arewal's electricity infrastructure, optimize data handling processes, and foster the adoption of eco-friendly energy practices. As the project unfolds, it is scheduled to culminate in a major rollout expected to reach its completion by the end of 2024.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Hydrogen	Other, please specify (Green Hydrogen)
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Description of product(s) or service(s)

Elsowedy Electric, a leading energy solutions provider in the Middle East and Africa, has partnered with ReNew Power Private Limited, a global renewable energy company, to collaborate on a green hydrogen project in Egypt. The Framework Agreement involves joint development, financing, construction, operation, and maintenance of the facility, producing 220,000 tons of green hydrogen annually. This initiative aligns with Egypt's National Green Hydrogen Strategy, emphasizing the commitment to carbon neutrality and sustainable solutions. The project aims to impact various sectors positively and support the country's long-term sustainability and climate change strategies. This landmark venture represents a significant step towards achieving Net Zero emissions and fostering a greener future for Egypt and the world.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Other	Other, please specify (Sustainable Integrated Industrial City)
-------	--

Description of product(s) or service(s)

Sokhna 360 is the first sustainable and integrated industrial city in Egypt, aimed at fostering a sustainable pathway of growth through green investments, environmentally responsible decisions, and resource-efficient productivity. Geocycle and Lafarge Egypt, members of the Holcim Group, have signed a cooperation agreement with Elsowedy Industrial Development to manage the generated waste of the Sokhna 360 project in a sustainable and eco-friendly manner. Geocycle will manage industrial waste, and Lafarge Egypt will offer eco-friendly building solutions. The project aligns with the Suez Canal Economic Zone's objective to encourage sustainable development projects and green transformation. The cooperation integrates the green aspect of the project, contributes to carbon neutrality and Net-Zero initiatives, and supports Egypt's Vision 2030 and Energy Strategy 2035.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**Level of aggregation**

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Other	Other, please specify (Dry Port)
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Description of product(s) or service(s)

The "October Dry Port" is Egypt's first dry port located in the new 6th of October City. It operates under a public-private partnership involving the Ministry of Transportation, Elsewedy Electric, DB Schenker, and the European Bank for Reconstruction and Development (EBRD). The project aims to set a model for an integrated port facility with advanced digital systems. It received recognition as the IJ Global Transport Deal of the Year 2021 for the MENA region and is part of the EBRD's Green Cities program. The port emphasizes eco-friendly practices to reduce carbon emissions, including using trains for transportation to and from seaports. This transformative project showcases the potential of sustainable public-private collaborations in Egypt's transportation sector.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**Level of aggregation**

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Road	Other, please specify (Electric Buses Charging Station)
------	---

Description of product(s) or service(s)

In anticipation of the 27th United Nations Climate Change Conference (COP27), Egypt has taken significant strides towards fostering a greener and more sustainable future by launching a series of environment-friendly initiatives. One of the standout projects is a sprawling charging station dedicated to electric buses, situated in the picturesque city of Sharm El-Sheikh.

Leading the charge in this transformational endeavor is Elsewedy Electric T&D, appointed as the primary contractor responsible for overseeing the station's construction. Additionally, the company has been entrusted with the crucial task of supplying the cutting-edge charging units that will cater to the energy needs of up to 140 electric buses. Spanning an impressive 100,000 square meters, this state-of-the-art electric charging station will not only facilitate the rapid recharging of buses but also serve as a central hub for their maintenance and cleaning, forming a cornerstone of an efficient and eco-conscious transport system in the city.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology Yes, a change in boundary	<p>Change in methodology/ data refinement: We have conducted a thorough review of our emissions data for Scope 1, 2, and 3. As part of this process, we identified minor errors that had been inadvertently included in our reporting over the past year. As a result, we have undertaken a recalculation of these emissions figures to ensure accuracy and transparency in our reporting.</p> <p>Furthermore, we have carefully scrutinized our data for the year 2021 to ensure consistency and reliability. This rigorous review process has allowed us to identify and address any discrepancies in our emissions data, and to re-assure our stakeholders that our reporting is both accurate and trustworthy.</p> <p>Change in boundary: Elsewedy Electric organizational boundaries included in the CFP assessment in 2022 have been extended to encompass four new factories, namely Transformers Pakistan, Transformers Indonesia, Transformers Zambia, and SEDCO Petroleum. With the addition of these factories, our organizational boundaries now encompass a total of 22 factories in the current reporting year. Furthermore, we have also broadened our operational boundaries to include additional activities within Scope 3. Specifically, we have included emissions coming from the procurement of raw materials and upstream transportation and distribution in our coverage.</p> <p>This expansion is a testament to our commitment to conduct a group wide GHG emissions assessment of all operations and subsidiaries by 2023.</p>

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	Yes	Scope 1 Scope 2, location-based Scope 3	We identified minor errors that had been inadvertently included in our reporting over the past year. In light of these findings, we made the decision to undertake a recalculation of our base year emissions to ensure accuracy and consistency in our reporting. The emissions resulting from the four newly added facilities have not been included in our recalculations of emissions data. This is because the 2021 emissions data for these facilities is currently unavailable, and their contribution to our overall emissions is not considered significant. In fact, the combined emissions from these facilities only represent 0.4% of our total Scope 1, 2, and 3 emissions in the current reporting year.	Yes

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

31219

Comment

In 2017, Elsewedy Electric's Scope 1 emissions amounted to 4,818 mtCO2e, covering only 6 facilities and including the following activities: owned vehicles, natural gas, and diesel fuel burning. However, in 2021, our Scope 1 emissions increased significantly by 631% to 31,219 mtCO2e. This increase was due to the expansion of our organizational boundaries to cover a total of 18 facilities, including 12 new facilities, and the inclusion of fugitive emissions resulting from refrigerant leakage, which were not accounted for in 2017, 2018, or 2019.

To enable a like-to-like comparison between the emissions in 2017 (the previous base year) and 2021 (the current base year), we performed a modified analysis by maintaining the same organizational and operational boundaries. This analysis revealed that the total Scope 1 emissions in 2017 were 4,818 tCO2e, while the 2021 modified emissions amounted to 5,896 tCO2e, representing a 22% increase from 2017 to 2021.

It is important to note that this figure has been recalculated in 2022 due to data refinement, as described in question 5.1b. This recalculation was necessary to ensure the accuracy and reliability of our sustainability performance data.

Scope 2 (location-based)

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

102750

Comment

The reported figure encompasses emissions from both purchased electricity and purchased heat. In 2017, Elsewedy Electric's Scope 2 emissions amounted to 55,966 mtCO2e, covering only 6 facilities. However, in 2021, our Scope 2 emissions increased by 84% to 102,750 mtCO2e due to the expansion of our organizational boundaries to cover a total of 18 facilities, including 12 new facilities that were not accounted for in 2017, 2018, or 2019.

To enable a like-to-like comparison between the emissions in 2017 (the previous base year) and 2021 (the current base year), we performed a modified analysis by maintaining the same organizational and operational boundaries. This analysis revealed that the total Scope 2 emissions in 2017 were 55,966 mtCO2e, while the 2021 modified emissions amounted to 50,545 mtCO2e, representing a 9.7% decrease from 2017 to 2021.

It is important to note that this figure has been recalculated in 2022 due to data refinement, as described in question 5.1b. This recalculation was necessary to ensure the accuracy and reliability of our sustainability performance data.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Due to the unavailability of data regarding residual mix totals, a market-based figure cannot be accurately calculated. Therefore, we have used the location-based result as a proxy to represent our carbon footprint.

Scope 3 category 1: Purchased goods and services

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

10146

Comment

The reported figure covers emissions from purchased consumables, office supplies, and packaging materials.

In 2017, the emissions were recorded at 5.4 mtCO_{2e}, which solely covered six facilities and was limited to emissions associated with paper consumption. However, as of 2021, the emissions have increased significantly to 10,146 mtCO_{2e}. This notable increase is attributable to an expansion in the boundary of analysis, now encompassing a total of 18 facilities (including 12 additional facilities). Furthermore, the analysis now incorporates other categories of purchased goods that were not accounted for in the years 2017, 2018, or 2019.

However, to compare between the emissions in 2017 (previous base-year) and 2021 (current base-year) we performed a modified analysis to allow for like-to-like comparison. By maintaining same organizational and operational boundaries, emissions from this category in 2017 were 5.4 mtCO_{2e}, while 2021 modified emissions were 32 mtCO_{2e} (149% increase from 2017 to 2021).

Scope 3 category 2: Capital goods

Base year start**Base year end****Base year emissions (metric tons CO2e)****Comment**

While the emissions associated with embodied carbon in our owned assets and buildings are relevant to our business, this category has not yet been calculated. We recognize the importance of accounting for these emissions in our sustainability efforts and are actively working on developing a robust data collection system to gather all the required information to calculate these emissions accurately in the upcoming years.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

5258

Comment

The reported figure encompasses the Well-To-Tank (WTT) emissions resulting from both stationary (fuel burning on-site) and mobile combustion (fuel burning in owned vehicles). Additionally, this category includes emissions associated with water consumption and wastewater treatment, reflecting the emissions associated with the energy used to treat and supply water to our facilities.

It is important to note that this figure has been recalculated in 2022 due to data refinement, as described in question 5.1b. This recalculation was necessary to ensure the accuracy and reliability of our sustainability performance data.

Scope 3 category 4: Upstream transportation and distribution

Base year start**Base year end****Base year emissions (metric tons CO2e)****Comment**

This category should encompass the emissions associated with the transportation of raw materials from both local and international suppliers to Elsewedy Electric factories and warehouses. As part of our commitment to transparency and accountability, we have been actively working on developing a robust data collection system to accurately collect these data. We are pleased to report that we have successfully included these emissions in our current reporting year 2022.

Scope 3 category 5: Waste generated in operations

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

564

Comment

In 2017, the emissions associated with waste generated in operations were 63.5 mtCO_{2e}, covering only 6 facilities. However, in 2021, our emissions increased significantly to 564 mtCO_{2e} due to the expansion of our organizational boundaries to cover a total of 18 facilities, including 12 new facilities that were not accounted for in 2017, 2018, or 2019.

To enable a like-to-like comparison between the emissions in 2017 (the previous base year) and 2021 (the current base year), we performed a modified analysis by maintaining the same organizational and operational boundaries. This analysis revealed that the emissions from this category in 2017 were 63.5 mtCO_{2e}, while the 2021 modified emissions amounted to 411 mtCO_{2e}, representing a 547% increase from 2017 to 2021. This increase can be mainly attributed to the more types of waste that we included in 2021, in addition to the enhanced data quality.

Scope 3 category 6: Business travel

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

994

Comment

The reported figure encompasses the emissions associated with business travel by land and by air during 2021, as well as their Well-To-Tank (WTT) emissions. Furthermore, emissions from hotel stays in different countries is included under this category. It is important to note that in 2017 only land travel emissions were included under this category.

Scope 3 category 7: Employee commuting

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

33742

Comment

The reported figure encompasses the emissions resulting from employees commuting in rented coasters in addition to the associated Well-To-Tank (WTT) emissions. This category was not included in our 2017 GHG emissions assessment.

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

This category is not relevant to Elsewedy Electric's business, as we did not lease any type of assets in 2021.

Scope 3 category 9: Downstream transportation and distribution

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

28198

Comment

The reported figure includes emissions resulting from local product transportation and exports from country to country in addition to the associated Well-To-Tank (WTT) emissions. This category was not included in 2017 GHG emissions assessment.

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Elsewedy Electric does not produce any intermediate products.

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We currently do not have enough data to enable the computation of this category's emissions, as we currently working on further developing our corporate-wide ESG data system within the coming year as part of our the Corporate Environmental and Social Management System (C-ESMS) currently under development (as of 2022). We expect to be able to provide this figure within the next 2 years based on the Life Cycle Assessments that we are currently working on conducting for all our products as part of developing their Environmental Product Declarations (EPDs).

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We currently do not have enough data to enable the computation of this category's emissions, as we currently working on further developing our corporate-wide ESG data system within the coming year as part of our the Corporate Environmental and Social Management System (C-ESMS) currently under development (as of 2022). We expect to be able to provide this figure within the next 2 years based on the Life Cycle Assessments that we are currently working on conducting for all our products as part of developing their Environmental Product Declarations (EPDs).

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

This category is not relevant to Elsewedy Electric's business, as we did not lease any type of assets in 2021.

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Elsewedy Electric does not franchise any of its operations.

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

This category was not included in our base year emissions assessment. However, we recognize the importance of accounting for all emissions associated with our operations, including those resulting from our investments. As such, we are actively working on developing a system to accurately measure and report on these emissions in the upcoming years.

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

ISO 14064-1

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

38319

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

The value being reported encompasses a comprehensive assessment of emissions arising from various sources within our operations. Specifically, it takes into account the emissions generated from the consumption of non-renewable fuels at our facilities, as well as fuel consumed by vehicles owned by the company. Additionally, the value also includes an assessment of emissions from purchased refrigerants/refrigerants leakage.

For mobile and stationary combustion, emissions are calculated by multiplying the total amount of fuel consumed by the corresponding emission factor retrieved from UK Government GHG Conversion Factors for Company Reporting (DEFRA UK).

For refrigerants leakage, emissions are calculated by multiplying the amount of recharged refrigerants from each type by the corresponding emission factor retrieved from UK Government GHG Conversion Factors for Company Reporting (DEFRA UK).

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

110571

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

The reported figure includes emissions from purchased electricity and purchased heat.

Emissions are calculated by multiplying the electricity and heat consumption in MWh by the country-specific electricity emission factor. Country-specific emission factors are retrieved from the European Investment Bank (EIB) except for Egypt emission factor as it is retrieved from the Egyptian Electric Utility and Consumer Protection Regulatory Agency (ERA).

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions

Some factories were unable to collect data for upstream transportation and distribution.

These factories are:

- 1- Egytech (Egypt)
- 2- Transformers (Egypt)
- 3- USW (Egypt)
- 4- Iskraemeco (Slovenia)
- 5,6- SEDCO, ELASTIMOLD (Egypt)
- 7- Yanbu Al-Sinaiyah (KSA)
- 8- Elsewedy Cables (Ethiopia)
- 9- Iskraemeco (Bosnia)
- 10- Transformers (Pakistan)
- 11- SEDCO Petroleum (Egypt)

Scope(s) or Scope 3 category(ies)

Scope 3: Upstream transportation and distribution

Relevance of Scope 1 emissions from this source

<Not Applicable>

Relevance of location-based Scope 2 emissions from this source

<Not Applicable>

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

Emissions are relevant but not yet calculated

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

<Not Applicable>

Estimated percentage of total Scope 3 emissions this excluded source represents

2

Explain why this source is excluded

Emissions from this activity in the factories listed above are excluded due to data unavailability. The excluded emissions are expected to represent around 2% of our Scope 3 emissions. This percentage is a rough estimate based on the data we received from the remaining 11 factories that are within our boundaries.

Explain how you estimated the percentage of emissions this excluded source represents

The percentage is estimated to be around 2% of our Scope 3 emissions. This is estimated based on the percentage of upstream transportation and distribution of the 11 factories that reported their emissions in this activity.

Estimated percentage of total Scope 3 emissions this excluded source represents = (((Current upstream transportation and distribution emissions/ Scope 3 emissions)/Number of reporting factories)*Number of excluded factories)*100= (((50,664/2,405,502)/11)*11)*100= 2.1%

Source of excluded emissions

Some factories were unable to collect data related to business travel.

These factories are:

- 1- Iskraemeco (Egypt)
- 2- USW (Egypt)
- 3- GIAD Elsewedy (Sudan)
- 4- Yanbu Al-Sinaiyah (KSA)
- 5- Elsewedy Cables (Ethiopia)
- 6- SEDCO Petroleum (Egypt)

Scope(s) or Scope 3 category(ies)

Scope 3: Business travel

Relevance of Scope 1 emissions from this source

<Not Applicable>

Relevance of location-based Scope 2 emissions from this source

<Not Applicable>

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

Emissions are relevant but not yet calculated

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

<Not Applicable>

Estimated percentage of total Scope 3 emissions this excluded source represents

0

Explain why this source is excluded

Emissions from this activity in the factories listed above are excluded due to data unavailability. The excluded emissions are expected to represent less than 0.02% of our Scope 3 emissions. This percentage is a rough estimate based on the data we received from the remaining 16 factories that are within our boundaries.

Explain how you estimated the percentage of emissions this excluded source represents

The percentage is estimated to be less than 0.06% of our Scope 3 emissions. This is estimated based on the percentage of business travel of the 16 factories that reported their emissions in this activity.

Estimated percentage of total Scope 3 emissions this excluded source represents =(((Current business travel emissions/ Scope 3 emissions)/Number of reporting factories)*Number of excluded factories)*100= ((1,375/2,405,502)/16)*6)*100= 0.02%

Source of excluded emissions

Some factories were unable to collect data related to purchased goods and services.

These factories are:

- 1- USW (Egypt)
- 2- United Metals (Egypt)

Scope(s) or Scope 3 category(ies)

Scope 3: Purchased goods and services

Relevance of Scope 1 emissions from this source

<Not Applicable>

Relevance of location-based Scope 2 emissions from this source

<Not Applicable>

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

Emissions are relevant but not yet calculated

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

<Not Applicable>

Estimated percentage of total Scope 3 emissions this excluded source represents

9

Explain why this source is excluded

Emissions from this activity in the factories listed above are excluded due to data unavailability. The excluded emissions is expected to represent less than 9% of our Scope 3 emissions. This percentage is a rough estimate based on the data we received from the remaining 20 factories that are within our boundaries.

Explain how you estimated the percentage of emissions this excluded source represents

The percentage is estimated to be around 9% of our Scope 3 emissions. This is estimated based on the percentage of business travel of the 20 factories that reported their emissions in this activity.

Percentage =(((Current purchased goods and services emissions/ Scope 3 emissions)/Number of reporting factories)*Number of excluded factories)*100= ((2,238,707/2,405,502)/20)*2)*100= 9%

Source of excluded emissions

Some factories were unable to collect data related to downstream transportation and distribution.

These factories are:

- 1,2- SEDCO, ELASTIMOLD (Egypt)
- 3- GIAD Elsewedy (Sudan)
- 4- Elsewedy Cables (Algeria)
- 5- Iskraemeco (Bosnia)
- 6- Transformers (Pakistan)
- 7- SEDCO Petroleum (Egypt)
- 8- Transformers (Zambia)

Scope(s) or Scope 3 category(ies)

Scope 3: Downstream transportation and distribution

Relevance of Scope 1 emissions from this source

<Not Applicable>

Relevance of location-based Scope 2 emissions from this source

<Not Applicable>

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

Emissions are relevant but not yet calculated

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

<Not Applicable>

Estimated percentage of total Scope 3 emissions this excluded source represents

1

Explain why this source is excluded

Emissions from this activity in the factories listed above are excluded due to data unavailability. The excluded emissions is expected to represent less than 1% of our Scope 3 emissions. This percentage is a rough estimate based on the data we received from the remaining 14 factories that are within our boundaries.

Explain how you estimated the percentage of emissions this excluded source represents

The percentage is estimated to be around 1% of our Scope 3 emissions. This is estimated based on the percentage of business travel of the 14 factories that reported their emissions in this activity.

$$\text{Percentage} = \left(\frac{\text{Current downstream transportation and distribution emissions} / \text{Scope 3 emissions}}{\text{Number of reporting factories}} \right) * \text{Number of excluded factories} * 100 = \left(\frac{46,001 / 2,405,502}{14} \right) * 8 * 100 = 1\%$$

Source of excluded emissions

Some factories were unable to collect data related to employee commuting.

These factories are:

- 1- Elsewedy Cables (Ethiopia)
- 2- Iskraemeco (Bosnia)
- 3- SEDCO Petroleum (Egypt)

Scope(s) or Scope 3 category(ies)

Scope 3: Employee commuting

Relevance of Scope 1 emissions from this source

<Not Applicable>

Relevance of location-based Scope 2 emissions from this source

<Not Applicable>

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

Emissions are relevant but not yet calculated

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

<Not Applicable>

Estimated percentage of total Scope 3 emissions this excluded source represents

0.4

Explain why this source is excluded

Emissions from this activity in the factories listed above are excluded due to data unavailability. The excluded emissions is expected to represent less than 0.4% of our Scope 3 emissions. This percentage is a rough estimate based on the data we received from the remaining 19 factories that are within our boundaries.

Explain how you estimated the percentage of emissions this excluded source represents

The percentage is estimated to be around 0.4% of our Scope 3 emissions. This is estimated based on the percentage of business travel of the 19 factories that reported their emissions in this activity.

$$\text{Percentage} = \left(\frac{\text{Current employee commuting emissions} / \text{Scope 3 emissions}}{\text{Number of reporting factories}} \right) * \text{Number of excluded factories} * 100 = \left(\frac{58,798 / 2,405,502}{19} \right) * 3 * 100 = 0.4\%$$

Source of excluded emissions

Some factories were unable to collect data related to waste generated in operations.

These factories are:

- 1- Iskraemeco (Bosnia)

Scope(s) or Scope 3 category(ies)

Scope 3: Waste generated in operations

Relevance of Scope 1 emissions from this source

<Not Applicable>

Relevance of location-based Scope 2 emissions from this source

<Not Applicable>

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

Emissions are relevant but not yet calculated

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

<Not Applicable>

Estimated percentage of total Scope 3 emissions this excluded source represents

0

Explain why this source is excluded

Emissions from this activity in the factories listed above are excluded due to data unavailability. The excluded emissions is expected to represent less than 0.005% of our Scope 3 emissions. This percentage is a rough estimate based on the data we received from the remaining 21 factories that are within our boundaries.

Explain how you estimated the percentage of emissions this excluded source represents

The percentage is estimated to be around 0.005% of our Scope 3 emissions. This is estimated based on the percentage of business travel of the 21 factories that reported their emissions in this activity.

Percentage =(((Current waste generated in operations emissions/ Scope 3 emissions)/Number of reporting factories)*Number of excluded factories)*100=
((2,898/2,405,502)/21)*1)*100= 0.005%

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2238707

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We do not currently have access to data from our third-party contractors or other suppliers.

The reported figure includes emissions from the procurement of raw materials, packaging materials, consumables, paper, and ink. In addition, emissions from water use from the municipal network is added under this activity. Main emissions from this activity is attributed to the procurement of raw materials with a percentage of 97% from total purchased goods and services emissions.

Emissions are calculated by multiplying the total amount of materials purchased per materials type by the corresponding material emission factor retrieved from UK Government GHG Conversion Factors for Company Reporting (DEFRA UK).

Capital goods

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Capital goods emissions are related to fuel use and electricity use during operations are reported under Scope 1 and 2. Scope 3 capital goods emissions are not yet calculated because it involves a large amount of data that we do not currently have. Elsewedy Electric is currently working on an ESG data collection and management system, and we expect to be able to provide a figure for capital goods emissions within the next 2 years.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

7058

Emissions calculation methodology

Fuel-based method

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We do not currently have access to data from our third-party contractors or other suppliers.

The reported figure includes Well-To-Tank (WTT) emissions related to stationary (fuel burning on-site) and mobile (fuel burning in owned vehicles) combustion.

Emissions are calculated by multiplying the amount of fuel consumed by the corresponding emission factor retrieved from UK Government GHG Conversion Factors for Company Reporting (DEFRA UK).

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

50664

Emissions calculation methodology

Average data method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We do not currently have access to data from our third-party contractors or other suppliers.

The reported figure includes emissions from raw materials transportation from suppliers (both local and international one) to Elsewedy Electric factories and warehouses. Emissions in this category include both Well-To-Tank (WTT) and Tank-To-Wheel (TTW) emissions.

To calculate these emissions, we used shipping weight and distance data provided by our logistics division based on the year 2022 shipment data. For local/road transportation, emissions were calculated using UK Government GHG Conversion Factors for Company Reporting, using a kgCO₂e per tonne.km emission factor for an average-laden HGV Rigid for local/road transportation. For imports/sea freight, emissions were calculated using UK Government GHG Conversion Factors for Company Reporting, using a kgCO₂e per tonne.km emission factor for Container Ship Average.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

2898

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We do not currently have access to data from our third-party contractors or other suppliers.

The reported figure includes emissions from solid waste generated in Elsewedy Electric factories in addition to emissions from the treatment of wastewater discharged from Elsewedy Electric factories.

Emissions resulting from waste are calculated using specific methodologies and emission factors obtained from UK Government GHG Conversion Factors for Company Reporting, which are tailored to each type of waste generated and its final disposal method (landfilled or recycled). These emission factors are inclusive of all stages of waste management, from collection to transportation, and the final disposal ("gate to grave") stage.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

1375

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We do not currently have access to data from our third-party contractors or other suppliers.

This activity include emissions from business travel by air and by land. In addition, it also includes emissions from hotel stays in different countries. Emissions in this category include both Well-To-Tank (WTT) and Tank-To-Wheel (TTW) emissions.

To calculate these emissions, we used either number of passengers and distance, distance only, or fuel type and volume data for the year 2022 based on data availability. For road business travel, emissions were calculated using UK Government GHG Conversion Factors for Company Reporting, using a kgCO₂e per p.km, km, or L emission factor based on the type of the car and fuel used.

For air travel, emissions were calculated using UK Government GHG Conversion Factors for Company Reporting, using a kgCO₂e per p.km emission factor for Average Passenger.

For hotel stays, emissions were calculated using UK Government GHG Conversion Factors for Company Reporting, using a kgCO₂e per night emission factor for each country.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

58798

Emissions calculation methodology

Average data method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We do not currently have access to data from our third-party contractors or other suppliers.

This activity includes emissions from employee commuting in rented coasters. Emissions in this category include both Well-To-Tank (WTT) and Tank-To-Wheel (TTW) emissions.

To calculate these emissions, we used either number of passengers and distance, distance only, or fuel type and volume data for the year 2022 based on data availability. For road business travel, emissions were calculated using UK Government GHG Conversion Factors for Company Reporting, using a kgCO2e per p.km, km, or L emission factor based on the type of the car and fuel used.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Elsewedy Electric does not have any leased assets as of the reporting period.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

46001

Emissions calculation methodology

Average data method
Fuel-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We do not currently have access to data from our third-party contractors or other suppliers.

This activity includes emissions from the transportation of finished products to both local and international customers. Emissions in this category include both Well-To-Tank (WTT) and Tank-To-Wheel (TTW) emissions.

To calculate these emissions, we used shipping weight and distance data provided by our logistics division based on the year 2022 shipment data. For local/road transportation, emissions were calculated using UK Government GHG Conversion Factors for Company Reporting, using a kgCO2e per tonne.km emission factor for an average-laden HGV Rigid for local/road transportation. For imports/sea freight, emissions were calculated using UK Government GHG Conversion Factors for Company Reporting, using a kgCO2e per tonne.km emission factor for Container Ship Average.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This category is not relevant, as we do not produce any intermediate products. Our products are not processed in a manner that changes the final good.

Use of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We currently do not have enough data to enable the computation of this category's emissions, as we are currently working on further developing our corporate-wide ESG data system within the coming year as part of our Corporate Environmental and Social Management System (C-ESMS) currently under development.

We are currently finalizing the developing of Environmental Product Declarations (EPDs) for 4 products which are expected to be published in the first half of 2023. In addition, we are keeping working on the EPDs for the rest of our products to achieve our target of 100% EPD/Green Label products by the year 2030.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We currently do not have enough data to enable the computation of this category's emissions, as we are currently working on further developing our corporate-wide ESG data system within the coming year as part of our Corporate Environmental and Social Management System (C-ESMS) currently under development.

We are currently finalizing the developing of Environmental Product Declarations (EPDs) for 37 cables which are expected to be published in the first quarter of 2023. In addition, we are keeping working on the EPDs for the rest of our products to achieve our target of 100% EPD/Green Label products by the year 2030.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Elsewedy Electric does not lease any assets to external parties.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Elsewedy Electric does not franchise any of its operations.

Investments

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Building on our current efforts, we 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, as part of our Corporate Environmental and Social Management System (C-ESMS) currently under development.

Other (upstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

C-CG6.6

(C-CG6.6) Does your organization assess the life cycle emissions of any of its products or services?

	Assessment of life cycle emissions	Comment
Row 1	Yes	We are currently in the final stages of completing the development of Environmental Product Declarations (EPDs) through a Life Cycle Assessment (LCA) for 37 cables (4 group EPDs). These EPDs, which will be our first group, are set to be officially published in the first quarter of 2023. These EPDs will be verified by a third-party organization. Simultaneously, we are diligently continuing our efforts to extend this initiative to cover our remaining products, as we strive towards the ambitious target of achieving 100% EPD/Green Label products by the year 2030.

C-CG6.6a

(C-CG6.6a) Provide details of how your organization assesses the life cycle emissions of its products or services.

	Products/services assessed	Life cycle stage(s) most commonly covered	Methodologies/standards/tools applied	Comment
Row 1	Products/services meeting certain criteria (please specify)	Cradle-to-gate + end-of-life stage	ISO 14025 ISO 14040 & 14044	

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00003696

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

138881

Metric denominator

unit total revenue

Metric denominator: Unit total

37571664870

Scope 2 figure used

Location-based

% change from previous year

9.8

Direction of change

Increased

Reason(s) for change

Change in boundary

Other, please specify (Increase in energy consumption)

Please explain

In 2022, we adjusted our 2021 intensity figure based on refined data. The updated figure was calculated as follows: 133,968 metric tons of emissions divided by 39,800,432,000 EGP revenue, resulting in an intensity of 0.0000336599 mtCO2e/EGP revenue.

To understand the change from the previous year, we calculated the difference in intensity as a percentage. The formula used was $((\text{previous year intensity} - \text{current year intensity}) / \text{previous year intensity}) \times 100$. The result was a negative percentage of -9.8%, indicating that the intensity had increased compared to the previous year.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Egypt	33375
Qatar	2292
Algeria	790
Ethiopia	34
Sudan	421
Bosnia & Herzegovina	18
Slovenia	29
Saudi Arabia	1065
Pakistan	23
Indonesia	235
Zambia	37

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Stationary Combustion (includes on-site burning of natural gas and diesel)	24329
Mobile Combustion (fuel burning by owned vehicles/ fleet)	7524
Fugitive Emissions (emissions associated with refrigerants leakage)	6466

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Egypt	81135	
Qatar	5758	
Algeria	6884	
Ethiopia	289	
Sudan	1046	
Bosnia & Herzegovina	257	
Slovenia	1552	
Saudi Arabia	10608	
Pakistan	77	
Indonesia	2871	
Zambia	91	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Purchased Electricity	109957	
Purchased Heat	614	

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable >		
Other emissions reduction activities		<Not Applicable >		
Divestment		<Not Applicable >		
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output		<Not Applicable >		
Change in methodology		<Not Applicable >		
Change in boundary	10009	Increased	7.5	The notable increase in our Carbon Footprint (CFP) assessment for the year 2022 can be attributed to two key factors. Firstly, there was an expansion in boundaries during 2022, where we integrated four new factories into our assessment, contributing to a larger overall CFP value. Secondly, the enhanced data collection management system prompted some factories to provide more comprehensive data in 2022 compared to the previous year, thus contributing to the overall increase in our CFP figures. These developments signify our ongoing commitment to transparency and accuracy in tracking and managing our environmental impact, as we continually strive to refine and expand our sustainability efforts.
Change in physical operating conditions		<Not Applicable >		
Unidentified		<Not Applicable >		
Other	4913	Increased	3.7	Change in activity data/energy consumption: This increase can be attributed to the higher energy demands recorded compared to the preceding year of 2021. Recognizing the significance of this development, we are proactively taking steps to address and mitigate this impact. Our focus lies in the implementation of a range of energy-efficient measures across our factories, a strategic approach aimed at curbing energy consumption in the years ahead. The percentage of decreased emissions is calculated to be 3.7% using the following equation $(4,913 \times 100/133,968)$

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C-CG7.10

(C-CG7.10) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?

Increased

C-CG7.10a

(C-CG7.10a) For each Scope 3 category calculated in C6.5, specify how your emissions compare to the previous year and identify the reason for any change.

Purchased goods and services

Direction of change

Increased

Primary reason for change

Other, please specify (The company has expanded its analysis to include a wider range of purchased materials, with a particular focus on raw materials.)

Change in emissions in this category (metric tons CO2e)

2228561

% change in emissions in this category

999

Please explain

In 2021, our environmental assessment only covered packaging materials, consumables, paper, and ink emissions from 18 of our factories. However, in 2022, we expanded our boundaries to include four additional factories and emissions from purchased raw materials.

The inclusion of purchased raw materials was a significant factor in the increase of our purchased goods emissions, as these materials represent the main portion of our supply chain.

To calculate the percentage change in emissions, we used the following formula: $((2022 \text{ purchased goods emissions} - 2021 \text{ purchased goods emissions}) / 2021 \text{ purchased goods emissions}) \times 100 = ((2,238,707 - 10,146) / 2,238,707) \times 100 = 21.965\%$. The resulting percentage change is higher than the maximum range available in the answer box provided, which is why we have chosen the highest maximum range available.

Fuel and energy-related activities (not included in Scopes 1 or 2)

Direction of change

Increased

Primary reason for change

Change in boundary

Change in emissions in this category (metric tons CO2e)

1800

% change in emissions in this category

34

Please explain

The primary reason for this increase in emissions is attributed to the expansion in boundaries that occurred in 2022 compared to 2021. Specifically, we have expanded our carbon footprint assessment to include emissions from four additional factories.

Upstream transportation and distribution

Direction of change

First year of reporting this category

Primary reason for change

<Not Applicable>

Change in emissions in this category (metric tons CO2e)

<Not Applicable>

% change in emissions in this category

<Not Applicable>

Please explain

<Not Applicable>

Waste generated in operations

Direction of change

Increased

Primary reason for change

Other, please specify (Enhanced data management and recording system)

Change in emissions in this category (metric tons CO2e)

2334

% change in emissions in this category

414

Please explain

The primary reason for the significant increase in emissions is attributed to the inclusion of more waste types in our assessment. This was made possible by an enhanced data management and recording system, which allows us to more accurately measure our environmental impact. In addition, part of this increase is attributed to the expansion in boundaries that occurred in 2022 compared to 2021.

Business travel

Direction of change

Increased

Primary reason for change

Other, please specify (Enhanced data management and recording system)

Change in emissions in this category (metric tons CO2e)

381

% change in emissions in this category

38

Please explain

There are two primary reasons for the significant increase in our environmental impact.

Firstly, we have implemented an enhanced data management and recording system that allows us to more accurately measure our emissions. This system provides us with a more comprehensive understanding of our environmental impact and enables us to identify areas where we can improve our sustainability practices.

Secondly, we have expanded our boundaries in 2022 compared to 2021. This expansion included the addition of 4 new factories.

Employee commuting

Direction of change

Increased

Primary reason for change

Other, please specify (Enhanced data management and recording system)

Change in emissions in this category (metric tons CO2e)

25056

% change in emissions in this category

74

Please explain

There are two primary reasons for the significant increase in our environmental impact.

Firstly, we have implemented an enhanced data management and recording system that allows us to more accurately measure our emissions. This system provides us with a more comprehensive understanding of our environmental impact and enables us to identify areas where we can improve our sustainability practices.

Secondly, we have expanded our boundaries in 2022 compared to 2021. This expansion included the addition of 4 new factories.

Downstream transportation and distribution

Direction of change

Increased

Primary reason for change

Other, please specify (Enhanced data management and recording system)

Change in emissions in this category (metric tons CO2e)

17803

% change in emissions in this category

63

Please explain

There are two primary reasons for the significant increase in our environmental impact.

Firstly, we have implemented an enhanced data management and recording system that allows us to more accurately measure our emissions. This system provides us with a more comprehensive understanding of our environmental impact and enables us to identify areas where we can improve our sustainability practices.

Secondly, we have expanded our boundaries in 2022 compared to 2021. This expansion included the addition of 4 new factories.

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 10% but less than or equal to 15%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)		149214	149214
Consumption of purchased or acquired electricity	<Not Applicable>		256273	256273
Consumption of purchased or acquired heat	<Not Applicable>		2153	2153
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>		407640	407640

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

37667

MWh fuel consumed for self-generation of electricity

9404

MWh fuel consumed for self-generation of heat

28263

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

This energy figure includes energy generated from the consumption of diesel, LPG, and petrol within our reporting boundaries in 2022. These types of fuels are used for on-site fuel burning to generate electricity and heat, and for fueling our owned vehicles.

MWh fuel consumed for self-generation of electricity = MWh generated from the burning of diesel in on-site generators

MWh fuel consumed for self-generation of heat = MWh generated from the use of LPG to generate heat + MWh generated from fuel burnt in our owned vehicles

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

111547

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

111547

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

The reported energy figure includes energy generated from the burning of natural gas to generate heat within our reporting boundaries.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Total fuel**Heating value**

LHV

Total fuel MWh consumed by the organization

149214

MWh fuel consumed for self-generation of electricity

9404

MWh fuel consumed for self-generation of heat

139810

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

The reported energy figures represent the summation of energy from "Oil" and energy from "Gas". This represents our consumption of fuel (excluding feedstock), that was reported in question C8.2a.

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.**Country/area**

Egypt

Consumption of purchased electricity (MWh)

176880

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]176880

Country/area

Slovenia

Consumption of purchased electricity (MWh)

3291

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

2153

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]5444

Country/area

Sudan

Consumption of purchased electricity (MWh)

2629

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2629

Country/area

Saudi Arabia

Consumption of purchased electricity (MWh)

28364

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

28364

Country/area

Algeria

Consumption of purchased electricity (MWh)

17341

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

17341

Country/area

Ethiopia

Consumption of purchased electricity (MWh)

536

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

536

Country/area

Qatar

Consumption of purchased electricity (MWh)

22319

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

22319

Country/area

Pakistan

Consumption of purchased electricity (MWh)

198

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

198

Country/area

Indonesia

Consumption of purchased electricity (MWh)

4253

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

4253

Country/area

Zambia

Consumption of purchased electricity (MWh)

462

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

462

C-CG8.5**(C-CG8.5) Does your organization measure the efficiency of any of its products or services?**

	Measurement of product/service efficiency	Comment
Row 1	Yes	

C-CG8.5a

(C-CG8.5a) Provide details of the metrics used to measure the efficiency of your organization's products or services.

Category of product or service

Other, please specify (Electronic equipment)

Product or service (optional)

Revenues from our reporting factories

% of revenue from this product or service in the reporting year

41

Efficiency figure in the reporting year

0.0108

Metric numerator

megawatt hour (MWh)

Metric denominator

unit revenue

Comment

Our company calculates the total energy used within our reporting factories and divides it by the total revenue generated from those factories to determine our energy intensity. This metric helps us track our progress in reducing our energy consumption and improving our efficiency. Revenues from our reporting factories in 2022 represent 41% of total Elsewedy Electric group revenue in the same year.

For the year 2021, our energy intensity was 0.0094 MWh/thousand EGP, covering a total of 18 factories. This figure was calculated by dividing the total energy used in those factories (374,718 MWh) by the total revenue generated from them (39,800,432 EGP).

In 2022, our energy intensity increased to 0.0108 MWh/thousand EGP. We calculated this figure by dividing the total energy used in our reporting factories that year (407,639 MWh) by the total revenue generated from them (37,571,665 EGP). Despite the increase in intensity, we remain committed to reducing our energy consumption and improving our efficiency in the coming years.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

0.01

Metric numerator

Total energy usage

Metric denominator (intensity metric only)

Total revenue

% change from previous year

15

Direction of change

Increased

Please explain

Our company calculates the total energy used within our reporting factories and divides it by the total revenue generated from those factories to determine our energy intensity. This metric helps us track our progress in reducing our energy consumption and improving our efficiency.

For the year 2021, our energy intensity was 0.0094 MWh/thousand EGP, covering a total of 18 factories. This figure was calculated by dividing the total energy used in those factories (374,718 MWh) by the total revenue generated from them (39,800,432 EGP).

In 2022, our energy intensity increased to 0.0108 MWh/thousand EGP. We calculated this figure by dividing the total energy used in our reporting factories that year (407,639 MWh) by the total revenue generated from them (37,571,665 EGP). Despite the increase in intensity, we remain committed to reducing our energy consumption and improving our efficiency in the coming years.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	<p>As a leader in our market, Elsewedy Electric is committed to investing in a number of low-carbon products and services. During 2022, we are proud to have witnessed the success of two of our research projects:</p> <p>1- Elsewedy Technology, a subsidiary of Elsewedy Digital, has achieved a significant milestone by completing the prototype for a state-of-the-art smart building technology that will be implemented in the iconic Gate Towers of New Alamein. This groundbreaking project marks a new era in smart building technology and utilizes cutting-edge innovations to provide a comprehensive end-to-end system that enhances the safety, security, and efficiency of the building.</p> <p>2- Iskraemeco has recently added Symbiot, an IoT-powered intelligent software suite, to its portfolio of software solutions. Symbiot enables easy, highly secure, and automated management of any utility system based on real-time data processing. This powerful software suite offers future intelligence for better management of today's utilities and is quick to deploy and interoperable, allowing it to seamlessly connect and achieve full functionality regardless of the type of meters used in the utility system.</p>

C-CG9.6a

(C-CG9.6a) Provide details of your organization's investments in low-carbon R&D for capital goods products and services over the last three years.

Technology area

Other, please specify (Smart Building/ Building Efficiency)

Stage of development in the reporting year

Pilot demonstration

Average % of total R&D investment over the last 3 years

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

Average % of total R&D investment planned over the next 5 years

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

As a leading company in the MENA region, we recognize the critical role that businesses like ours play in promoting and adopting sustainable and environmentally-friendly solutions. We believe that it is our responsibility to actively contribute to the transformation of our community into a more sustainable one, and we are committed to investing in research and development in fields that can help us achieve this goal.

Smart buildings are one of the key areas that we believe can help us achieve our sustainability goals. By increasing energy efficiency in buildings, we can reduce greenhouse gas emissions and minimize the environmental impact of energy consumption.

Our commitment to promoting energy-efficient buildings is reflected in our investment in research and development in this area. By exploring innovative technologies and practices, we aim to identify new ways to reduce energy consumption, improve building performance, and minimize environmental impact.

Technology area

Control systems

Stage of development in the reporting year

Full/commercial-scale demonstration

Average % of total R&D investment over the last 3 years

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

Average % of total R&D investment planned over the next 5 years

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

As a leading company in the MENA region, we recognize the critical role that businesses like ours play in promoting and adopting sustainable and environmentally-friendly solutions. We believe that it is our responsibility to actively contribute to the transformation of our community into a more sustainable one, and we are committed to investing in research and development in fields that can help us achieve this goal.

One of our key projects in this regard is our innovative software solution, which is designed to serve sustainability. Our software offers advanced intelligence for better management of today's utilities, helping to reduce waste, conserve resources, and minimize the environmental impact of energy consumption.

Our software is also designed to be quick to deploy and interoperable, making it easy to integrate with existing systems and achieve full functionality regardless of the type of meters used in the utility system. This flexibility and ease of use ensure that our solution can be deployed quickly and efficiently, allowing utilities to realize the benefits of sustainable energy management as soon as possible.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Quality Assurance Statement- Elsewedy Electric 2022- Carbon Footprint.pdf
elsewedy-electric-cfp21.pdf

Page/ section reference

Attached the Limited Assurance statement for Elsewedy Electric 2022 Carbon Footprint calculations. The 2022 report is expected to be published in Q3-Q4 2023. The 2021 Carbon Footprint report is attached for reference.

Relevant standard

ISO14064-1

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Quality Assurance Statement- Elsewedy Electric 2022- Carbon Footprint.pdf
elsewedy-electric-cfp21.pdf

Page/ section reference

Attached the Limited Assurance statement for Elsewedy Electric 2022 Carbon Footprint calculations. The 2022 report is expected to be published in Q3-Q4 2023. The 2021 Carbon Footprint report is attached for reference.

Relevant standard

ISO14064-1

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

- Scope 3: Purchased goods and services
- Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- Scope 3: Upstream transportation and distribution
- Scope 3: Waste generated in operations
- Scope 3: Business travel
- Scope 3: Employee commuting
- Scope 3: Downstream transportation and distribution

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Quality Assurance Statement- Elsewedy Electric 2022- Carbon Footprint.pdf
elsewedy-electric-cfp21.pdf

Page/section reference

Attached the Limited Assurance statement for Elsewedy Electric 2022 Carbon Footprint calculations. The 2022 report is expected to be published in Q3-Q4 2023. The 2021 Carbon Footprint report is attached for reference.

Relevant standard

IS)14064-1

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, but we anticipate being regulated in the next three years

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Elsewedy Electric has a robust sustainability strategy, meticulously outlining our aspirations to become a sustainable business. Our strategy comprises clear and well-defined targets that serve as guiding principles for our environmental and social initiatives.

In alignment with our sustainability ambitions, we have set Science-Based Targets (SBTi) to proactively reduce our Scope 1 and Scope 2 emissions, reflecting our commitment to combatting climate change. To further bolster our efforts, we have also devised a comprehensive decarbonization plan. This strategic roadmap outlines the specific measures and actions we will undertake to achieve our sustainability targets and make significant strides towards a more sustainable and resilient future.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

- Yes, our suppliers
- Yes, our customers/clients
- Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

1

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Through a collaborative partnership with the European Bank for Reconstruction and Development (EBRD), we have carefully chosen six of our suppliers to participate in a joint effort to address climate and water-related concerns. This initiative primarily centers on conducting energy audits for the selected suppliers, alongside developing comprehensive climate action plans aimed at mitigating their carbon emissions.

As part of these action plans, water efficiency projects have been included to effectively reduce their water withdrawal volumes.

Impact of engagement, including measures of success

The positive impact of our engagement with the selected suppliers is evident through the heightened awareness and understanding of climate and water-related issues.

To measure the success of these endeavors, we will closely monitor key metrics, such as carbon emissions and water withdrawal volumes. These quantitative measures will serve as indicators of the progress made in reducing environmental impacts and enhancing resource efficiency.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Share information about your products and relevant certification schemes (i.e. Energy STAR)
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% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

100

Please explain the rationale for selecting this group of customers and scope of engagement

To maintain relationships with our clients, their engagement in our activities is a priority. The modes of engagement include direct meetings, phone calls and emails for sharing information, as well as selected one-way means of communication like the issuance of quarterly newsletters, annual magazines, and annual sustainability report, together with the participation in webinars, seminars, and exhibitions besides availability on social media. Through these different channels we are sharing information about our products, projects, sustainability efforts, and GHG emissions from our operations.

In addition, we are in the process of completing our Environmental Product Declarations (EPDs), which are scheduled to be published in the first quarter of 2023. The purpose of seeking EPD-registration is to showcase the Life Cycle Assessment (LCA) of our products and their environmental impacts. By obtaining EPDs, we gain access to various export markets where environmental awareness holds significant importance. This certification will enhance our credibility among environmentally conscious consumers and businesses, enabling us to tap into new opportunities and expand our market presence. The EPD comprises core environmental impact indicators aligned with EN 15804+A2 and PEF (Product Environmental Footprint). These indicators encompass the use of natural resources, end-of-life waste, and end-of-life output flows, providing a comprehensive assessment of our product's environmental performance. Moreover, the EPD assesses environmental impacts in accordance with EN 15804+A1 and CML / ISO 21930, ensuring a thorough evaluation of the product's lifecycle and its effects on the environment.

Impact of engagement, including measures of success

Over the next two years, we will be reporting on various indicators of success after publishing the EPDs. One such measure involves evaluating the impact on new market opportunities and partnerships resulting from the EPDs. This can be gauged by monitoring the exports volume as a key metric.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

1- Employees: We are pleased to announce that we are currently working on developing online training materials for our employees on the important topics of sustainability and Environmental, Social, and Governance (ESG) practices. Our aim is to have these materials ready for implementation by the first quarter of 2023. The training materials will cover a range of topics related to sustainability and ESG practices, including but not limited to, climate change, waste reduction, ethical business practices, and community engagement. By providing our employees with the necessary knowledge and tools to understand and implement sustainable practices, we aim to create a culture of sustainability within our organization

2- Academic Community/Students: Elsewedy Electric's Innovation unit, in collaboration with our HR Employer Branding and Graduate Development Program (GDP) divisions, and The Knowledge Hub Universities (TKH), are excited to announce our upcoming hackathon focused on addressing climate change challenges. Our aim is to bring together a community of young minds who are passionate about championing the fight for climate justice and using technology to develop innovative solutions for both local and global challenges. Through this hackathon, we aim to empower the youth to contribute to a sustainable future while stimulating their brilliant minds to express their innovative ideas using deeptech and cleantech. The event is aligned with Egypt's National Strategy for Climate Change 2050, which emphasizes the importance of developing innovative tech solutions to support a sustainable and green economy. The hackathon will feature tailored sessions and interactive workshops that will provide the participants with the necessary skills and knowledge to develop innovative tech solutions to address climate change challenges. The teams will be mentored by dedicated academics and business professionals who will assist them in developing their proposed ideas through a cleantech domain.

2- Business Partners: The first Chairman of Elsewedy Electric's Board has announced the beginning of the establishment process for "Chapter Zero Egypt – the Directors' Climate Forum". This unique organization aims to educate and raise awareness among company leaders about the opportunities and challenges associated with climate change. To kick off this initiative, a group of Board Directors from various Egyptian companies held the first founders' meeting. The establishment of "Chapter Zero Egypt" is part of the European Bank for Reconstruction and Development (EBRD)'s initiative, which commissioned BDO Consulting and LOBBY EGYPT Communication Advisory to create an educational entity that addresses climate change and its impact on the global and Egyptian economy. The organization will primarily focus on providing awareness and education to Chairpersons and members of Company Boards of Directors. Through this initiative, "Chapter Zero Egypt" aims to equip company leaders with the necessary knowledge and tools to navigate the challenges and opportunities presented by climate change. The organization will serve as a platform for discussions, sharing best practices, and collaborating on innovative solutions to mitigate the impact of climate change on businesses and the economy.

3-International Organizations: We are proud to announce that Elsewedy Electric actively participated in the CEO Roundtable of the **Alliance for Industry Decarbonization** during COP27, a significant step toward decarbonizing the industrial sector. The Alliance, which has grown from 14 to 23 leading industry partners, aims to accelerate net-zero ambitions and decarbonize industrial value chains through dialogue and collaborative action. As a member of the Alliance, Elsewedy Electric was part of six distinguished working groups that committed themselves to report on their progress at COP28 in the UAE. This commitment demonstrates our strong dedication to driving progress toward a sustainable future and a paradigm shift toward green industrialization. Our participation in this CEO Roundtable highlights our commitment to fostering dialogue and collaboration among industry leaders to accelerate the transition to a low-carbon economy. We believe that collective action is essential to achieving net-zero emissions, and we are proud to be a part of this effort.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, suppliers have to meet climate-related requirements, but they are not included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

Elsewedy Electric is committed to upholding ethical standards and sustainability practices not only within its own operations but also throughout its supply chain. To ensure that its suppliers share this commitment, the company has established a dedicated Business Partner Code of Conduct that all suppliers are required to adhere to. This code of conduct outlines the expectations and standards that suppliers must meet, including but not limited to, compliance with labor and human rights laws, environmental regulations, and anti-corruption measures.

Furthermore, Elsewedy Electric has implemented a formalized process for identifying potential sustainability risks within its supply chain. This process involves identifying suppliers with a high risk of non-compliance with environmental regulations or engaging in forced or child labor practices. By identifying these high-risk suppliers, the company can take appropriate measures to address any issues and mitigate potential risks.

In addition to the Code of Conduct, we are working on implementing 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. In 2022, only Iskraemeco Slovenia started the screening process and we are aiming to generalize this process for all of our companies in the upcoming years.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Grievance mechanism/Whistleblowing hotline

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

No, we have assessed our activities, and none could either directly or indirectly influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, but we plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

According to our Sustainability Strategy, we have an ambitious goal of achieving net zero emissions from our entire supply chain by 2050. This aspirational target covers all scopes of emissions, including those from our direct operations and our supply chain. We are committed to taking a holistic approach to reducing our carbon footprint and ensuring that our entire value chain is aligned with our sustainability objectives.

To achieve this goal, we have set another target to achieve net zero for our global Scope 1 and 2 emissions, which covers our direct operations, by 2030. We recognize that reducing our direct emissions is a critical step toward achieving our overall goal of net zero emissions, and we are committed to taking bold actions to achieve this target.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Important but not an immediate priority

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

elsewedy-electric-sustainability-report-2021.pdf

Page/Section reference

Sustainability approach - strategy (pg. 59)
 Chapter: Planet & Resources (pg. 89-101)
 Section: Climate and Water Action (pg. 91-94)

Content elements

Governance
 Strategy
 Risks & opportunities
 Emissions figures
 Emission targets

Comment

Publication

Other, please specify (Carbon Footprint (CFP) Report)

Status

Underway – previous year attached

Attach the document

elsewedy-electric-cfp21.pdf

Page/Section reference

Our 2022 Carbon Footprint (CFP) report will provide detailed information on our emissions for the year 2022 across our 22 reporting factories. This report will provide a comprehensive overview of our carbon footprint, including data on a factory level, to help us better understand our impact on the environment. This report is expected to be published in Q3/Q4 of 2023. We have attached previous year CFP report for reference.

Content elements

Emissions figures
 Emission targets
 Other metrics

Comment

Our Carbon Footprint Analysis provides a unique approach to addressing sustainability concerns by examining the total amount of emissions associated with our activities. Our yearly report on carbon footprint accounting serves as a valuable tool for assessing performance indicators and tracking progress over time. Specifically, the 2021 report for Elsewedy Electric, attached to this question, provides a comprehensive breakdown of emissions across all 18 of our factories, enabling us and our stakeholders to better understand our impact on the environment.

By identifying areas of climate impact and highlighting opportunities for intervention, CFP report serves as a foundation for effective climate action and a roadmap for reducing greenhouse gas emissions over the course of several decades. We are committed to using this information to drive meaningful change in our operations, and we believe that transparency and accountability are critical to achieving our sustainability objectives.

We are planning to release our 2022 Carbon Footprint report in the third or fourth quarter of 2022. This report will cover emissions data for 22 industrial facilities and include updates on our decarbonization roadmap and climate targets. We believe that this report will provide valuable insights into our progress toward reducing our carbon footprint and achieving our sustainability objectives.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	Global Reporting Initiative (GRI) Community Member UN Global Compact Other, please specify (Alliance for Industry Decarbonization coordinated by the International Renewable Energy Agency (IRENA))	1- Elsewedy Electric Commitment to the UNGC: Elsewedy Electric is committed to the ten principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption. We are committed to making the UN Global Compact and its principles part of the strategy, culture, and day-to-day operations at our company. 2- Elsewedy Electric as a community member of the GRI Initiative: Elsewedy Electric is a community member of the GRI Initiative since 2020. In addition, we have been reporting on our sustainable commitments according to the GRI standard since 2018. 3- Alliance for Industry Decarbonization: The founding members of the Alliance for Industry Decarbonization held their first executive roundtable during COP27’s Decarbonisation Day in Sharm El Sheikh, Egypt on November 11, 2022. We are proud to announce that Elsewedy Electric actively participated in the CEO Roundtable, which was a significant step toward decarbonizing the industrial sector. The Alliance for Industry Decarbonization has grown from 14 to 23 leading industry partners and aims to accelerate net-zero ambitions and decarbonize industrial value chains through dialogue and collaborative action. As a member of the Alliance, we are committed to working with other industry leaders to drive progress toward a more sustainable future. Six distinguished working groups, including Elsewedy Electric, committed themselves to report on their progress at COP28 in the UAE. We believe that this commitment demonstrates our strong dedication to driving progress toward a sustainable future and a paradigm shift toward green industrialization.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, executive management-level responsibility	Elsewedy Electric is committed to conducting its business ethically and effectively, while fostering innovation and collaboration across all of its operations. During the creation of Elsewedy Electric's 2020-2023 corporate strategy, the company's Board of Directors engaged in a number of discussions and briefing meetings in order to enhance their knowledge of sustainability efforts, the company's impacts, and relevant stakeholders and allow them to establish the company's new strategy with sustainability at its core. The Board has delegated its authorities in ensuring sustainability to the company's CEO, who is responsible for assessing and mitigating risks as well as instating sound operational practices across the economic, environmental, and social spheres that achieve the goals set by the Board and comply with existing commitments such as the UN Global Compact. Data collection on sustainability matters across the company's operations is headed by the sustainability focal points from each relevant department across the subsidiaries, which is later reported to the CEO. The department issues periodic reports and updates to the CEO for review, discussion, and decision-making on relevant matters. Elsewedy Electric's CEO and department heads are tasked with accounting for the company's sustainability objectives across our entire value chain and this includes biodiversity-related issues. The heads of departments periodically consult with our sustainability focal points to ensure continued alignment between the company's operations and corporate sustainability strategy. Elsewedy Electric's Board of Directors is occasionally required to be involved when disruptive risks arise in order to manage these risks in a way that allows for the continued advancement of the company's sustainability objectives.	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments only	Commitment to No Net Loss Commitment to not explore or develop in legally designated protected areas Commitment to respect legally designated protected areas Commitment to avoidance of negative impacts on threatened and protected species	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Law & policy

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Impacts on biodiversity	For our biodiversity-related policies and commitments, please refer to our "Biodiversity Policy" and "Environmental Policy". Our 2022 Sustainability Report, to be published in Q3/Q4 2023, will provide information on our impacts on biodiversity. elsewedy-group-environmental-policy-2022.pdf elsewedy-group-biodiversity-policy-2022.pdf elsewedy-electric-sustainability-report-2021.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Sustainability Officer - Elsewedy Electric Vice Chairman Elsewedy Electric Foundation	Chief Sustainability Officer (CSO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms

