6 YEARS

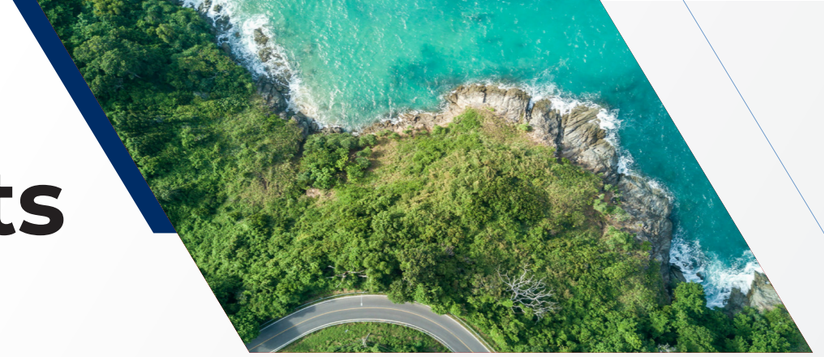
ELSEWEDY ELECTRIC SUSTAINABILTY REPORT 2023

ELSEWEDY ELECTRIC

POWERING PROGRESS. DRIVING VALUE FORWARD.

6 YEARS COMPREHENSIVE REPORT

Table of **Contents**



01 ABOUT THIS REPORT

A Word from the President and CEO 16
Insights from the Group ESG, Sustainability, & CSR Director 18
An Overview: Elsewedy Electric Group 22

02 SUSTAINABILITY AT THE CORE

A Sustainability Strategy Designed for Impact 34
Our Commitments and Progress 36
Contribution to the SDGs 44
Connecting with Stakeholders 50
Materiality Assessment 52
Strategic Sustainability Governance 62
Partnerships for Impact 67
Measuring Our Impact Toward Sustainable Development 68
Key External Frameworks and ESG Ratings 70

03 LEADING WITH INTEGRITY, DRIVING ACCOUNTABILITY

Integrity and Compliance at the Core of Elsewedy Electric's Business 80
Group Environmental and Social Management System 87
Product Quality and Safety 88
Digital Trust and Security 92
Zero Tolerance for Corruption 94
Compliance With Tax Regulations 97
Compliance With Export Control and Sanctions 98
Human Rights 99
Sustainable Supply Chain Management 104
Community Health and Safety 110

04 ACCELERATING DECARBONIZATION TOWARD A LOW-CARBON ECONOMY

Managing Climate Risks and Opportunities 118
Elsewedy Electric's Carbon Footprint 122
Elsewedy Electric's Commitment to Decarbonization 129
Accelerating Decarbonization with Efficient and Digital Products and Solutions 134

05 MANAGING RESOURCES RESPONSIBLY

Environmental Management 146
Protecting Ecosystems and Biodiversity Conservation 148
Circular Economy and Product Stewardship 152
Environmentally Responsible Sourcing 159
Sustainable Manufacturing 162

06 OUR PEOPLE, OUR GREATEST ASSETS

Prioritizing Occupational Health and Safety 174
Diversity, Equity, and Holistic Well-being 186
Talent Attraction and Development 196
Compensation and Benefits 201

07 DELIVERING ON OUR SOCIETAL COMMITMENTS

Commitment to Community Impact 208
Empowering the Next Generation: Elsewedy Technical Academy 216
Empowering Communities with Sustainable Energy Access 220

08 ESG INDICATORS

Environmental Indicators 228
Social Indicators 232
Community Engagement Indicators 239
Certifications Status 240

09 SUPPLEMENTARY INFORMATION

Limited Assurance Statement 248
GRI Content Index 252
SASB Correspondence Table 263
TCFD Correspondence Table 266
Alignment with the Integrated Reporting <IR> Framework 271
IFRS S1 Correspondence Table 273
IFRS S2 Correspondence Table 279
UNGC Correspondence Table 287
Abbreviations and Acronyms 288

01

ABOUT THIS **REPORT**

A Word from the President and CEO 16
Insights from the Group ESG, Sustainability, & CSR Director 18
An Overview: Elsewedy Electric Group 22

Elsewedy Electric Group's Sustainability Report outlines its commitments and achievements in Environmental, Social, and Governance (ESG) areas, reflecting stakeholder expectations. It begins with a message to stakeholders from the Group's CEO and CSO. The "Sustainability Approach and Progress" section follows, providing an overview of the Group, its business model, selected ESG key performance indicators, the Group's Sustainability Strategy, materiality analysis, progress toward the Sustainability Strategy 2020-2030 targets, and the Group's positioning in sustainability ratings, indices, and benchmarks.

NAVIGATING THE REPORT

Elsewedy Electric's 2023 Sustainability Report offers a comprehensive overview of the Group's sustainability performance and progress toward achieving its strategic goals for the year. The report is organized into key chapters, each focusing on a core pillar of the Group's sustainability efforts. These chapters present performance highlights, achievements, and detailed insights across the Group's material sustainability topics. Each subchapter begins with a dashboard summarizing key sustainability commitments, and the 2023 performance against the key targets set across each commitment.

02

SUSTAINABILITY AT THE CORE

This chapter lays the foundation of Elsewedy Electric's Sustainability Strategy, outlining the Group's commitments, progress, and contributions to the SDGs. It also covers the company's stakeholder engagement, materiality assessment, strategic governance, partnerships, impact measurement, and alignment with key external frameworks and ESG ratings.

05

MANAGING RESOURCES RESPONSIBLY

This chapter highlights the responsible management of natural resources, including environmental governance, ecosystem protection, circular economy practices and product stewardship, and sustainable manufacturing.

03

LEADING WITH INTEGRITY, DRIVING ACCOUNTABILITY

This chapter discusses the Group's Environmental and Social Management System, product quality and safety standards, digital security, and the company's firm stance against corruption. It also addresses compliance with tax regulations, export controls, human rights, sustainable supply chain management, and community health and safety.

06

OUR PEOPLE, OUR GREATEST ASSETS

This chapter highlights the company's dedication to its employees, covering occupational health and safety, diversity, equity, well-being, talent development, and comprehensive compensation and benefits packages.

04

ACCELERATING DECARBONIZATION TOWARD A LOW-CARBON ECONOMY

This chapter details Elsewedy Electric's commitment to reducing its carbon footprint and driving decarbonization across its value chain. It includes the 2023 environmental reporting boundaries, the Group's net-zero targets, and how their products enable customers to reduce their carbon emissions.

07

DELIVERING ON OUR SOCIETAL COMMITMENTS

The final chapter underscores Elsewedy Electric's impact on society, featuring initiatives like the Elsewedy Technical Academy, efforts to empower communities through Elsewedy Electric Foundation, and expanding access to sustainable energy through our projects and services.

SUPPLEMENTARY INFORMATION (ANNEXES)

This section includes ESG indicators related to the Group's sustainability performance and content indices cross-referencing the Global Reporting Initiative (GRI) Standards, Sustainability Accounting Standards Board (SASB), Task Force on Climate-Related Financial Disclosures (TCFD), UN Global Compact's (UNGC) 10 principles, Integrated Reporting <IR> Framework, and the International Financial Reporting Standards (IFRS) S1 and S2 disclosure requirements.

REPORTING SCOPE AND BOUNDARIES

This is Elsewedy Electric's sixth sustainability report, which provides an overview of the Group's ESG performance for the reporting period from 1 January to 31 December 2023. Disclosures outside this reporting are included where relevant to the report's context.

The scope of the report includes the operations of Elsewedy Electric Group, inclusive of its 46 subsidiaries listed on the Company's website unless otherwise stated throughout the sections of this report.

Terms used in this report, unless otherwise specified:

"The Group" refers to Elsewedy Electric and its fully owned subsidiaries (the subsidiaries mentioned in the "Reporting Scope and Boundaries" section).

"Elsewedy Electric", "The Company", "we", "us", and "our" refer to Elsewedy Electric on a standalone basis.

REPORTING FRAMEWORKS

This report has been prepared in accordance with the GRI Standards, TCFD, the SASB Standards, the <IR> Framework, the IFRS S1 and S2 disclosure requirements, as well as the Corporate Sustainability Reporting Directive (CSRD) disclosure requirements. The report also features the UNGC's 10 principles. *This report also includes disclosures that align with the requirements of various ESG reporting platforms and frameworks, including EcoVadis, S&P CSA, CDP, and Sustainalytics.*

Elsewedy Electric Group is a proud member of both the UNGC and GRI community. We actively support GRI's mission to empower decision-makers globally through its Sustainability Reporting Standards and broad multistakeholder network, aiming to drive action toward a more sustainable economy and world. Our sustainability framework aligns with the Sustainability Context, ensuring our report's content is thorough and based on reliable data. We have also adhered to principles of accuracy, balance, clarity, comparability, timeliness, and verifiability throughout the preparation of this report.

FORWARD-LOOKING STATEMENTS

This report may include specific forward-looking statements related to the organization's business. These can be identified, in part, by the use of terms such as "will", "planned", "expected", and "forecast". These statements reflect the organization's current perspectives on future events and are subject to various risks, uncertainties, and assumptions. These risks and uncertainties include, among others, changes in economic trends and conditions in Egypt, Africa, and other locations where the organization has operations, in addition to regulatory changes, market volatility, countries' strategies and policy implementations, our clients' commitments, and other unforeseen events or conditions. Numerous factors could cause the organization's actual outcomes, performance, decisions, or accomplishments to differ significantly from those implied or expressed by such forward-looking statements.

EARLIER SUSTAINABILITY REPORT

Our latest sustainability report, released in 2023 and covering the performance and reporting year 2022, incorporates updates on policies, procedures, and management arrangements that have remained consistent since the previous report. We have selectively included data from previous reporting periods only where essential for evaluating progress and ensuring comparability.

ASSURANCE

Masader, a corporate sustainability consulting firm (SAE), has provided a limited assurance statement on the content of this report. Please refer to the Limited Assurance Statement.

CONTACT POINT

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Group Chief Sustainability Officer

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Elsewedy Electric

Plot No. 13co3, Cairo Festival City,
5th Settlement, New Cairo – Egypt

GRI COMMUNITY MEMBER 2024

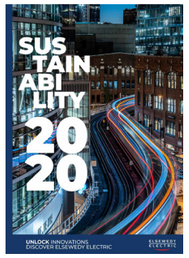
ELSEWEDY ELECTRIC PUBLICATIONS SUITE

SUSTAINABILITY REPORTS

2023
Sustainability Report

2022
Sustainability Report

2021
Sustainability Report



2020
Sustainability Report

2018-2019
Sustainability Report

2017
Sustainability Report

CDP QUESTIONNAIRES[1]

2023
Climate Change

2023
Water Security

CARBON FOOTPRINT REPORTS

2023
Carbon Footprint Reports

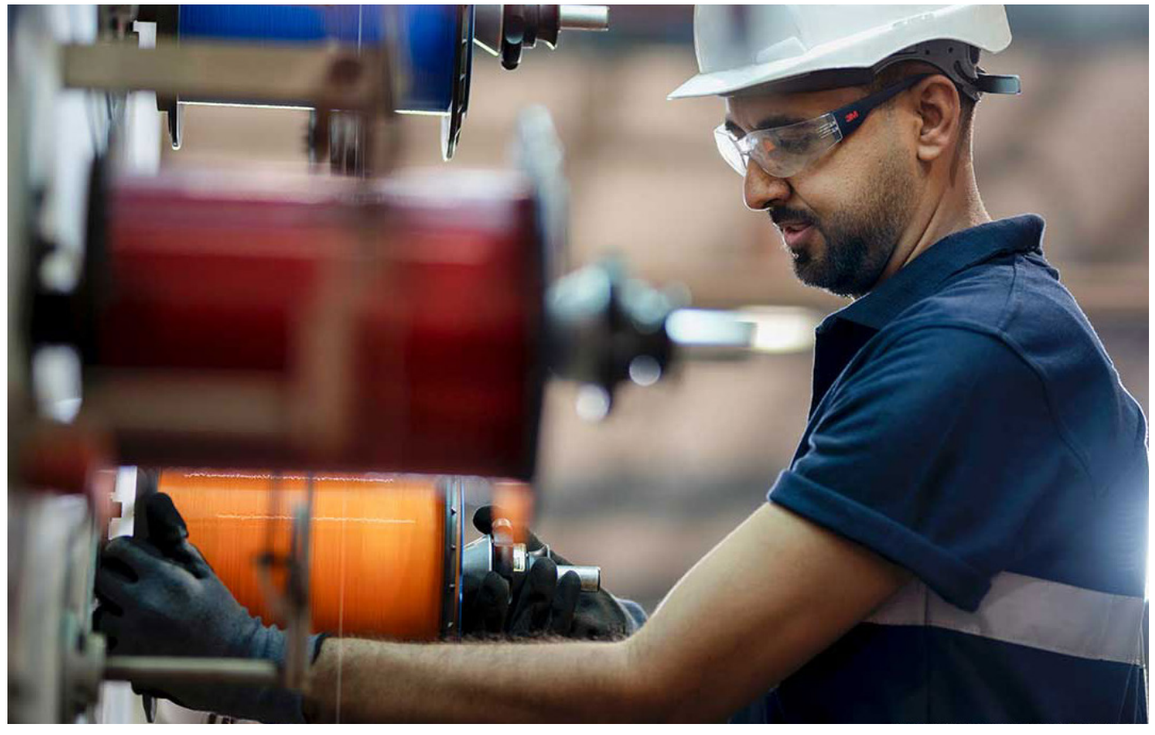
2022
Carbon Footprint Reports

2021
Carbon Footprint Reports

2020
Carbon Footprint Reports

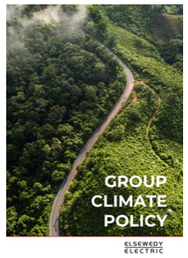
2019
Carbon Footprint Reports

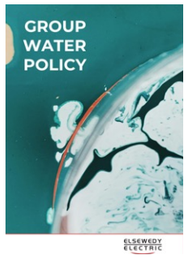
2018
Carbon Footprint Reports

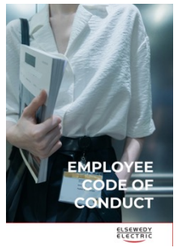


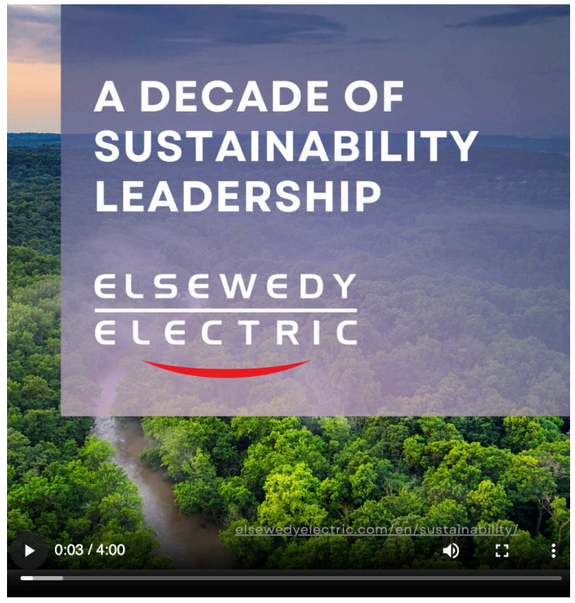
[1]Questionnaires submitted on the CDP portal during 2023, covering the reporting period from 1 January 2022 – 31 December 2022. 2023 performance data will be submitted in CDP's 2024 reporting cycle.

ESG-RELATED POLICIES









WATCH OUR **CORPORATE SUSTAINABILITY SHORT FILM ON OUR WEBSITE**

FOR MORE INFORMATION, PLEASE VISIT THE GROUP'S WEBSITE.

A WORD FROM THE **PRESIDENT AND CEO**

TO OUR STAKEHOLDERS,

As we reflect on Elsewedy Electric's progress in 2023, we recognize a year characterized by substantial strategic growth and a strengthened commitment to sustainable operations. Our efforts have culminated in achieving a total revenue of USD 5.0 billion (EGP 152.2 billion), reflecting a significant year-on-year increase of 65.1%. This growth is a testament to our adaptability and strategic planning, driven by improved product pricing, strong demand, and favorable outcomes from our overseas operations.

The wires and cables segment, alongside our turnkey projects, were predominant contributors to our revenue in the fourth quarter of 2023. Our gross profit saw an impressive increase of 115% compared to the previous year, reaching EGP 29.1 billion. This growth was supported by an enhanced product mix, strategic pricing adjustments, and stringent cost management practices.

Despite facing inflationary challenges and the need for increased hiring, which led to a 73.3% rise in our Selling, General, and Administrative (SG&A) expenses, our EBITDA surged by 125.6% to EGP 20.7 billion. This increase in EBITDA is attributable to extensive top-line growth combined with heightened operational efficiencies, pushing our EBITDA margin to 13.5%.

Our net income after minority interest also increased significantly by 86.7% to EGP 10.1 billion, with a net margin improvement of 6.6%. These financial metrics are clear indicators of our operational success and financial strength.

In line with our growth strategy and commitment to expanding our global footprint, we have chosen Tanzania as a key hub for producing essential products such as transformers and electric cables. This initiative, led by Elsewedy Industrial Development, involves the establishment of a major industrial city with the goal of attracting over USD 400 million in investments. This venture is projected to create more than 50,000 jobs, significantly boosting industrial growth and economic development in Tanzania.

Our efforts extend beyond industrial contributions. We are actively involved in nurturing local talent by participating in career fairs and offering internship opportunities at prestigious institutions, such as Saint Joseph University, Don Bosco University, and the University of Dar es Salaam. This initiative not only supports our operational needs but also contributes to the skill development of the local workforce.

As we move forward, our focus remains on leveraging our strategic growth achievements while enhancing our sustainability initiatives across all areas of our operations. Our presence in Tanzania is just one of many steps we are taking to ensure that our growth is both sustainable and beneficial to the communities we serve.

Thank you for your continued support and confidence in our mission to innovate and lead in the electrical solutions sector while upholding our responsibility for sustainable development.

Eng. Ahmed Elsewedy
President and CEO, Elsewedy Electric

INSIGHTS FROM THE GROUP
ESG, SUSTAINABILITY, & CSR DIRECTOR

TO OUR VALUED STAKEHOLDERS,

This year has been transformative for Elsewedy Electric as we deepened our commitment to sustainability across our operations and community initiatives. As Chief Sustainability Officer, I am proud to share the highlights of 2023, showcasing our dedication to sustainable development and social responsibility.

EDUCATIONAL INITIATIVES AND COMMUNITY INVOLVEMENT

Our dedication to education remains strong; Elsewedy Technical Academy (STA), celebrated the graduation of 350 students this year, bringing the total number of graduates to over 2,000 since inception. STA has also expanded its network by establishing 10 new partnerships with industrial leaders, enhancing the practical exposure of our students.

Additionally, the “Meet the CEO” series has continued to be a key event, promoting direct dialogue between our Graduate Development Program participants and our CEO. This initiative has been instrumental in involving young talent in strategic and business discussions.

2023 A YEAR OF GIVING

In 2023, Elsewedy Electric invested EGP 250 million in community initiatives, positively impacting thousands of lives across Egypt. Our efforts include supporting education, with over 4,000 students benefiting from new schools and 30 students receiving full scholarships. Healthcare initiatives saw the funding of life-saving heart operations for 350 patients, upgrading six hospitals, and supporting over 13,000 patients monthly through enhanced facilities. Additionally, we fought hunger by partnering with the Egyptian Food Bank, reaching up to 250,000 individuals annually. These actions reflect our unwavering commitment to creating lasting social value.

DIVERSITY AND INCLUSION

Our workforce diversity continues to grow, with women representing 8% of our total staff and 393 individuals with disabilities included in our team. This reflects our ongoing commitment to creating inclusive employment opportunities.

SPORTS AND CULTURE

We also actively support local culture and sports, evident in our sponsorship of the Coastal Union F.C., a Premier League Football Club in Tanzania.

CERTIFICATIONS AND COMPLIANCE

At Elsewedy Electric, we’re committed to operational excellence across all our manufacturing facilities. We’re proud to have achieved 100% certification for ISO 9001, ensuring consistent quality management throughout our operations. Additionally, 86% of our facilities are certified to ISO 14001 and ISO 45001, reflecting our strong focus on environmental responsibility and occupational health and safety. We’ve also made significant strides in energy management, with 36% of our facilities now certified to ISO 50001. These certifications reflect our dedication to maintaining high standards across our operations.

SUBSIDIARY ACHIEVEMENTS

Rowad Modern Engineering launched the "Rowad Without Illiteracy" initiative in collaboration with the Farouk El-Baz Foundation, contributing to the eradication of illiteracy. Additionally, Iskraemeco in Slovenia achieved a remarkable 48% women representation, highlighting our global commitment to gender equality.

TECHNOLOGICAL INNOVATIONS FOR SUSTAINABILITY

Elsewedy Digital has been a front-runner in supporting sustainable development in Africa. This year, we launched the first four sites of Elsewedy Digital Smart Community Hub Project in the Androy and Anosy regions of Madagascar. This initiative is part of our Rapid Rural Transformation strategy, providing sustainable, cost-effective, and resource-efficient solutions tailored to the unique conditions of rural Africa. The hubs provide essential services like water, electricity, and internet access, promoting community development and digital transformation.

Additionally, in collaboration with the World Food Program, Elsewedy Digital developed the E-Government Geo Platform for the Lesotho Governmental Territorial Planning Platform. This initiative establishes a strong foundation for enhanced governmental planning and resource management.

LOOKING FORWARD

As we continue to navigate the challenges and opportunities of sustainable development, our focus remains on delivering solutions that address the current needs of our communities while promoting long-term sustainability and resilience. Our strategic initiatives in education, community engagement, diversity and inclusion, and technological innovation are designed to create a sustainable future for all.

Thank you for your ongoing support as we build a more sustainable and inclusive future.

Mrs. Manal Hassan
Group Chief Sustainability Officer, Elsewedy Electric
Vice Chairman, Elsewedy Electric Foundation

AN OVERVIEW
ELSEWEDY ELECTRIC GROUP

ELSEWEDY ELECTRIC CREATES SUSTAINABLE PRODUCTS & PROJECTS IN ENERGY AND INFRASTRUCTURE

that enable businesses, communities, and regions to thrive. Listed on the Egypt stock exchange since 2006, our approach is defined by comprehensive, end-to-end solutions and an unwavering commitment to excellence.

OUR VISION

Our organization is driven by a vision of a sustainable, inclusive, and resilient energy future, motivating us to take action across our entire value chain. We aim to engage all stakeholders in transforming the energy system toward sustainability and to establish ourselves as a global leader in delivering energy, services, and value.

OUR MISSION

To deliver efficient and integrated energy solutions with exceptional expertise and service to our customers and communities.

OUR BUSINESS LINES

31
Production Facilities

19
Operation Countries

110
Export Markets

WIRE, CABLE, & ACCESSORIES

Electrical Products
Engineering & Construction
Digital Solutions
Infrastructure Investment
Energy Cables
Special Cables
Fiber Optic Cables
OHTL & OPGW
Steel Applications
Winding Wires
Cable Accessories
Plastics
Insulators
Explosion Proof
Metals

ELECTRICAL PRODUCTS

Transformers
Busway
Fiber Glass Poles
Complimentary Products
Power Generation

ENGINEERING & CONSTRUCTION

Power Transmission
Power Distribution
Water Solutions
Public & Civil Works
Monument Restoration

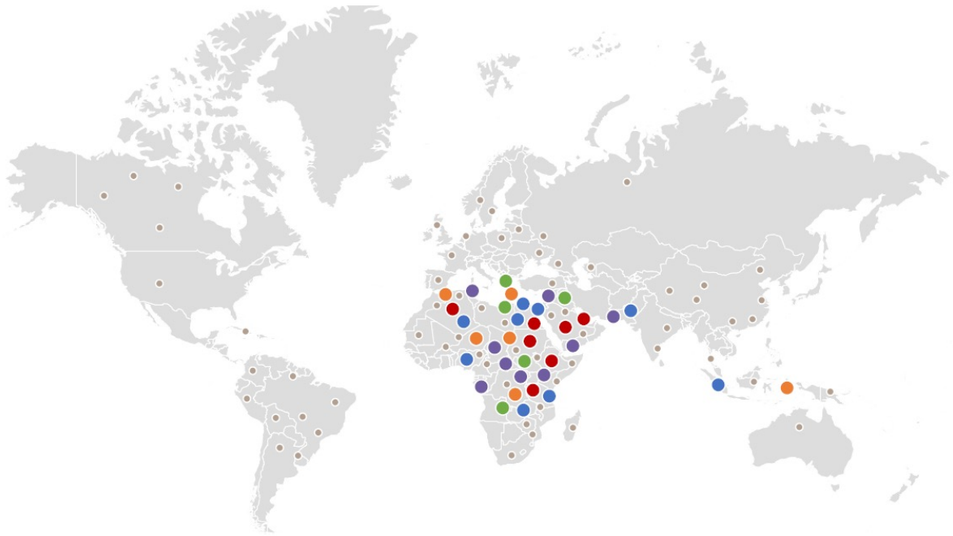
DIGITAL SOLUTIONS

Energy Management
Telecom & Networking
System Integration
Data Center Solutions
Government Solutions

INFRASTRUCTURE INVESTMENT

Industrial Development
Ports & Logistics Development
Energy & Water Investments
Utility Development

OUR GLOBAL PRESENCE



- CABLES & ACCESSORIES
- RENEWABLE ENERGY
- PROJECTS & DEVELOPMENT
- ELECTRICAL PRODUCTS
- METERS
- EXPORT

TOTAL OF 31 PRODUCTION FACILITIES

25 Factories in Africa

02 Factories in GCC

48 International Offices

03 Factories in Asia

01 Factories in Europe

110 Export Markets

OUR 2023 FINANCIAL PERFORMANCE

EGP 152,186 MN
REVENUES
(65.1% increase YoY)

EGP 20,668 MN
EBITDA
(125.6% increase YoY)

EGP 29,077 MN
GROSS PROFIT
(115.0% increase YoY)

EGP 10,116 MN
NET PROFIT AFTER MINORITY
(86.7% increase YoY)

FOR MORE INFORMATION, PLEASE VISIT THE GROUP'S RESULTS CENTER.

A SUSTAINABLE INTEGRATED BUSINESS MODEL

We firmly believe that meeting our customers' energy demands must align with addressing community needs and preserving our environment.

With a rich history spanning eighty years, Elsewedy Electric remains committed to long-term sustainability. We evaluate the impact of all our actions, striving to ensure that the benefits are shared equitably while minimizing any unfavorable effects.

Across our diverse subsidiaries, we uphold the Group's Sustainability Strategy 2020-2030, dedicated to enhancing efficiency and promoting sustainable practices. This commitment is embraced by our 19,000 employees and ingrained within our organizational culture, fostering a collective ethos of sustainability and environmental stewardship.

Our business model emphasizes integration, offering comprehensive, long-term solutions rather than fragmented, short-sighted approaches. Transparency and ethical governance are core principles guiding our operations. Additionally, we are dedicated to enriching the lives of everyone we impact—be it our employees, youth, or local communities.

INPUT

Financial Capital

EGP 151,448 MN
Total assets

EGP 113,340 Mn
Total liabilities

Manufactured Capital

275,000 tons
Production capacity

31
No. of facilities

Human Capital

19,139
No. of employees

EGP 142 Mn
Investment in training

Intellectual Capital

USD 1.5 Mn
R&D investments

Social & Relationship Capital

EGP 250 Mn
Community investments

Natural Capital

452,212 MWh
Total energy consumption

151,073 MWh
Total direct fuel consumption

7.3 MWh
Renewable energy consumption

USD 30 Mn
Total investments in renewable energy projects*

CREATING VALUE THROUGH OUR BUSINESS MODEL

GOVERNANCE & ECONOMY | **TECHNOLOGY & INNOVATION** | **PEOPLE & SOCIETY** | **PLANET & RESOURCES**

Upstream activities
Raw materials & procurement
Business partners

Wires, Cables, and Accessories | **Engineering & Construction** | **Infrastructure Investments** | **Electrical Products** | **Digital Solutions**

Downstream activities
Products and services
Retail and customers

OUTCOMES

Financial Capital

EGP 152,186 Mn
Revenues

EGP 10,116 Mn
Net profit

Manufactured Capital

100%
Of manufacturing facilities are certified to ISO 9001

187,000 tons
Production output

Human Capital

+40,000
Hours of training delivered

31
Average training hours per employee

8%
Female representation in the workforce

Intellectual Capital

Accreditations
ISO 9001
ISO 14001
ISO 50001
ISO 45001
ISO/IEC 17020
ISO/IEC 17025
ISO/IEC 33061
ISO 27001
ISO 37301
ISO 3834
ISO 22301
ISO 27017
ISO 27018
4 published EPDs

Social & Relationship Capital

4,000 Students (in 4 schools)
+6 Hospitals (equipment -upgrade)
+200,000 Individuals (food aid)
Beneficiaries from community investments

900
Hired STA graduates

Natural Capital

165,900 $mtCO_2e$
Scope 1+2 emissions

3,072,313 $mtCO_2e$
Scope 3 emissions

2.36 $mtCO_2e$
Reduced emissions from renewable energy generated

0.00126 $mtCO_2e$/thousand EGP revenue
Carbon intensity (Scope 1 + 2 emissions)

*Wind and hydro assets in Greece, and Benban PV solar park.

02

SUSTAINABILITY **AT THE CORE**

A Sustainability Strategy Designed for Impact 34
Our Commitments and Progress 36
Contribution to the SDGs 44
Connecting with Stakeholders 50
Materiality Assessment 52
Strategic Sustainability Governance 62
Partnerships for Impact 67
Measuring Our Impact Toward Sustainable Development 68
Key External Frameworks and ESG Ratings 70

At Elsewedy Electric, sustainability is central to our mission. Through a comprehensive materiality assessment, we have identified key ESG trends—such as technological innovation and climate change—that shape our industry. Our proactive approach to these trends ensures that sustainability remains a driving force behind our growth and success.

2023 DISTINCTIONS AND RATINGS

S&P Global

44/100
(Up by 7 Points Compared to 2022)

SILVER 2023 ecovadis Sustainability Rating

Overall Score
67/100

Percentile
89th

CDP DISCLOSURE INSIGHT ACTION

Climate Change
B
(Management)
– Up from C in 2022 and current highest score attained by a company in Egypt

Water Security
C
(Awareness)

SUSTAINALYTICS

Risk Rating
19.8
Low Risk (Ranking 55/317)
(Down from 20.2 Medium Risk in 2022)

GLASSDOOR

4/5
Elsewedy Electric's Score on Glassdoor

A SUSTAINABILITY STRATEGY **DESIGNED FOR IMPACT**

The strategy developed in recent years has enabled Elsewedy Electric to outline a vision for the future, with sustainability as a central element in addressing the global challenges associated with transitioning to a decarbonized economy. Our sustainable strategy and integrated business model enable us to make meaningful contributions toward achieving all 17 UNSDGs, four of which act as guiding principles in our value creation efforts.

SDG 13
CLIMATE ACTION

SDG 7
AFFORDABLE AND CLEAN ENERGY

SDG 9
INDUSTRY, INNOVATION, AND INFRASTRUCTURE

SDG 11
SUSTAINABLE CITIES AND COMMUNITIES

Elsewedy Electric's Sustainability Strategy for 2020-2030 outlines the Group's overarching goals and targets aimed at expanding our positive influence, delivering energy services to a growing customer base, and propelling decarbonization, digitalization, and sustainable transitions. Rooted in the principles of the UNSDGs, the Paris Agreement, Egypt's Vision 2030, and the National Renewable Energy Strategy 2035, our strategy highlights our commitment to supporting Egypt's emergence as a leader in sustainable and renewable energy generation and smart energy infrastructure. Emphasizing rapid and profound transformation toward sustainability, our strategy is structured around four pillars and 16 commitments, closely aligned with 15 of the 17 SDGs. This report showcases our achievements and initiatives across these pillars, while also tracking our progress as of 2023 for each material topic.

The Group aligns its annual disclosures with the specific targets outlined in its Sustainability Strategy. Therefore, we will highlight our progress in line with these targets and other KPIs relevant to our sustainability efforts.

GOVERNANCE & ECONOMY
Unlocking Sustainable and Inclusive Growth

TECHNOLOGY & INNOVATION
Driving the Digital Revolution

PLANET & RESOURCES
Aligning with Nature for a Livable Future

PEOPLE & SOCIETY
Empowering a Thriving Society

At Elsewedy Electric, we recognize the diverse stakeholders involved in our operations. To address ESG concerns that are important to them, we have outlined our key targets for each material topic in the following section and will report on our progress as of the end of 2023.

Additionally, we have updated our Sustainability Strategy 2020-20230 to reflect the most important changes, integrating the outcomes of the established Group Environmental and Social Management System (ESMS), as well as the revised policies, procedures, and management systems, and as part of the annual materiality assessment exercise.

OUR COMMITMENTS **AND PROGRESS**

Elsewedy Electric has set key targets across its 14 material topics in response to global societal, economic, and ecological transformations, and expectations from its stakeholders, and aligned with its purpose and the UNSDGs. These are organized into four key pillars, forming the foundation of the Group's Sustainability Strategy. By tracking its sustainability performance and publishing annual results, Elsewedy Electric demonstrates its commitment to the SDGs and maintains its industry leadership in corporate social responsibility.

	Material Topic	Key Targets	Baseline	2023 Performance		Target Year
GOVERNANCE AND ECONOMY	Corporate Governance	Conduct a biennial comprehensive review of organizational structure, departments, roles, and responsibilities**	-	The Group's HR team has completed several sub-projects across the organization and its departments.	100%	100% by 2023 , then revised every two years
		Conduct a biennial comprehensive review of all existing corporate policies, standards, instructions, plans and procedures**	-	Completed as part of the Group's ESMS development.	100%	100% by 2023, then revised every two years
		Develop a corporate context analysis and systematic environmental and social risk assessment process related to the production facilities, turnkey projects, and renewables**	-	Completed as part of the Group's ESMS development.	100%	100% by 2023
	Sustainable Business Model	Establish a Corporate Environmental and Social Management System (C-ESMS) in line with international standards and Good International Industrial Practices (GIIP)**	-	Fully established in 2023.	100%	100% by 2023
	ESG Integration	100% of employees[2] trained on sustainability and ESG aspects	-	Multi-tier ESG Training and capacity building program has been developed, set to begin in Q3 of 2024, to be completed in Q4 2025.	70%	100% by 2025
		ESG KPIs identified for each subsidiary/new investment with clear roles and responsibilities assigned to sustainability focal points[3]	-	Ongoing as part of the dissemination and rolling out of the ESMS across the subsidiaries and departments.	80%	100% by 2025
		All primary suppliers screened and assessed annually based on their ESG performance and given an ESG Performance Score**	-	ESG compliance criteria for suppliers have been developed and currently under implementation.	20%	100% by 2030
		Environmental and Social Due Diligence Process (covering physical and economic displacement, biodiversity and land use, among others) developed, adopted and implemented for all new investments, greenfield developments and renewable energy projects**	-	Completed as part of the Group's ESMS development. Dissemination across all subsidiaries is planned to be completed by Q2 2025.	60%	100% by 2025
		Supplier ESG Capacity Building program developed, adopted and implemented for all primary suppliers based on their ESG Performance**	-	Supplier ESG Capacity Building program is scheduled for establishment in the upcoming 2 years.	20%	2026

[2]Employees: This comprises of Elsewedy Electric's Direct and Contracted Workers and Representatives of Primary Suppliers.
[3]A newly added target in 2023.
** The target phrasing has been revised to incorporate recent changes and improvements, aiming to better reflect the group's sustainability commitments.

	Material Topic	Key Targets	Baseline	2023 Performance		Target Year
TECHNOLOGY & INNOVATION	Digitalization With Purpose[4]	100% coverage by digital services	2020: 0%	Elsewedy Electric successfully established a fully centralized digital system in 2022.	100%	100% by 2023
		100% coverage by digital ESG & GHG Accounting Management System**	2020: 0%	Elsewedy Electric is currently comparing different digital sustainability and GHG data management systems to integrate the most suitable solution for their needs.	40%	100% by 2025
		100% coverage by remote energy monitoring systems**	2020: 0%	Elsewedy Electric is currently analyzing the different options of remote monitoring systems to be adopted, including real-time ones.	30%	100% by 2030
		Transition to an electrified fleet wherever technically and financially feasible**	2020: 0%	Elsewedy Electric continues to seek strategic collaborations with electric fleet service providers in Egypt, aiming to accelerate our transition towards our 2030 target of a minimum of 50% electric vehicle fleet.	In Progress	50% by 2030

[4]Updated material topic (merged the previous topic "Smart Technology").
** The target phrasing has been revised to incorporate recent changes and improvements, aiming to better reflect the group's sustainability commitments.

	Material Topic	Key Targets	Baseline	2023 Performance		Target Year
PLANET & RESOURCES	Resource Efficiency & Renewable Sources	40% of energy consumption from renewable energy sources**	2020: 0%	In December 2023, Iskraemeco Slovenia began operating an 870 kW solar PV panel, generating 1,500 kWh that month. Additionally, Egytech and SEDCO Petroleum installed solar lampposts along their factory streets. Feasibility studies for rooftop solar plants in manufacturing facilities have also been completed.	1%	40% by 2030
		Reduce energy consumption intensity by 20% and maintain the achieved target**	2023*	Comparing the energy intensity of the 21 facilities that were reported in 2022, there was a 32% reduction between 2022 and 2023, with energy intensity decreasing from 0.154 MWh per thousand USD in 2022 to 0.105 MWh per thousand USD in 2023.	32% (Manufacturing facilities)	20% by 2030
		Reduce water withdrawals intensity by 40% and maintain the achieved target**	2023*	Comparing the water intensity of the 21 facilities that were reported in 2022, there was a 44% reduction between 2022 and 2023, with water intensity decreasing from 0.377 m^3 per thousand USD in 2022 to 0.210 m^3 per thousand USD in 2023	44% (Manufacturing facilities)	40% by 2030
		Double investments in renewable energy, climate action, and water projects compared to 2020	-	No investments were undertaken during the reporting year.	40%	2X by 2030
	Climate Action	Achieve 100% corporate-wide coverage of Scope 1, 2, and 3 GHG emissions accounting	2023*	100% of Elsewedy Electric's manufacturing facilities were covered in the 2023 carbon footprint assessment, with 100% coverage of scope 1 and 2 emissions, and 70% coverage of scope 3 categories (8 out of a total 11 relevant categories).	80%	100% by 2026
		Introduce interim targets for Scope 1, 2, and 3	2023*	Elsewedy Electric is committed to adopting and setting near-term and net zero emission reduction targets across our entire company, based on the most robust climate science available through the SBTi. Our near-term and net-zero targets are currently under review by the SBTi, and once they receive approval, we will transparently communicate these goals in our carbon footprint and sustainability reports.	25%	2025
		Net-zero emissions for scope 1 and 2	2023*		In Progress	2050
		Net-zero emissions for scope 3 (including the entire supply chain)	2023*		In Progress	2050
		100% of investment portfolio accounted for under scope 3 emissions	-	To be covered as part of the Group's carbon footprint assessment in the upcoming years.	Not Yet Started	100% by 2030

* The year 2023 has been set as the new base year for carbon footprint assessments and environmental performance indicators, since this year covers 100% of the Group's manufacturing facilities (24 operating facilities in 2023). This allows for accurate progress comparisons in the future.
** The target phrasing has been revised to incorporate recent changes and improvements, aiming to better reflect the group's sustainability commitments.

	Material Topic	Key Targets	Baseline	2023 Performance		Target Year
PLANET & RESOURCES	Circular Economy	100% of packaging free from single-use plastics	-	Elsewedy Electric is actively monitoring and disclosing material usage and packaging quantities by type. We are also working on identifying and implementing alternatives to plastics where applicable. Egyplast has a plastic R&D department, and provides additives to clients that can make plastic biodegradable.	30%	100% by 2030
		90-100% of sourced materials by volume are renewable, recycled, or recyclable.	2022: 60%	Currently almost 60% of all sourced materials by volume are recyclable.	60%	90% by 2030
		100% green office buildings[5]	2020: 0%	All Elsewedy Electric's new office buildings are designed to meet green building criteria.	In Progress	100% by 2030
		Achieve and maintain a Virtual Zero Waste to Landfill across all manufacturing facilities and 75% diversion from landfill across all construction sites annually[6]	2023*	A zero-waste-to-landfill management system has been developed, adopted and implemented in several factories and shall be expanded across all factories in upcoming years. In 2023, Elsewedy Electric's 24 reporting factories successfully achieved a 95% diversion rate for non-hazardous waste.	95% 0% - Construction Sites	100% diversion rate by 2030
	Protecting Ecosystems & Biodiversity Conservation	Develop, adopt and implement a formalized process for identification, assessment, and management of risks and impacts on biodiversity and ecosystem services	-	Published a group-wide Biodiversity Policy. Formalized Environmental (covering biodiversity) and Social Due Diligence process has been developed as part of the Group ESMS, to be adopted and implemented for all new and existing greenfield developments and renewable energy projects.	100%	100% by 2023
		Net-Zero Biodiversity Loss + No deforestation	-	We are fully committed to protecting biodiversity and achieving the net-zero biodiversity loss commitment.	100%	Net-Zero by 2030

	Material Topic	Key Targets	Baseline	2023 Performance		Target Year
PLANET & RESOURCES	Product Design & Life Cycle Assessment[7]	Environmental Product Declarations (EPDs) or Green Labels developed for 100% of the products	2020: 0%	Elsewedy Electric has completed first phase in 2023, covering 4 EPDs for 37 cables , and conducting LCA for another 1,700 products. Additionally, phase two, which includes 16 EPDs for 290 products, was published in July 2024. Furthermore, Elsewedy Electric plans to publish an additional 50 to 70 EPDs by the end of 2024, covering between 1,400 and 2,100 products. Currently, the total number of published EPDs on the EPD Hub website is 20.	20%	100% by 2030
		Allocate 1% of revenues toward R&D in low carbon products and technologies investments[8]	2020: 0.03%	Elsewedy Electric has allocated USD 1.5 million in investments towards R&D in 2023, comprising 0.03% of the Group's revenues.	0.03%	1% by 2030

[5]Green office buildings are either EDGE Certified or demonstrate proven savings of 20% in energy and water consumption compared to the baseline.
[6]Progress achieved for 24 manufacturing facilities covering non-hazardous waste.
[7]New topic introduced in 2023 as part of the sustainability strategy update.
[8]A newly added target in 2023.
* The year 2023 has been set as the new base year for carbon footprint assessments and environmental performance indicators, since this year covers 100% of the Group's manufacturing facilities. This allows for accurate progress comparisons in the future.

	Material Topic	Key Targets	Baseline	2023 Performance		Target Year
PEOPLE AND SOCIETY	Occupational Health and Safety	All employees assessed on a comprehensive well-being metric	-	In 2023, Elsewedy Electric assessed employee satisfaction with the company's work environment and facilities.	100%	100% by 2023
		Maintain zero fatalities, major injuries, and severe accidents annually	-	In 2023, there was two recorded fatalities, and the lost-time injury frequency rate was 0.72 per million hours worked, resulting from 26 lost-time injuries.	26 incidents	Zero Annually
		Revise and update labor management policies and procedures according to international standards and GIIP**	-	Completed as part of the Group ESMS.	100%	100% by 2023
		Zero accidents related to hazardous materials safety**	-	No accidents were recorded during the reporting year.	Zero	Zero Annually
	Employee Development	Achieve and maintain Top Employer Certification**	-	The top employer award was introduced in 2022.	NA	Annual
		Assess KPIs related to productivity optimization to eliminate unnecessary workload, processes, or reports**	2020: 0%	Elsewedy Electric optimized the CPOs in 2022 through strategic surveys, evaluations, stakeholder input, process mapping, pilot testing, and continuous monitoring.	100%	100% by 2023
		Maintain workplace satisfaction levels above 85%**	-	Employees satisfaction was assessed across several areas including the work environment, facilities, job-related trainings, and opportunities provided for professional growth.	72%	>=85% Annually
	Diversity & Inclusion	Comprehensive diversity and inclusion annual assessment	-	As part of our objectives, a thorough evaluation of diversity and inclusion is being carried out, aiming to gain valuable insights for improvement.	30%	100% by 2025
		30% women within the workforce	2020: 7%	As of the end of 2023, Elsewedy Electric's workforce includes 8% female representation.	8%	30% by 2030
		20-25% women within the board and management	2020: 9%	By the end of 2023, women held 10% of all management positions at Elsewedy Electric, including top, middle, and junior levels.	10%	20-25% by 2030

	Material Topic	Key Targets	Baseline	2023 Performance		Target Year
PEOPLE AND SOCIETY	Human Rights and Working Conditions	All operations are audited for human rights compliance annually	-	All operations are being reviewed for human rights compliance as part of the Group Labor and Social Aspects Auditing Program & Checklists established as part of the Group ESMS.	100%	Annual
		100% of employees covered by human rights training on an ongoing basis	-	Capacity building sessions will be delivered as part of the implementation of the Group ESMS, and this will include human rights training to all employees across the Group.	In Progress	Annual
		Zero human and labor rights violations across the supply chain	-	No violations were recorded in the reporting year.	Zero	Zero by 2025
	Local Community Impact	All new community projects to have a balanced contribution to all SDGs within their geographic boundaries	-	Elsewedy Electric actively contributes to the community through projects related to sports and culture, talents development and accessible and inclusive education, community development projects and environmental projects.	100%	2023
		Affected communities continuously engaged throughout the project life cycle for all new and existing developments**	-	A group Stakeholder Engagement plan has been developed for all Elsewedy Electric projects as part of the Group ESMS.	100%	2025
		Adopt Local Community Hiring Policy***	-	Almost all of Elsewedy Electric's employees at subsidiaries abroad are hired locally.	100%	2025
		Volunteering events with local communities***	-	Elsewedy Electric employees volunteer to distribute food packages as part of the company's partnership with the Egyptian Food Bank.	100%	Annual
		Partnerships per community with local NGOs and CSOs, with focus on SDGs***	-	Community partnerships are made through Elsewedy Electric Foundation and Elsewedy Techical Academy.	100%	2025
		Develop and adopt Land Acquisition and, Resettlement Operational Procedures***	-	Completed as part of the Group ESMS.	100%	2023

** The target phrasing has been revised to incorporate recent changes and improvements, aiming to better reflect the group's sustainability commitments.
*** New target introduced in 2023 as part of the Sustainability Strategy update.

CONTRIBUTION **TO THE SDGS**

The main goal of the UNSDGs is to safeguard the planet, eliminate poverty, and foster peaceful and equitable communities. Elsewedy Electric is committed to advancing these objectives by actively promoting the SDGs, both directly and indirectly across its value chain.

Since 2018, Elsewedy Electric has been a proud member of the UN Global Compact (UNGC) and has consistently published its annual Communication on Progress, emphasizing its unwavering commitment to these crucial global objectives.

MAKING AN IMPACT ACROSS OUR VALUE CHAIN

OUR SUPPLIERS

BUSINESS OPERATIONS

CLIENTS AND CUSTOMERS

LOCAL COMMUNITIES

SDG	Value Chain	Role in Advancing SDGs	Key Projects and Initiatives
1 NO POVERTY		Elsewedy Electric is dedicated to ensuring the welfare of its employees across its entire value chain. By focusing on sustainable procurement, fair compensation, and providing development opportunities, the Company aims to ensure that all its stakeholders can lead full and thriving lives.	Developing initiatives and partnerships to provide economic opportunities, fair wages, and support to improve quality of life. **READ MORE** Human Rights, Compensation and Benefits
2 ZERO HUNGER		Elsewedy Electric promotes food security by enhancing energy accessibility in rural regions, helping in the implementation of improved irrigation systems, efficient food storage facilities, and advanced food processing operations. The Company also participates in food distribution initiatives as part of its CSR.	Implementing year-round food aid initiatives and donations across the group by collaborating with multiple organizations reaching vulnerable communities. **READ MORE** Commitment to Community Impact
3 GOOD HEALTH AND WELL-BEING		Elsewedy Electric prioritizes the well-being of its employees by offering programs that support their physical and mental health. The Company ensures the reliability of the healthcare sector by enabling the transmission of power to all facilities, contributing to the seamless operation of essential medical services.	Implementing year-round health initiatives for the workforce and donations across the Group, supporting hospitals, and providing essential healthcare services. **READ MORE** Commitment to Community Impact, Diversity, Equity and Holistic Well-being
4 QUALITY EDUCATION		Elsewedy Electric nurtures a culture of mentorship, bridging generations to support the development of future leaders in the energy sector and contribute to a sustainable future.	Delivering trainings and development programs to the workforce, in addition to supporting educational opportunities in the surrounding community. **READ MORE** Talent Attraction and Development, Empowering the Next Generation: Elsewedy Technical Academy
5 GENDER EQUALITY		Elsewedy Electric promotes gender equality by addressing historical disparities and advocating for diversity, equity, and inclusion.	Advancing gender equality through diverse workforce practices and community projects, actively working to ensure equal opportunities and representation for all genders. **READ MORE** Diversity, Equity and Holistic Well-being, Empowering the Next Generation: Elsewedy Technical Academy
6 CLEAN WATER AND SANITATION		Elsewedy Electric ensures that its activities do not negatively affect biodiversity and water quality. The Company conserves water at its facilities and implements water scarcity solutions to minimize the impact on nearby communities.	Improving water stewardship across the Group's operations and project selection. **READ MORE** Accelerating Decarbonization with Efficient and Digital Products and Solutions, Managing Resources Responsibly
7 AFFORDABLE AND CLEAN ENERGY		Elsewedy Electric provides innovative and sustainable energy solutions, aiming to provide clean, reliable, and efficient energy consumption options. The Company is committed to empowering underserved communities by increasing access to green electricity.	Optimizing energy efficiency across operations and project selection, utilizing sustainable energy practices and reducing the environmental impact that affects surrounding communities. **READ MORE** Managing Resources Responsibly, Empowering Communities With Sustainable Energy Access
8 DECENT WORK AND ECONOMIC GROWTH		Elsewedy Electric places great importance on protecting workers' rights and dignity and is committed to improving working conditions across its supply chain. The Company promotes a safe, fair, and supportive environment for all employees and those within its extensive supply chain network.	Enforcing strict policies and comprehensive awareness programs and upholding human rights standards across all operations and business practices. **READ MORE** Human Rights
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE		Elsewedy Electric is committed to continuous innovation and mobilization to ensure its infrastructure and products are modern and sustainable.	Developing sustainable infrastructure and products and integrating innovative practices and materials to minimize environmental impact and promote long-term sustainability. **READ MORE** Accelerating Decarbonization with Efficient and Digital Products and Solutions, Sustainable Manufacturing

SDG	Value Chain	Role in Advancing SDGs	Key Projects and Initiatives
10 REDUCED INEQUALITIES		Elsewedy Electric focuses on empowering and positively influencing its employees, customers, and communities, promoting equality and enabling all individuals to thrive.	Promoting equal opportunities and inclusive practices while reducing inequalities within our workforce and the communities we serve. **READ MORE** Human Rights, Diversity, Equity and Holistic Well-being
11 SUSTAINABLE CITIES AND COMMUNITIES		Elsewedy Electric is dedicated to providing sustainable solutions for urban areas through smarter homes and buildings, making sustainable energy accessible and translating global sustainability goals into tangible local efforts.	Investing in projects that have a collective sustainable impact on the business and the communities it serves. **READ MORE** Accelerating Decarbonization with Efficient and Digital Products and Solutions, Sustainable Manufacturing, Empowering Communities With Sustainable Energy Access
12 RESPONSIBLE CONSUMPTION AND PRODUCTION		Elsewedy Electric's commitment to sustainability is driven by the core principle of circularity. The Company minimizes resource consumption and emphasizes the production of high-quality products to reduce waste and environmental impact.	Promoting responsible consumption and production, implementing sustainable practices and partnering with suppliers to reduce waste and enhance resource efficiency across our operations. **READ MORE** Circular Economy and Product Stewardship
13 CLIMATE ACTION		Elsewedy Electric actively combats climate change by implementing sustainable practices, conserving resources, and adhering to ethical standards to preserve the planet for future generations.	Adopting rigorous sustainability measures and collaborating with partners to reduce carbon emissions and enhancing environmental resilience across our operations. **READ MORE** Accelerating Decarbonization Toward a Low-Carbon Economy, Managing Resources Responsibly

SDG	Value Chain	Role in Advancing SDGs	Key Projects and Initiatives
14 LIFE BELOW WATER		Elsewedy Electric is committed to preserving oceans and marine life by implementing integrated solid waste management systems and ensuring proper disposal of hazardous waste.	Implementing integrated solid waste management systems and ensuring the proper disposal of hazardous waste. **READ MORE** Protecting Ecosystems and Biodiversity Conservation
15 LIFE ON LAND		Elsewedy Electric aims to minimize its use of natural resources by adopting a comprehensive Biodiversity Policy and partnering with like-minded organizations to prioritize conservation efforts.	Implementing preventive and proactive management practices and partnering with relevant organizations to protect ecosystems and promote biodiversity. **READ MORE** Protecting Ecosystems and Biodiversity Conservation
16 PEACE, JUSTICE AND STRONG INSTITUTIONS		Elsewedy Electric works toward creating peaceful and inclusive societies by promoting accountability and transparency through well-defined reporting procedures and guidance on raising concerns.	Introducing policies that promote accountability and transparency by establishing well-defined reporting procedures and offering guidance on raising concerns.. **READ MORE** Integrity and Compliance at the Core of Elsewedy Electric's Business
17 PARTNERSHIPS FOR THE GOALS		Elsewedy Electric aims to establish and maintain cooperative relationships with all stakeholders, cultivating an environment of trust and prosperity.	Sustaining open, transparent, and inclusive communication with stakeholders across the value chain, and fostering knowledge-sharing. **READ MORE** Partnerships for Impact

CONNECTING WITH **STAKEHOLDERS**

The Group maintains open, transparent, and inclusive communication with its stakeholders across the value chain, guided by our newly developed corporate stakeholder Engagement Plan (SEP). We engage stakeholders continuously, addressing their needs and interests, relevant topics, and areas of impact, while utilizing preferred communication channels and frequencies.

Stakeholder	How We Create Value	Key Achievements
COMMUNITIES	Elsewedy Electric, alongside its CSR arm, the Elsewedy Electric Foundation, is dedicated to empowering local communities and fostering sustainable development. Beyond our philanthropic initiatives, we are committed to expanding access to clean energy, helping to create a more resilient and environmentally conscious society. By actively involving individuals, partners, and stakeholders, we work to ensure that sustainable energy solutions are accessible to all, driving positive change and making sustainability a reality for the communities we serve.	**EGP 250 Mn** community investments
EMPLOYEES	Elsewedy Electric promotes open and seamless communication within each department, believing that effective communication is essential for achieving goals and enabling teams to work efficiently together. Additionally, we regularly conduct employee engagement surveys to gather feedback from our staff. This process helps us identify any areas for improvement and address the specific needs of our workforce. This approach ultimately helps to enhance overall collaboration, satisfaction, and productivity among our employees.	**+40,000** hours of training delivered to our employees
GOVERNMENT & REGULATORS	Ensuring compliance with regulations and effectively communicating our adherence to governmental and regulatory entities are key aspects of Elsewedy Electric's operations. We achieve this through a range of measures, including regular meetings, surveys, and inspections as needed, which provide opportunities for dialogue and clarification on any requirements or concerns. Additionally, we adhere to reporting obligations and other legal and regulatory mandates set by entities such as the EGX and the Financial Regulatory Authority (FRA).	**100%** of regulatory requirements met on time
FINANCIAL PARTNERS	Elsewedy Electric is a renowned leader in the industry, with extensive experience and expertise in sustainability. Our commitment to sustainability enables us to contribute to the greater good while aligning with sound business principles. Our business model is designed to consistently achieve strong and sustainable financial performance, providing our financial partners with attractive returns.	**EGP 54.41 Bn** total sustainable revenues[9]
CLIENTS	Elsewedy Electric's focus is on providing products that are not only efficient and safe but also environmentally sustainable. We place a strong emphasis on maintaining high quality and strong cybersecurity measures to ensure a positive and secure experience for our customers. This commitment is highlighted by the attainment of ISO 9001 across 100% of the Group's facilities.	**100%** of elsewedy electric's manufacturing facilities are certified to iso 9001 quality management systems
SUPPLIERS	Elsewedy Electric is committed to advancing its supply chain by equipping suppliers with the necessary skills and knowledge to operate sustainably and meet required standards. This dedication enhances performance, resilience, and sustainability across our supply chain. By strengthening these relationships and promoting open communication, we aim to preserve ecosystems and resources while providing economic opportunities and decent livelihoods.	**73%** full coverage of relevant GHG scope 3 categories in 2023 (8 out of 11), from only 36% (4 out of 11) partial coverage in 2017

MATERIALITY **ASSESSMENT**

Elsewedy Electric has conducted a thorough materiality assessment to evaluate economic, social, and environmental challenges. This assessment aimed to identify risks, devise strategies to mitigate them, and capitalize on growth opportunities. Key to this evaluation was analyzing current and future ESG megatrends to understand emerging patterns in generation and consumption models influenced by evolving technologies and demographics. Additionally, the assessment aimed to identify shifts in economic and geopolitical landscapes that could shape future business strategies.

Through an analysis of electric utilities sector publications and existing public policies, numerous current and emerging ESG megatrends were uncovered, including technological innovation, novel governance structures, cybersecurity infrastructure, climate change, and resource conservation. These megatrends significantly impact sustainable development across economic, social, and environmental dimensions, often interconnected and reinforcing each other's effects.

Given Elsewedy Electric's business scope and geographical reach, the Company faces a range of ESG risks, including strategic, financial, operational, governance and cultural, digital technology, and compliance risks. Each risk category presents unique challenges that require strategic planning and proactive management.

In 2023, Elsewedy Electric conducted its double materiality assessment to comply with the Corporate Sustainability Reporting Directive (CSRD). This assessment used various internal analyses and external inputs, including stakeholder consultations, to evaluate the materiality of relevant sustainability topics for the Group from both financial and impact perspectives.

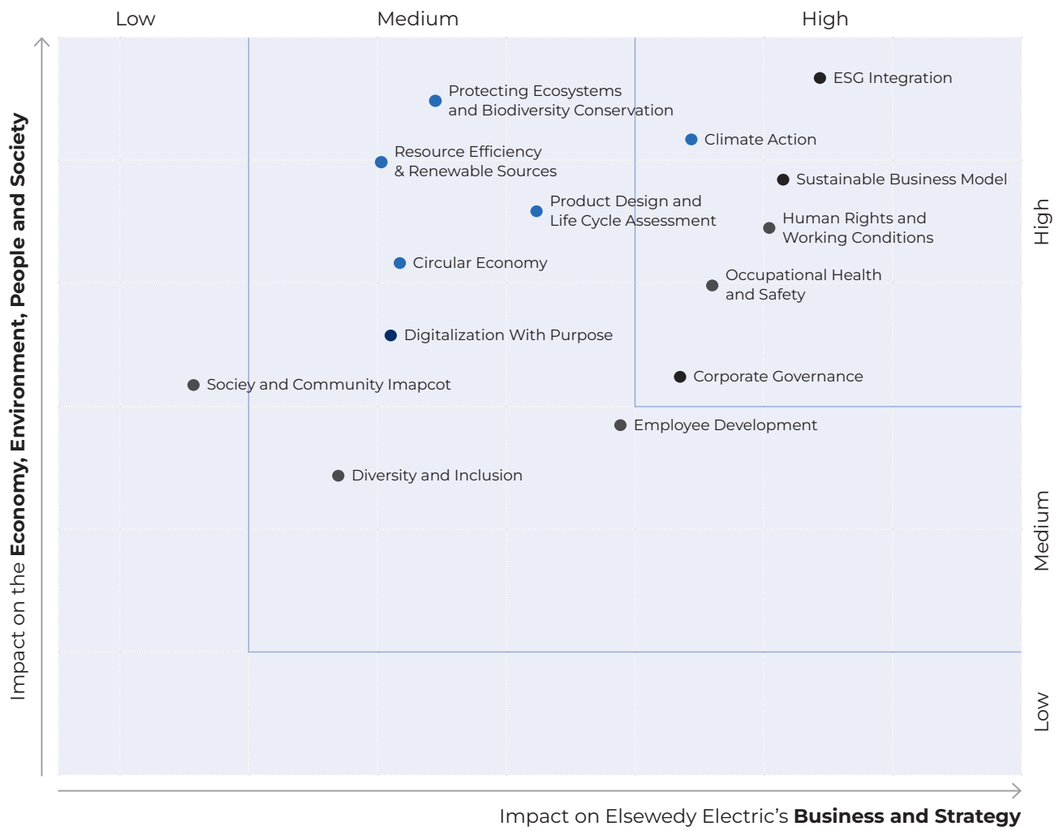
Elsewedy Electric has reviewed its material topics and integrated insights from peer and sector assessments, as well as ESG megatrends. This revision process was conducted in alignment with the latest GRI Standards and included an analysis of industry-specific material topics and investor expectations.

The refinement of material topics also reflects the evolution of our Sustainability Strategy and aligns with Elsewedy Electric's strategic direction throughout 2023. Below is a detailed list of our material topics, accompanied by a materiality matrix that illustrates the prioritization and positioning of the material topics based on the conducted assessment:

GOVERNANCE & ECONOMY	TECHNOLOGY & INNOVATION	PLANET & RESOURCES	PEOPLE & SOCIETY
Corporate Governance[10]	Digitalization With Purpose[11]	Resource Efficiency & Renewable Sources[12]	Occupational Health and Safety[13]
ESG Integration		Climate Action[14]	Employee Development
Sustainable Business Model		Circular Economy	Diversity and Inclusion
		Protecting Ecosystems and Biodiversity Conservation[15]	Human Rights and Working Conditions[16]
		Product Design and Life Cycle Assessment[17]	Local Community Development

[10]Topic updated from "Corporate Citizenship" to "Corporate Governance".
[11]Previous topic "Smart Technology" has been merged with this topic.
[12]New topic added in 2023.
[13]Topic updated from "Wellbeing, Health, and Safety" to "Occupational Health and Safety".
[14]Topic updated from "Climate and Water Action" to "Climate Action".
[15]Topic updated from "Protecting Ecosystems and Biodiversity" to "Protecting Ecosystems and Biodiversity Conservation".
[16]Topic updated from "Human and Labor Rights" to "Human Rights and Working Conditions".
[17]New topic added in 2023, in lieu of the topic "Safe Materials and Chemicals" which has been merged/accounted for under Occupational Health and Safety.

MATERIALITY MATRIX



- **GOVERNANCE & ECONOMY**
- **TECHNOLOGY & INNOVATION**
- **PLANET & RESOURCES**
- **PEOPLE & SOCIETY**

SUSTAINABILITY RISKS, OPPORTUNITIES, AND IMPACTS

Description of Risk and/or Opportunity and Impact	Key Policies, Procedures, and Systems	Key 2023 Actions and Performance
CORPORATE GOVERNANCE		
Strong corporate governance that integrates ESG practices is essential for ensuring that the Company operates in the best interests of its shareholders. Furthermore, effective governance impacts key areas like the cost of capital, strategic decision-making, and the ability to attract top talent. Operating in different regions with different levels of enforcement regarding business ethics laws, managing multiple local agents and subcontractors, navigating complex project financing and permitting processes, handling large infrastructure contracts, and engaging in competitive bidding for both private and public sector contracts can all pose risks related to the violation of anti-corruption laws. Additionally, unethical practices could threaten future revenue growth by damaging the Company's reputation. Effective risk and crisis management system lead to long-term financial planning and organizational flexibility. A well-managed risk management system can help identify potential risks before they happen and avoid them.	• Group Sustainability Strategy 2020-2030 • Board of Directors and Executive Management • Audit, Risk, & Compliance Committee Charter • Compensation and Remuneration Committee Charter • Whistleblowing Policy • Fraud Control Policy • Anti-Corruption and Anti-Money Laundering Policy • ISO 37301	Since 2021, Elsewedy Electric has maintained a Speak-Up portal on its website, accessible to all stakeholders for raising complaints and concerns. The portal features a systematic process for managing cases and providing feedback. In 2023, a total of 76 cases were reported through the portal across entities in the UAE and Egypt, with 95% of these cases successfully resolved by year-end. As part of the Group-wide ESMS, we have established a set of comprehensive ESG policies and procedures that will be implemented across all subsidiaries and lines of business.
ESG INTEGRATION		
Failing to meet long-term public sustainability commitments, including the Group's Sustainability Strategy targets and regulatory requirements, could damage our brand and reputation, erode stakeholder trust, and reduce our appeal to investors, customers, and potential new talent.	• Group Sustainability Strategy 2020-2030 • Group Environmental and Social Management System (ESMS) • Integrated Management System (ISO 9001, 14001, 45001, 50001)[18] • ISO 3834-2	Elsewedy Electric has established a Group-wide ESMS that aims to integrate ESG across all subsidiaries and lines of business.

[18] For more details, please refer to the Annex: Certifications Status

Description of Risk and/or Opportunity and Impact	Key Policies, Procedures, and Systems	Key 2023 Actions and Performance
DIGITALIZATION WITH PURPOSE		
Technology plays a powerful role in driving social change, especially within the electrical and electronic equipment sectors. The digitalization of business operations and the broader energy sector offers an opportunity for energy suppliers to optimize their valuable assets, integrate renewable energy sources, and reduce operational costs. This transformation can enhance grid stability, optimize supply chains, and create new revenue streams. The trend toward digitalization introduces risks related to data privacy, which can stem from technical failures, human error, malicious attacks, or terrorist attacks. These risks could have significant impacts on productivity, data privacy, operations, profitability, repair costs, as well as loss of stakeholder trust.	• Information Security Policy • HR Security Policy • Logical Access control Policy • Network Security Policy • Computing environment Management Policy • Information Security Incident Management Policy • Acceptable Use and Agreement Policy • ISO 27001 • ISO 27017 • ISO 27018 • ISO 33061	Elsewedy Electric has developed a Group Digital Transformation Strategy and is actively advancing its technological and cybersecurity initiatives. Additionally, Iskraemeco locations in Slovenia, Egypt, and India are certified to ISO 27001 for Information Management Systems. Furthermore, Iskraemeco Slovenia holds additional certifications in ISO 27017 and ISO 27018.
PRODUCT DESIGN AND LIFE CYCLE ASSESSMENT		
Managing the environmental impact of products is a key concern for stakeholders. Integrating sustainable practices into the development of new products demonstrates the company's awareness of sustainability challenges and its ability to capitalize on market opportunities while minimizing risks at the product level. Additionally, product stewardship processes enhance product value by reducing the risk of harm to both people and the environment, thereby lowering potential liabilities. Environmental and social externalities emerge from the use of electrical and electronic products. Regulatory pressures and customers are pushing companies in the electrical sector to reduce the ecological footprint of their products.	• Group Environmental Policy • Group Climate Policy • Group Biodiversity Policy • Group Sustainability Strategy 2020-2030 • Group ESMS	Elsewedy Electric has issued 4 EPDs for 37 cable products in 2023 and is currently working on assessing the life cycle of its products with an aim of issuing EPDs for 100% of its products by 2030. Furthermore, climate risk assessment has been fully integrated into the decision-making process, with product design and raw material sourcing guided by Life Cycle Assessment (LCA) results and optimization. Elsewedy Electric has quantified the recycled content in the raw materials used for its cable products, aiming to increase this percentage to reduce their life cycle environmental impact. In terms of product design, significant efforts have been made to redesign cable drums, with the goal of achieving 100% recycled wood content for in the drums used.

Description of Risk and/or Opportunity and Impact	Key Policies, Procedures, and Systems	Key 2023 Actions and Performance
CLIMATE ACTION		
High energy consumption represents a significant risk to Elsewedy Electric Group due to the substantial energy required for our production processes. To mitigate this risk, we are dedicated to optimizing and enhancing our energy mix. Our efforts aim to reduce costs, increase the reliability of our energy supply, and protect our cost structure from regulatory changes. Additionally, we are addressing the major risks associated with carbon emissions. High carbon emissions from production processes can lead to increased regulatory pressures, potential financial penalties, and reputational damage as global standards and market requirements for environmental sustainability become stricter. To address these challenges, proactive strategies are needed to mitigate environmental impact, ensure regulatory compliance, and maintain operational continuity.	• Group Environmental Policy • Group Sustainability Strategy 2020-2030 • Group ESMS • Group Climate Policy • ISO 14001 • ISO 50001	Elsewedy Electric has been disclosing its climate and water performance annually on the CDP platform since 2021. The Company assesses its operational carbon footprint each year, continuously expanding reporting boundaries and enhancing data quality and methodologies. Elsewedy Electric is committed to setting near-term and net-zero targets in accordance with the SBTi criteria and is seeking validation for these targets, which will be disclosed in upcoming reports.
RESOURCE EFFICIENCY & RENEWABLE SOURCES		
The scarcity of resources used in the products, or their manufacturing processes could present significant risks due to the volatility in prices and availability of key materials. These challenges could result in increased costs for primary materials and energy, as well as potential disruptions in the supply chain. Climate change presents significant risks to companies in the electrical and electronic equipment manufacturing sector. These risks include rising energy costs, increased expenses for purchased goods and services, emissions across the supply chain, and potential disruption in electric power and quality.	• Group Environmental Policy • Group Sustainability Strategy 2020-2030 • Group Climate Policy • Group Water Policy • Group ESMS • ISO 14001 • ISO 50001	In 2023, Iskraemeco Slovenia, Egytech, and SEDCO Petroleum's factories launched renewable energy initiatives that collectively reduced emissions by 2.36. mtCO_2e Further projects are being studied for their feasibility, to be implemented in the upcoming years.

Description of Risk and/or Opportunity and Impact	Key Policies, Procedures, and Systems	Key 2023 Actions and Performance
CIRCULAR ECONOMY		
Circular economy principles, along with materials and waste management, present various risks and opportunities. The risks include regulatory pressures to reduce waste and improve resource efficiency, potential financial penalties for non-compliance, and reputational damage from inefficient waste management practices. Additionally, reliance on non-renewable or scarce materials can lead to supply chain vulnerabilities and increased costs. However, these challenges also offer significant opportunities. By adopting circular economy principles, Elsewedy Electric can reduce material costs, improve supply chain resilience, and create new revenue streams through recycling and re-manufacturing. Efficient waste management and sustainable material sourcing can enhance the Company's reputation, meet regulatory requirements, and attract environmentally conscious customers and investors. Embracing these practices supports long-term sustainability and positions the Company as a leader in environmental stewardship. Critical materials, often with limited or no available substitutes and sourced from a few countries, are subjected to geopolitical uncertainty, which poses a risk to the Company. Companies should work on limiting the use of these critical materials by exploring alternatives through circular economy approaches where feasible.	• Group Environmental Policy • ESMS – Environmental OMPs • Group Climate Policy • Group Water Policy • ISO 14001	Elsewedy Electric has issued 4 EPDs for 37 cable products in 2023 and is currently working on assessing the life cycle of its products with an aim of issuing EPDs for 100% of its products by 2030.
PROTECTING ECOSYSTEMS AND BIODIVERSITY CONSERVATION		
Our dependence on natural resources and ecosystem services can be a source of pressure on biodiversity. Industrial activities can disrupt local ecosystems through biodiversity impacts, emissions into the air, water discharges, natural resource consumption, waste generation, and the use of hazardous chemicals.	• Group Environmental Policy • Group Biodiversity Policy • Group Sustainability Strategy 2020-2030 • Elsewedy Electric Land Acquisition Procedures • ESMS – Environmental OMPs • ISO 14001	Elsewedy Electric has established and formalized Environmental and Social Due Diligence and Land Acquisition Operating Procedures as part of the Group's ESMS. These procedures apply to all operations and projects where the Group operates, covering all greenfield developments and renewable energy projects.

Description of Risk and/or Opportunity and Impact	Key Policies, Procedures, and Systems	Key 2023 Actions and Performance
OCCUPATIONAL HEALTH AND SAFETY		
Serious or fatal injuries or illnesses among employees can have significant consequences, including the loss of skilled personnel and potential property damage. These incidents can also tarnish the Company's reputation, erode customer confidence, and result in fines and increased regulatory scrutiny. Moreover, workplace accidents can disrupt operations and lead to higher insurance premiums and legal costs. Implementing strong health and safety measures is essential for protecting employees, maintaining operational efficiency, and upholding the Company's image and compliance standards. Materials used in essential industries, such as the electrical equipment industry, can contain hazardous materials that pose risks to human health and the environment, with potential long-term impacts. Therefore, it is crucial to monitor the materials used in the manufacturing process, assess their potential impact, and mitigate their risks.	• Group ESMS • Group Occupational Health and Safety (OHS) Policy • Group OHS Procedures • ISO 45001	Elsewedy Electric has revised and updated its health and safety policy and procedures as part of the Group-wide ESMS. Elsewedy Electric's subsidiaries Iskraemeco Slovenia and Elsewedy Electric Cables comply with RoHS and REACH regulations with regards to the use of hazardous materials and chemicals.
EMPLOYEE DEVELOPMENT		
Inadequate investment in employee training and development can create a skills gap, impeding the Company's ability to innovate and adapt to technological advancements. This can impact operational efficiency and competitive positioning. Furthermore, insufficient career growth opportunities may result in higher employee turnover, leading to increased recruitment and onboarding costs and potential loss of valuable expertise. Additionally, failing to align development programs with industry standards and emerging technologies could hinder the Company's ability to maintain a skilled workforce capable of meeting future challenges. Addressing these risks requires a strategic focus on continuous learning, skill development, and career progression to ensure a capable and motivated workforce.	• Promotion Policy • Performance Appraisal Policy • Loan Policy • Recognition Policy • Overseas Travel Policy	Elsewedy Electric's employee development initiatives are designed to reduce operational costs, attract, retain, and develop young talents, and build competitive capabilities. The Company aims to promote a high-performance culture and develop reliable succession plans to ensure leadership continuity. Additionally, Elsewedy Electric is enhancing its employee self-service systems to improve efficiency and support a motivated and capable workforce.

Description of Risk and/or Opportunity and Impact	Key Policies, Procedures, and Systems	Key 2023 Actions and Performance
DIVERSITY AND INCLUSION		
A lack of diversity can limit the Company's ability to innovate and meet diverse market needs, potentially undermining its competitive edge. Inadequate inclusion practices may lead to a non-inclusive work environment, which can result in lower employee morale, reduced productivity, and higher turnover rates. Furthermore, neglecting to prioritize diversity and inclusion can damage the Company's reputation, making it less attractive to top talent and partners who value these principles. Ensuring a diverse and inclusive workplace is crucial for fostering a positive organizational culture and enhancing creativity, improving decision-making, and driving overall business success.	• Diversity, Inclusion, and Non-discrimination Policy • Parental Leave Policy • Disability Accommodation Policy	Elsewedy Electric has established comprehensive policies and procedures related to diversity, inclusion, and non-discrimination, in addition to human and labor rights policies and procedures as part of the Group's ESMS.
HUMAN RIGHTS AND WORKING CONDITIONS		
Risks related to human rights and labor and working conditions are significant. This includes those of primary suppliers and contracted workers. Violations of human rights and fundamental freedoms, often stemming from a lack of transparency among suppliers or the discovery of malpractice, can severely impact workers' health and well-being. These violations can also lead to legal consequences, including fines and sanctions, and damage the Company's reputation and brand image. Ensuring compliance with human and labor rights standards is crucial for protecting employees, maintaining ethical business practices, and upholding the Company's reputation and legal standing.	• Group ESMS • Group Human Rights Policy • Third-Party Code of Conduct • Elsewedy Electric Labor and Social Aspects Auditing Program and Checklists • Child and Forced Labor Policy • Migrant Workers Policy • Anti-Sexual Harassment Policy • Worker Accommodation Management Plan	Elsewedy Electric has established comprehensive policies and procedures related to human and labor rights as part of the Group's ESMS.

Description of Risk and/or Opportunity and Impact	Key Policies, Procedures, and Systems	Key 2023 Actions and Performance
LOCAL COMMUNITY DEVELOPMENT		
Risks include potential community opposition to new projects, which can delay or halt operations, and the negative impact of failing to address community needs and concerns, potentially damaging the Company's reputation and stakeholder relationships. Conversely, opportunities arise from positively engaging with local communities through initiatives that support education, healthcare, and infrastructure development. By investing in social and community development, Elsewedy Electric can enhance its social license to operate, foster goodwill, and create a positive impact that aligns with corporate social responsibility goals. This proactive approach can improve community relations, increase local support, and create a stronger, more sustainable business environment.	• Indigenous Peoples Policy • Corporate Stakeholder Engagement Plan (SEP) • Land Acquisition Operational Procedures • Elsewedy Electric Cultural Heritage Policy	Elsewedy Electric promotes community development through strategic initiatives carried out by the Elsewedy Electric Foundation, with a total of EGP 250 million invested in education, health, and other humanitarian and social impact projects.

STRATEGIC SUSTAINABILITY **GOVERNANCE**

Over the past decade, we have made substantial advancements in sustainability governance, both within the Group and across our subsidiaries, guided by our commitment to ethical practices and integrity. Our Sustainability Strategy marks a significant milestone, embedding sustainability at the core of our operations. This strategy includes specific initiatives and targets to ensure that sustainability is integrated into every aspect of our business. We are dedicated to supporting strong and effective sustainability governance, maintaining high standards of corporate ethics, and promoting transparency and accountability. This approach will enhance our operational resilience and contribute to the well-being of the communities we serve and the environment.

BOARD-LEVEL AND TOP MANAGEMENT OVERSIGHT

Elsewedy Electric has established comprehensive board oversight to ensure the effective implementation of its Sustainability Strategy, acknowledging its significance to the organization's overall strategy and operations. The Group CEO receives regular updates on the progress of all ESG workstreams and reports these to the full Board. Additionally, all sustainability initiatives are overseen by the Group's ESG, Sustainability & CSR department, which is led by the Group Chief Sustainability Officer, who provides updates to the executive management as needed.

SUSTAINABILITY GOVERNANCE STRUCTURE AT ELSEWEDY ELECTRIC GROUP

Top Management Oversight	**Board of Directors, and Group President and CEO**	**Group CSO**
	Review and guide the Group's strategy, oversee the setting of corporate targets, and manage value chain engagement.	Oversee the integration of sustainability considerations into the review of the Group's strategy, financial planning, goals, and KPIs.
Supervision and Monitoring	**Group ESG, Sustainability, & CSR Department**	
	Oversee and track the execution of the sustainability strategy and performance, ensuring alignment with organizational goals. Manage innovation projects, fostering the development of new ideas and solutions. Additionally, handle the relationship between internal and externakeholders to ensure effective communication and collaboration.	
ESG Streamlining and Integration	**Sustainability Champions and Focal Points**	**Partnerships and Experts**
	Implement the company's strategy, programs, and policies while executing the sustainability action plan to achieve the strategy's targets. Additionally, support efforts to raise awareness and promote understanding of these initiatives throughout the organization and across various functions and subsidiaries.	Elsewedy Electric leverages expert committees and consultants to aid in the implementation of its sustainability strategy. The Group also forms partnerships with industry leaders and experts, fostering collaboration and knowledge exchange through seminars and joint initiatives.

THE GROUP CHIEF EXECUTIVE OFFICER

Elsewedy Electric's CEO plays a crucial role in advancing the Company's sustainability efforts. This includes approving budgets for climate-related projects and endorsing targets and plans that align with the Company's sustainability goals.

By actively participating in the approval of these budgets and plans, the CEO ensures the Company remains dedicated to sustainability and prioritizes climate-related initiatives within its operations. This commitment is vital for achieving the Company's sustainability objectives and demonstrating accountability to stakeholders, including customers, investors, and the broader community. The CEO's oversight and approval of these budgets and plans underscore the Company's commitment to sustainability and its proactive approach to addressing climate change and other related challenges.

The CEO's extensive knowledge encompasses sustainability, energy efficiency, net-zero initiatives, clean energy, renewable electricity opportunities, and water scarcity. Additionally, the CEO demonstrates proficiency in strategic execution, including supporting the transition to a low-carbon economy, managing risks, engaging stakeholders, and implementing climate-related visions and strategies. Familiarity with international policies and best practices, such as the GHG Protocol and UNFCCC, further underscores the CEO's competence. Proven participation in major international climate change events adds to the CEO's credibility in the field.

The Group's sustainability department and consultants provide the CEO with an annual comprehensive ESG materiality assessment, which informs key sustainability decisions and actions.

THE GROUP CHIEF SUSTAINABILITY OFFICER (CSO)

The Group CSO at Elsewedy Electric is a key leader in driving the organization's comprehensive sustainability agenda, as well as overseeing and monitoring the implementation of the Group Sustainability Strategy. This role is essential in integrating sustainability considerations into every aspect of the company's strategy, operations, and decision-making processes. The CSO ensures that sustainability is embedded in the Group's strategic planning, financial management, budgeting, and the establishment of goals, targets, and sustainability performance indicators.

A major responsibility of the CSO is to align Elsewedy Electric's efforts with global sustainability commitments, such as the UN SDGs, overseeing the achievement of the Company's GHG reduction targets and SBTi commitment, and to pursue a path toward a more sustainable and responsible future. The CSO continuously monitors and reports on the organization's progress in meeting its sustainability goals, identifying areas where further action or improvement is needed.

In addition to overseeing the integration of sustainability across the organization, the CSO is responsible for enhancing the company's resilience to a broad range of sustainability challenges. This includes developing strategies to manage risks and capitalize on opportunities related to ESG issues. The CSO plays a critical role in reviewing and updating the company's sustainability policies, ensuring they remain relevant and effective in addressing issues such as climate change, resource management, human and labor rights, and social responsibility.

Furthermore, the CSO leads key initiatives, such as the development of Environmental Product Declarations (EPDs), which aim to increase transparency and accountability in the company's environmental impact. In close partnership with the CEO, the CSO ensures that sustainability is a core focus across all business activities, with regular meetings and updates to drive the company forward in fulfilling its sustainability commitments and positioning Elsewedy Electric as a leader in sustainable business practices.

KEY RESPONSIBILITIES

- Monitor the implementation of environmental, climate, and social commitments as part of the Group's 2025 and 2030 goals
- Manage external communications and decisions related to environmental, sustainability, and climate issues, including the value chain, potential risks and opportunities, and market regulations and trends
- Review non-financial reporting systems and products, including annual ESG disclosures such as CDP questionnaires and S&P's Corporate Sustainability Assessment (CSA), as well as annual sustainability and carbon footprint reports
- Update the Company's CSR programs and internal/external training and capacity-building initiatives.
- Revise and approve the Group's policies on water, climate, and environmental matters
- Sign commitment letters on behalf of the company for sustainability-related initiatives

THE GROUP ESG, SUSTAINABILITY, AND CSR DEPARTMENT

All sustainability initiatives are monitored by the Group ESG, Sustainability, and CSR department, led by the Group CSO, who provides updates to the executive management.

As the CSO, a key responsibility is to ensure that sustainability-related challenges are appropriately addressed 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 KPIs.

The CSO plays a critical role in aligning the organization's efforts with international climate commitments, such as targets aligned with a 1.5°C scenario, the UN SDGs, and a net-zero future. This involves monitoring and reporting on the organization's progress toward meeting these commitments and identifying areas needing further action.

KEY RESPONSIBILITIES

- Developing/updating and implementing Elsewedy Electric's Sustainability Strategy and action plans across the Group in collaboration with pertinent stakeholders
- Serving as the primary focal point for internal and external stakeholders on sustainability issues at Elsewedy Electric

ELSEWEDY ELECTRIC SUSTAINABILITY CHAMPIONS

Each subsidiary of Elsewedy Electric has dedicated focal points responsible for collecting and monitoring ESG data, ensuring accurate gathering and reporting of relevant information. They are strategically placed across all facilities to oversee sustainability performance. These specialists compile and submit detailed quarterly reports, which provide insights into the impact of operations and identify areas for improvement.

Furthermore, Elsewedy Electric is integrating an ESMS across its subsidiaries. This system enhances the Company's ability to manage, monitor, and report on its environmental and social performance comprehensively. Regular monitoring reports generated by the ESMS offer a structured approach to track progress, ensure compliance with environmental standards, and promote sustainable practices throughout the organization.

PARTNERSHIPS FOR IMPACT

Elsewedy Electric engages with a diverse range of stakeholders to advance sustainability by partnering with leading associations and organizations on critical economic, social, and environmental issues. The Group is committed to addressing pressing topics such as social justice, ethics, and climate change, and continues to play a pivotal role in promoting impactful discussions and solutions.

PIONEERING CLIMATE LEADERSHIP: CHAPTER ZERO EGYPT PARTNERSHIP

Elsewedy Electric demonstrates its commitment to climate leadership through its partnership with Chapter Zero Egypt (CZE). As part of the global Climate Governance Initiative, in collaboration with the World Economic Forum, CZE aims to educate and activate board members to incorporate climate issues into corporate strategies and support the transition to net-zero emissions. Representing the 27th chapter of the Climate Governance Initiative (CGI), CZE empowers its members with the expertise to prioritize climate change at the boardroom level. The launch of CZE signifies a significant advancement in climate governance within the country.

Chapter Zero Egypt
The Directors' Climate Forum

MEMBERS OF ALLIANCE FOR INDUSTRY DECARBONIZATION

Elsewedy Electric is a proud member of the Alliance for Industry Decarbonization, which aims to facilitate industry-level dialogue and cooperation to help companies develop solid decarbonization strategies and implementation plans aligned with their countries' net-zero and decarbonization commitments. This global platform promotes dialogue through the exchange of insights, experiences, and best practices.

Alliance for Industry Decarbonization

MEASURING OUR IMPACT TOWARD **SUSTAINABLE DEVELOPMENT**

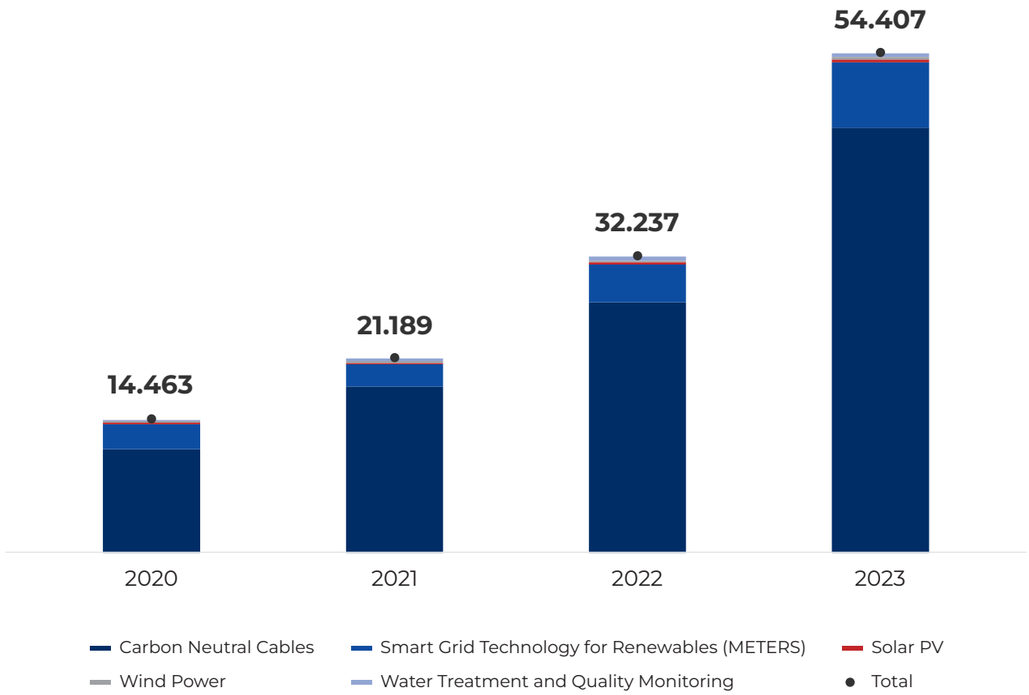
Elsewedy Electric's dedication to sustainability has garnered investor attention due to its global expansion, enhanced profitability, and strong sustainability policies. Central to this approach is a focus on energy transition initiatives and the adoption of best practices in transparency and corporate governance. These endeavors enhance the Company's overall profitability and align with global sustainability goals, positioning Elsewedy Electric as an attractive investment choice for socially responsible investors.

We aim to generate more value from fewer resources throughout the entire value chain, recognizing the physical limits of decoupling and improving our supply chains. We will pursue excellence in ESG compliance for our new investments, striving to create sustainable value for our business, customers, and society while achieving growth and profitability.

EGP 54.41 Bn
sustainable revenues in 2023 (69% increase from 2022)

35.7%
of total Group revenues

SUSTAINABLE REVENUES* GROWTH OVER THE YEARS (EGP BN)



* Sustainable revenues in this context are defined as the annual revenues that align with the Corporate Knights Sustainable Economy Taxonomy, tagged to the respective tiers of the Taxonomy.

Over the years, Elsewedy Electric has seen significant growth in its sustainable revenue segments. In 2023, carbon-neutral cables generated EGP 46.3 billion, accounting for 30.7% of total revenue, up from EGP 11.3 billion in 2020. Smart grid technology for renewables (METERS) contributed EGP 7.1 billion in 2023, representing 4.7% of total revenue, compared to EGP 2.7 billion in 2020. Solar PV revenues increased to EGP 300 million in 2023, while wind power reached EGP 283 million. Water treatment and quality monitoring revenues also grew, reaching EGP 424 million in 2023. These figures highlight Elsewedy Electric's commitment to sustainable growth and its expanding role in clean energy and environmental solutions.

In 2023, the Group continued to grow its sustainable revenues through investments into sustainable technologies, with the aim of further expanding its contribution to a sustainable and resilient energy system.

KEY EXTERNAL FRAMEWORKS **AND ESG RATINGS**

ESG FRAMEWORKS AND STANDARDS

The United Nations Global Compact and Sustainable Development Goals (SDGs)

Parties signing the UN Global Compact commit to 10 fundamental principles in four areas: human rights, labor rights, the environment, and anti-corruption. By signing the Global Compact in January 2018, Elsewedy Electric made a public commitment to these universal values. In line with the requirements of the Global Compact, Elsewedy Electric publishes an annual Communication on Progress (COP) and meets the requirements of the Global Compact Advanced Level. Elsewedy Electric is committed to contributing to the 17 SDGs through its sustainability programs.

Check Elsewedy Electric's latest CoP on the Global Compact website.

International Organization for Standardization (ISO)

Elsewedy Electric demonstrates its commitment to sustainable operations by adhering to a range of international standards, including ISO 14001, ISO 9001, ISO 45001, and ISO 50001, among others. For detailed information, please refer to the Annex: Certifications Status.

The Global Reporting Initiative (GRI) Sustainability Standards

Elsewedy Electric has reported in accordance with the GRI Standards for the period from 1 January to 31 December 2023. The Board of Directors has reviewed and approved the reported information, including the organization's material ESG topics, under Disclosure 2-14 in GRI 2: General Disclosures 2021. A GRI Content Index with its disclosures and those proposed can be found in the Annex of this report.

Check Elsewedy Electric's GRI reports on the Sustainability Reports page on our website.

The Sustainability Accounting Standards Board (SASB)

The SASB Foundation was founded in 2011 as a not-for-profit, independent standards-setting organization. Elsewedy Electric provides information in alignment with SASB reporting guidelines for its sector (Electrical and Electronic Equipment). A correspondence table can be found in the Annex of this report.

The Task Force on Climate-related Financial Disclosures (TCFD)

In June 2017, the TCFD, a working group led by Michael Bloomberg under the G20 Financial Stability Board's (FSB) mandate, published its recommendations for companies' climate action disclosure. CEOs from more than 100 companies signed a statement of support for the TCFD recommendations, and Elsewedy Electric's CEO was among them. Detailed information can be found in Elsewedy Electric's CDP Climate Change public disclosure and in the Annex of this report.

The Science Based Targets initiative (SBTi)

Science-Based Targets (SBTs) specify how much and how quickly companies need to reduce Greenhouse Gas (GHG) emissions to avoid a 1.5°C or 2°C global temperature increase, compared to pre-industrial levels. Elsewedy Electric is part of the 4,700+ companies globally committed to reducing GHG emissions in alignment with prevailing climate science and obtaining target approvals from the SBTi. The Group's GHG footprint is calculated following the World Resources Institute (WRI) Greenhouse Gas Protocol (For further information, please refer to Elsewedy Electric's 2023 Carbon Footprint Report).

ESG RATINGS AND SCORES

Dow Jones Sustainability Index (DJSI)

In 2023, Elsewedy Electric achieved a score of 44/100 in S&P Global's Corporate Sustainability Assessment (CSA), up from 37 points in 2022.

Corporate Knights - Global 100 Most Sustainable Corporations

Elsewedy Electric has participated on Corporate Knights' Global 100 Most Sustainable Corporations every year since 2021.

CDP Climate Change

In 2023, Elsewedy Electric scored a B in the 2023 assessment, up from a C in 2022, making it the current highest scoring company in Egypt out of 40 listed companies.

CDP Water Security

In 2023, Elsewedy Electric received a C score for its participation in CDP's Water Security questionnaire.

Sustainalytics

As of April 2024, Elsewedy Electric scored a rating of 19.8 (Low Risk), ranking 130 out of 315 companies in the same industry group.

EcoVadis Advancement and Silver medal

In 2024, Elsewedy Electric achieved 'Outstanding' level with a rating of 67/100, a significant increase from in 2023, and received a silver medal for the second year in a row, positioning Elsewedy Electric within the top 15% global suppliers.

ESG Rating	CDP Climate Change	CDP Water Security	DJSI (S&P CSA)	EcoVadis	Sustainalytics
2023 Elsewedy Electric Score	B	C	44/100	67/100 (Silver)	19.8 (low risk)
Industry Average Score	C	C	21/100	50/100	Low risk
Progress vs. 2022	Increased from C to B	Unchanged	+7 pts	+8 pts	-0.4 pts
Total Assessed no. of Companies	21,000+	21,000+	9,400+	90,000	15,100

03

LEADING WITH INTEGRITY, DRIVING **ACCOUNTABILITY**

Integrity and Compliance at the Core of Elsewedy Electric's Business 80
Group Environmental and Social Management System 87
Product Quality and Safety 88
Digital Trust and Security 92
Zero Tolerance for Corruption 94
Compliance With Tax Regulations 97
Compliance With Export Control and Sanctions 98
Human Rights 99
Sustainable Supply Chain Management 104
Community Health and Safety 110

At Elsewedy Electric, our commitment to sustainability is anchored in integrity and accountability. We believe that ethical leadership and transparent practices are fundamental to driving positive environmental and social impact. Our unwavering dedication to upholding the highest standards of governance and promoting a culture of responsibility ensures that our operations align with our core values. By leading with integrity and embracing accountability, we aim to create sustainable value for our stakeholders and contribute meaningfully to a more sustainable future.

2023 KEY HIGHLIGHTS

GROUP ENVIRONMENTAL & SOCIAL MANAGEMENT SYSTEM (ESMS)

A new ESMS has been developed and adopted, with implementation and full dissemination to all subsidiaries expected by the end of 2024. Sustainability focal points have been assigned across all subsidiaries and facilities to report quarterly on progress

ESG CRITERIA IN INTERNAL AUDIT

Internal audit updated to account for labor, social, HR, and working conditions

EGP 54.41 Bn

Total Sustainable Revenues* in 2023

*Sustainable revenues in this context are defined as the annual revenues that align with the Corporate Knights Sustainable Economy Taxonomy, tagged to the respective tiers of the Taxonomy.

Pillar	Commitment	Key Targets	Baseline	2023 Performance	Target Year
GOVERNANCE AND ECONOMY	Corporate Governance	Conduct a biennial comprehensive review of organizational structure, departments, roles, and responsibilities**	-	100%	100% by 2023 , then revised every two years
		Conduct a biennial comprehensive review of all existing corporate policies, standards, instructions, plans and procedures**	-	100%	100% by 2023, then revised every two years
		Develop a corporate context analysis and systematic environmental and social risk assessment process related to the production facilities, turnkey projects, and renewables**	-	100%	100% by 2023
	Sustainable Business Model	Establish a Corporate Environmental and Social Management System (C-ESMS) in line with international standards and Good International Industrial Practices (GIIP)**	-	100%	100% by 2023
	ESG Integration	100% of employees[19] trained on sustainability and ESG aspects	-	70%	100% by 2025
		ESG KPIs identified for each subsidiary/new investment with clear roles and responsibilities assigned to sustainability focal points[20]	-	80%	100% by 2025
		All primary suppliers screened and assessed annually based on their ESG performance and given an ESG Performance Score**	-	20%	100% by 2030
		Supplier ESG Capacity Building program developed, adopted and implemented for all primary suppliers based on their ESG Performance**	-	20%	2026

Pillar	Commitment	Key Targets	Baseline	2023 Performance	Target Year
TECHNOLOGY & INNOVATION	Digitalization With Purpose	100% coverage by digital services	2020: 0%	100%	100% by 2023
		100% coverage by digital ESG & GHG Accounting Management System**	2020: 0%	40%	100% by 2025
		100% coverage by remote energy monitoring systems**	2020: 0%	30%	100% by 2030
		Transition to an electrified fleet wherever technically and financially feasible**	2020: 0%	In Progress	50% 2030
PEOPLE AND SOCIETY	Human Rights and Working Conditions	All operations are audited for human rights compliance annually	-	100%	Annual
		100% of employees covered by human rights training on an ongoing basis	-	In Progress	Annual
		Zero human and labor rights violations across the supply chain	-	Zero	Zero by 2025

[19]Employees: This comprises of Elsewedy Electric's Direct and Contracted Workers and Representatives of Primary Suppliers.
[20]A newly added target in 2023.

INTEGRITY AND COMPLIANCE AT THE **CORE OF ELSEWEDY ELECTRIC'S BUSINESS**

CONTEXT

For over 80 years, Elsewedy Electric has centered integrity in its operations. The company builds trust by delivering high-quality products and upholding sustainability, with ethics and integrity equally valued. These principles ensure responsible and transparent operations across the Group and its subsidiaries, demonstrating a strong commitment to ethical practices internally and externally in shareholder interactions.

With leadership dedicated to exemplifying ethical behavior, Elsewedy Electric cultivates a culture where safety, equality, and well-being are prioritized, where employees feel empowered to follow in this behavior. Elsewedy Electric embodies ethics through key processes, utilizing teams dedicated to ethical conduct and transparency. The Group recognizes the importance of integrity in building and maintaining solid relationships with customers and partners, emphasizing openness and responsibility.

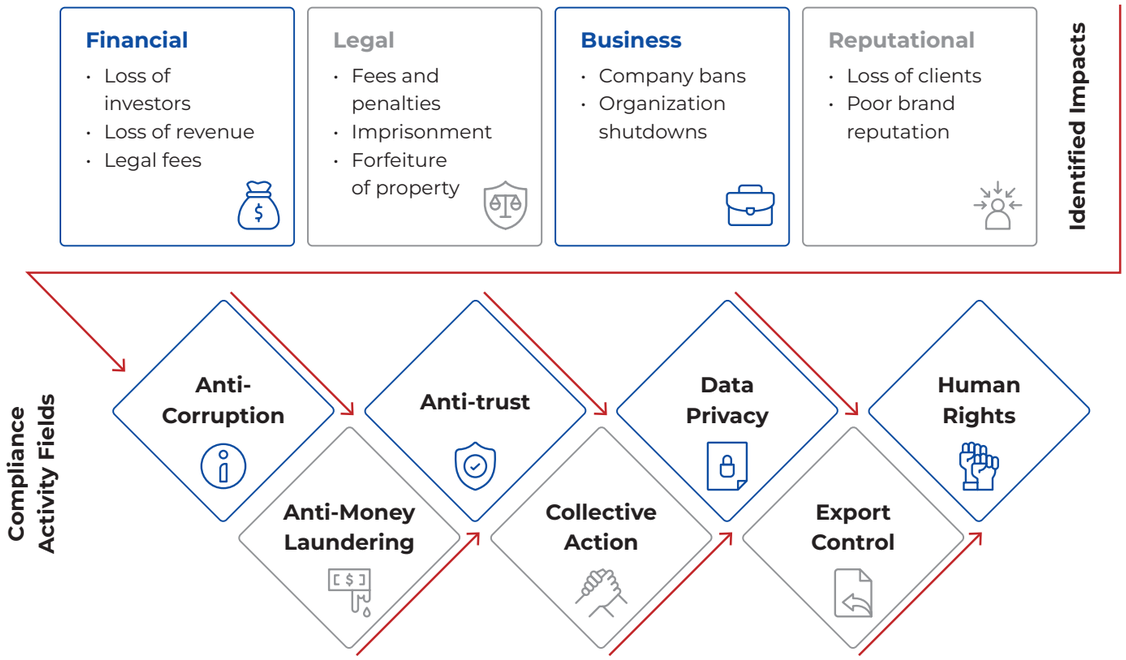
Elsewedy Electric maintains high standards in key areas such as cybersecurity, anti-corruption, fair competition, and ethical supplier management. The company has implemented strict measures to prevent insider trading, ensure accurate financial reporting, and protect intellectual property, striving to conduct all transactions with integrity. Additionally, Elsewedy Electric extends the commitment to ethics by focusing on sustainability, promoting resource efficiency and responsible practices to support a climate-positive future. By incorporating ethical principles into its sustainability efforts, the company meets regulatory requirements and seeks to innovate and lead in integrating sustainable solutions into our field.

Overall, Elsewedy Electric's approach to business operations reflects its dedication to ethics and integrity, promoting trust and confidence among stakeholders and contributing to a responsible future.

RISKS, IMPACTS, AND OPPORTUNITIES

Remaining ethical and upholding integrity are fundamental to Elsewedy Electric's resilience. By staying informed and proactively adapting to new regulations, the company not only ensures compliance but also strengthens its ability to withstand challenges. This commitment to ethical conduct and integrity is what allows Elsewedy Electric to remain resilient in the face of potential risks, safeguarding its operations and maintaining the trust of stakeholders.

Elsewedy Electric addresses potential ethics and integrity risks, opportunities and impacts through a proactive approach centering around compliance, focuses on efficient identification, assessment, and mitigation of potential impacts. This approach helps safeguard its operations, reputation, and stakeholder relationships by anticipating and addressing potential fines, security breaches and cases of non-compliance. By proactively considering these elements, Elsewedy Electrics maintains sustainability and strengthens its ability to withstand risks, following the key identified compliance activity fields.



To uphold the integrity of Elsewedy Electric, the Group stays informed about key compliance topics and continuously adapt to new regulations, particularly those directly impacting its operations. By proactively applying these laws, the company ensures it maintains ethical standards and operates with the highest level of integrity. Elsewedy Electric specifically focuses on compliance with anti-corruption, antitrust, anti-discrimination, and anti-money laundering laws, along with environmental regulations, data protection rules, proper treatment of company assets, labor laws, and human rights legislation. This comprehensive approach supports the company to preserve stakeholder trust and also supports long-term success and stability.

OUR MANAGEMENT APPROACH

At Elsewedy Electric, integrity is upheld through a comprehensive approach based on policy, compliance, embraced and implemented by both management and employees. This strategy is anchored in a clear and well-defined Code of Conduct that emphasizes the critical importance of ethical behavior. Elsewedy Electric ensures compliance through continuous education and staying up-to-date with new regulation and updates. Furthermore, audits play a crucial role in monitoring actions, identifying deviations, and guiding the organization back to its ethical principles when necessary.

At the corporate level, the Internal Audit Department plays a vital role in upholding integrity and ethics by objectively assessing the adequacy and effectiveness of governance, risk management, and internal controls across all Group companies. Under the leadership of the Chief Internal Auditor, the department reports functionally to the Audit Committee of the Group Board of Directors and administratively to the Group CEO. The Internal Audit Department provides two primary services: assurance and advisory. Assurance services offer management and the Board confidence in the accuracy and integrity of data and reports, evaluate the control environment and internal controls, and ensure the reliability of information systems. Meanwhile, advisory services facilitate process improvements, support scalability and growth, and promote sustainability within Elsewedy Electric.

Relevant Policies and Documents

- Board of Directors and Executive Management
- Audit, Risk, & Compliance Committee Charter
- Compensation and Remuneration Committee Charter
- Whistleblowing Policy
- Fraud Control Policy
- Anti-Corruption and Anti-Money Laundering Policy
- Elsewedy Electric 2023 Corporate Governance Report

ELSEWEDY ELECTRIC'S CODE OF CONDUCT

The code of conduct represents a set of guiding principles that ensure ethical behavior, integrity, and accountability. It serves as the foundation for maintaining trust, upholding values, and promoting a culture of responsible business practices.

EMPLOYEE CODE OF CONDUCT

Elsewedy Electric's Employee Code of Conduct serves as a framework for ethical decision-making. It should be read with other compliance policies, including Anti-Corruption, Anti-Money Laundering, Insider Trading, and Whistleblowing. Employees are expected to adhere to these principles and relevant laws and regulations. The code addresses ethical behaviors, business conduct, health and safety obligations, and reporting non-compliance. It is distributed to employees via the organization's website to ensure understanding and adherence.

READ MORE
Elsewedy Electric's Employee Code of Conduct

THIRD-PARTY CODE OF CONDUCT

Elsewedy Electric's Third-Party Code of Conduct establishes ethical standards for interactions with the Group or actions taken on its behalf. The policy applies to various third parties, including partners, contractors, suppliers, and customers. It promotes legal, ethical, and environmentally responsible business operations. The code addresses requirements, handling of confidential information, business practices, ethics, and reporting misconduct. It is accessible through the organization's website, enabling third parties to familiarize themselves and comply with its standards.

READ MORE
Elsewedy Electric's Third-Party Code of Conduct

COMPLIANCE

Elsewedy Electric manages its integrity and ethics principles across its value chain through a structured approach involving both board and corporate levels. At the board level, the Audit, Risk, and Compliance Committee of Elsewedy Electric's Board of Directors is responsible for overseeing the maturity and efficiency of the Company's governance, organizational risk management systems, processes, and controls. The committee also ensures effective communication and training related to these aspects. Hence, they are the operational arm supporting the mitigation of the impacts and risks associated with compliance, operating on a prevent detect and respond model.

PREVENT

Effective preventive measure such as risk management, perpetual training programs, policies enable misconduct to be avoided & procedures

DETECT

Effective compliance work operates with complete transparency through whistle-blowing channels such as the Speak-Up portal, and through professional and fair investigations.

RESPOND

Explicit consequences and clear reactions support the prevention of misconduct, for example punishing wrongdoing and to eliminate deficiencies.

At Elsewedy Electric, Compliance Risk Assessment (CRA) is an essential part of evaluating any potential business opportunity in its early stages. This proactive approach ensures that risks are identified and mitigated before moving forward. After which Compliance Due Diligence (CDD) is conducted as a mandatory process for all business activities, including engagements with customers, vendors, business partners, individuals, and banks. The CDD process involves thorough Know Your Customer (KYC) procedures, country risk ratings, counterpart screening and vetting, human rights project assessments, as well as anti-corruption and anti-bribery evaluations.

The CRA/CDD framework shields the Group from sanctions, trade embargos, and interactions with third parties engaged in illegal activities. It ensures that business dealings are with credible, ethical, and legitimate entities, thereby fostering a culture of integrity and honesty within the organization. By verifying that all sources of funds are legal, the framework also helps in constructing a reliable database of trustworthy customers, suppliers, vendors, and business partners.

WHISTLEBLOWING POLICY

The Whistleblowing Policy defines guidelines, responsibilities, and procedures aimed at efficiently managing issues related to whistleblowing. It serves to promote accountability and transparency by establishing well-defined reporting procedures and offering guidance on raising concerns. The Compliance Department is entrusted with the responsibility of implementing and enforcing the policy.

The policy's scope encompasses all entities, subsidiaries, and employees of Elsewedy Electric, as well as external stakeholders. It addresses a wide array of claims, including but not limited to bribery, fraud, discrimination, and health and safety risks, and promotes a culture of reporting regardless of the nature of the concern.

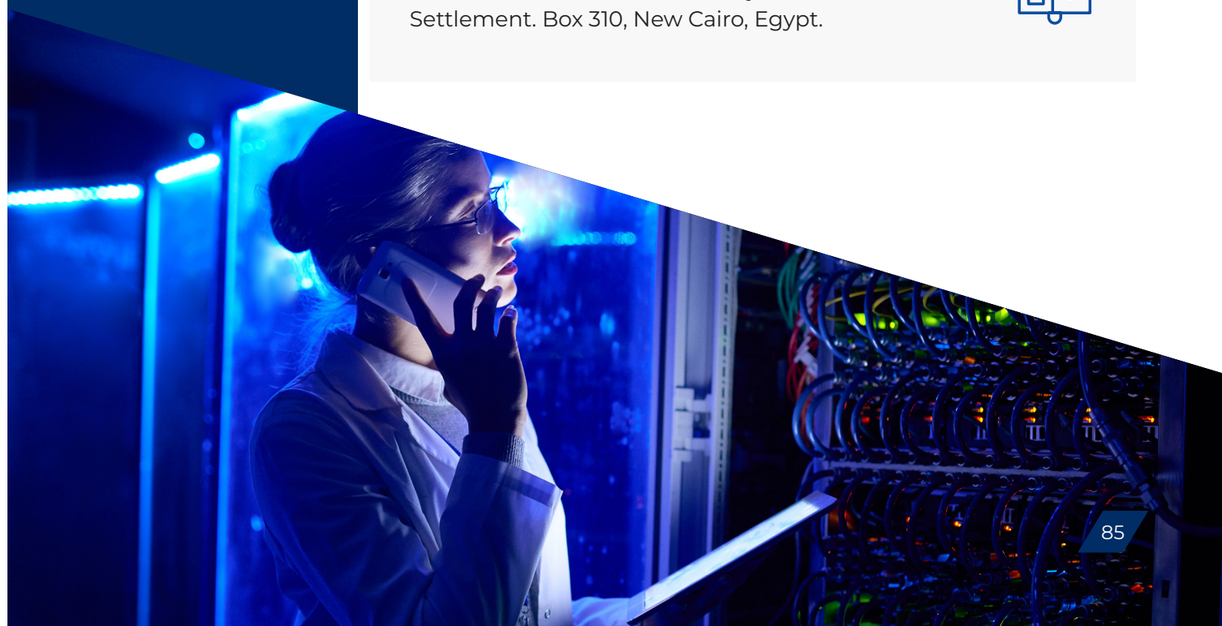
To facilitate reporting, Elsewedy Electric offers multiple mechanisms, including online portals, email, and mail. Anonymity and confidentiality are strictly maintained throughout the reporting process to ensure the safety and protection of whistleblowers. Investigations are conducted by the Compliance Department and categorized based on severity.

WHISTLEBLOWING REPORTING CHANNELS

Speak Up Portal
https://compliance.elsewedy.com/

Email
compliance-int@elsewedy.com

P.O Box
Plot No. 13co3, Cairo Festival City, 5th Settlement. Box 310, New Cairo, Egypt.

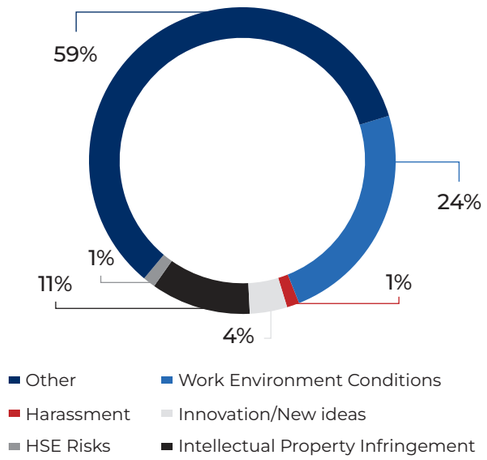


Speak-Up Portal

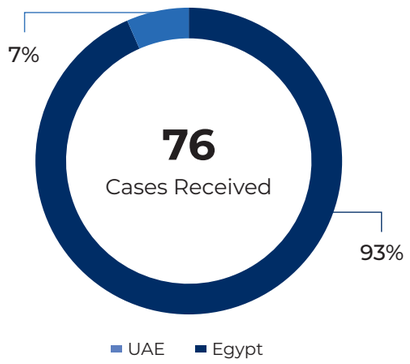
Employees at Elsewedy Electric must feel free and psychologically safe to share their ideas, opinions, and concerns without fear of retaliation. To support this, the Speak-Up portal offers a secure and confidential platform for users to report concerns, share ideas, and raise issues. In the "New Case" section, users can select from different stakeholder types to ensure their submissions are appropriately categorized and addressed. The portal is available for all internal and external stakeholders of Elsewedy Electric, including employees, suppliers, customers, and other partners, ensuring that everyone associated with Elsewedy Electric has a voice and can contribute to the Company's commitment to transparency and ethical conduct.

Link to the Speak Up Portal, accessible to all Elsewedy Electric stakeholders

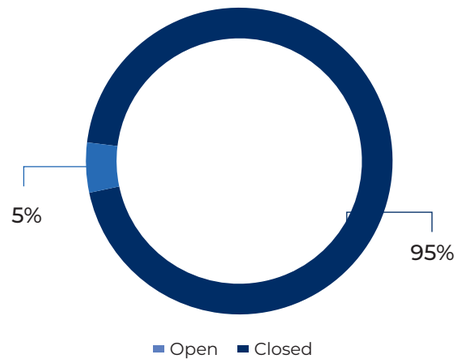
Types of cases received



Number of cases received through our Speak-Up Portal per country



Status of the cases received through our Speak-Up Portal



CORRECTIVE ACTIONS

By analyzing past performance, Elsewedy Electric strives for continuous improvement and proactive mitigation of future challenges. Reports from whistleblowers are meticulously reviewed to identify root causes and take appropriate corrective measures. These measures may include collaboration with Human Resources to implement disciplinary actions in accordance with local laws and regulations. Additionally, targeted audits, procedural revisions, and focused training sessions may be conducted to ensure ongoing enhancement. Furthermore, lessons learned from past experiences are leveraged to refine internal processes and heighten employee awareness of potential risks.

GROUP ENVIRONMENTAL **AND SOCIAL MANAGEMENT SYSTEM**

Elsewedy Electric is committed to advancing sustainability and responsible business practices throughout its operations. In line with this commitment, the Company completed the development of a comprehensive Environmental and Social Management System (ESMS) at the corporate level in 2023. The focus is now on training and rolling out the implementation of the ESMS across all subsidiaries, ensuring it is fully integrated into every aspect of the Group's business activities, including manufacturing, construction, and service delivery.

Elsewedy Electric Environmental & Social Management System (ESMS)

ESMS Scope & Boundaries	Organizational boundaries covering all Elsewedy Electric facilities, offices, construction and projects sites, as well as all relevant stakeholders to be included within the scope of the ESMS	Completed in 2022-2023
Baseline Assessment	Review Group Policies, Standards, Instructions, Plans, Procedures, and processes, and conduct a comprehensive gap analysis.	Completed in 2022-2023
Environmental and Social-Related Policies & Procedures	• Develop a set of E&S policies and procedures including due diligence. • Update the existing environmental, health and safety (EHS) auditing program. • Develop an ESHS and a human resources (HR) organizational chart	Completed in 2022-2023
Objectives, Targets, and KPIs	Develop specific, measurable, achievable, relevant, and time-bound (SMART) objectives and targets that align with the Sustainability Strategy as well as the set of environmental and social policies and procedures that were developed.	Completed in 2022-2023
ESMS Implementation Plan	Develop a Stakeholder Engagement Plan (SEP) and a plan for implementing the ESMS, including roles and responsibilities, resources, timelines, and performance indicators.	Completed in 2022-2023
ESMS Implementation and Capacity Building	Implement the ESMS according to the implementation plan, including developing processes, procedures, and training programs.	Ongoing 2024-2025
Monitoring and Measurement	Monitor and measure performance against objectives and targets, including collecting and analyzing data, and reporting progress.	Ongoing 2024-2025
Review and Process Improvement	Conduct regular reviews of the ESMS and make improvements as necessary to ensure that it remains effective and aligned with the organization's goals and objectives.	Ongoing 2024-2025

PRODUCT QUALITY **AND SAFETY**

CONTEXT

For Elsewedy Electric and the broader industry, upholding high standards of quality and safety in products and services is essential. In an industry where reliability and performance are critical, stringent quality and safety measures ensure that our solutions not only meet but exceed regulatory and customer expectations. Adhering to ISO 9001 Quality Management Systems and other specialized quality standards helps us maintain operational excellence, minimize risks, and enhance customer satisfaction. Prioritizing these standards reinforces our commitment to delivering dependable, high-performance products and services, which is crucial for sustaining our reputation and achieving long-term success in a highly competitive market.

RISKS, IMPACTS, AND OPPORTUNITIES

Maintaining high standards of quality and safety in products and services is critical for Elsewedy Electric, given the potential risks, impacts, and opportunities associated with this commitment. Inadequate adherence to these standards can lead to operational disruptions, legal penalties, safety incidents, and a loss of market competitiveness, all of which can damage customer trust and the company's reputation. Conversely, consistently meeting these standards builds customer confidence, enhances brand reputation, and improves financial performance by reducing costs associated with rework and legal issues. Moreover, a strong focus on quality and safety differentiates Elsewedy Electric from competitors, fosters innovation and operational efficiency, and opens avenues for strategic partnerships.

National and international laws and standards impose strict quality and safety controls on products made by Elsewedy Electric. It may be necessary to make a sizable capital investment to ensure compliance with these changing and occasionally stricter regulations. The risks associated with product, project, and system quality, as well as offer reliability, include:

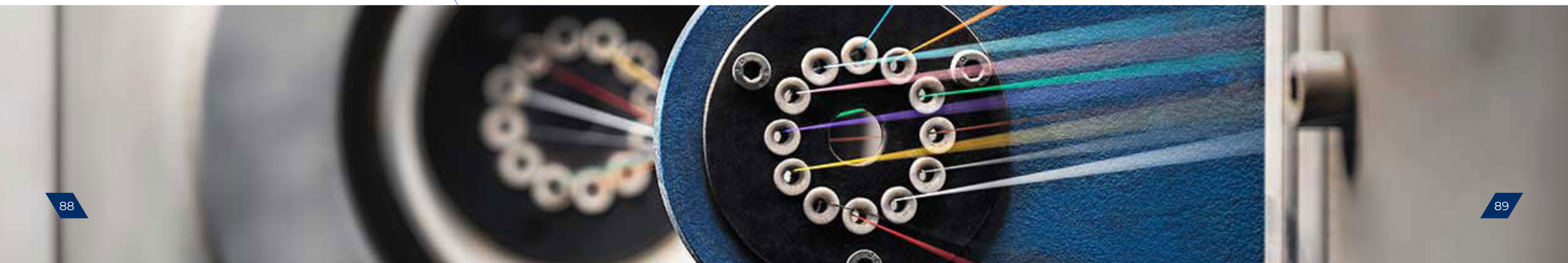
DESIGN-RELATED SAFETY AND QUALITY CHALLENGES
Issues with product design that may impact safety and performance.

PRODUCTION AND LOGISTICS ISSUES
Challenges in the production process or supply chain that affect product quality.

INSTALLATION AND SERVICE CHALLENGES
Problems encountered during the installation, maintenance, or service of products.

SOFTWARE INTEGRITY AND PERFORMANCE CONCERNS
Concerns related to the security and performance of software components.

SUPPLIER RELIABILITY AND SUPPLY CHAIN VULNERABILITIES
Risks associated with the quality and reliability of suppliers and the supply chain.



OUR MANAGEMENT APPROACH

Elsewedy Electric employs a strong Quality Management System (QMS) that is continually enhanced to meet the needs of all stakeholders and comply with ISO 14001 standards. All local manufacturing facilities have achieved ISO 14001 certification, reflecting their adherence to the Company's integrity principles and code of conduct. The Group's commitment extends across its global supply chain, operations, and quality network, promoting a culture of quality and a customer-first mentality. Leadership assessments are integral to this process, providing direct insights into operations and guiding quality improvements by comparing current practices to industry standards. The Company's products and systems are certified by various prestigious organizations, such as ISO, KEMA, BASEC, and IATF, among others.

Elsewedy Electric's vision is to be the preferred choice in both local and international markets by delivering high-quality products and projects that meet global standards. The Company prioritizes the health, safety, and environmental well-being of its workforce through strict adherence to Occupational Health, Safety, and Environmental (OHSE) regulations. It aims to reduce environmental pollution, prevent injuries, and promote a safer work environment. Continuous improvement is central to the Company's approach, focusing on human health, operational safety, environmental protection, and community goodwill. Employees and contractors are expected to actively engage with Quality, Health, Safety, and Environmental (QHSE) policies, with management leading the communication and implementation of these standards. Elsewedy Electric is dedicated to minimizing its environmental impact, enhancing quality and safety performance, and maintaining open communication with stakeholders to ensure effective QHSE practices and improvements.

100%
of Elsewedy Electric's manufacturing facilities are certified to ISO 9001 Quality Management Systems

QUALITY MANAGEMENT SYSTEM AND INTERNAL AUDIT

Our Quality Management System is central to our operations, with a dedicated team ensuring its continuous effectiveness and efficiency.

We rigorously vet our suppliers to ensure they meet our high-quality standards and adhere to our Third-Party Code of Conduct. Customer satisfaction is at the core of our philosophy, driving our continuous efforts to improve our products and services.

Recognizing the importance of maintaining high-quality standards, we provide regular training sessions to equip our employees with the necessary skills and knowledge. In 2023, we issued 33 corrective orders as part of our proactive approach to supply chain quality management. More importantly, none of these orders were due to accidents or violations, reflecting our commitment to addressing potential issues before they affect product and service quality.

Our dedication to maintaining exemplary quality standards remains strong. We will continue to ensure a safe working environment for our employees while delivering outstanding experiences and results to our clients.

DIGITAL TRUST **AND SECURITY**

CONTEXT

Through the digital transformation of our business lines and the broader energy sector, we empower energy providers to enhance the efficiency of their valuable assets, integrate renewable energies from variable and distributed resources, and lower operational expenses. The adoption of new digital solutions enables grid balancing, supply chain optimization, deferral of grid investments, and the creation of new revenue streams.

We are committed to leading the transformation of energy markets, promoting an environment of innovation and sustainability. Our goal is to ensure a consistent, reliable, and readily available energy supply to meet the demands of both present and future generations.

We offer a comprehensive range of services across various categories, including telecom infrastructure, ICT infrastructure, complete data center setup, ELV systems, IoT & smart solutions, software development, enterprise and financial services solutions, industrial and grid automation, and cloud services. Our portfolio encompasses a broad spectrum of technology solutions tailored to meet the diverse needs of sectors, such as government, utilities, telecom operators, oil and gas, enterprises, and financial institutions.

We have built an extensive network of technology partners across various domains, enabling us to deliver innovative and customized solutions that address the unique challenges faced by our clients. Our services are designed to enhance operational efficiency, improve productivity, and drive digital transformation across multiple sectors, ensuring our clients remain at the forefront of technological innovation.

RISKS, IMPACTS, AND OPPORTUNITIES

Elsewedy Electric understands that building lasting partnerships depends on protecting client data, adhering to legal standards, and delivering secure services. The Company strengthens its security framework through five key pillars: cybersecurity fundamentals and awareness, a risk-based enterprise approach, cyber defense and incident response, supply chain and installed-base security, and maintaining strong relationships with customers and authorities. By integrating these pillars into daily operations, Elsewedy Electric aims to mitigate risks, promote resilience, and build trust. The Company works closely with its ecosystem, including authorities, suppliers, and customers, especially those in critical infrastructure, to advance digital trust and elevate industry defense standards.

OUR MANAGEMENT APPROACH

Elsewedy Electric's management approach to digitization focuses on leveraging advanced technologies to enhance operational efficiency, improve service delivery, and drive innovation. The Company integrates digital solutions across its processes and platforms to ensure seamless operations and the ability to adapt to evolving market demands. In parallel, Elsewedy Electric prioritizes cybersecurity to protect its digital assets and maintain client trust. The Company employs a comprehensive security framework built on five key pillars: fundamental cybersecurity principles, a risk-based enterprise approach, strong cyber defense and incident response strategies, secure supply chain management, and strong relationships with customers and regulatory authorities. This approach aims to minimize risks, ensure compliance with legal requirements, and strengthen digital trust within its ecosystem.

Information and Cybersecurity policies are crucial to Elsewedy Electric's security strategy, mandating compliance for all employees, contractors, and primary suppliers. These policies set the tone from management, emphasizing secure behaviors, processes, and technological environments throughout the company. Elsewedy Electric's General Information Security Policy, along with its related security policies, adheres to internationally recognized standards and regulations including ISO 27001, ISO 27017, and ISO 27018.

For further information about our Certifications, please refer to the Annex.

Relevant Policies, Procedures and Certifications

- Information Security Policy
- HR Security Policy
- Logical Access control Policy
- Network Security Policy
- Computing Environment Management Policy
- Information Security Incident Management Policy
- Acceptable Use and Agreement Policy
- ISO 27001
- ISO 27017
- ISO 27018
- ISO 33061

ZERO TOLERANCE **FOR CORRUPTION**

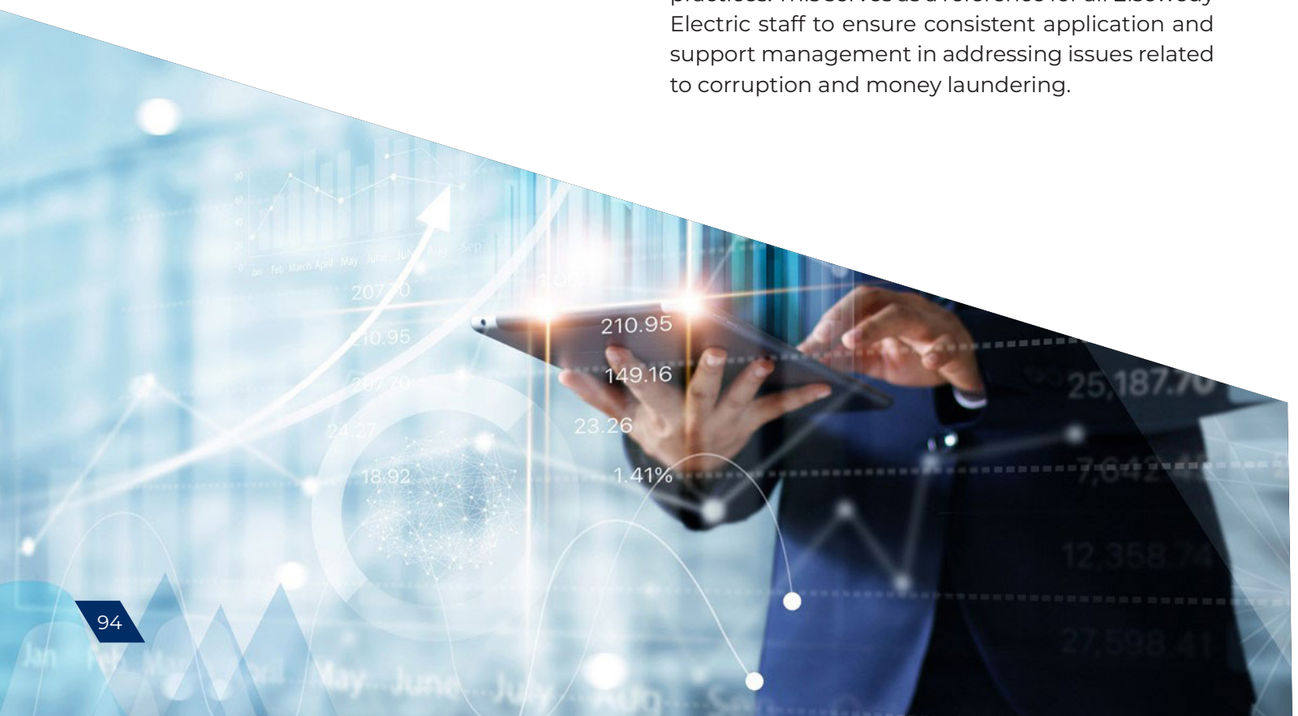
CONTEXT

Corruption erodes trust, undermines democracy, and weakens the rule of law and human rights. It disrupts social justice, fairness, and good governance while stifling competition and hindering economic growth. Additionally, it hinders the communal progress towards greater goals, threatening the moral foundation within an organization and society. In response, global anti-corruption laws have become stricter, with many nations enforcing tighter controls and penalties to combat corruption effectively.

RISKS, IMPACTS, AND OPPORTUNITIES

Corruption is associated with many risks and impacts, including exposing organizations to legal actions, prosecutions, and penalties for both companies and individuals. Businesses found guilty of corrupt practices face public backlash and negative connotations around the organizations name and reputation. Leading to losses in clients, partnerships and access to public tenders.

Elsewedy Electric defines and explains prohibitions against bribery, corruption, and money laundering across all business operations, highlighting compliance requirements and reinforcing the organization's commitment to ethical business practices. This serves as a reference for all Elsewedy Electric staff to ensure consistent application and support management in addressing issues related to corruption and money laundering.



OUR MANAGEMENT APPROACH

Elsewedy Electric's Anti-Corruption and Anti-Money Laundering Policy emphasizes the Company's commitment to ethical behavior and legal compliance while providing a structured framework for addressing these issues. The Policy outlines specific regulatory requirements for different regions, with leadership responsible for setting the tone against corrupt practices. Violating these laws can lead to severe legal repercussions for both the organization and its associates.

Elsewedy Electric's Compliance Department plays a critical role in upholding the organization's anti-corruption and anti-money laundering standards. The department facilitates the reporting of corruption, policy violations, and regulatory breaches, ensuring these issues are identified and resolved effectively. It is responsible for ensuring compliance with the Anti-Corruption and Anti-Money Laundering Policy and investigating any breaches that occur. The Compliance Department is responsible for ensuring that the Policy accurately reflects the Group's standards and is kept up to date. The department works closely with Human Resources to communicate the Policy to employees and provide necessary training. It also conducts an annual review to ensure the Policy remains aligned with the Group's objectives. Additionally, the department monitors Policy implementation across the organization and reports on the effectiveness of anti-bribery, anti-corruption, and anti-money laundering measures to Executives and the Board. It also maintains confidential records of all claims, investigations, and evidence related to the Policy, with access restricted to Compliance Department personnel to ensure confidentiality.

The Legal Department supports anti-corruption and anti-money laundering efforts by ensuring that no contract with a third party is approved until the Compliance Department has completed the necessary due diligence procedures and granted its authorization. In conjunction with the Compliance and Human Resources Departments, the Legal Department is also responsible for investigating any alleged or suspected breaches of the Policy or legal violations.

Relevant Policies and Documents

- Fraud Control Policy
- Anti-Corruption & Anti-Money Laundering Policy
- Employee Code of Conduct
- Insider Trading & Tipping Policy
- Third Party Code of Conduct Policy
- Whistleblowing Policy

Business Owners have specific responsibilities to ensure that their employees complete all required anti-corruption and anti-money laundering training. They must also ensure that any third parties engaged in business activities have undergone the necessary due diligence and screening processes before establishing any business relationship.

Through these coordinated efforts, Elsewedy Electric aims to maintain a strong framework for preventing corruption and money laundering, thereby ensuring ethical conduct, legal compliance, and effective risk management.

OUR PROGRESS

Elsewedy Electric reinforces its commitment to anti-corruption by implementing a comprehensive approach that covered key areas such as gifts and hospitality, third-party management, and conflicts of interest. These efforts aimed to increase employee awareness of corruption risks, provide practical tools for risk mitigation, and encourage seeking guidance when needed. To support this initiative, the company ensured that 100% of employees across all subsidiaries received training on compliance and the implementation of the code of conduct. This training plays a crucial role in maintaining a transparent and ethical business environment across the organization.

Furthermore, Elsewedy Electric established robust protocols to prevent, identify, and address corruption in all business interactions. These protocols include risk assessments, screenings, investigations, reviews, and audits, all designed to effectively manage and mitigate corruption risks. The company also applies thorough screening and continuous monitoring processes when establishing relationships with customers and suppliers, ensuring that risks related to anti-corruption and export control are diligently managed.

100%
of employees across every subsidiary received training on compliance and the code of conduct

ZERO
corruption or bribery cases recorded during 2023

COMPLIANCE WITH **TAX REGULATIONS**

CONTEXT

The international tax system in which the Group operates is a complex web of both global and local tax regulations, with each country enforcing its own set of rules. To navigate this intricate and uncertain environment responsibly and ethically, the Group is committed to a fair and sustainable tax policy.

This policy is essential for mitigating operational, transactional, and reputational risks and ensuring that the Group's practices align with legal and ethical standards.

OUR MANAGEMENT APPROACH

Elsewedy Electric prioritizes tax transparency highly thereby showing dedication to responsible and ethical business practices. The company's commitment is demonstrated in its comprehensive financial reporting that disclosed a tax contribution of EGP 5.08 billion in 2023. Openly stating its tax contributions has made Elsewedy Electric reinforce the notion of transparency as well as enhancing its reputation for being accountable in terms of finances. Better credibility and trust among stakeholders leading to increased adhesion to tax obligations are some of the advantages of maintaining transparency in tax records.

For more information, please check Elsewedy Electric's FY 2023 Consolidated Financial Statements.

COMPLIANCE WITH EXPORT **CONTROL AND SANCTIONS**

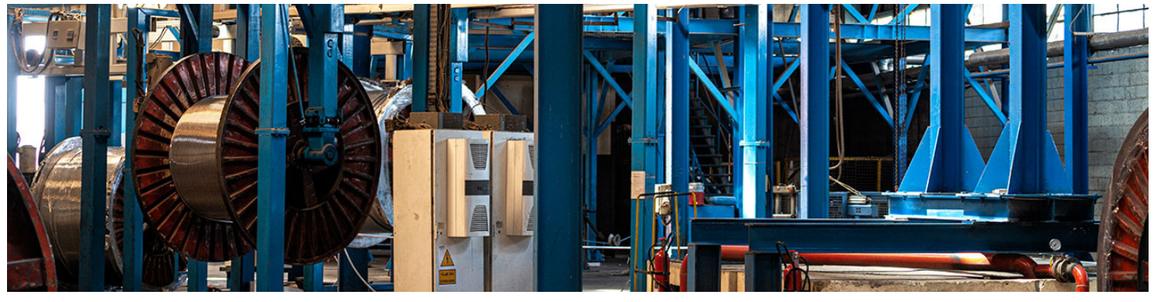
CONTEXT

Export control laws at international, foreign, and national levels govern how goods, services, and technologies are transferred across borders. These laws impose restrictions and licensing requirements based on factors such as countries, parties, products, and end-users. As a global enterprise operating in more than 100 countries, Elsewedy Electric must diligently ensure compliance with these regulations through a well-established export control compliance program. Failure to comply can have major consequences on the Group's business operations, results, reputation, and financial standing.

OUR MANAGEMENT APPROACH

Elsewedy Electric's approach to export control and sanctions is focused on strict adherence to international regulations and proactive risk management. The Group Compliance team continuously monitors current sanctions and international regulations, implementing immediate measures to protect the business from associated risks. This includes halting all ongoing operations with certain entities and their subsidiaries, which covers the supply and sale of materials, products, services, as well as mergers and acquisitions. These measures are in place to prevent legal issues and reputational damage related to potential breaches of international sanctions, money laundering, and other financial crimes.

Understanding the high risk of investigations by international bodies and the severe consequences of non-compliance including asset freezes, fines, trade restrictions, and potential legal actions against shareholders and employees. Elsewedy Electric has prioritized clear communication of these measures across the organization. Employees are encouraged to consult with Group Compliance for any questions or concerns regarding these policies.



HUMAN **RIGHTS**

CONTEXT

Human rights issues are becoming increasingly important due to their risk exposure and geopolitical impact. New challenges, driven by social, economic, and digital disruptions, include issues such as forced labor and fair wages. For Elsewedy Electric, human rights have always been a central focus, given the Group's operations in numerous countries. The Company's commitment extends beyond merely complying with existing regulations.

RISKS, IMPACTS, AND OPPORTUNITIES

Upholding human rights is a critical aspect of Elsewedy Electric's business strategy and operations, as the Group is dedicated to avoiding and addressing any adverse human rights impacts that may arise through its own activities and those of its business relationships, including suppliers and partners. The primary risks involve potential issues such as human trafficking, forced labor, and child labor, which could occur within the supply chain or through various subcontractors and partners. These risks, along with non-compliance with labor rights such as freedom of association and equal remuneration, can lead to serious legal repercussions and damage to the company's reputation. On the other hand, effectively managing human rights concerns offers significant opportunities. By implementing a comprehensive due diligence process, Elsewedy Electric can proactively identify and mitigate human rights impacts, thereby strengthening its operations and business relationships.

This approach not only helps to avoid risks but also enhances the company's reputation and aligns it with global human rights standards. Furthermore, adhering to principles such as non-discrimination, equal pay, and the right to collective bargaining can improve employee satisfaction and retention, contributing to better financial performance and a stronger competitive position. Engaging in rigorous human rights due diligence before forming new business relationships also positions Elsewedy Electric as a responsible and ethical industry leader.

OUR MANAGEMENT APPROACH

The implementation and monitoring of the Group Human Rights Policy across all subsidiaries and respective countries, are overseen by the Sustainability, Human Resources, and Group Supply Chain, as well as the Internal Audit and Compliance departments. This is done in full coordination with sustainability teams/function in each respective subsidiary. It focuses on fully respecting and adhering to laws and regulations in every country where the Group operates in full alignment with IFC performance standards among others.

The Policy has been endorsed by the Board's sustainability Committee. The Group is dedicated to upholding and advancing human rights across all its operational sites and subsidiaries globally. Elsewedy Electric supports human rights beyond its own operations, using its extensive network of partners and stakeholders to promote actions that protect people's rights. This Policy applies to all employees on Group premises and aims to inspire external stakeholders as well.

PEOPLE & SOCIETY

Human Rights and Working Conditions

Our annual commitment
All operations are audited for human rights compliance annually

All operations are being reviewed for human rights compliance as part of the Group Labor and Social Aspects Auditing Program & Checklists established as part of the Group ESMS.

2023 Performance

100%

GROUP HUMAN RIGHTS POLICY

Elsewedy Electric is committed to upholding human rights both within its organization and across its network of business partners, which includes agents, suppliers, consortium or joint venture partners, and subcontractors. The company's Human Rights Policy formalizes its longstanding commitment to respect human rights, embedding this responsibility into its corporate culture and operational procedures.

The policy establishes a due diligence process to identify and prevent potential human rights impacts arising from its activities. It also includes mechanisms for detecting and addressing any negative consequences related to human rights at the earliest stage. This proactive approach ensures that any adverse effects caused by Elsewedy Electric's operations or those of its partners are effectively mitigated.

Aligned with the Group's internal policies and the principles outlined in Elsewedy Electric's Code of Conduct, this policy reinforces the company's dedication to respecting human rights throughout its operations and interactions.

The Group Human Rights Policy at Elsewedy Electric is directly applicable to all activities of the Group and all the subsidiaries and affiliated companies in which Elsewedy Electric has control of management, as well as all its directors, managers and employees.

Elsewedy Electric's Management Team shall employ all the means at its disposal to enforce the commitments contained in this Policy, ensuring that it is made public and is disseminated internally and externally and to ensure that it is reflected in the operational procedures and policies aimed at instilling commitment at the level of the entire Group.

In 2022, Elsewedy Electric updated its Group Human Rights Policy to address new challenges such as migrant workers, retrenchment, diversity and inclusion, disability accommodation, and data privacy. The revised policy reaffirms the company's commitment to respecting all internationally recognized human rights and ensuring these rights are upheld across its subsidiaries and all areas where the Group has operations. The updated policy includes new focus areas, including respect and dignity, human rights in cyberspace, migrant workers, resettlement and livelihood restoration, respect for indigenous peoples, protection of cultural heritage, human rights within the supply chain, and access to a healthy environment. Following the implementation of the policy, capacity-building sessions will be provided to all employees across subsidiaries as an integral part of the Group's ESMS.

ADDITIONAL POLICIES RELEVANT TO HUMAN RIGHTS

DIVERSITY, INCLUSION, AND NON-DISCRIMINATION

Advances diversity, equity, and support for vulnerable groups by ensuring fair salaries, improving gender balance, and supporting the career growth of qualified women, all while maintaining a discrimination-free environment across all personal or social conditions.

CHILD AND FORCED LABOR

Prohibits child labor and forced labor in all operations, including those of partners and suppliers, and ensures no individuals below the legal age are employed and that all employment is voluntary and free from coercion or intimidation, clearly stating employment terms in contracts with informed consent from employees.

ANTI-SEXUAL HARASSMENT

Defines a safe, harassment-free workplace as a priority with zero-tolerance for harassment, promptly investigates all allegations, and takes disciplinary actions, ensuring all complaints are taken seriously and handled with respect and confidentiality.

DISABILITY ACCOMMODATION

Ensures equal access and participation for people with disabilities, upholding their dignity and independence, and promptly meeting their needs.

RETRENCHMENT

Maintains job continuity within organizational and financial constraints, transparently communicating any necessary job terminations due to reduced workloads or funding limitations to all employees.

PARENTAL LEAVE

Ensures that every employee, regardless of their location, has the opportunity to take time off to support their family.

MIGRANT WORKERS

Upholds respect for migrant workers' human rights in all operations, ensuring adherence to local laws and international best practices.

SUPPLIER CODE OF CONDUCT

Enforces fair selection and promotes human rights among suppliers, contractors, and collaborators.

ALIGNMENT WITH STANDARDS AND FRAMEWORKS

Acknowledging the importance of promoting a sustainable and ethically sound workplace that respects the dignity and rights of its workforce, the Company abides by both local and international statutes, regulations, and treaties designed to protect these rights. This includes the International Bill of Human Rights, the United Nations Declaration on the Rights of Indigenous Peoples, and ILO Convention No. 169. Our commitment to upholding human rights is evident in our adherence to our Code of Conduct, Third-Party Code of Conduct, and the UN Guiding Principles on Business and Human Rights, extending throughout our supply chain. We are resolutely committed to achieving zero human rights violations and promptly addressing any reported cases, as we firmly believe that protecting human rights is essential for creating positive and lasting impacts on society.

OUR PROGRESS

Elsewedy Electric is dedicated to continuously enhancing its operations while protecting human and labor rights. The Company has set ambitious objectives to reinforce its commitment and achieve higher standards in the future. These objectives include both internal and external initiatives, including the annual review of operations to ensure human rights compliance, identify areas for improvement, and address any potential concerns. This promotes a sustainable and ethical work environment across all sites. Additionally, Elsewedy Electric is focused on delivering comprehensive human rights training for all employees to enhance awareness and understanding of human rights principles and their importance in the workplace. By 2025, the organization aims to achieve zero human and labor rights violations throughout its supply chain, closely collaborating with suppliers, partners, and contractors to resolve any identified issues and encourage responsible practices. Our commitment to upholding human and labor rights practices is ongoing, with a goal to cultivate a sustainable and inclusive work environment that respects the rights and dignity of every individual.

ROWAD Modern Engineering

Rowad's Awareness Sessions on Human Rights

An educational session on social empowerment and combating racism and violence against women was held at the Jawhara Palace site for all female engineers and blue-collar workers. The session aimed to promote a safer work environment and encourage a shift away from discriminatory attitudes and behaviours.

SUSTAINABLE SUPPLY **CHAIN MANAGEMENT**

CONTEXT

Building sustainable relationships with suppliers is essential for Elsewedy Electric. Through these relationships, the Company moves toward enhancing ethical sourcing, upholding human rights, improving labor and working conditions, reducing environmental impact, and ensuring the long-term resilience of the business. By emphasizing sustainable practices and promoting open communication, the Company improves supply chain transparency, mitigates potential risks, and progresses toward industry sustainability goals.

Elsewedy Electric operates in multiple countries, with revenue and employee presence spread across major regions. In 2023, the Company engaged with suppliers across various categories. This diverse supplier network includes large multinational corporations, small and medium enterprises, and entities involved in both simple assembly and complex manufacturing activities.

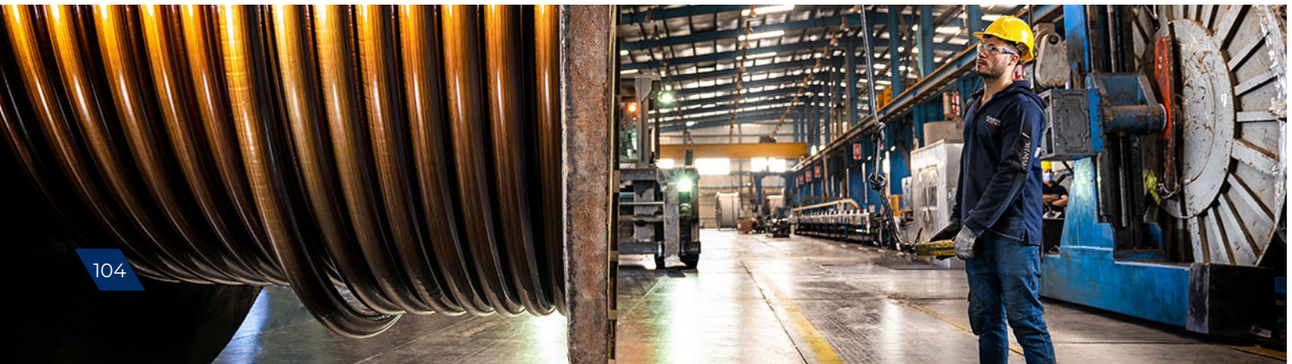
Committed to advancing all UNSDGs and promoting sustainability and efficiency solutions, Elsewedy Electric influences and supports its supply chain partners in adopting more sustainable social and environmental practices.

RISKS, IMPACTS, AND OPPORTUNITIES

Due to the location, scale, and nature of its operations, the Group's operating environment is directly affected by climate change, resource scarcity, and human rights issues across its supply chain. While Elsewedy Electric's own operations have their own impact, the broader footprint of its supply chain is more substantial and influenced by evolving trends.

Key risks identified include human rights concerns, such as workplace safety, decent working conditions, and labor standards, as well as GHG emissions associated with the extraction, processing, and transporting raw materials. Pollution risks associated with specific procurement categories have been also identified.

By adopting an integrated approach to proactively manage upstream suppliers' risks, and by pursuing ambitious sustainable development initiatives and processes, Elsewedy Electric enhances its business resilience and attractiveness to customers, investors, and prospective employees.



OUR MANAGEMENT APPROACH

Elsewedy Electric has been assessing and evaluating its sustainability performance and has established specific governance bodies to integrate sustainability into every aspect of the Group's strategy accordingly, from the Board of Directors to operational units. Elsewedy Electric's risk assessment methodology comprises of impact significance and probability of occurrence. When determining the significance of the impact, we consider country regulatory system, sector-specific risks and commodity-specific risks, including ethical sourcing, human rights, GHG emissions among other environmental and social impacts. The supplier ESG assessment system has been developed and will be gradually introduced in the upcoming 2 years. The assessment will culminate into an individual score for each supplier which will be linked in the future to the Procurement decision.

The Group's procurement mission aligns with its strategy to deliver customer value through energy management transformation, contributing to both top-line and bottom-line growth while establishing a leadership position in sustainable sourcing. Key priorities, such as quality, innovation, cost, cash, and sustainability are supported by our people and our tailored, connected, sustainable supply chain and digitization efforts. Elsewedy Electric integrates sustainability throughout every stage of the supplier lifecycle, starting with the Group's mission procurement, which is centered on sustainability. To ensure that all current and potential suppliers understand our expectations and the various stages of collaboration, we have created and regularly updated our Third-Party Code of Conduct and Contractors and Subcontractors Management Plan. These documents outline our expectations for suppliers regarding environmental, social and labor aspects.

Read more about our Third-Party Code of Conduct on our website.

GOVERNANCE & ECONOMY

ESG Integration

Our 2030 commitment

All primary suppliers screened and assessed annually based on their ESG performance and given an ESG Performance Score

Elsewedy Electric is actively developing a comprehensive group-wide supply chain management system that reflects its commitment to sustainability and responsible business practices. As part of this initiative, the company has introduced and is currently implementing Environmental, Social, and Governance (ESG) criteria across all primary supplier assessments. These criteria are being integrated into the supplier evaluation process through detailed scorecards, action plans, and continuous monitoring. This approach ensures that ESG compliance is systematically embedded within the supply chain, driving improvements and alignment with Elsewedy Electric's sustainability goals.

2023 Performance	2030 Target
20%	**100% of primary suppliers**

OUR PROGRESS

GREEN PROCUREMENT FRAMEWORK

Elsewedy Electric is developing a comprehensive company-wide Green Procurement framework that encompasses all subsidiaries as part of the Group-wide ESMS. This framework institutionalizes mechanisms to proactively screen, identify, and mitigate sustainability risks from suppliers, embedding preventive controls into procurement processes to ensure sustainability is integrated into the routine operational activities of procurement teams worldwide.

The framework identifies thematic areas across the ESG spectrum where Elsewedy Electric can have a significant impact and drive industry transformation. By collaborating and engaging with supply partners to develop maturity in climate action, circularity, and human rights, and by challenging the status quo, we aim to unlock new areas of growth.

As part of this framework, Elsewedy Electric will implement a supplier ESG assessment and classification system, systematically evaluating and categorizing suppliers based on their ESG performance. The results of these assessments will be integrated into the green procurement policy and procedures, guiding procurement teams in making decisions that prioritize sustainability and align with the company's long-term goals.

Relevant Policies, Procedures and Documents

- Third-Party Code of Conduct Policy
- Supplier Prequalification Questionnaire
- Subcontractor Assessment
- Category Management Procedure
- Supplier Management Procedure
- Supplier Relationship Procedure
- Supplier Assessment Report
- Subcontractor Site Audit Report
- Factory Audit Report

Supplier Management System

In 2023, Elsewedy Electric strengthened its procurement system by focusing on environmental, labor, and social aspects, ensuring consistent implementation across all group subsidiaries. While this unified system has been adopted throughout the Group, its application began this year at Elsewedy Electric PSP, one of the Group's major subsidiaries and the EPC arm specializing in Power Generation, Substations, Water Treatment, Hydropower Generation, and Monorail industries.

As part of this Group-wide system, a rigorous supplier management procedure has been introduced, featuring a comprehensive prequalification questionnaire that evaluates labor practices, health, environmental standards, safety, quality assurance, and supply chain management. Suppliers are assessed and classified according to a standardized framework across the Group, with categories ranging from Rejected-Not Met, Approved with High Risks (D), Approved with Moderate Risks (C), Approved with Low Risks (B), to Approved - Exceed (A). These classifications guide specific actions and responses, ensuring consistent and responsible supplier management across all Elsewedy Electric subsidiaries.

ELSEWEDY ELECTRIC PSP SUPPLIERS ASSESSMENT PERFORMANCE IN 2023

95 assessed suppliers

60% significant suppliers assessed

5 suppliers with negative impacts

3 suppliers supported in corrective action plans

60 suppliers supported in capacity-building programs

SUPPLIER DIVERSITY

Supplier diversity is a key focus for Elsewedy Electric. We actively engage with diverse-owned suppliers across various categories, including small and medium enterprises, large businesses, and both local and international suppliers. In 2023, Elsewedy Cables, the business line contributing the most to the Group's revenues, achieved a 75% local purchasing volume. By fostering relationships with a wide range of suppliers, we aim to enhance innovation, improve supply chain resilience, and contribute to economic growth in the communities where we operate. Our commitment to supplier diversity ensures that we benefit from an array of perspectives and capabilities, helping us achieve our business objectives and deliver superior value to our customers.

ENSURING WELFARE OF WORKERS ACROSS THE SUPPLY CHAIN

Supply chains enable companies to harness group capabilities and benefit from collective intelligence while contributing to economic progress and global commerce. However, the benefits of this integration are often unevenly distributed, particularly regarding working conditions and workers' rights.

To address this disparity, a systematic, preventive approach is required, rather than simply rectifying observed malpractices. The focus should be on fostering dialogue and normalizing universal worker rights, regardless of geographical or employment context.

EMPLOYMENT OPPORTUNITIES
Employment should be transparent, free of charge, and uphold workers' dignity, ensuring no modern slavery, forced labor, or child labor.

FAIR TREATMENT IN EMPLOYMENT
Employment should be merit-based, fair, and inclusive, free from discrimination, harassment, and victimization, while embracing diversity.

SAFE WORK
Employment should promote economic independence and well-being, without causing health risks or injury.

SOCIAL PROTECTION
Industrial wages often fall short of providing adequate living standards, especially in health emergencies. Employers and governments should ensure employees have access to social protection for economic stability and security.

DECENT WORKING HOURS
Excessive working hours, often deemed necessary, violate labor laws and are linked with low wages as a means to avoid fair compensation. Companies must align with legal and international standards to address and reduce excessive working hours.

ADEQUATE EARNINGS
Employment should ensure economic independence and a dignified living. Companies must review wage policies to support these goals. Jobs should also enhance skills for future employability.

VIGILANCE WITH OUR CONTRACTORS AND SUBCONTRACTORS

Elsewedy Electric's products and solutions are often integrated into larger systems, such as electricity distribution, energy management in buildings, or production process automation in factories. Constructing these systems can be complex, involving multiple parties before being commissioned by end customers. Elsewedy Electric offers two approaches: selling components through channel partners, who are responsible for building and delivering the system, or directly building and delivering the system to the end customer as a project. The latter approach requires coordinating with various project contractors, such as panel manufacturers, system integrators, and building contractors, often at the customer's premises. These projects are primarily off-site and involve multiple global and local parties. Relationships with contractors are specific to each contract and may not be recurring.

When project sites are in countries where Elsewedy Electric does not have a direct presence and involve independent subcontractors, there is a risk that the Company's recommended policies on health, safety, and decent workplace standards may not be properly implemented. This can lead to physical accidents and injuries or unfair treatment of employees, particularly temporary and/or foreign workers, regarding wages, salaries, and rest periods. Accordingly, all third parties including contractors and sub-contractors have to read and sign the Group's Third-Party Code of Conduct. Rigorous management of subcontractors is essential to reduce incidents or accidents on-site and ensure the protection of workers, surrounding communities, and the final customer's employees and assets

COMMUNITY HEALTH **AND SAFETY**

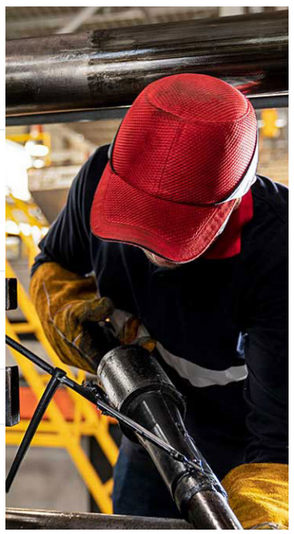
CONTEXT

Elsewedy Electric has broadened the scope of its risk analysis to include communities located near its local operations. Due to this proximity, the living conditions of these communities could be impacted by the Group's activities.

RISKS, IMPACTS, AND OPPORTUNITIES

Project activities, equipment, and infrastructure can increase community exposure to risks and impacts. Communities in areas where Elsewedy Electric operates, which are already affected by climate change, may also encounter an acceleration or intensification of impacts due to project activities. Elsewedy Electric recognizes its duty to prevent and reduce health, safety, and security risks and impacts on project-affected communities. We place special focus on individuals who may be vulnerable due to their particular circumstances. In 2023, in full alignment with IFC Performance Standards, we developed Elsewedy Electric's Stakeholder Engagement Plan, land acquisition operational procedures, project social due diligence procedures, and a set of environmental and social management plans (ESMPs) for new greenfield developments, renewable energy projects, and existing operations. The main objectives for developing such instruments have been:

- To anticipate and prevent adverse impacts on the health and safety of communities affected by the project during its life cycle under both routine and nonroutine circumstances
- To promote quality and safety, and considerations related to climate change in the design and infrastructure construction, including dams (building on lessons learned from our recent mega project in Tanzania)
- To avoid or minimize community exposure to project-related traffic and road safety risks, diseases, and hazardous materials
- To implement effective measures to manage emergency events
- To ensure that personnel and property are safeguarded in a manner that prevents or minimizes risks to the project-affected communities



OUR MANAGEMENT APPROACH

COMMUNITY HEALTH AND SAFETY

Elsewedy Electric evaluates the risks and impacts of its projects on the health and safety of the affected communities throughout the project life cycle, paying special attention to vulnerable groups. We then identify these risks and impacts and propose mitigation measures in line with the established mitigation hierarchy. Our Corporate ESMPs set forth the minimum standards to be followed, and we require these to be complemented/superseded by site-specific assessments.

INFRASTRUCTURE AND EQUIPMENT DESIGN AND SAFETY

Elsewedy Electric project teams and external consultants design, build, operate, and decommission the structural elements of all projects in accordance with national legal requirements, the EHSGs, and other GIIPs while accounting for safety risks to third parties and affected communities. Structural elements of our projects are designed and constructed by competent professionals and certified/approved by competent authorities or professionals. Recently, we have introduced modifications to our processes to incorporate climate change considerations into structural design, as appropriate. Our design process considers the incremental risks associated with potential public exposure to operational accidents or natural hazards, including extreme weather events (where applicable).

Relevant Policies and Documents

- Indigenous Peoples Policy
- Corporate Stakeholder Engagement Plan (SEP)
- Land Acquisition Operational Procedures
- Elsewedy Electric Cultural Heritage Policy

TRAFFIC AND ROAD SAFETY

Elsewedy Electric identifies, evaluates, and monitors potential traffic and road safety risks to protect workers, affected communities, and road users throughout the project life cycle for new developments and ongoing operations and, where appropriate, conducts thorough road safety assessments and implements targeted measures to address identified risks. For our fleet, we establish appropriate processes, including driver training, to enhance driver and vehicle safety, along with the implementation of monitoring and enforcement systems. In cases where construction and other equipment are utilized on public roads, or their use may impact public infrastructure, appropriate safety measures are implemented to prevent incidents and injuries to the public that may arise from operating such equipment.

COMMUNITY EXPOSURE TO HEALTH ISSUES

Elsewedy Electric takes proactive measures to prevent or minimize the risk of community exposure to water-borne, water-based, vector-borne, and communicable or non-communicable diseases that could result from project activities, considering the varying levels of exposure and heightened sensitivity of vulnerable groups. As part of our newly updated ESMS, we developed a new COVID 19 and Communicable Diseases Policy. In areas where certain diseases are prevalent, we explore opportunities to improve local environmental conditions throughout the project's lifecycle, reducing the incidence of these diseases. As per the Policy , measures are also taken to avoid or minimize the transmission of communicable diseases that may be associated with the influx of temporary or permanent project labor. For large-scale projects, we made it mandatory to develop labor-influx management studies to avoid and minimize social impacts on surrounding communities.

MANAGEMENT AND SAFETY OF HAZARDOUS MATERIALS

Elsewedy Electric has established protocols to prevent or minimize the community's potential exposure to hazardous materials and substances that may be released during project operations. Where there is any potential risk to the public, including workers and their families, to be subjected to hazards, particularly those that may be life-threatening, we take extra precautions to eliminate or reduce exposure by adjusting, substituting, or eliminating the hazardous condition or material. When hazardous materials are integral to existing project infrastructure or components, we exercise due diligence during project construction, implementation, and decommissioning to prevent community exposure. Furthermore, we enforce measures to oversee the safe handling of hazardous materials and wastes, including their delivery, storage, transportation, and disposal, as well as implement measures to prevent or manage community exposure to such hazardous materials.

EMERGENCY PREPAREDNESS AND RESPONSE

As part of our Emergency Preparedness and Response Plan requirements, Elsewedy Electric identifies and implements measures to address emergency events. An emergency event refers to an unforeseen occurrence arising from natural or man-made hazards, typically manifesting as fire, explosions, leaks, or spills, which may transpire due to various factors such as non-adherence to operational procedures designed to prevent such incidents, extreme weather conditions, or lack of early warning. The implemented measures aim to address emergency situations in a well-coordinated and prompt manner, with the primary objective being the prevention of harm to the health and safety of the community and to minimize, mitigate, and compensate for any potential impacts. For all projects under the scope of Elsewedy Electric that have the potential to trigger emergency events, the conduction of a Risk Hazard Assessment (RHA) is mandated as part of the project's environmental and social assessment, even in cases where it is not required by the country's system. Based on the outcomes of the RHA, an Emergency Response Plan (ERP) is typically formulated in coordination with relevant local authorities and the affected community, accounting for the emergency prevention, preparedness, and response arrangements put into place with project workers. A standard ERP includes (a) engineering controls (such as containment, automatic alarms, and shutoff systems) proportionate to the nature and scale of the hazard; (b) Identifying and securing access to on-site and nearby emergency equipment; (c) notification protocols for designated emergency responders; (d) diverse communication channels to notify the affected community and other stakeholders; (e) an emergency responder training program including drills at regular intervals; (f) public evacuation procedures; (g) a designated coordinator for ERP implementation; and (h) measures for environmental restoration and cleanup following any major accident.

The ERP undergoes periodic reviews to ensure its continued effectiveness in addressing the potential spectrum of emergency events associated with the project. Elsewedy Electric will support affected communities, pertinent government agencies, and other relevant stakeholders through training and collaborative efforts and will conduct such training in conjunction with the training provided to project workers as part of the OHS requirements.

SECURITY PERSONNEL

Elsewedy Electric developed a security management plan to manage the risks associated with direct or contracted security personnel. The plan aims to evaluate the potential risks posed by these security arrangements to individuals within and outside the project site. When engaging security personnel, Elsewedy Electric will be guided by the principles of proportionality and GIIP and applicable laws governing their recruitment, code of conduct, training, equipment, and supervision. The Company will not sanction any use of force by direct or contracted workers to provide security unless it is necessary for preventive or defensive purposes and is proportionate to the nature and severity of the threat. Elsewedy Electric will seek to ensure that government security personnel deployed to provide security services act in a manner consistent with our policies and encourage the relevant authorities to disclose the security arrangements for the facilities to the public, subject to overriding security concerns.

Elsewedy Electric will (i) conduct reasonable inquiries to verify that security personnel, whether directly employed or contracted by the Borrower, have no history of past abuses; (ii) ensure adequate training in the use of force, including firearms where applicable, and proper conduct towards employees and affected communities; and (iii) require compliance with all applicable laws and the stipulations outlined in the ESCP. Moreover, Elsewedy Electric will review all allegations of unlawful or abusive acts of security personnel, take action (or urge appropriate parties to take action) to prevent recurrence, and, where necessary, report unlawful and abusive acts to the relevant authorities.

04

ACCELERATING DECARBONIZATION TOWARDS **A LOW-CARBON ECONOMY**

Managing Climate Risks and Opportunities 118
Elsewedy Electric's Carbon Footprint 122
Elsewedy Electric's Commitment to Decarbonization 129
Accelerating Decarbonization with Efficient and Digital Products and Solutions 134

At Elsewedy Electric, accelerating decarbonization is central to our Sustainability Strategy. We are committed to reducing our carbon footprint and transitioning to a low-carbon economy through innovative technologies and sustainable practices. By prioritizing energy efficiency, renewable energy sources, and cutting-edge solutions, we aim to minimize our environmental impact and promote a cleaner and greener future. Our efforts in decarbonization demonstrate our commitment to combating climate change and driving progress toward sustainable development.

2023 KEY HIGHLIGHTS

165,900 $mtCO_2e$
Scope 1+2 emissions in 2023

3,238,213 $mtCO_2e$
total Scope 1+2+3 emissions in 2023

2.36 $mtCO_2e$
reduced emissions from renewable energy consumption

44% REDUCTION IN CARBON INTENSITY

reduction in Scope 1+2 emissions intensity from 0.0034 in 2021 to 0.00126 $mtCO_2e$/ thousand EGP revenue

100% COVERAGE OF OPERATIONAL FACILITIES IN GHG REPORTING

starting its GHG reporting in 2017 with six factories, in 2023, Elsewedy Electric achieved its targets of 100% coverage of its 24 operational facilities, setting 2023 as the new base year

NET-ZERO TARGETS UNDER REVIEW BY SBTi

Elsewedy Electric has committed to setting near-term and net-zero emission reduction targets across the company, based on the Science Based Targets initiative (SBTi), which is currently under review

B SCORE IN CDP'S CLIMATE CHANGE

improving from the previous cycle's "C" score, exceeding the global, regional, and industry averages

OUR PROGRESS

Pillar	Commitment	Key Targets	Baseline	2023 Performance	Target Year
PLANET AND RESOURCES	Climate Action	Achieve 100% corporate-wide coverage of Scope 1, 2, and 3 GHG emissions accounting	2023*	80%	100% by 2026
		Introduce interim targets for Scope 1, 2, and 3	2023*	25%	2025
		Net-zero emissions for scope 1 and 2	2023*	In Progress	2050
		Net-zero emissions for scope 3 (including the entire supply chain)	2023*	Not Yet Started	2050
		100% of investment portfolio accounted for under scope 3 emissions	-	In Progress	2030
	Product Design & Life Cycle Assessment	Allocate 1% of revenues toward R&D in low carbon products and technologies investments [21]	2020: 0.03%	0.03%	1% by 2030

* The year 2023 has been set as the new base year for carbon footprint assessments and environmental performance indicators, since this year covers 100% of the Group's manufacturing facilities. This allows for accurate progress comparisons in the future.

MANAGING CLIMATE **RISKS AND OPPORTUNITIES**

At Elsewedy Electric, we understand the delicate balance between our operations and the environment. Our operations are conducted with a keen awareness of their impact, and we are resolute in our pursuit to prevent adverse effects and reverse previous damage wherever feasible while contributing to protecting and restoring ecological balance. Integral to our climate action plan is the steadfast adherence to the TCFD's guidance to provide our investors and relevant stakeholders with comprehensive and actionable insights into the climate-related risks and opportunities pertinent to our enterprise.

While our assessment indicates that short to medium-term (defined as the next five years) climate-related risks are of moderate concern, our primary risks pertain to the longer term (defined as ten years plus). Among the moderate risks are the introduction of new policies and regulations within the different markets we operate, Carbon Border Adjustment Mechanism (CBAM) is one of these examples, another example is the increasing requirements related to product carbon and environmental footprints. Mitigating such risks was the foundation of our decarbonization plan which encompasses the quantification of environmental footprint and GHG potential for all our products and developing third-party verified EPDs. Our objective was not to quantify the footprint, but to work on reducing the impact of our products. This is where our different strategic actions meet to achieve such outcome, including but not limited to resource efficiency, adoption of renewable energy, circular economy initiatives and sourcing of raw materials.

The principal long-term risks stem from the physical impacts of climate change in the regions where we operate, specifically areas that may become uninhabitable due to the effects of climate change. Among the key actions planned for 2024/2025, Elsewedy Electric will select and adopt climate scenarios, assess the physical climate risks for all its operations, and more importantly will embed the climate risk assessment process into the normal business risk assessment system and processes.

The following details outline our efforts to align with the aforementioned recommendations. It is important to note that this is an iterative process as we refine our policies, processes, and disclosures over the coming years. During the compilation of climate risk management data and subsequent discussions with external experts for data validation, we encountered unexpected challenges. Consequently, we have identified several areas of non-compliance with the TCFD requirements. We will only disclose this data once we are confident in its reliability.

In the present context, we have given due consideration to either complying or explaining. We hereby confirm that we have made disclosures consistent with the TCFD Recommendations and Recommended Disclosures in this sustainability Report across the following areas:

GOVERNANCE

Detailing Elsewedy Electric's governance around climate-related risks and opportunities including describing board's oversight of climate-related risks and opportunities and management's role in assessing and managing them.

STRATEGY

Articulating the impacts of climate-related risks/opportunities on Elsewedy Electric's business and strategy while elucidating its resilience under different scenarios (e.g., a 2°C or lower scenario)

RISK MANAGEMENT

Detailing Elsewedy Electric's protocols for managing climate-related risks and illustrating the integration of these processes and their identification into Elsewedy Electric's overall risk management.

METRICS AND TARGETS

Revealing the metrics utilized by Elsewedy Electric to evaluate climate-related risks/opportunities, disclosing Scope 1, 2, and 3 emissions, and outlining the targets employed by Elsewedy Electric to gauge performance against these targets.

In this report, we have incorporated the 11 recommended disclosures organized into the four thematic pillars set out in the TCFD's recommendations. In instances where full compliance with the TCFD recommendations has not been achieved, we have provided details of our current position, strategy, and timeline for achieving compliance. We are presently considering the guidance outlined in the TCFD's all-sector guidance. While this has not yet been factored into our analysis or subsequent disclosures, we intend to integrate it into our compliance plans for the upcoming financial year. We aim to enhance our discourse against these requirements in the years ahead.

> For further details on our climate risks and opportunities assessment and management, please refer to the TCFD Correspondence Table and our CDP Response[22].

[22]CDP's 2024 reporting cycle scores are yet to be released by the end of the year 2024.

CLIMATE RISK MANAGEMENT: OUR PROGRESS

In 2023, we conducted a comprehensive risk assessment process focusing on climate-related risks and opportunities. To carry out this assessment, we appointed an ESG and Climate Consultant to identify and evaluate the impacts of climate change on the Company. An initial inventory of risks and impacts has been developed, covering both transition and physical risks. The work also involved creating a tailored impact assessment methodology and process for Elsewedy Electric, covering both physical and transitional risks and opportunities. All risks were evaluated based on the significance of the impacts and the likelihood of occurrence. As part of Elsewedy Electric's updated 2020-2030 ESG strategy, processes will be implemented to manage climate-related risks, integrating them into our business-as-usual processes. These will include the following four areas:

- **ELECTRICITY, FUEL AND WATER CONSUMPTION**
- **RAW MATERIALS AND SUPPLY CHAIN**
- **PRODUCT ENVIRONMENTAL FOOTPRINT AND GHG POTENTIAL**
- **POLICIES**

The organization has not yet integrated the processes for identifying, evaluating, and handling climate-related risks into its overall risk management. This integration is anticipated to be completed by the end of 2024/Q1 of 2025.

ELSEWEDY ELECTRIC'S **CARBON FOOTPRINT**

CLIMATE ACTION

2023 ENVIRONMENTAL REPORTING BOUNDARIES

Elsewedy Electric started reporting on its environmental performance, including its organizational carbon footprint, in 2017, covering only six factories. The Company has since enhanced its disclosure efforts and tracked its progress by expanding the number of factories included in its reporting. As of 2021, the Company was reporting on 18 factories, and in 2022, it expanded its reporting to 22 factories. In 2022, the Company also increased its GHG emissions assessment activities, demonstrating its commitment to transparency and accountability in environmental sustainability.

PLANET & RESOURCES

Climate Action

Our 2026 commitment
Achieve 100% corporate-wide coverage of Scope 1, 2, and 3 GHG emissions accounting

In 2023, Elsewedy Electric successfully conducted a comprehensive carbon footprint assessment that encompassed all its manufacturing facilities. The assessment achieved full coverage for both Scope 1 and Scope 2 emissions. Additionally, the assessment extended to 70% of the relevant Scope 3 categories, covering 8 out of the 11 total relevant categories.

2023 Performance	2026 Target
80%	**100%**

For the 2023 reporting period, Elsewedy Electric successfully covered all 24 operational factories[23] , listed in the table below. Additionally, the Company expanded its Scope 3 activities to include emissions from capital goods, electricity transmission, and distribution losses.

24 Facilities in Elsewedy Electric's 2023 Environmental Reporting

Egyplast (Egypt)	SEDCO, ELASTIMOLD[24] (Egypt)	Transformers (Pakistan)
United Steel Wires (USW) - (Egypt)	ECMEI (Egypt)	SEDCO Petroleum (Egypt)
Iskraemeco (Egypt)	Elsewedy Cables (Saudi Arabia)	Transformers (Indonesia)
United Industries Organization (UIC) (Egypt)	Elsewedy Cables (Algeria)	Transformers (Zambia)
Elsewedy Transformers (Egypt)	Elsewedy Cables (Ethiopia)	Transformers (Algeria)
Egytech Cables (Egypt)	Doha Cables (Qatar)	Elsewedy Electric for Electrical Products, Busway
Iskraemeco (Slovenia)	Iskraemeco (Bosnia)	Elsewedy Cables (Tanzania)
United Metal (Egypt)	Elsewedy Electric Infrastructure (Egypt)	

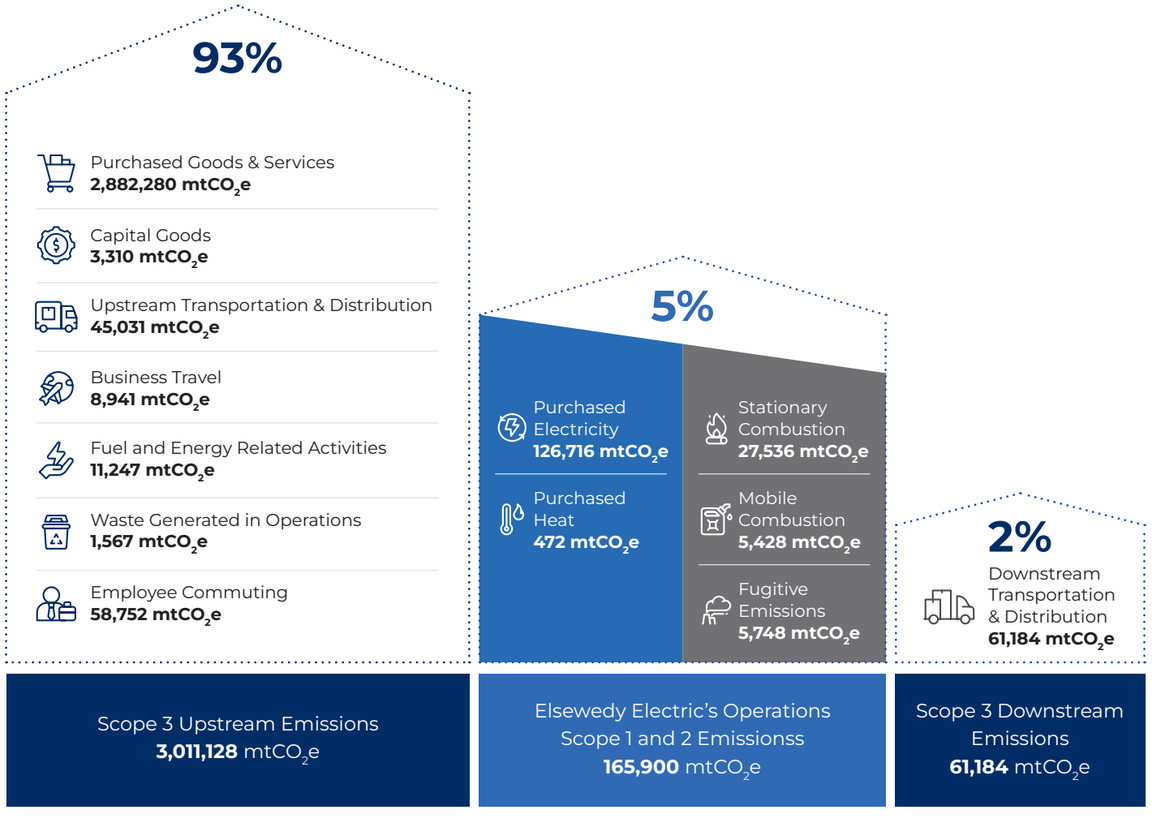
[23]GIAD Elsewedy Sudan is not included in the 2023 assessment due to its non-operational status caused by war circumstances.
[24]Operates 2 facilities.

2023 GHG ASSESSMENT RESULTS

Elsewedy Electric has been reporting and monitoring its organizational GHG emissions since 2017, when it published its first carbon footprint report. The Company continues to disclose and report its GHG emissions on a yearly basis and is committed to enhancing the quality and reliability of its activity data by actively developing an integrated ESG data collection system.

The GHG emissions presented in the following data reflect the primary activities of Elsewedy Electric. This includes emissions from equipment and assets that we control directly (scope 1), emissions resulting from purchased electricity and heat (scope 2), and certain indirect emissions from our operations (scope 3). The GHG emissions data covers 24 production facilities owned and operated by Elsewedy Electric for the reporting period from 1 January to 31 December 2023.

The GHG emissions assessment follows the Greenhouse Gas Protocol, the Intergovernmental Panel on Climate Change (IPCC) Guidelines for Greenhouse Gas Inventories, and the ISO 14064-1:2018 standards.



Emissions from Scopes 1 and 2 mainly originate from electricity and natural gas usage at our sites and from our company fleet, accounting for 5% of total emissions. Scope 3 emissions represent over 94% of the Group's carbon footprint, with the majority stemming from upstream activities rather than downstream.

PURCHASED GOODS AND SERVICES

Account for the majority of emissions (89% out of all emissions), including emissions from the materials used in manufacturing. These upstream emissions stem from the production of products and services purchased by the Company during the reporting year. These emissions arise from diverse sources due to the Group's varied procurement portfolio, including raw materials, electronic and electrical products, printed circuit board assemblies, fabricated components, and non-production-related purchases, such as insurance and banking services.

PURCHASED ENERGY

Is the second highest contributor to the carbon footprint (4% out of all emissions). This covers the onsite electricity and heat used during operations within Elsewedy Electric's subsidiaries.

DOWNSTREAM TRANSPORTATION & DISTRIBUTION

Is the third highest contributor to the overall GHG emissions, with emissions totaling 61,184 mtCO2e (2% out of all emissions) in Elsewedy Electric for the year 2023.

GHG ACCOUNTING PROGRESS

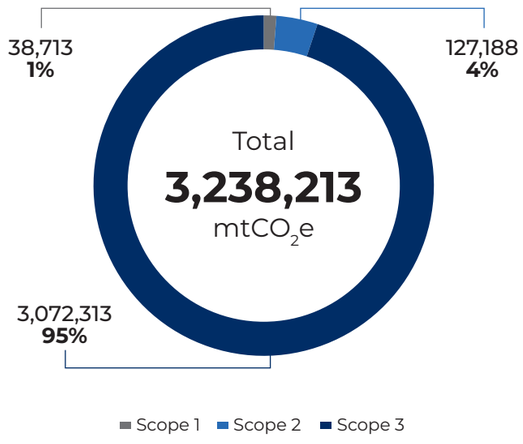
Compared to 2022, we expanded our organizational and operational boundaries by including three additional facilities in 2023, bringing the total to 24 facilities, up from 18 in 2021. We have also accounted for the emissions from the purchase of capital goods under Category 2: Capital Goods, and the emissions from purchased electricity transmission and distribution losses under Category 3: Fuel- and Energy-related Activities not included in Scope 1 and 2.

Since we successfully covered 100% of our operational factories in 2023, this year will be established as our new base year for future comparisons. The table below illustrates our boundary expansion and absolute emissions over the years.

	2021 (18 factories)	2022 (22 factories)	2023 – New BY (24 factories)
Scope 1 ($mtCO_2e$)	31,219	38,319	38,713
Scope 2 ($mtCO_2e$)	102,750	110,571	127,188
Scope 1+2 ($mtCO_2e$)	133,968	148,890	165,900
Scope 3 ($mtCO_2e$)	78,901	2,349,842	3,072,313
Scope 1+2+3 ($mtCO_2e$)	212,869	2,498,733	3,238,213

The results of the 2023 carbon footprint assessment are presented in following chart and table. The data reveals that 95% of total emissions are attributed to Scope 3 activities due to purchased goods and services. The remaining major contributors are transportation and distribution activities due to the high emissions associated with travel.

Total Absolute Emissions by Scope, 2023 ($mtCO_2e$)



2023 Emissions Per Activity ($mtCO_2e$)

Scope 1 (Direct Emissions)	**38,713**	**Scope 3 (Other Indirect Emissions)**	**3,072,313**
Fuel Burning - Owned Vehicles	5,428	Purchased Goods and Services[25]	2,882,280
Fuel Burning - Diesel	3,561	Capital Goods	3,310
Fuel Burning - Natural Gas	23,725	Fuel- and Energy-Related Activities[26]	11,247
Fuel Burning - LPG	250	Upstream Transportation and Distribution	45,031
Refrigerant Leakage	5,748	Waste Generated in Operations	1,567
Scope 2 (Indirect Emissions)	**127,188**	Business Travel	8,941
Purchased Electricity	126,716	Employee Commuting	58,752
Purchased Heat	472	Downstream Transportation and Distribution	61,184
Reduced Emissions	**2.36**		

It is important to note that the reported values of direct and indirect GHG emissions do not necessarily reflect the efficiency of resource consumption, especially given the annual expansion of reporting boundaries by Elsewedy Electric. To better gauge efficiency, metrics based on carbon intensity are used. These metrics assess whether emissions per unit of output have decreased or remained the same compared to previous years.

In 2023, Elsewedy Electric achieved an emissions intensity for Scope 1 and 2 of 0.00126 $mtCO_2e$/thousand EGP revenue, while the intensity was 0.0023 $mtCO_2e$/thousand EGP revenue in 2022 and 0.0034 $mtCO_2e$/thousand EGP revenue in 2021. This represents a 44% reduction in emissions intensity in 2023 compared to the previous year (2022). This is mainly due to the drastic increase in revenues in 2023 compared to the previous year.

	2021	2022	2023 – New BY
Scope 1 & 2 ($mtCO_2e$)	133,968	148,890	165,900
Revenue (thousand EGP)	39,800,432	65,545,303	132,011,747
Intensity ($mtCO_2e$/thousand EGP)	0.0034	0.0023	0.00126

[25]This category includes emissions associated with consumables, including water use, packaging, and raw materials used in manufacturing Elsewedy Electric's products. The majority of the emissions are attributed to the purchase of raw materials (2,738,107 $mtCO_2e$), which was not reported in 2021 due to the unavailability of data and emission factors.
[26]Electricity transmission and distribution losses emissions have been included under Fuel- and Energy-Related activities in 2023.

EVOLVING CALCULATION METHODOLOGY AND DATA CONSTRAINTS

Carbon accounting is an evolving discipline, with calculation improving as new data collection methods and specifications become available. Elsewedy Electric regularly evaluates its data collection processes and aims to expand its reporting scope data availability to enhance accuracy. Scope 3 calculations, in particular, present opportunities for improvement, as they involve indirect emissions from sources not owned or controlled by the Group, posing challenges in accurate collection. As activity data and secondary data specifications evolve, Elsewedy Electric hopes to continue developing its Scope 3 accounting.

Elsewedy Electric supports efforts to enhance data standardization and transparency. Companies often make various calculation decisions based on their unique circumstances, such as data type, collection methods, and emission factors. These choices can significantly impact calculations and affect the comparability and standardization of emissions data. Elsewedy Electric follows the international GHG Protocol standards, recognizing the need for standardization in GHG accounting and calculation methods.

FOR MORE INFORMATION, PLEASE REFER TO ELSEWEDY ELECTRIC'S 2023 CARBON FOOTPRINT REPORT.

ELSEWEDY ELECTRIC'S **COMMITMENT TO DECARBONIZATION**

Elsewedy Electric began measuring its carbon footprint in 2017, initially covering six subsidiaries and expanding to all subsidiaries by 2023. Since then, Elsewedy Electric has demonstrated continuous improvement in its sustainability performance, as evident by its CDP score, which increased from C in 2021 to B in 2023. In 2022, Elsewedy Electric was among the first companies to commit to the SBTi in Egypt, reaffirming its net-zero goal by 2050. Building on this commitment, the Group is now developing specific targets to be submitted to the SBTi for verification, and is working on developing a decarbonization plan, with 2023 serving as the baseline year for future progress.

2017
1st Carbon Footprint for **6 manufacturing facilities**
Beginning to follow the GHG Protocol in accounting for our carbon footprint.
GREENHOUSE GAS PROTOCOL

2020
2nd Carbon Footprint for **7 manufacturing facilities**
Increased reporting boundaries to encompass more facilities.

2021
3rd Carbon Footprint for **18 manufacturing facilities**
First **CDP 2021 Disclosure**
First CDP Disclosure conducted and increased the scope of our boundaries to include the majority of the subsidiaries
CDP DISCLOSURE INSIGHT ACTION

2022
Set Commitment to **Science Based Targets Initiative (SBTi)**
2nd **CDP 2022 Disclosure Graded C**
4th Carbon Footprint fo**r 22 manufacturing facilities**
SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

2023
5th Carbon Footprint for **24 manufacturing facilities**
3rd **CDP 2023 Disclosure Graded B**
Notable increase in the CDP grade from C to B

Next Steps
SBTi Target Setting & Validation
Decarbonization Action Plan

Towards Net Zero 2050

OUR GHG REDUCTION TARGETS

At Elsewedy Electric, our long-term vision is to achieve net-zero carbon emissions by 2050. This ambitious goal requires us to establish clear climate targets and continuously adapt our strategies to align with the latest scientific insights. According to the IPCC's Sixth Assessment Report, it is crucial to limit global warming to 1.5°C to avoid disastrous climate effects and ensure sustainable economic development. The SBTi equips businesses with rigorous methodologies and pathways to significantly reduce GHG emissions, contributing to the global aim of halving emissions by 2030 and achieving net zero by 2050.

In this regard, Elsewedy Electric is committed to adopting and setting near-term and net-zero emission reduction targets across the Group, based on the most advanced climate science available through the SBTi. These targets will guide our actions and reinforce our commitment to sustainability. Our near-term and net-zero targets are currently under review by the SBTi, and once approved, we will transparently communicate these goals in our Carbon Footprint and sustainability reports.

Elsewedy Electric's commitment to emissions reduction and decarbonization remains unwavering. In 2022, to advance our dedication to a sustainable future, we joined the Alliance for Industry Decarbonization.

PLANET & RESOURCES

7 AFFORDABLE AND CLEAN ENERGY | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION

Climate Action

Our 2030 commitment
Introduce interim targets for Scope 1, 2, and 3

Elsewedy Electric is committed to adopting and setting near-term and net zero emission reduction targets across our entire company, based on the most robust climate science available through the SBTi. Our near-term and net-zero targets are currently under review by the SBTi, and once they receive approval, we will transparently communicate these goals in our carbon footprint and sustainability reports.

2023 Performance	2026 Target
25%	**100%**

This international organization provides a valuable platform for acquiring insights and strategies to effectively decarbonize our industry.

To achieve our emissions reduction target, we have developed a comprehensive plan incorporating several key measures, including increasing energy efficiency and implementing renewable energy projects. By enhancing energy efficiency, we aim to lower 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 advance our emissions reduction goals. These initiatives are currently 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 strong. We are confident that our strategic approach and commitment to industry collaboration will enable us to achieve our emissions reduction target and contribute significantly to global decarbonization efforts.

> Further details on our 2023 GHG assessment and targets can be found in Elsewedy Electric's 2023 Carbon Footprint Report

ADVANCING RENEWABLE ENERGY ACROSS OUR OPERATIONS

Iskraemeco Slovenia's Solar Initiative Boosts Sustainability and Self-Sufficiency

In December 2023, Iskraemeco Slovenia activated its new 870 kW solar PV panels, generating 1,500 kWh of electricity and reducing emissions by 0.43 metric tons of CO_2 equivalent in their first month. This project offers significant cost savings by eliminating fuel expenses and minimizing maintenance, while also enhancing the company's self-sufficiency by reducing reliance on the traditional electricity grid by 21% and increasing resilience to power outages. Beyond the financial benefits, the initiative supports environmental sustainability by harnessing clean, renewable solar energy, thereby reducing dependence on fossil fuels and contributing to climate change mitigation and improved air quality. The project's goals include increasing solar electricity production, providing partial self-supply for facilities, and lowering GHG emissions.

Solar Lampposts in Egytech and SEDCO Petroleum

In 2023, Egytech and SEDCO Petroleum installed solar lampposts to illuminate their factory streets. This initiative aims to reduce electricity consumption associated with lighting and decrease related emissions. During 2023, the reduced emissions from these two initiatives totaled 1.93 $mtCO_2e$. The projects commenced in February for Egytech and in July for SEDCO Petroleum.

PROJECTS FOR ACTION

Elsewedy Electric continuously optimizes resource utilization and promotes sustainable practices to enhance resource efficiency. Through a range of initiatives and projects, the Company strives to maximize resource benefits while minimizing waste and environmental impact. These efforts include implementing off-grid solar-powered hubs, constructing photovoltaic solar plants, adopting innovative wastewater treatment systems, and upgrading power plants to enhance reliability and efficiency. Elsewedy Electric's commitment to resource efficiency reflects its proactive approach to sustainable development and its contribution to a greener, more sustainable future, as demonstrated by the following projects that make up a significant portion of our portfolio.

BENBAN PV SOLAR PARK IN EGYPT

Benban Solar Park, located in Aswan, is one of the largest solar parks in the world. Developed in partnership with EDF Renewables and funded by the EBRD and Proparco, this project highlights Elsewedy Electric's contribution to solar energy.

Our solar energy portfolio currently includes 2*65 MWp, generating 297 GWh annually, powering over 140,000 households, and saving up to 120,000 tons of CO_2 a year. This project is also part of Egypt's Feed-in Tariff (FiT) program, which is in line with the Egyptian government's Sustainable Energy Strategy 2035.

297 GWh
annual electricity generation

120k tons of CO_2e
saved carbon emissions per year

140k
connected households

ELSEWEDY ELECTRIC'S 64MW WIND AND HYDRO ASSETS IN GREECE

Elsewedy electric acquired three operating wind farms and two operating hydroelectric energy assets in Greece in June 2019, which are in operation till date.

The five assets have an aggregate capacity of 64 MW, with three wind parks; "Aioliki Kilindrias SA" (10MW), "Kallisti Energeiaki SA" (15MW), Aioliki Aderes SA" (35.4 MW), and 2 Small Hydro Power Plants "Hydroelectriki Achaias SA" (2.6MW and 1.0MW) at Kerinitis river. The assets generate enough energy to power approximately 34,000 homes which could offset 102,000 $mtCO_2e$ per year.

64 MW
generation capacity

102k tons of CO_2e
saved carbon emissions per year

34k
connected households

ACCELERATING DECARBONIZATION **WITH EFFICIENT AND DIGITAL PRODUCTS AND SOLUTIONS**

Elsewedy Electric is committed to driving the global transition to a low-carbon economy by accelerating decarbonization through the development and deployment of efficient and digital products and solutions. In alignment with its sustainability strategy, the company leverages advanced technologies to create energy-efficient systems, optimize resource usage, and reduce greenhouse gas emissions across various sectors. By integrating digital tools and smart solutions, Elsewedy Electric not only enhances operational efficiency but also empowers its customers to make informed decisions that contribute to a more sustainable future.

DIGITAL SOLUTIONS

Elsewedy Electric's Digital Solutions are designed to enhance operational efficiency, sustainability, and energy management through advanced technologies. These solutions contribute to resources optimization, reducing waste, and supporting the digital transformation of industries.

EXAMPLES:
Energy management systems, automation solutions, cloud and analytics, smart meters, data center solutions

ENGINEERING & CONSTRUCTION

Elsewedy Electric delivers large-scale infrastructure projects that incorporate sustainable practices, particularly in the areas of renewable power generation, transmission, and distribution. By investing in renewable energy and efficient systems, Elsewedy Electric supports the transition to a low-carbon economy.

EXAMPLES:
Renewable power generation, power transmission and distribution systems, sustainable water management systems and solutions

INFRASTRUCTURE INVESTMENTS

Elsewedy Electric's Infrastructure Investments aim to develop sustainable utilities and energy projects that support long-term environmental and economic benefits. The focus is on integrating sustainable practices and renewable energy into the development of essential utilities.

EXAMPLES:
Energy and water investments, sustainable utility development projects

ELECTRICAL PRODUCTS

This line offers a variety of high-efficiency electrical products that support sustainable energy transmission and usage. These products are engineered to minimize energy losses, enhance efficiency, and reduce the overall carbon footprint.

EXAMPLES:
High efficiency transformers, busway systems, complementary products for enhancing energy efficiency

WIRES, CABLES & ACCESSORIES

The Wire, Cable & Accessories line is central to Elsewedy Electric's efforts to support efficient energy transmission and communication. By manufacturing energy-efficient cables and accessories, the company ensures that energy is transmitted with minimal losses, which is essential for reducing carbon emissions.

EXAMPLES:
High-efficiency cables for energy transmission, special cables for specific applications, telecom cabling solutions

GREEN HYDROGEN

At Elsewedy Electric, we believe that green hydrogen is a catalyst for achieving carbon neutrality. Consequently, we are committed to increasing our investments in this sector. Our partnership with ReNew Power Private Limited, one of the world's leading renewable energy companies, involves a framework agreement for a green hydrogen project, with projected investments totaling approximately USD 8 billion. This agreement expands Elsewedy Electric's portfolio, impacting various sectors and aligning with our strategy to provide sustainable, integrated solutions that enhance community well-being. Additionally, we are dedicated to supporting the development of green hydrogen feedstock industries in Egypt, paving the way toward achieving net-zero emissions.

This initiative is a key component of Elsewedy Electric's long-term Sustainability Strategy, which aligns with Egypt's National Climate Change Strategy 2050 and contributes to global efforts to combat climate change.

INNOVATIVE SOLUTIONS

This year has seen many technological advancements, we are committed to developing and integrating new technologies into our products and services for diverse markets.

We introduced Aluminum Conductor Composite Core (ACCC), a solution that offers twice the capacity of conventional conductors. This innovation improves efficiency by decreasing line losses and lowering GHG and CO_2 emissions. Furthermore, it enhances reliability and resilience through its exceptional strength, minimal sag properties, and cutting-edge core technology. Additionally, the ACCC reduces project costs and timelines for both new power lines and reconductoring projects.

One of our specialties is solar-powered street lighting, which provides near-zero operational expenses and minimal maintenance requirements. Our fiberglass poles at Elsewedy Electric redefine reliability with their lightweight, maintenance-free designs, prioritizing safety due to their non-conductive properties.

Our latest offering, PC Wire Bars, is meticulously crafted to meet the specific requirements of railway sleeper manufacturers in Egypt. Elsewedy Electric Steel applications will supply these PC Wire Bars as part of our preparations for the forthcoming HSR (High-Speed Rail) mega project.

We have introduced our cutting-edge distribution transformers in Egypt. With power ratings extending up to 15 MVA and voltages reaching up to 36 kV, these transformers are set to transform power distribution nationwide. We manufacture oil distribution transformers in both hermetically sealed and conservator types, suitable for ground and pole-mounted installations. Additionally, our transformers can be equipped with smart features and eco-friendly designs. We also offer specialized transformer options to meet diverse needs.

Located about 80 km west of Doha, the Al Kharsaah solar power plant marks a significant milestone in Qatar's energy history. This facility, a partnership between Siraj 1 SPV—managed by Total Energies and Marubeni—and Siraj Energy generates 800MW. It represents a key achievement in Qatar's Vision 2035 for renewable energy, being the nation's first plant to use robots to operate and supply 10% of its peak electricity demand.

Egyplast, a subsidiary of Elsewedy Electric, has recently developed a polyolefin compound designed to advance solutions in the wires and cables industry. This innovative compound is cost-effective and offers various benefits, including high machine output, reduced torque, elimination of talcum powder, and greater compatibility with OHS standards compared to PVC.

Understanding the importance of sustainability and in line with our commitment to achieving our sustainability goal, we have developed a new type of masterbatch: Desiccant Masterbatch. These functional masterbatches are designed to minimize unwanted moisture and enable higher usage of PCRs. Desiccants, which are hygroscopic substances used to induce or sustain a state of dryness, offer numerous environmental benefits. They reduce waste caused by moisture damage, lower CO_2 emissions, and decrease the unnecessary use of resources. Additionally, they provide a more sustainable alternative to environmentally harmful solutions like air freight.

WATER SOLUTIONS

Elsewedy Electric recognizes the importance of water security and firmly believes it should never be compromised. Therefore, Elsewedy Electric Infrastructure has strategically partnered with the Egyptian Electricity Holding Company to enhance the New Administrative Capital's power plant with a state-of-the-art Near Zero Liquid Discharge (NZLD) system. This advanced NZLD system will remove oils from industrial wastewater through the Dissolved Air Flotation process, preliminarily treat and clear solids through filtration systems, reduce dissolved salts through phased Reverse Osmosis, reject water disposal through Evaporation Ponds, and pump permeate water to production tanks.

The project is expected to recycle 2,150 m^3/day of industrial wastewater streams.

DRIVING DIGITAL INNOVATION

Elsewedy Electric is at the forefront of digital transformation and innovation, driving progress across various sectors through strategic partnerships and cutting-edge technology. Through Elsewedy Digital, the company delivers advanced digital solutions that enhance efficiency, sustainability, and community empowerment. From cloud services and smart community hubs to energy and water management platforms, Elsewedy Electric leverages digital innovation to create scalable, secure, and sustainable solutions that meet the evolving needs of customers and communities.

Elsewedy Digital: Empowering Transformation Through Cloud Solutions and Sustainable Development Initiatives

Elsewedy Digital, a trusted provider of cloud-managed services, migration, and modernization, has partnered with Oracle, a leading cloud platform infrastructure provider, to deliver comprehensive cloud solutions to customers in Saudi Arabia and the wider MEA region. This collaboration harnesses the strengths and expertise of both companies to offer end-to-end cloud services, providing organizations with scalable, secure, and cost-effective IT resources as needed.

In line with Elsewedy Digital's commitment to sustainable development, particularly in Africa, the company has launched Elsewedy Digital Smart Community Hub Project. The first four sites were launched in the Androy and Anosy regions of southern Madagascar as part of the Rapid Rural Transformation (RRT) initiative. Elsewedy Digital has developed a tailored 'Smart Community Hub' solution designed to drive digital transformation in African rural off-grid areas. This solution offers a sustainable, cost-efficient approach, utilizing materials and equipment carefully selected to suit the unique geographic, weather, and usage conditions of rural Africa, ensuring reliability and durability. By providing water, electricity, and internet access, this initiative aims to facilitate digital transformation and community empowerment.

Additionally, Elsewedy Digital has collaborated with the World Food Program to establish an innovative E-Government Geo Platform for Lesotho's Governmental Territorial Planning.

Iskraemeco: Driving Digital Transformation in Energy and Water

Iskraemeco focuses on delivering innovative digital solutions and services tailored to meet the specific needs of its customers in the energy and water sectors. Drawing on over 75 years of experience, the company leverages its deep understanding of customer challenges to develop forward-thinking solutions.

With a commitment to embracing cutting-edge technologies, Iskraemeco is leading the digital revolution by expanding its offerings to include software solutions. By integrating digital platforms into its operations, the company ensures strong data management and promotes value creation. Iskraemeco invests in initiatives that leverage data science to optimize energy consumption, reduce non-revenue water, and drive green and digital transformation.

Through the utilization of big data analytics and emerging technologies, Iskraemeco is dedicated to modernizing grid and water infrastructures, demonstrating its unwavering pursuit of excellence.

TRANSFORMING ELECTRICITY GRID IN ABU DHABI
READ MORE

SUPPLY & INSTALLATION OF 20K SMART METERS AS PART OF ZAMBIA'S GRID MODERNIZATION
READ MORE (P.62)

IMPROVING ENERGY EFFICIENCY & RELIABILITY OF DISTRIBUTION NETWORKS IN EGYPT
READ MORE

Transforming Utility Operations with Symbiot MDM by Iskraemeco

Symbiot MDM (Meter Data Management) solution is the brain driving the Symbiot software suite. Developed for seamless data handling and automation, Symbiot MDM is a substantial tool for utilities. It tackles challenges such as ensuring data accuracy, maintaining data quality, scaling with smart meter growth, and ensuring interoperability with diverse meter types and utilities. As a sustainable development toolbox, Symbiot's platform enables utilities to manage 21st-century energy demands while addressing global decarbonization. With sustainability principles at its core, Symbiot MDM supports reduced consumption, rapid response to disruptions, and green energy promotion. Symbiot MDM transforms utility operations, ensuring billing accuracy, enhancing operational efficiency, empowering data-driven decision-making, and achieving cost savings.

Iskraemeco's Golden Innovation Award for eIoT Modular Platform and iE-X Smart Meters

Iskraemeco has received the Golden Innovation Award for its groundbreaking eIoT modular platform and iE-X smart meters. These innovations exemplify excellence in smart metering technology, featuring enhanced energy management capabilities through advanced analytics, modularity, and superior connectivity. This award underscores Iskraemeco's leadership in the energy sector and its commitment to delivering cutting-edge solutions that optimize energy consumption and drive sustainability.

Future Outlook: Quantifying the Impact through Methodologies for Emission Reduction and Avoidance

Quantifying avoided or reduced emissions from the use of Elsewedy Electric's solutions is a complex and evolving process. The company is actively investigating and considering the most appropriate methodologies to accurately measure these impacts. Avoided emissions reflect the difference between the emissions generated when using Elsewedy Electric's products compared to a baseline scenario that represents typical market conditions without these solutions. This assessment considers the entire lifecycle of the product, from manufacturing through usage to end-of-life.

Elsewedy Electric views avoided emissions as a crucial complement to its Greenhouse Gas (GHG) inventory, highlighting the dual focus of its climate strategy: reducing the company's own carbon footprint while enabling significant emissions reductions across the global economy. The company recognizes that both reducing its own emissions and increasing avoided emissions are essential in the fight against climate change, and these efforts must be pursued in parallel.

By integrating advanced technologies into its offerings, Elsewedy Electric empowers individuals and businesses to make informed, energy-efficient decisions, contributing to a more sustainable future. These technologies not only reduce energy demand but also lower GHG emissions, supporting broader environmental objectives and fostering a culture of conservation and efficiency.

05

MANAGING RESOURCES **RESPONSIBLY**

Environmental Management 146
Protecting Ecosystems and Biodiversity Conservation 148
Circular Economy and Product Stewardship 152
Environmentally Responsible Sourcing 159
Sustainable Manufacturing 162

At Elsewedy Electric, responsible resource management is fundamental to our sustainability efforts. We focus on optimizing the use of natural resources, minimizing waste, and promoting circular economy principles. By implementing efficient practices and innovative technologies, we aim to reduce our environmental footprint and ensure the long-term sustainability of our business. Our commitment to managing resources responsibly reflects our goal of promoting a sustainable future for our company and the communities we serve.

2023 KEY HIGHLIGHTS

BIODIVERSITY DUE DILIGENCE

has been adopted for all new Greenfield developments and renewable energy projects

6.5% REDUCTION IN WATER WITHDRAWALS

across Elsewedy Electric's manufacturing facilities in 2023 compared to 2022

FOUR ENVIRONMENTAL PRODUCT DECLARATIONS PUBLISHED

covering 37 cable products, and Life Cycle Assessments covering over 1,700 products across all factories

C SCORE IN CDP'S WATER SECURITY QUESTIONNAIRE

aligning with the average scores globally, regionally, and within the industry

OUR PROGRESS

Pillar	Commitment	Key Targets	Baseline	2023 Performance	Target Year
PLANET AND RESOURCES	Resource Efficiency & Renewable Sources	40% of energy consumption from renewable energy sources	2020: 0%	1%	40% by 2030
		Reduce energy consumption intensity by 20% and maintain the achieved target	2023*	32%	20% by 2030
		Reduce water withdrawals intensity by 40% and maintain the achieved target	2023*	44%	40% by 2030
		Double investments in renewable energy, climate action, and water projects compared to 2020	-	40%	2X by 2030
	Circular Economy	100% of packaging free from single-use plastics	-	30%	100% by 2030
		90-100% of sourced materials by volume are renewable, recycled, or recyclable.	2022: 60%	60%	90% by 2030
		100% green office buildings[27]	2020: 0%	In Progress	100% by 2030
		Achieve and maintain a Virtual Zero Waste to Landfill across all manufacturing facilities and 75% diversion from landfill across all construction sites annually[28]	2023*	95% 0% - Construction Sites	100% diversion rate by 2030
	Protecting Ecosystems & Biodiversity Conservation	Develop, adopt and implement a formalized process for identification, assessment, and management of risks and impacts on biodiversity and ecosystem services	-	100%	100% by 2023
		Net-Zero Biodiversity Loss + No deforestation	-	100%	Net-Zero by 2030
	Product Design & Life Cycle Assessment	Environmental Product Declarations (EPDs) or Green Labels developed for 100% of the products	-	20%	100% by 2030

* The year 2023 has been set as the new base year for carbon footprint assessments and environmental performance indicators, since this year covers 100% of the Group's manufacturing facilities. This allows for accurate progress comparisons in the future.
[27]Green office buildings are either EDGE Certified or demonstrate proven savings of 20% in energy and water consumption compared to the baseline.
[28]Progress achieved for 24 manufacturing facilities covering non-hazardous waste.

ENVIRONMENTAL **MANAGEMENT**

Elsewedy Electric is committed to incorporating sustainability across its lines of business, implementing applicable policies throughout subsidiaries while considering the local context. We aim to foster a harmonious relationship between our community, the Group, and the environment. Our commitment to sustainability is deeply embedded in our values and is reflected in our comprehensive set of environmental, social and human rights policies developed in full alignment with international standards. To support this commitment, we have established a dedicated ESG team. This team aims to support all lines of business in implementing ideas and monitoring progress.

THE GROUP'S KEY ENVIRONMENTAL POLICIES

The Group acknowledges its responsibility to prevent environmental impact, enhance the sustainability of its products and services, and create value for itself and its stakeholders, while complying with legal and voluntary commitments. To address environmental challenges and capitalize on opportunities, the Group operates under a key of environmental policies and operational management procedures that encompass the following:

INTERNATIONAL STANDARDS

Maintaining ISO 14001 to ensure compliance with international standards for environmental management systems.

SYSTEMATIC ENVIRONMENTAL (& SOCIAL) RISK ASSESSMENTS AND ENVIRONMENTAL (& SOCIAL) IMPACTS ASSESSMENTS

Reducing potential environmental impacts by conducting environmental & social impact assessments (ESIAs) for new projects, as well as periodical systematic risk assessments and audits to assess and reduce environmental & social risks and impacts.

BIODIVERSITY

Safeguarding biodiversity by reducing negative biodiversity impacts, integrating biodiversity considerations into our due diligence process for new projects and acquisitions, optimizing resource use and minimizing waste through eco-design, setting biodiversity footprint reduction targets, and collaborating with local partners and NGOs to promote nature protection and raise awareness among employees.

RESOURCE EFFICIENCY

Implementing effective energy and water management strategies, guided by the Group's Environmental and Water Policies, to address energy security, water scarcity and ensure effective resource usage.

ENVIRONMENTAL FOOTPRINT

Reducing our operational environmental footprint by managing waste, and reducing soil, water and air pollution.

ORGANIZATIONAL CARBON FOOTPRINT & CLIMATE CHANGE

Developing cutting-edge technologies to enhance efficiency and decrease emissions to address climate change, while adhering to the Group's Climate Policy to advance net-zero carbon initiatives and build climate-resilient infrastructure, industries, and energy systems.

CIRCULAR ECONOMY

Promoting a circular economy by increasing the recycling content of our raw materials; monitoring and tracing waste generation and enhancing its reuse, recycling and recovery.

PRODUCT ENVIRONMENTAL FOOTPRINT

Minimizing the environmental impact of our products throughout their lifecycle, from sustainable design, to responsible sourcing, and eco-efficient manufacturing processes.

MONITORING & REPORTING

Transparently reporting on the Group's environmental performance to stakeholders through public reports and sustainability indices.

AWARENESS

Creating an environmentally conscious culture by raising awareness of employees.

SUSTAINABLE VALUE CHAIN

Promoting sustainable environmental (& social) practices throughout the value chain by involving primary suppliers, contractors, partners, and customers in the Group's efforts toward environmental excellence efforts and implementing criteria for selecting suppliers based on their environmental performance, such as prioritizing the procurement of green materials and products whenever feasible.

COMPLIANCE

Ensuring compliance with legal obligations and voluntary commitments and resolving any cases of non-compliance.

International Standard Compliance

Elsewedy Electric manufacturing facilities comply with the ISO 14001:2015 Standard for Environmental Management practices. This certification highlights our commitment to maintaining high environmental standards across our operations through internationally recognized environmental management systems. For more information about our certifications, please refer to the Annex.

International Organization for Standardization ISO 14001

PROTECTING ECOSYSTEMS AND BIODIVERSITY CONSERVATION

CONTEXT

We live in a world where ecosystems are rapidly deteriorating, and biodiversity loss is accelerating. This trend is driven by increasing climate change and intense resource consumption. The strain on resources and land has resulted in higher extinction rates, pollution of water, air, and land, and over-cultivated soil, all contributing to the accelerated loss of species and disruption of vital ecosystems[29]. These environmental challenges also have significant economic implications, given our heavy reliance on natural resources for global operations. Resource use has already increased by over 300% in the last 50 years and is expected to continue growing, as projected by the World Economic Forum[30].

The growing pressure for businesses to prioritize biodiversity management is reflected in heightened disclosure standards. Following COP15 in 2022, the Global Biodiversity Framework (GBF) set a global objective to halt biodiversity decline. Target 15 of the GBF requires corporations to disclose their risks, impacts, and reliance on natural resources. With increasing investor and stakeholder demands for alignment with the GBF, the Taskforce on Nature-related Financial Disclosure (TNFD) was established in the third quarter of 2023. Its primary goal is to enhance transparency and standardization in biodiversity-related disclosures across industries.

RISKS, IMPACTS, AND OPPORTUNITIES

The Group's biodiversity impacts stem directly from its new and existing greenfield developments and renewable energy projects, and indirectly from its carbon emissions and critical dependencies in its upstream supply chain. Specifically, the processing of metals and resources affects water-related ecosystem services. Understanding these impacts and dependencies is crucial for anticipating physical and transition risks that could significantly affect the business.

While preventive measures are crucial, the Group also recognizes the urgent need to take proactive steps to restore and replenish nature amidst the biodiversity crisis. Our support extends to global initiatives such as the Convention for Biological Diversity, the Nature Needs Half initiative, and innovative efforts by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, along with other international and local endeavors dedicated to protecting our planet's future.

OUR MANAGEMENT APPROACH

Elsewedy Electric acknowledges that its operations are in and near biodiversity-sensitive areas and is committed to ensuring that they are not negatively impacted. To protect and conserve biodiversity and sustain ecosystem services, we aim to promote the sustainable management of living natural resources by aligning conservation needs with development priorities. At Elsewedy Electric, we adopt a precautionary approach to biodiversity management across all our operations, ensuring that conservation efforts are central to our strategy and practices.

This commitment is reinforced through the development and implementation of our Biodiversity Policy, environmental and social due diligence and land acquisition operating procedures, which are integral components of our ESMS. These measures are designed to protect the environments in which we operate. We apply these policies and procedures consistently across our subsidiaries, covering diverse geographical locations and a wide range of operations, including factories, offices, engineering, procurement, construction projects, and infrastructure investments. Our commitment extends beyond operational practices to promoting a culture of environmental and biodiversity awareness in our daily operations and embedding these principles throughout our supply chain.

PLANET & RESOURCES

13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND

Protecting Ecosystems and Biodiversity Conservation

Our 2023 commitment
Develop, adopt and implement a formalized process for identification, assessment, and management of risks and impacts on biodiversity and ecosystem services

Elsewedy Electric has a published group-wide Biodiversity Policy, and in 2023 a formalized Environmental (covering biodiversity) and Social Due Diligence process has been developed as part of the Group ESMS, to be adopted and implemented for all new and existing greenfield developments and renewable energy projects.

2023 Performance	2030 Target
100%	**100%**

[29] https://news.un.org/en/story/2024/05/1150056#:~:text=In%20shedding%20more%20light%20on,the%20natural%20process%20of%20extinctions
[30] https://www.weforum.org/agenda/2024/03/sustainable-resource-consumption-urgent-un/

Elsewedy Electric is committed to conducting its business ethically and effectively, while promoting innovation and collaboration across its operations. When developing the 2020-2023 corporate strategy, the Group's Board of Directors engaged in extensive discussions and briefings to enhance their knowledge of sustainability efforts, assess the Group's impacts, and identify relevant stakeholders.

This process enabled the establishment of a new strategy with sustainability at its core. The Board has entrusted the Group's CEO with the responsibility of overseeing sustainability efforts, including assessing and mitigating risks and ensuring sound operational practices across economic, environmental, and social dimensions. These efforts aim to meet the goals set by the Board and comply with commitments such as the UN Global Compact, and the Group's Sustainability Strategy. ESG data collection across the Group's operations is managed by focal points from each relevant department within the subsidiaries, who report to the Chief Sustainability Officer (CSO). Each department issues periodic reports and updates and provides them to the CSO for review, discussion, and decision-making on relevant matters.

Elsewedy Electric's CEO, CSO and department heads are responsible for ensuring that the Group's sustainability objectives, including those related to biodiversity, are integrated across the entire value chain. Department heads regularly consult with sustainability focal points to ensure alignment with the corporate Sustainability Strategy. Elsewedy Electric's Board of Directors is involved as needed to address disruptive risks and ensure that the Group's sustainability objectives continue to advance.

GROUP POLICY

To achieve Elsewedy Electric Group strategic target of Net-Zero Biodiversity Loss by 2030, the Group adheres to its Biodiversity Policy, aiming for a net positive balance. Following this policy, Elsewedy Electric Group prioritizes and integrates biodiversity conservation into its operations and decision-making processes. This policy emphasizes proactive measures, such as implementing compensatory actions for residual impacts, adhering to the mitigation hierarchy principle, and developing technologies that contribute to biodiversity preservation. Additionally, the Group promotes eco-design practices, setting targets to reduce biodiversity footprints and fostering partnerships with local stakeholders and NGOs to enhance conservation efforts.

Relevant Policies, Procedures, and Certifications

- Group Biodiversity Policy
- Group Environmental Policy
- Elsewedy Electric Land Acquisition Procedures
- ESMS – Environmental OMPs
- ISO 14001

SAFEGUARDING BIODIVERSITY

PROTECT & RESTORE

We commit to protecting and restoring biodiversity by preventing environmental harm and rewilding ecosystems. This includes managing risks during all project phases as part of our EIA.

ECO-DESIGN

Adopting eco-design optimizing resource use and reducing biodiversity pressures by creating products that can be reused, repaired, retrofitted, refurbished, and recycled.

TARGETS

Developing targets to reduce the Group's biodiversity footprint using ecosystem-based management and nature-based solutions, including assessing impacts and implementing projects that protect biodiversity and restore ecosystems.

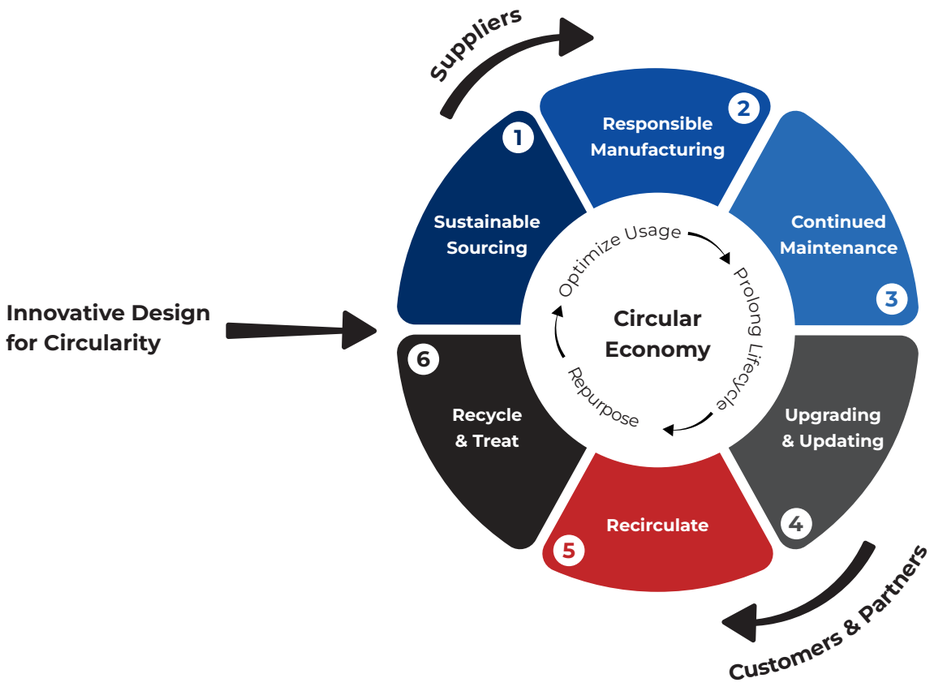
PARTNERSHIPS

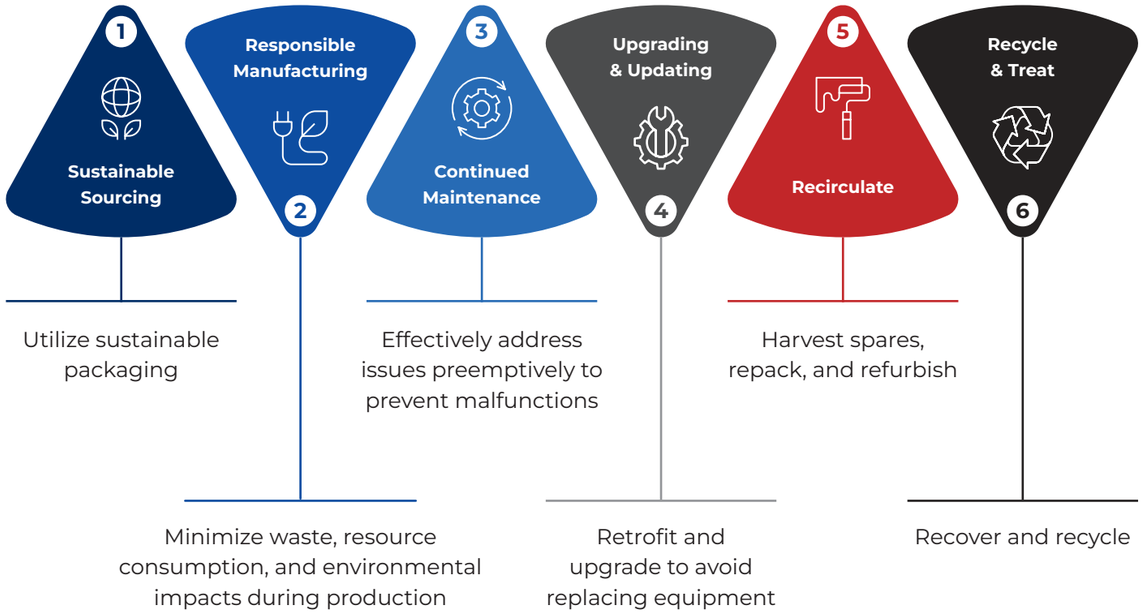
Collaborating with local organizations and NGOs to involve employees in raising awareness about nature protection and develop studies and projects aimed at its preservation.

CIRCULAR ECONOMY AND PRODUCT STEWARDSHIP

CONTEXT

The circular economy is essential for addressing the unsustainable consumption patterns of the traditional linear economy, which depletes finite resources and generates excessive waste. As of 2023, only 7.3% of used materials are cycled back[31] . By designing products for longevity, maximizing resource efficiency, and implementing recycling and reuse strategies, the circular economy helps reduce environmental impact and conserve natural resources. Elsewedy Electric is committed to promoting innovation, driving economic growth, and enhancing business resilience by creating closed-loop supply chains and reducing dependence on scarce materials. Additionally, engaging in the circular economy helps the Group comply with increasingly stringent environmental regulations and meet the growing consumer demand for sustainable practices, ultimately contributing to a more sustainable and resilient economy[32] .





RISKS, IMPACTS, AND OPPORTUNITIES

The circular economy addresses resource scarcity by promoting materials' reuse, recycle and value recovery, thereby reducing reliance on natural resources. At Elsewedy Electric, we focus on optimizing the life cycle impacts of our products, starting from recycled content in our raw materials, redesigning our packaging materials to increase the recycled content and improve the recyclability all the way to the end-of-life options where zero-waste to landfill has become our strategic target. We aim to maximize the use of available materials and close the production loop. By embracing these principles, we reduce the risk of sourcing new raw materials, also resulting in reducing the global warming potential and environmental footprint of our products.

Our circular economy actions will indirectly support biodiversity by reducing resource consumption and minimizing the need for land used in mining natural resources or waste disposal. Embracing the circular economy enhances Elsewedy Electric's environmental impact This enables us to assist other industries in adopting circular practices and achieving a closed-loop supply chain.

[31] https://www.europarl.europa.eu/topics/en/article/20151201STO05603/circular-economy-definition-importance-and-benefits#:~:text=The%20circular%20economy%20is%20a,reducing%20waste%20to%20a%20minimum.
[32] https://www.un.org/sites/un2.un.org/files/circular_economy_14_march.pdf

OUR MANAGEMENT APPROACH

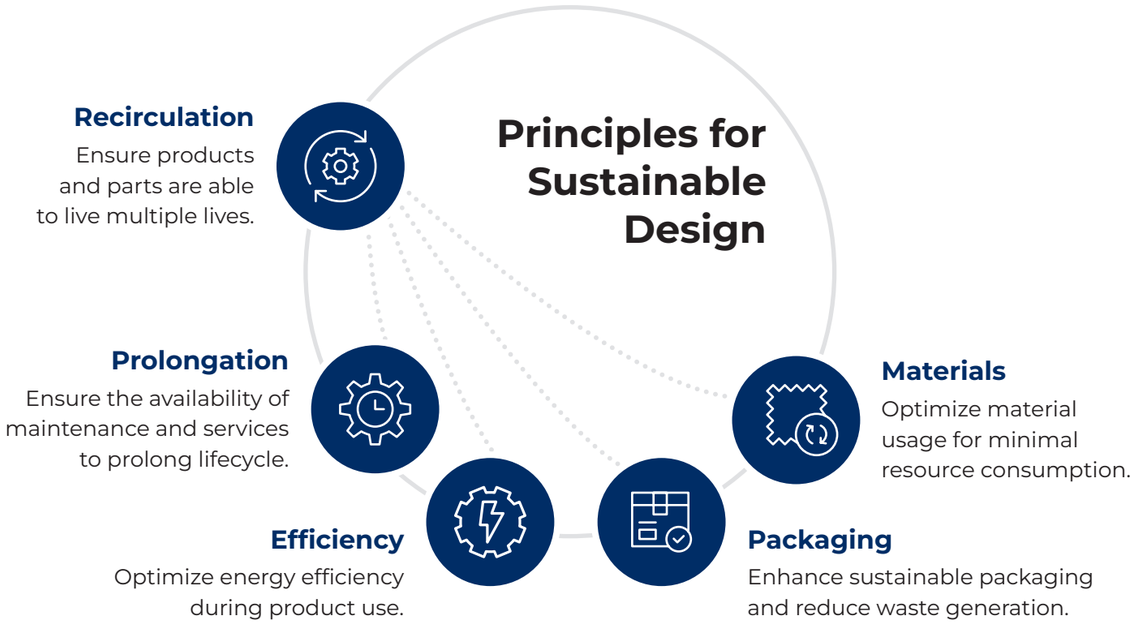
Our philosophy emphasizes maximizing productivity and value while minimizing inputs. In support of a circular economy, Elsewedy Electric is dedicated to supporting nature recover, replenish, and thrive. We envision a future where everything has value, and nothing is wasted.

The implementation of ISO 14001 standards reflects a rigorous process of evaluating waste production and ensuring environmentally safe disposal.

DESIGN WITH CIRCULARITY IN MIND

Elsewedy Electric is committed to sustainable design, focusing on creating products and services that minimize environmental impact throughout their entire lifecycle.

By incorporating these principles, materials extracted from natural resources remain in circulation longer. The designs aim to extend product lifespan through proper maintenance, high energy efficiency, and the use of efficient packaging, while minimizing resource consumption and utilizing durable materials. To mitigate the risk of long-term resource disruptions, Elsewedy Electric plans to adopt sustainable design principles and establish substitution strategies for critical resources. The R&D department will focus on identifying effective ways to minimize raw material consumption and enhance the recirculation of existing materials.



Toward 100% Recycled Wood Cable Drums

In our commitment to sustainable product design, we have made significant efforts to incorporate recycled materials into our products. Elsewedy Cables is actively working on redesigning its cable drums, with the goal of achieving 100% recycled wood content in the drums used in its operations. This initiative serves as a pilot project aimed at reducing our products' environmental footprint and promoting circular economy principles in product design, reflecting our ongoing efforts to integrate sustainability into every aspect of our business.

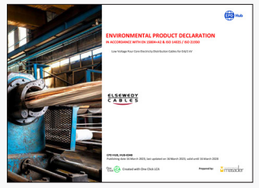
Elsewedy Electric Cables: Advancing Environmental Transparency with EPDs

Driven by our commitment to environmental sustainability, Elsewedy Electric is dedicated to highlighting the environmental performance of its products and services. Environmental Product Declarations (EPDs) are indispensable tools for ensuring transparency and credibility. These standardized and verified documents provide transparent and comparable insights into the environmental performance of products or services, based on comprehensive life cycle assessments (LCAs). EPDs and LCAs are integral for promoting a circular economy by providing detailed data on the environmental impacts of products throughout their lifecycle, enabling more sustainable design, production, and disposal practices.

Elsewedy Electric has already completed the first phase of its EPD initiative in 2023, covering 4 EPDs for 37 cables. Additionally, phase two, which includes 16 EPDs for 290 products, was published in July 2024. Furthermore, Elsewedy Electric plans to publish an additional 50 to 70 EPDs by the end of 2024, covering between 1,400 and 2,100 products. These products include electric cables of low, medium, and high voltage, special cables, automotive cables, prestressed strands, conductors, polymers, and transformers. Currently, the total number of published EPDs on the EPD Hub website is 20.

FOUR EPDs PUBLISHED IN 2023, COVERING 45 CABLE PRODUCTS

Low Voltage Five Core Electricity Distribution Cables for 0.6/1 kV



Low Voltage Four Core Electricity Distribution Cables for 0.6/1 kV

Low Voltage Three Core Electricity Distribution Cables for 0.6/1 kV

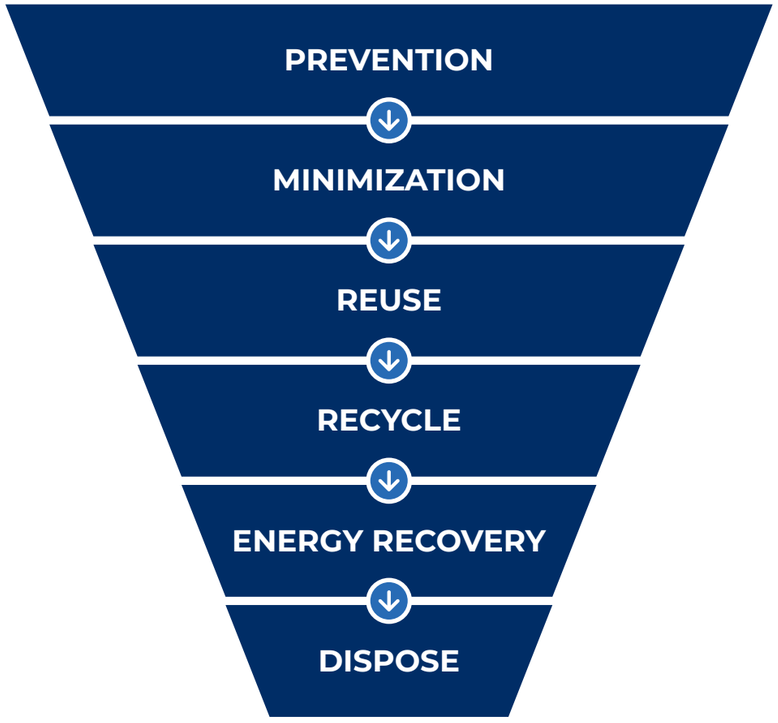
Low Voltage Single & Two Core Electricity Distribution Cable for 0.6/1 kV

WASTE MANAGEMENT

Our commitment to our Environmental Policy and our strategic Zero-waste to landfill target drives us to prioritize effective waste management, minimize waste generation and enhance resource efficiency. We developed, adopted and implemented Waste Management Operational Procedures, where exploring innovative solutions for a circular economy has been its core. We continuously conduct research and development in product packaging, and we established waste management as a priority across all our sites, implementing best practices for waste reduction, recycling and reuse.

We invest in innovation, research, and development to implement processes that minimize waste generation. Comprehensive training programs ensure that our employees are equipped with the knowledge and skills needed to effectively reduce, reuse, and recycle materials. We integrate efficient recycling programs to reduce landfill waste and promote resource efficiency. Our sites are regularly audited a few times annually by independent accredited bodies, which validate our efforts to divert waste from landfills and adhere to stringent environmental standards.

HIERARCHY OF WASTE DISPOSAL OPTIONS



WASTE GENERATION

In 2023, our commitment to environmental responsibility remained strong as we continued to expand our production facilities. We have further enhanced the monitoring and documentation of different waste streams. The quantities of industrial non-hazardous waste generated by the 24 production facilities totaled 11,715 tons.

Looking ahead to 2030, our goal is to eliminate landfill waste at all our sites. In 2023, our waste recycling rate reached 95%, demonstrating our commitment to reducing waste and promoting recycling practices. As we advance toward our environmental targets, we will continue to explore innovative strategies and collaborate with stakeholders to drive sustainable waste management practices and minimize our environmental impact.

11,715 Tons
of industrial non-hazardous waste generated in 2023
(across 24 facilities)

95% Diversion Rate
percentage of industrial non-hazardous waste recycled or reused in 2023
(across 24 facilities)

PLANET & RESOURCES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND

Circular commitment

Our 2030 Commitment
Achieve and maintain a Virtual Zero Waste to Landfill across all manufacturing facilities and 75% diversion from landfill across all construction sites annually

A zero-waste-to-landfill management system has been developed, adopted and implemented in several factories and shall be expanded across all factories in upcoming years. In 2023, Elsewedy Electric's 24 reporting factories successfully achieved a 95% diversion rate for non-hazardous waste.

2023 Performance	2030 Target
95% - Factories	100% diversion rate
0% - Construction Sites	

Repurposing Waste across our Manufacturing Facilities

As part of the Company's commitment to environmental responsibility, Iskraemeco Egypt and Elsewedy Cables have implemented innovative waste recycling initiatives that transform manufacturing byproducts into valuable resources. This included the repurposing of scrap wood, empty barrels, and empty containers into functional furniture, and other essential items; thereby, minimizing the environmental impact and promoting resource efficiency.

HAZARDOUS WASTE

Elsewedy Electric prioritizes the proper treatment and recycling of used oil through accredited service providers. Hazardous waste, including both industrial and medical waste, is disposed of in authorized landfills. As part of our commitment to environmental stewardship, we actively explore opportunities for reusing e-waste as spare parts whenever feasible. When reuse is not possible, a dedicated team dismantles the e-waste and either sells it to other businesses or forwards it to authorized entities for further reuse.

To ensure effective waste management across all our workplace locations, we have established comprehensive systems for monitoring and tracking both hazardous and non-hazardous waste quantities. These monitoring systems enable us to accurately track the disposal and management of waste, ensuring compliance with relevant regulations and minimizing our environmental impact.

1,543 tons

of hazardous waste generated in 2023 (across 24 facilities)

ENVIRONMENTALLY **RESPONSIBLE SOURCING**

CONTEXT

With depleting natural resources and stringent quality standards upheld at Elsewedy Electric, the Group is focused on developing an ethical supply chain and a responsible sourcing process. The use of raw materials, from extraction to delivery, involves significant greenhouse gas emissions and a considerable environmental footprint. Copper, steel, and aluminum are essential resources for Elsewedy Electric Group, making the sustainability of their sources and suppliers crucial for continued operations. As the shift to electric solutions accelerates, the demand for raw materials such as copper grows exponentially. Copper is central to the energy transition, serving as a fundamental component in electric vehicle charging stations and large-scale energy storage solutions, and will be essential for future energy systems[33].

RISKS, IMPACTS, AND OPPORTUNITIES

Shifting economic trends, global overuse, and limited access can lead to natural resource shortages, affecting the Group's operations and value chain. These shortages are a result of increased demand and irresponsible sourcing, which can cause business interruptions, increased costs in both the short- and long-term, and major disruptions to raw material extraction ecosystems. Copper mining often leads to substantial greenhouse gas emissions due to its energy-intensive nature. Additionally, it can contribute to environmental impacts such as biodiversity loss and pollution[34].

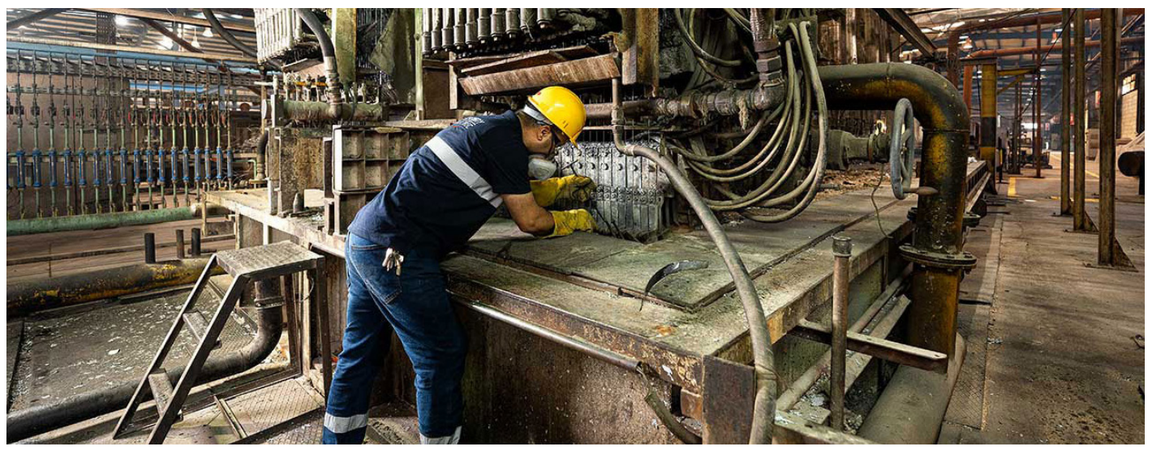
[33] https://www.ief.org/news/how-copper-shortages-threaten-the-energy-transition
[34] https://www.unep.org/topics/energy/renewable-energy/critical-minerals

OUR MANAGEMENT APPROACH

Elsewedy Electric evaluates and assesses suppliers for their environmental management practices and the potential environmental impact of their internal operations, ensuring alignment with our sustainability goals. We establish a foundation for sustainable sourcing by embedding responsible environmental management into our third-party code of conduct. We expect third parties to implement measures and controls to avoid, mitigate, and reduce their negative environmental impact while conserving natural resources. Key aspects we monitor include:

- Air Emissions and Ambient Air Quality
- Hazardous Materials
- Waste and Noise
- Land Contamination
- Biodiversity
- Energy Conservation
- Wastewater and Ambient Water Quality
- Water Conservation

As part of Elsewedy Electric's Climate Policy, the Group aims to support suppliers in responsible environmental management. We focus on consulting, raising awareness, and building capacity to enhance decision-making skills and provide the necessary tools for achieving net-zero carbon emissions and climate resilience. We emphasize adherence to selection criteria and minimum standards, with ongoing assessments of suppliers and partners to ensure a net-zero and climate-resilient supply and value chain.



SOURCING SAFE MATERIALS

Frameworks such as the Restriction of Hazardous Substances (RoHS), and Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), support Elsewedy Electric to ensure the materials sourced are sustainable and have minimal impacts on the environment. Currently, Elsewedy Electric Cables and Iskraemeco utilize raw materials that are REACH and RoHS regulated.

These frameworks are crucial for promoting sustainable sourcing practices in manufacturing. RoHS limits the use of harmful chemicals in electronics, reducing their environmental impact during production and disposal. REACH, on the other hand, ensures chemical safety by requiring manufacturers and importers to conduct rigorous risk assessments and provide detailed safety information. Both frameworks promote innovation by encouraging the replacement of hazardous chemicals with safer alternatives, thereby enhancing environmental and health protection across the lifecycle of chemical substances. These measures collectively contribute to a more sustainable and responsible approach to sourcing and manufacturing in the electronics industry. This conserves natural resources and supports the development of a circular economy by promoting the reuse and recycling of products, further minimizing environmental impact.

Iskraemeco Slovenia: A Fair Meter Project Partner

Iskraemeco is one of the partners in the Fair Meter project and is committed to only using non-conflict materials in production. The company upholds strict supply chain monitoring standards, ensuring all components comply with RoHS and REACH regulations. Iskraemeco adheres to FLA Compliance and ILO Standards and enforces EU regulations on minerals from conflict zones. Special emphasis is placed on tracing component origins where possible to ensure a transparent supply chain. Iskraemeco utilizes open sources for effective supply chain monitoring.

SUSTAINABLE **MANUFACTURING**

CONTEXT

Given that the global manufacturing sector accounts for 20% of carbon emissions and consumes 54% of the world's energy resources, it is imperative for manufacturing processes to adopt fewer intensive processes[35]. Elsewedy Electric operates with established manufacturing processes but is committed to evolving these methods to enhance sustainability and reduce its environmental footprint. The Group focuses on decreasing energy and water consumption by improving operational efficiency and integrating sustainable design principles into production. This commitment reflects Elsewedy Electric's broader goal of developing environmental considerations and creating responsibly manufactured products while maintaining high production standards, with a strong emphasis on resource conservation and environmental impact mitigation.

RISKS, IMPACTS, AND OPPORTUNITIES

Elsewedy Electric faces several environmental risks in its manufacturing processes, including potential contamination of soil, soil gas, surface water, groundwater, and air. The release of hazardous materials can harm human health and the environment, disrupt operations, and damage the Group's reputation. Given that Elsewedy Electric's factories and distribution centers operate in numerous countries, they must comply with various national environmental regulations. Compliance risks stem from potential mismanagement of hazardous substances, including their use, handling, storage, disposal, and emissions, as well as not adhering to GHG regulations.

The Group adopts a proactive strategy to manage environmental risks and ensure compliance across its sites and properties. This approach helps maintain operational continuity, mitigates reputational and legal risks, and prevents financial losses. Furthermore, enhancing resource and energy efficiency not only results in financial savings but also reduces the Group's vulnerability to fluctuations in commodity prices and supply shortages. With the growing trend of electrification intensifying competition for certain raw materials, Elsewedy Electric faces supply risks.

OUR MANAGEMENT APPROACH

The Group's philosophy is centered on increasing efficiency with minimal environmental impact and costs. This is best achieved through compliance with both national environmental regulations and international standards, such as the ISO 14001 (environmental management systems) and ISO 50001 (energy management systems). This adherence establishes a foundation for future improvements in environmental performance.

Following our ISO 14001 certification , Elsewedy Electric was keen on achieving ISO 50001 certification in order to work on both pollution control, environmental management and resource efficiency. Establishing a baseline for energy and water consumption and setting reduction targets are essential metrics for our decarbonization plan, and climate risk management (Please refer to Chapter 4 for a breakdown of our carbon footprint and decarbonization efforts). By systematically implementing ISO 50001 across its facilities, the Group's control grew stronger over its energy consumption and associated operational costs. This has involved a monitoring program covering all our facilities and a energy efficiency action plan updated yearly. Compliance with ISO 50001 reflects Elsewedy Electric's commitment to meeting international energy management benchmarks, increasing its credibility and trustworthiness among stakeholders. By adhering to these stringent standards, Elsewedy Electric promotes a culture of sustainability within the organization and aligns with global efforts to mitigate environmental impacts and achieve long-term operational excellence.

> For more information about our ISO certifications, please refer to the Annex.

TECHNOLOGY & INNOVATION

Digitalization with Purpose

Our 2023 Commitment
100% coverage by remote energy monitoring systems

Elsewedy Electric is currently exploring a range of remote monitoring systems, including advanced real-time solutions, to determine the most effective option for adoption. This analysis aims to enhance our ability to monitor operations efficiently, ensuring optimal performance and timely responses across our facilities.

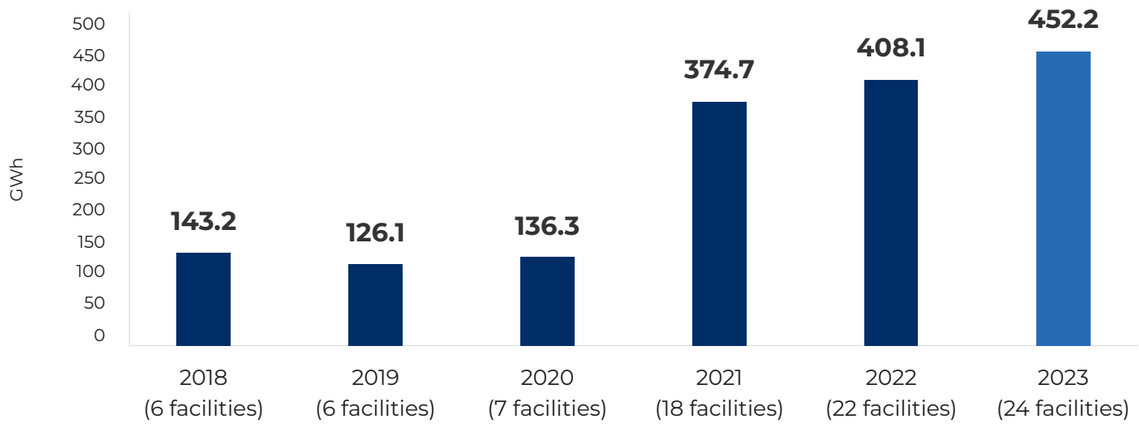
2023 Performance	2030 Target
30%	**100% Coverage**

[35] https://www.weforum.org/impact/carbon-footprint-manufacturing-industry/

ENERGY MANAGEMENT

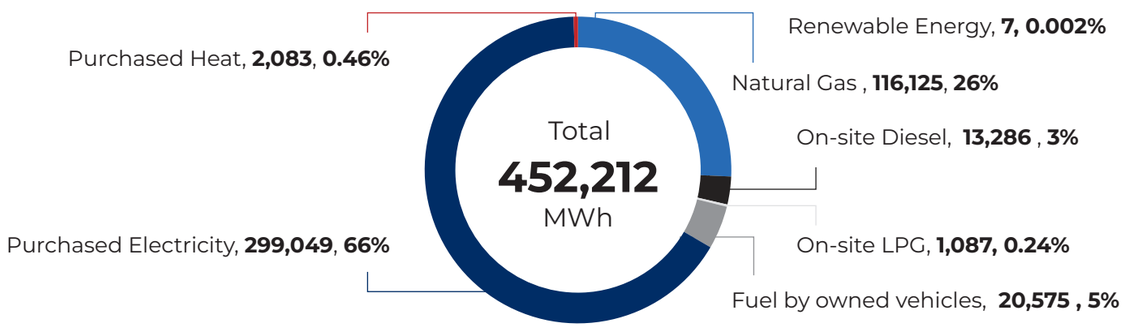
The total energy consumption across the years 2018 - 2023 is represented in the chart below, considering the yearly expansion in reporting boundaries. Six factories were covered in 2018 and 2019, 7 in 2020, 18 in 2021, 22 in 2022, and a total of 24 factories in 2023 (3 additional factories were accounted for compared to previous year). The total energy consumption includes diesel, natural gas, LPG, purchased electricity and purchased heat, and the fuel used by the company's owned vehicles (petrol and diesel).

TOTAL ENERGY CONSUMPTION OVER THE YEARS (GWh)
CONSIDERING THE YEARLY EXPANSION IN REPORTING BOUNDARIES



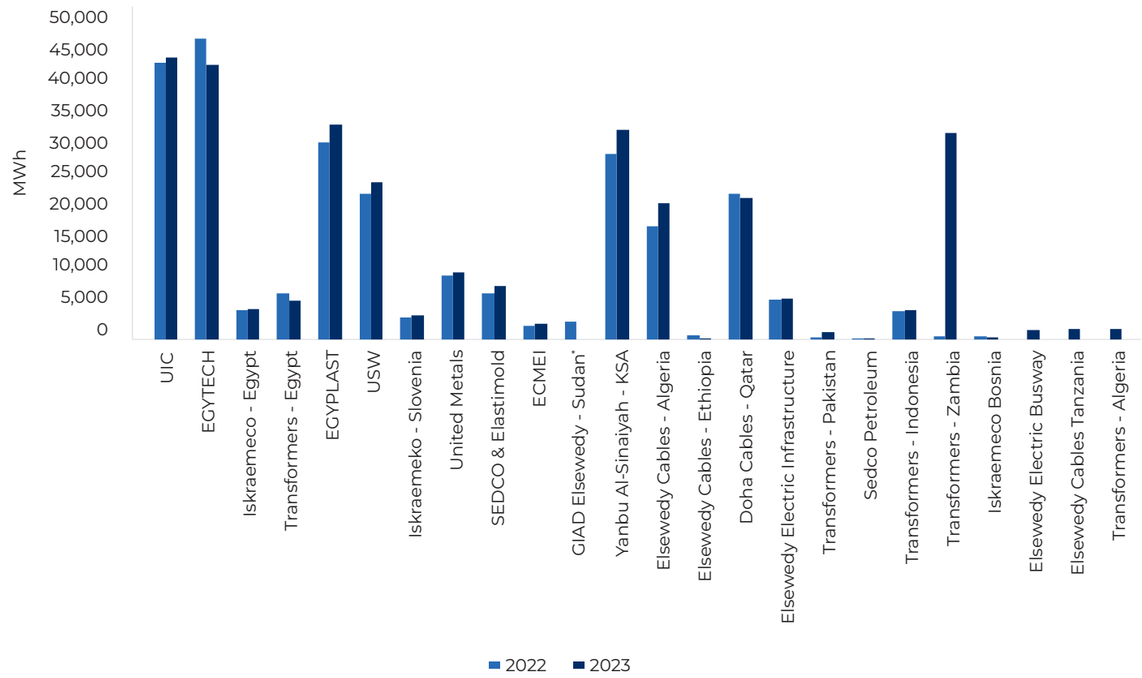
Purchased electricity and heat consumption is the largest contributor to energy usage at 66%, followed by natural gas burning at 26%. Petrol and diesel consumption in owned vehicles account for 5%, while diesel in generators and equipment, and LPG contribute 3% and 0.2%, respectively.

2023 TOTAL ENERGY CONSUMPTION WITHIN THE ORGANIZATION BY SOURCE (MWh)
24 FACILITIES



The chart below displays the electricity consumption for each facility in 2022 and 2023, enabling an assessment of each factory's performance.

2023 ELECTRICITY CONSUMPTION PER FACILITY (MWh)



*GIAD Elsewedy manufacturing facility in Sudan, was not operational in 2023 due to the ongoing conflict.

For the 24 facilities reported in 2023, energy consumption amounted to 452,212 MWh. This figure is not directly comparable to the 2021 data due to the expansion of organizational boundaries.

Meanwhile, the 18 facilities reported in 2021 experienced an 8% increase in energy consumption from 2021 to 2023 (407.7 GWh in 2023 and 374.7 MWh in 2021), attributed to the increased production capacity in the wires and cables sector.

WATER MANAGEMENT

Water is a crucial resource for human prosperity, and the water cycle plays a critical role in sustaining life on Earth. However, increasing water scarcity, stress, and pollution pose significant threats to ecosystems and quality of life, especially in Egypt, demanding urgent action. Adopting a responsible approach to water management is essential for Elsewedy Electric to enhance resilience and competitiveness. Recognizing that the cost of inaction far exceeds proactive measures, this strategy addresses regional water challenges while strengthening the Group's commitment to sustainability. Elsewedy Electric acknowledges its responsibility and capacity to support vital water initiatives both in Egypt and globally.

Although Elsewedy Electric's direct operations are not water-intensive and mainly involve manual and automated assembly processes, the Group acknowledges its responsibility to regularly assess water consumption and wastewater discharge. Water remains essential for operations across facilities, making effective water management a priority, particularly at sites in water-stressed areas. The Group's Water Policy, applicable to all its subsidiaries, serves as a guiding framework for water management. Additionally, Elsewedy Electric has developed an environmental and social management system that incorporates, monitors, and continuously improves water and wastewater management practices.

CDP
DISCLOSURE INSIGHT ACTION

CDP WATER SECURITY
Scoring C in 2023

PLANET & RESOURCES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
14 LIFE BELOW WATER

Resource Efficiency and Renewable Resources

Our 2030 commitment
Reduce water withdrawals intensity by 40% and maintain the achieved target**

Comparing the water intensity of the 21 facilities that were reported in 2022, there was a 44% reduction between 2022 and 2023, with water intensity decreasing from 0.377 m^3 per thousand USD in 2022 to 0.210 m^3 per thousand USD in 2023.

2023 Performance	2030 Target
44% (Manufacturing facilities)	**40%**

WATER WITHDRAWAL

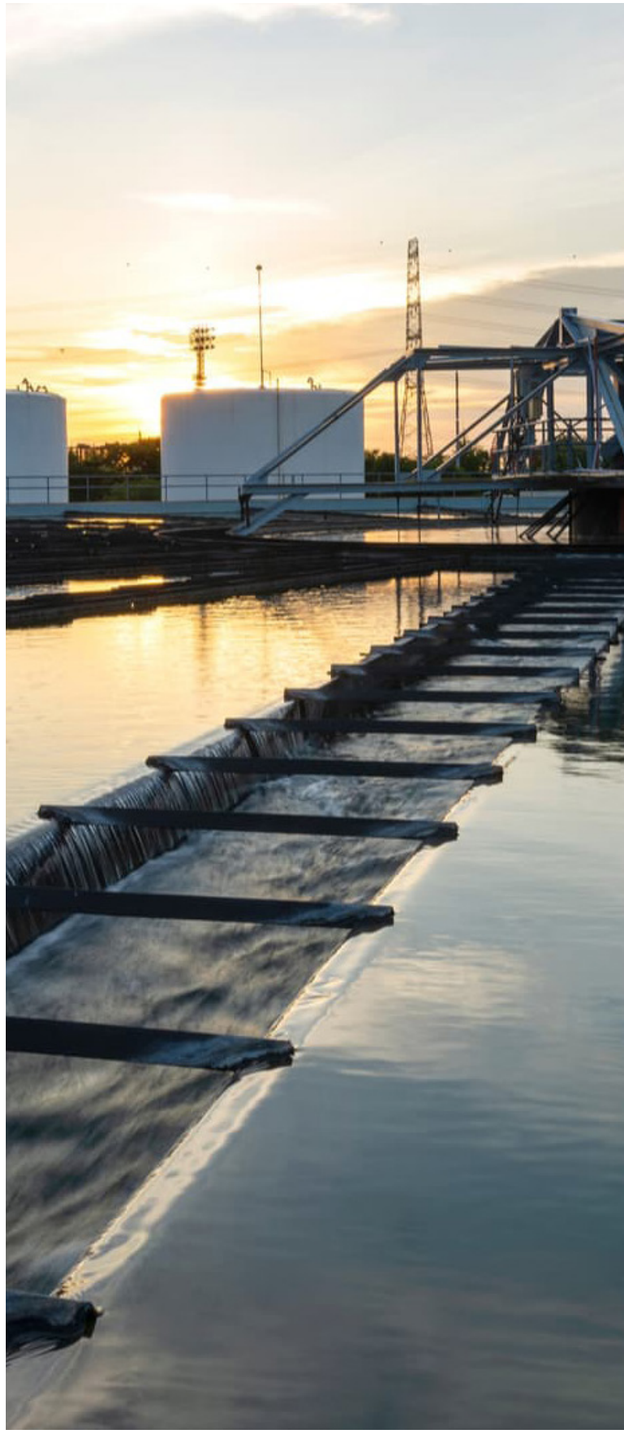
Elsewedy Electric dedicated Water Policy, applicable across all subsidiaries, reinforces the importance of responsible water stewardship. This policy was recently updated to include plans to conduct comprehensive water-related risk assessments in the coming years. This assessment will identify specific areas within our operations that require action to address and mitigate water risks. Some of the initiatives we are exploring include alternative water sources, wastewater treatment plants for water reuse, and enhancing water efficiency.

Elsewedy Electric is committed to transparency and regularly reports its water performance on the CDP platform. In the 2023 cycle, the Group scored a **C** rating in its water security questionnaire. The Group will continue to disclose its water performance in 2024 to track its progress and identify areas for improvement. Through its management approach and commitment to sustainability, Elsewedy Electric aims to contribute to the preservation of water resources and promote responsible water use across its operations and beyond.

932.4 megaliters

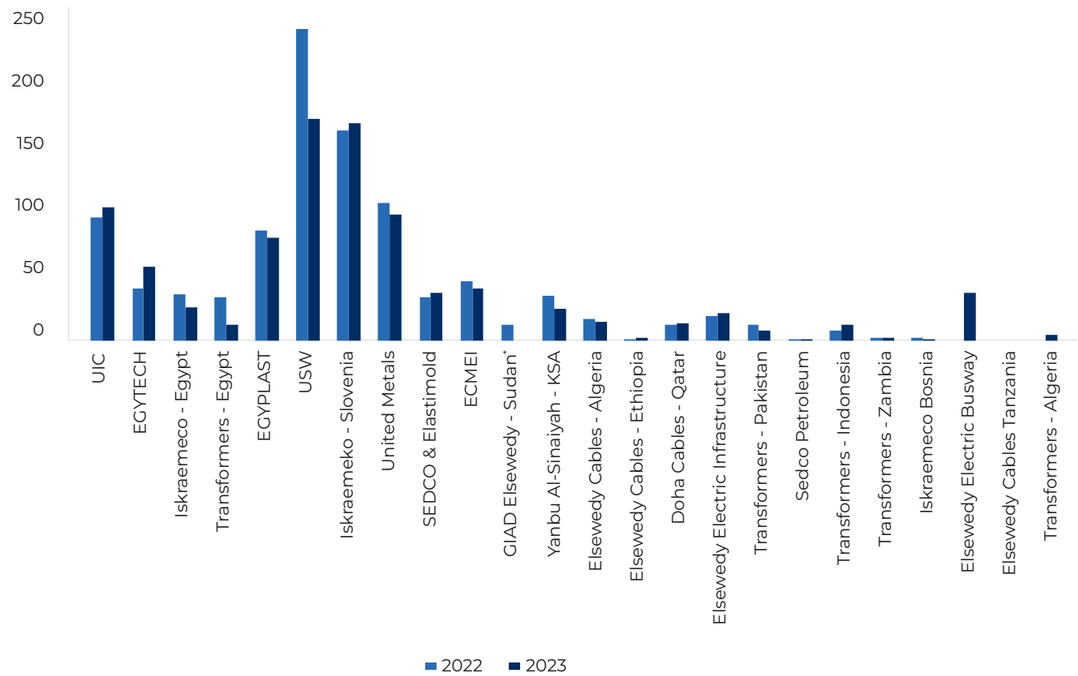
6.5% decrease in total water withdrawals compared to 2022

total water withdrawals in 2023 across 24 factories[36]



[36]GIAD Elsewedy - Sudan, is not included in the 2023 assessment because it was not operational during 2023 due to war circumstances.

2023 WATER WITHDRAWALS PER FACILITY (X1,000 m³)



For the 24 facilities reported in 2023, water consumption amounted to 932.4 megaliters, reflecting a 6.5% decrease compared to 2022. This figure cannot be directly compared to 2021 due to the expansion of organizational boundaries. However, after adjusting the data to include only the 18 facilities reported in 2021, water consumption decreased by 1.7% from 2021 to 2023.

Additionally, as part of Elsewedy Electric's water action commitment, the Group has a dedicated business line for water and wastewater treatment solutions. The Group offers innovative solutions to help clients reduce their water footprint and improve their water management practices.

> For further information,
> please refer to Elsewedy Electric CDP 2023 Water Security Response[37].

WASTEWATER DISCHARGE

Elsewedy Electric is committed to responsibly managing wastewater discharge and continuously improving water treatment processes. In cases where wastewater treatment is necessary, on-site treatment is utilized to reduce pollutants and ensure compliance with regulatory standards.

As of 2023, Elsewedy Electric does not utilize brackish or recycled water, however; the Group is diligently working on implementing wastewater treatment systems at multiple production facilities in Egypt. This includes introducing new wastewater processing technologies to treat wastewater to a high standard, making it suitable for reuse in industrial processes and landscape irrigation. By reusing and recycling wastewater, we can reduce our overall water consumption and minimize our environmental footprint. In 2023, we carried out feasibility studies across our subsidiaries to assess the economic viability of increasing our wastewater treatment capacity, aligning with our 2030 target to minimize wastewater discharge from factories and reduce our environmental footprint.

[37]At the time of publishing this report, only CDP's 2023 responses were publicly available. Elsewedy Electric will respond to the 2024 Water Security questionnaire and disclose its 2023 performance. However, the disclosure for the 2024 cycle will only be made public by the end of 2024.

06

OUR PEOPLE, OUR GREATEST **ASSETS**

Prioritizing Occupational Health and Safety	174
Diversity, Equity, and Holistic Well-being	186
Talent Attraction and Development	196
Compensation and Benefits	201

At Elsewedy Electric, we recognize that our people are our greatest assets. Their talent, dedication, and innovation drive our success and propel our sustainability initiatives forward. We are committed to fostering a supportive and inclusive work environment that nurtures growth, values diversity, and promotes well-being. By investing in our employees' development and well-being, we ensure a motivated and capable workforce that can meet the challenges of today and tomorrow, helping us achieve our sustainability goals and create lasting value for our stakeholders.

2023 KEY HIGHLIGHTS

19,139
total number of employees

+40,000
total training hours

8%
women representation across the workforce

72%
employee satisfaction rate with the work environment

48%
women representation in Iskraemeco Slovenia

3.9/5
Elsewedy Electric's score on Glassdoor

OUR PROGRESS

Pillar	Commitment	Key Targets	Baseline	2023 Performance	Target Year
PEOPLE AND SOCIETY	Occupational Health and Safety	All employees assessed on a comprehensive well-being metric	-	100%	100% by 2023
		Maintain zero fatalities, major injuries, and severe accidents annually	-	26 incidents	Zero Annually
		Revise and update labor management policies and procedures according to international standards and GIIP	-	100%	100% by 2023
		Zero accidents related to hazardous materials safety	-	100%	Zero Annually
	Employee Development	Achieve and maintain Top Employer Certification	-	NA	Annual
		Assess KPIs related to productivity optimization to eliminate unnecessary workload, processes, or reports	2020: 0%	100%	100% by 2023
		Maintain workplace satisfaction levels above 85%	-	72%	>=85% Annually
	Diversity and Inclusion	Comprehensive diversity and inclusion annual assessment	-	30%	100% by 2025
		30% women within the workforce	2020: 7%	8%	30% by 2030
		20-25% women within the board and management	2020: 9%	10%	20-25% by 2030

PRIORITIZING OCCUPATIONAL **HEALTH AND SAFETY**

CONTEXT

The industry in which Elsewedy Electric operates is rapidly evolving, driven by factors such as digitization, new technologies, data connectivity, and ESG, all of which provide opportunities to positively impact health and safety. At Elsewedy Electric, health and safety are uncompromisable values.

As a key element of corporate social responsibility, ensuring a safe workplace for employees, customers, and contractors is fundamental. It is also crucial that the contractors comply with Elsewedy Electric's health and safety program and standards.

Elsewedy Electric strives to provide a safe and healthy environment for all its direct employees, contractors and primary suppliers, enabling them to perform at their best, positively influence customer safety, and return home safely. The goal is to enhance safety maturity by engaging employees through our safety culture program and activities.

RISKS, IMPACTS, AND OPPORTUNITIES

Effective occupational health and safety (OHS) management is crucial for Elsewedy Electric, as poor OHS performance can significantly impact labor costs due to reduced productivity, harm the company's reputation, lower staff morale, and lead to increased operating costs through fines and legal liabilities. To mitigate these risks, all Elsewedy Electric sites are ISO 45001 certified, ensuring a robust OHS management system is in place. The company conducts regular internal and third-party audits throughout the year, following a structured internal audit program. Any identified gaps or non-conformities are promptly addressed to maintain high safety standards and minimize risks.

OUR MANAGEMENT APPROACH

The Health, Safety, and Environment (HSE) department at Elsewedy Electric oversees all health and safety measures across the company. This department is locally integrated within each business unit and regional operation, reporting directly to the respective business managers.

HSE Officers are responsible for coordinating the efforts of HSE experts across various operational areas. Their primary role is to advise managers and teams, with a shift in focus from merely monitoring compliance with rules to actively supporting employees in safely navigating dynamically changing requirements.

Health and safety committees are regularly convened at both the local and national levels, where management and employee representatives collaborate to coordinate specific measures and initiatives that ensure a healthy and safe working environment.

In alignment with our Business Code of Conduct and Group HSE Policy, Elsewedy Electric has established internal monitoring systems and a comprehensive company-wide risk management and control process. Our actions are grounded in Elsewedy Electric's HSE principles, which underpin our Group HSE policy and mandate that all operating units maintain a management system certifiable to ISO 45001.

PEOPLE & SOCIETY

3 GOOD HEALTH AND WELL-BEING

Occupational Health and Safety

Our 2023 Commitment

Revise and update labor management policies and procedures according to international standards and GIIP

In 2023, we successfully revised and updated all labor management policies and procedures in alignment with international standards and Good International Industry Practices (GIIP) as part of the Group's Environmental and Social Management System (ESMS).

2023 Performance

100%

The effectiveness of these management systems is reviewed annually through internal audits, which assess compliance with internal and external regulations, ensure that risk assessments and emergency management processes are properly implemented, and verify that significant risks and opportunities are identified and addressed through measurable goals and actions. Additionally, the management system undergoes external certification in accordance with market requirements relevant to each operating unit.

Elsewedy Electric's suppliers are required to adhere to the company's Third-Party Code of Conduct, which includes a commitment to upholding health and safety standards and taking responsibility for the well-being of their employees.

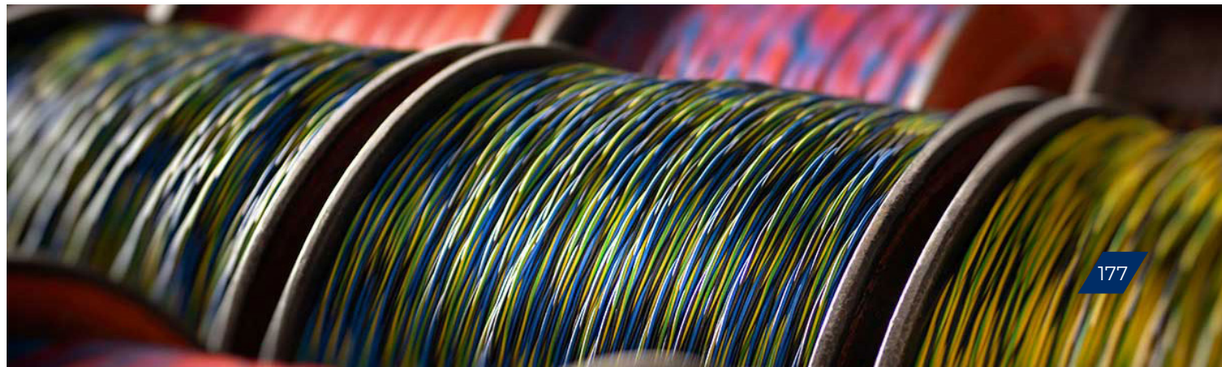
Relevant Policies, Procedures, and Certifications

- Group Occupational Health and Safety (OHS) Policy
- Group OHS Procedures
- ISO 45001

HEALTH AND SAFETY GOVERNANCE AND MANAGEMENT

Elsewedy Electric upholds a robust framework for Health and Safety governance to ensure the effective deployment of our Health and Safety strategy. Each quarter, the HSE manager prepares a detailed report that is presented to the Group's Executive leadership. This report provides an overview of our Health and Safety performance relative to established targets and includes updates on program deployment. Additionally, our Group Health and Safety team conducts monthly meetings with subsidiaries' HSE directors to review performance metrics and program implementation, ensuring continuous oversight and strategic alignment.

Our commitment to investing in our people and workplace is reflected in our Group Health and Safety Policy, which is reviewed annually and aligned with ISO 45001 standards. At Elsewedy Electric, we emphasize the critical role of every employee in identifying and mitigating hazards. This proactive approach is integral to maintaining safety not only at our sites and customer locations but also during travel.



CONTRACTORS, SUBCONTRACTORS, AND VISITORS' SAFETY

At Elsewedy Electric, the safety of contractors, subcontractors, and visitors is a critical aspect of our overall health and safety strategy. We require all individuals entering our worksites to adhere strictly to Elsewedy Electric's safety and health protocols. To ensure this, we conduct induction sessions led by our specialized Health and Safety team, where participants are informed of workplace hazards, safety procedures, and provided with a copy of our Health and Safety Policy.

For contractors, a rigorous preliminary process is mandatory before they commence work at any of our facilities. This process includes the completion of a work permit that covers all potential hazards, risks, and the necessary controls. We prioritize subcontractor safety through monthly meetings HSE officers, regular evaluations, daily Permit to Work (PTW) processes, and frequent Toolbox Talks (TBT). Additionally, daily and monthly inspections are conducted to ensure that subcontractor activities comply with our safety standards.

We have also introduced a Subcontractor Worker ID System, issuing identification cards with detailed safety instructions and tracking the date of their last safety lecture. For visitors, we have updated visitor cards to include safety instructions in both Arabic and English, along with emergency contact numbers, ensuring that everyone on-site is informed and prepared to maintain a safe environment.

OCCUPATIONAL HEALTH SERVICES AND PROGRAMS

Elsewedy Electric is committed to providing comprehensive occupational health services through a range of well-established measures. We partner with a licensed service provider to ensure that 100% of our employees receive essential health services. Our worksites are outfitted with personal protective equipment (PPE) and first-aid kits, and our manufacturing facilities are supported by 24/7 clinics that offer continuous medical care.

Periodic medical examinations are conducted for all employees and workers to monitor health and address any concerns promptly. To enhance safety, we have installed multiple eyewash stations across our manufacturing facilities and project sites. Additionally, we have established an on-site pharmacy to provide immediate medical support to employees, workers, and contractors.

TRAINING ON HEALTH AND SAFETY

Elsewedy Electric is committed to fostering a safe and healthy workplace through comprehensive health and safety (H&S) training programs that are integral to our operations. These programs include periodic seminars for production workers, introductory sessions for new hires, first aid refresher courses, and specialized training for working at heights. Additionally, production managers receive training to maintain safety within their teams, and ongoing lectures and regular TBTs address specific H&S topics as needed. Key areas covered in our training include the proper use of personal protective equipment, first aid, fire safety, emergency preparedness, and precautions for working at heights and handling chemicals. These efforts ensure that all employees are equipped with the knowledge and skills necessary to uphold a proactive safety culture, ultimately contributing to a safer work environment. In addition, specialized TBT sessions were provided to drivers of rental cars transporting workers, as part of our transportation safety policy.

In 2023, Elsewedy Electric dedicated 73,397 hours to HSE training, involving 77,752 participants, including employees, contractors, and subcontractors, covering various topics as per the need and requirements of the different businesses.

Workers undergo weekly training as per a structured monthly plan, with a focus on HSE procedures for supervisors and engineers. Employees receive pre-work updates on environmental risks and have been trained on emergency actions and evacuation plans for the administrative building. Due to production pressures, ongoing awareness sessions are held, and daily hazard-specific training is provided for each group of workers.

73,397
training hours delivered across manufacturing facilities and EPC projects on H&S topics

77,752
trainees and participants

OCCUPATIONAL HEALTH AND SAFETY CULTURE

At Elsewedy Electric, fostering a strong health and safety culture is a top priority, integral to our commitment to protecting our people. We believe that safety is a shared responsibility, and we actively promote a culture where every employee is engaged in identifying and mitigating risks. To reinforce this, we have established dedicated initiatives such as the "Safety Corner," a designated space within the workplace that serves as a hub for safety information, training, and awareness activities. This initiative encourages continuous learning and open dialogue on safety practices, helping to embed a proactive safety mindset throughout the organization. By cultivating this culture, we aim to ensure that safety becomes second nature to all employees, driving our efforts to achieve zero harm across all operations.

Enhancing Workplace Safety Culture "Your Safety is Our Concern"

The "Your Safety is Our Concern" project is a key initiative aimed at strengthening the safety culture within Elsewedy Electric by focusing on employee behaviors at all levels. This program emphasizes identifying and correcting unsafe practices, while also providing targeted awareness and training to foster a safer work environment. As part of its achievements, the program successfully trained 90% of supervisors, and 40% of engineers, department heads, and managers, significantly improving their understanding and implementation of safety protocols. This initiative underscores our commitment to elevating safety, occupational health, and environmental awareness across the organization.

90%
of supervisors received the training

40%
of engineers, department heads, and managers improved their understanding and implementation

ENHANCING WORKPLACE SAFETY: KEY PROJECTS AND ACTIONS

At Elsewedy Electric, our people are the driving force behind our success, and their safety and well-being are integral to the prosperity of our business. We are committed to achieving zero accidents across all our facilities and locations worldwide. To realize this goal, we are continuously advancing and refining our management and monitoring systems, setting clear targets at both the Group and subsidiary levels. This approach includes the proactive identification and elimination of potential hazards at our worksites through the implementation of technical engineering solutions wherever possible.

During 2023, several projects and actions have been undertaken across our various facilities and project sites as part of advancing the occupational safety of our people. To enhance workplace safety, we implemented a range of initiatives, including the manufacturing of pipe protectors to prevent accidents and the installation of stands for collecting pipe remnants. Waste management saw significant improvements with the introduction of solid waste bins designed for easy forklift handling and the preparation of a dedicated hazardous waste warehouse. Eyewash stations were strategically placed throughout our plants, and Material Safety Data Sheets (MSDS) were translated into Arabic and distributed to mitigate the risks associated with hazardous materials. Forklift safety was bolstered through monthly calibration checks and driver training, with comprehensive records maintained to ensure ongoing compliance. In addition, drug testing was introduced for drivers, leading to the dismissal of those who tested positive, and guardrails and overhead cranes were installed for the Electric Resistance Welding (ERW) machine to further reduce risks.

Further safety enhancements included the installation of new wheels for the Man lift in the power section, updating electrical plugs, and applying color codes on tools and equipment for better identification. Additional measures to prevent accidents involved the installation of welding barriers, mirrors on electrical panels, and various maintenance and safety improvements across workshops. Significant advancements were also made in controlling high-risk areas, such as the hydrotest area, electrical safety, and safe lifting processes. Safety barriers were installed in front of electrical panels to prevent damage, with monthly inspections and emergency contact numbers clearly posted for quick reference. A telescopic mobile crane was employed to enhance safe lifting during the shipping process, and a lifeline was installed above the roof for secure skylight cleaning, with a drop test conducted to ensure its reliability. Finally, enhancements were made to control workshop hazards, including floor color coding and heavy equipment management. A Lockout/Tagout (LOTO) system was implemented across all worksites, with training provided to the maintenance team to ensure proper usage and to improve overall safety measures.

EMERGENCY DRILLS AND FIREFIGHTING

In 2023, we made significant advancements in our emergency preparedness and firefighting capabilities. New pump sets were installed to enhance our firefighting system, alongside fire extinguishers strategically placed at all electrical panels and throughout the factories and worksites as needed. To ensure ongoing readiness, all fire systems were equipped with a weight scale for regular checks, and monthly inspections were conducted by a third party. In addition, fire drills are held during the year, allowing us to test our emergency response procedures and develop action plans to address any identified deficiencies, further strengthening our commitment to workplace safety.

HEALTH AND SAFETY PERFORMANCE INDICATORS

In 2023, Elsewedy Electric demonstrated a strong commitment to ensuring the safety and well-being of our workforce, yet we recognize the need for continuous improvement in our Health and Safety performance. Despite our extensive safety protocols and initiatives, we recorded two work-related fatalities with comprehensive corrective actions at its subsidiaries. At UMC, a fatal accident occurred when a production supervisor entered an unauthorized area to cut strapping, resulting in a heavy load falling and causing his death. In response, the company has strengthened safety protocols by reinforcing awareness, enforcing strict area access controls, implementing guidelines for safe material stacking, and installing protective barriers and warning posters. Additionally, all relevant governmental and internal reports have been completed in accordance with Occupational Safety and Health Administration requirements. Similarly, at Elsewedy Cables – Turnkey Projects, a supervisor sustained fatal injuries due to instability of a tower with an insufficiently deep concrete base. The company has since halted work on older towers, replaced them with new structures, conducted rigorous structural tests, and developed a detailed method statement and risk assessment. Enhanced safety measures, including the use of guyed masts or scaffolding, improved training for engineers and supervisors, and increased on-site supervision and awareness sessions, have been implemented to prevent future incidents.

PEOPLE & SOCIETY

3 GOOD HEALTH AND WELL-BEING

Occupational Health and Safety

Our annual commitment
Zero accidents related to hazardous materials safety

No accidents related to hazardous materials were recorded during the reporting year across our facilities and project sites.

2023 Performance	Annual Target
Zero	**Zero Accidents**

Additionally, we reported 26 lost-time injuries, resulting in a lost-time injury frequency rate of 0.72 and a severity rate of 5.19. These incidents highlight areas where further safety interventions are necessary to prevent future occurrences.

In response to these indicators, Elsewedy Electric has implemented a series of corrective actions aimed at improving safety performance and reducing incidents. We have reinforced safety training programs, increased on-site supervision, and enhanced our safety management systems to ensure stricter adherence to safety protocols. Furthermore, we are committed to investing in new safety initiatives and projects, including the deployment of advanced safety technologies and the improvement of hazard identification and mitigation processes at our facilities and project sites.

2023 H&S INDICATORS ACROSS THE GROUP'S MANUFACTURING FACILITIES AND EPC PROJECTS

2
Work-related fatalities

26
Lost-time injuries

68
Medical treatment injuries

0.72
Lost-time injury frequency rate

5.19
Lost-time injury severity rate

2
Occupational illness frequency rate

DIVERSITY, EQUITY, AND HOLISTIC WELL-BEING

CONTEXT

Elsewedy Electric acknowledges the significant shift in the risks and expectations surrounding Diversity, Equity, Inclusion (DEI), and Well-being. In the face of ongoing global and local political, economic, and social challenges, inclusion and support have become more crucial than ever. Coupled with ESG topics for organizations, stakeholders, and investors, DEI has become a top priority for Elsewedy Electric's management plan.

RISKS, IMPACTS, AND OPPORTUNITIES

Although DEI can serve as a unique competitive advantage when approached sincerely and effectively, Elsewedy Electric has identified risks in this area. These risks include the lack of representation of diverse groups, which can lead to reduced innovation, higher turnover, and challenges in attracting and retaining talent from diverse backgrounds, skills, or identities if they do not feel represented. Additionally, the absence of equity in processes can negatively impact engagement, attrition, performance, compliance, and even reputation.

Conversely, integrating diversity and inclusion into all processes and behaviors presents substantial opportunities. Companies with more diverse management teams report higher revenues due to innovation. Additionally, DEI are powerful factors in attracting and retaining talent across all generations, particularly among younger ones. Elsewedy Electric shapes its strategy by considering these risks and opportunities, along with internal and external trends, insights, and feedback from leaders and employees, and its commitment to being an inclusive and caring company. This approach is expected to improve engagement, performance, innovation, and access to top talent pools.

OUR MANAGEMENT APPROACH

Elsewedy Electric integrates its Diversity, Equity, Inclusion, and Well-Being commitment across all levels of the organization through collaborative efforts among various stakeholders. Led by the HR Director, and under the supervision of the Chief Sustainability Officer, the Group's sustainability team defines and implements the strategy, reporting progress annually to the Board. This collaborative effort involves Human Resources, Sustainability, Compliance, Risk Management, Internal Communications, Marketing, and Employer Branding departments, ensuring alignment with core values and sustainability principles. Local action plans are tailored to meet regional needs, fostering leadership and employee engagement in driving diversity and inclusion initiatives. The corporate wide ESMS highlights Elsewedy Electric's commitment to providing equal opportunities across the group, aiming to create an inclusive workplace free from discrimination and harassment. The Company's policies encompass a wide range of identities supported by initiatives that promote leave options, anti-harassment measures, and pay equity, aligning with the UNSDGs to advance inclusivity both within and beyond the organization.

> Read more about our Employee Code of Conduct on our website

Relevant Policies

- Employee Code of Conduct
- Diversity, Inclusion and Non-Discrimination Policy
- Parental Leave Policy
- Disability Accommodation Policy

OUR PROGRESS

EQUITABLE TALENT PRACTICES AT ELSEWEDY ELECTRIC

Elsewedy Electric prioritizes fair and impartial talent processes by ensuring transparent access to career opportunities, continuous growth and development pathways, and equitable pay for all employees. Talent decisions are based on criteria such as skills, values, performance, and potential. The Group incorporates mechanisms to identify and address hidden biases in key HR programs, including performance and salary reviews. Equitable compensation practices reflect the Group's commitment to equal pay for equal work, as detailed in the compensation and benefits section of this report.

As of the current reporting period, our total workforce has grown to 19,139 individuals, including 2,954 new hires.

ADVANCING GENDER DIVERSITY ACROSS THE WORKFORCE

Elsewedy Electric is committed to achieving gender balance across the organization, recognizing the importance of increasing women's representation as a key business objective. The Group actively works to enhance female participation in its workforce, encouraging equal engagement from all genders to support this goal. Although women made up nearly 8% of the total workforce by the end of 2023, Elsewedy Electric acknowledges the need for continued efforts to further improve gender diversity at all levels, accordingly, the company is currently conducting a thorough evaluation of diversity and inclusion practices across the Group, aiming to gain valuable insights for ongoing improvement.

PEOPLE & SOCIETY

5 GENDER EQUALITY | 10 REDUCED INEQUALITIES

Diversity and Inclusion

Our commitment
30% women within the workforce

Elsewedy Electric has integrated women's representation into all organizational layers and categories, achieving an 8% women representation by 2023. The Company's commitment to enhancing gender diversity within its workforce and leadership highlights its dedication to fostering an inclusive and equitable workplace culture that values the contributions of all employees.

2020 Baseline
7%

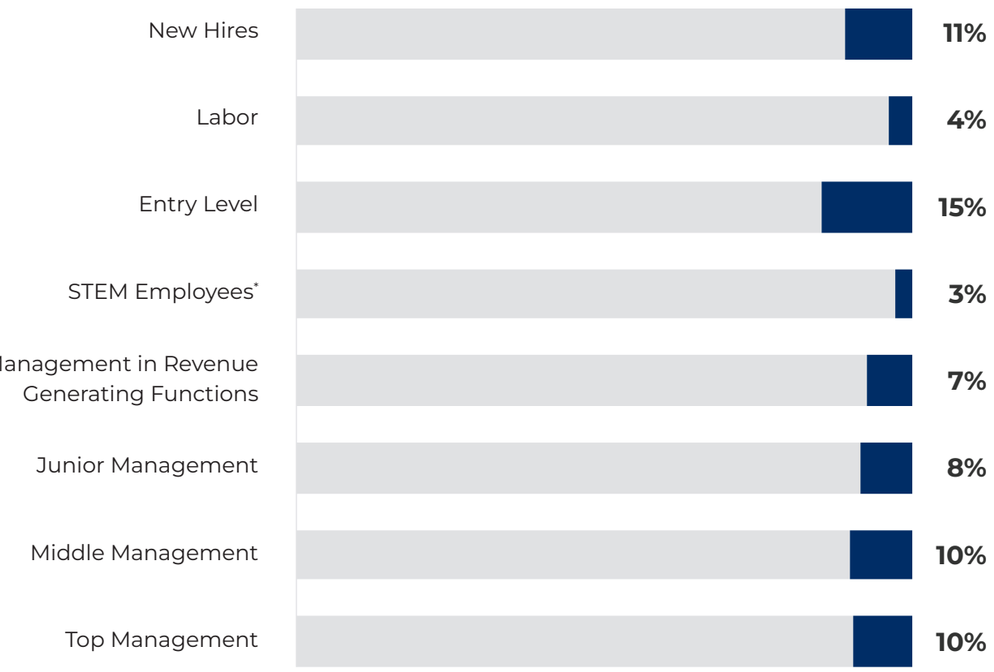
2023 Performance
8%

2030 Target
30%

A standout achievement within the Group was Iskraemeco Slovenia's success in 2023, where women represented 48% of the total workforce, a remarkable figure compared to the global energy sector average of just 16% women representation. Iskraemeco Slovenia has led the way in fostering an inclusive environment where women are empowered to excel across various roles. Building on this success, Elsewedy Electric is committed to extending similar initiatives to all its subsidiaries and countries.

48%
Female representation in Iskraemeco Slovenia

WOMEN'S REPRESENTATION ACROSS THE GROUP BY EMPLOYEE CATEGORY (2023)

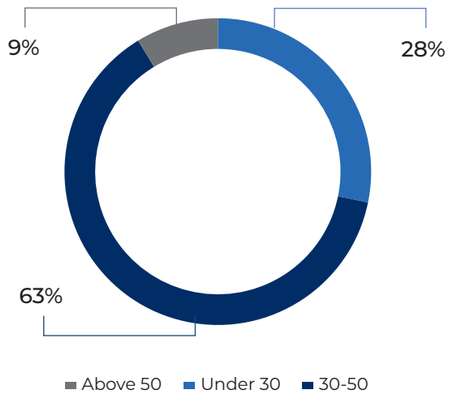


*STEM stands for science, technology, engineering and mathematics. STEM workers use their knowledge of science, technology, engineering or mathematics in their daily responsibilities.

AGE DIVERSITY

Elsewedy Electric aims to promote lifelong career development and knowledge exchange across all generations to enhance learning and innovation. As part of its commitment to creating new opportunities for the next generation through internships and training programs, the Group offers tailored career development opportunities, such as career days, upskilling, coaching, development plans, and mutual mentoring to harness the strengths of all generations. Additionally, the Group is dedicated to supporting talent in the later stages of their careers by providing meaningful and fulfilling development opportunities. It also focuses on recognizing and utilizing their unique expertise and experience to foster intergenerational learning and innovation.

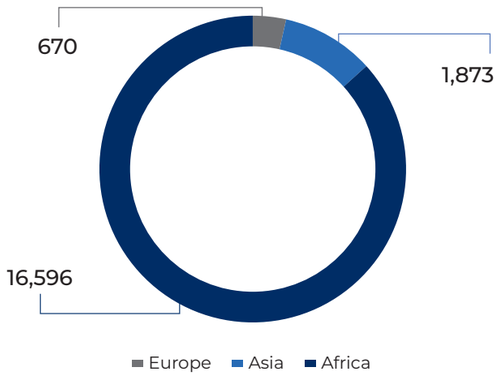
Workforce Breakdown by Age, 2023



REGIONAL EXPANSION

Elsewedy Electric embraces a multi-local approach, providing locally tailored solutions with diverse teams worldwide to effectively meet customer needs with customization, quality, and speed. The Group focuses on attracting and developing local talent for both global and local roles, ensuring leadership reflects the diverse nationalities and ethnic backgrounds of local markets. Since diversity categories and definitions vary by country, there are no universally accepted criteria. Therefore, local teams drive specific ambitions and actions based on their unique contexts and cultures.

Workforce Breakdown by Region, 2023



DISABILITY INCLUSION AND ACCESSIBILITY

Elsewedy Electric is committed to fostering inclusivity by integrating people with disabilities into its workforce. In 2023, the Company employed 393 individuals with disabilities, including 34% who are women. This commitment is supported by the Group's Disability Accommodation Policy, which addresses the comprehensive needs of individuals with disabilities through inclusive practices and supportive measures. The Group recognizes and accommodates all forms of disability, whether visible or invisible, permanent or temporary. It also emphasizes the importance of awareness and education on disability, inclusion, and accessibility to drive continuous improvement.

393

Employees with disabilities, of which **34%** are women

EMPLOYEE ENGAGEMENT AND SUPPORT

At Elsewedy Electric, we recognize the importance of employee engagement and satisfaction in propelling our success. The Group views the well-being of its members as a fundamental pillar for both personal development and a high quality of life. Therefore, our goal is to establish an inviting atmosphere where individuals feel both cared for and appreciated. In addition to fulfilling fundamental requirements, we ensure that our staff receive personalized support, are actively involved in the Group's daily activities and long-term objectives and receive assistance in maintaining a healthy work-life balance. We aim to foster high levels of employee engagement and satisfaction. We firmly believe that engaged and satisfied employees are better positioned to excel in their roles, remain dedicated to the organization, and actively contribute to our continued progress.

68%

employee satisfaction rate with elsewedy electric's facilities

72%

employees satisfaction rate with Elsewedy Electric's working conditions

PEOPLE & SOCIETY

5 GENDER EQUALITY | 10 REDUCED INEQUALITIES

Employee Development

Our annual commitment
Maintain workplace satisfaction levels above 85%

Elsewedy Electric regularly monitors the outcomes of employee engagement and satisfaction surveys through a systematic process. In 2023, Elsewedy Electric assessed employee satisfaction across various areas, including employee engagement, opportunities for professional growth, job-related training, and the quality of facilities and work environment. The employee satisfaction rate with Elsewedy Electric's work environment was 72%.

2023 Performance	Annual Target
72%	**Greater than or Equal to 85%**

SUPPORTING PINK OCTOBER

Elsewedy Electric supports Pink October with a dedicated internal activity focused on raising breast cancer awareness. This impactful day was filled with education, empowerment, and heartfelt support for everyone involved. The event commenced with an informative medical session highlighting the critical importance of early detection in the fight against breast cancer. Additionally, we hosted an internal bazaar to celebrate the remarkable talents and resilience of breast cancer fighters. Through this platform, they shared their handmade products, allowing us to support and contribute to their inspiring journey. At Elsewedy Electric, we recognize the power of unity and compassion.

SERVING UP FUN: ELSEWEDY ELECTRIC'S INAUGURAL PADDLE TENNIS TOURNAMENT

In a bid to promote wellness, Elsewedy Electric launched its first Paddle Tennis Tournament during Ramadan. The competition featured intense yet joyful matches as teams battled it out on the court. With 48 teams and over 200 games played over two days—from the group stages to the thrilling final match—the tournament was a success, fostering cooperation and healthy competition among participants.

Employee Well-being Initiatives at Rowad Modern Engineering

Safe Work Environment Workshop

In collaboration with UN Women and Mrs. Nehad Abo-El-Omsan, Rowad organized a workshop focusing on anti-sexual harassment policies and procedures. Attended by the entire management team, the workshop aimed to foster a respectful and inclusive workplace environment.

Drug Addiction Awareness Campaign

Rowad prioritized employee well-being by launching an awareness campaign on drug addiction at the R5 site. This initiative reflects Rowad's commitment to ensuring the safety of its employees.

Medical Convoys for Workers

To promote employee health and wellness, Rowad organized medical convoys to detect and manage chronic illnesses within its workforce. This proactive approach demonstrates Rowad's dedication to employee well-being.

Monthly Health Awareness Sessions

Rowad hosts monthly online sessions addressing various health topics to promote employee health education. These sessions contribute to fostering a health-conscious culture within the company.

Gender Equality Training

In an effort to promote equality and fairness, Rowad conducted training sessions on gender equality policies and practices within its HR department. This initiative aims to ensure fair hiring practices, diversity, and inclusivity in the workplace.

TALENT ATTRACTION AND DEVELOPMENT

CONTEXT

Attracting, developing, and retaining talent is crucial for maintaining success. As businesses grow in global markets and adapt to the rapidly changing world, it is essential to concentrate on acquiring talent and accelerating skill development, particularly in technical and digital fields. Elsewedy Electric is dedicated to creating and implementing a comprehensive workforce and talent strategy that involves building talent to optimize its human capital and enhance the overall work culture for both employees and leaders.

RISKS, IMPACTS, AND OPPORTUNITIES

Failing to attract, develop, and retain top talent, especially for critical skills, poses significant risks, such as increased recruiting costs, skill gaps, weakened succession pipelines, and damage to Elsewedy Electric's employer brand. However, with effective policies and programs, these risks can be turned into opportunities to strengthen the brand as a leading employer and talent developer. The enhanced talent management system allows for annual reviews of development plans, identification of key talent, and preparation for key successions and developments. The annual performance and development approach ensures fair, transparent, and competitive rewards, supported by regular career conversations. Additionally, tailored learning and development programs for employees at various career stages and talent segments ensure that the Group invests in talent at all levels. This approach creates equitable opportunities for employees to learn, grow, and manage their careers.

OUR MANAGEMENT APPROACH

The Human Resources department at Elsewedy Electric regularly evaluates the overall well-being of the Company's workforce through routine meetings and assessments. These discussions guide critical decisions on recruitment, succession planning, and the refinement of talent attraction and development strategies, such as expert talent, digital talent, and top potential talent.

Elsewedy Electric views all employees as valuable assets and strives to empower them to reach their full potential, fostering skill development and career advancement opportunities. The Company also invests in continuous learning and development initiatives for its employees, including partnerships with various stakeholders. Elsewedy Electric places a strong emphasis on the leadership roles and responsibilities of managers, who play a crucial role in navigating today's uncertain and dynamic business environment.

Relevant Policies

- Promotion Policy
- End-of-Year Performance Appraisal Policy
- Recognition Policy

OUR PROGRESS

FOSTERING EXCEPTIONAL PERFORMANCE

In 2023, Elsewedy Electric dedicated significant resources to enhancing employee capabilities through training initiatives. With over 40,000 training hours delivered to our employees, the Company prioritized development across various academies, including Supply Chain, Finance, and Sales. Additionally, employees had the opportunity to enroll in a wide array of specialized programs aimed at expanding their skills and knowledge base. These include the Graduate Development Program and the Manager's Development Program, each designed to nurture talent at different career stages. Elsewedy Electric's commitment to cultivating a high-performing workforce capable of driving innovation and excellence across the organization remains unwavering.

68%
employee satisfaction rate with opportunities for professional growth

61%
employee satisfaction rate for job-related trainings

ELSEWEDY ELECTRIC'S MANAGER'S DEVELOPMENT PROGRAM

Elsewedy Electric announced the graduation of its 2nd cohort from Elsewedy Electric Manager's Development Program, powered by Harvard Business Publishing. This milestone marks the exceptional dedication of our graduates to personal growth and positions them to drive progress across our organization. The program enrolled 160 employees, and to date, 42 participants have successfully graduated, with the remaining employees actively progressing toward completion. This demonstrates the program's ongoing impact in developing future leaders within the company.

Elsewedy Electric Directors Development Program

READING THE FUTURE: MEET THE CEO SERIES

At Elsewedy Electric, we prioritize nurturing talent and recognizing outstanding contributions. Our "Meet The CEO" event series is a testament to this commitment, providing a platform for employees in our Graduate Development Program (GDP) to engage directly with our CEO, sharing innovative ideas and discussing business matters.

APQP4WIND TRAINING

Since 2021, Elsewedy Electric has been actively engaged in the infrastructure construction industry, focusing on sustainable projects in energy and infrastructure development. In line with its commitment to employee development, Elsewedy Electric Infrastructure decided to bolster its presence in the wind power sector by sending 15 employees for APQP4Wind Training in 2023. This investment in our workforce's expertise in wind power project management strengthens our position in the market. Moving forward, the Company aims to further engage with the APQP4Wind Community, leveraging networking opportunities and knowledge exchange to continue fostering employee growth and industry leadership.

Enhancing Expertise: Vocational Training for Site Supervisors at Rowad Modern Engineering

Rowad's initiative to provide vocational training for site supervisors reflects a strong commitment to employee development. By combining theoretical education and practical experience, this program enables workers to refine their skills and broaden their knowledge base. With four site supervisors successfully completing the course and obtaining certification, Rowad aims to cultivate a more proficient workforce. This initiative is set to enhance efficiency and improve the quality of outcomes on construction sites.

Four
site supervisors trained

Empowering a Society of Learners through TAMKEEN Learning Program by Elsewedy Electric T&D

TAMKEEN's Learning Program by Elsewedy Electric T&D envisions a society where individuals of all abilities are empowered with the confidence, courage, and education needed to navigate a complex world. The transformative journey of the TAMKEEN Learning Program from 2021 to 2023 has been remarkable. It has empowered individuals, fostered personal growth, and celebrated numerous milestones. The inspiring stories and profound transformations of our vibrant community highlight the program's success, with the 2023 journey standing out as a testament to the program's impactful legacy.

COMPENSATION AND BENEFITS

CONTEXT

To ensure employees feel valued and respected, companies are increasingly expected to offer attractive, fair, and equitable compensation and benefits that cater to their unique needs. In a competitive labor market and the post-pandemic era, organizations are leveraging compensation and benefits programs as strategic tools to distinguish themselves as employers of choice. Flexibility and customization are key, with companies tailoring packages to meet diverse workforce preferences. Flexible work arrangements, personalized benefits, and recognition programs contribute to a more inclusive and adaptable approach. Compensation and benefits now reflect a holistic, health-focused, and flexible approach to meet the evolving needs of the modern global workforce. In this context, Elsewedy Electric strengthens its reputation as a caring and responsible employer by treating its diverse workforce fairly and ethically, offering inclusive compensation and benefits designed to help employees thrive through a meaningful array of supportive programs.

RISKS, IMPACTS, AND OPPORTUNITIES

Elsewedy Electric is dedicated to offering top-tier compensation and benefits to its employees in a fair and equitable manner, aiming to attract, motivate, and retain top talent. Without this dedication, Elsewedy Electric's ability to meet its goals would be at risk. To mitigate this, the Group provides a meaningful range of reward programs that cater to the unique needs of its employees.

OUR MANAGEMENT APPROACH

The Compensation and Remuneration Committee at Elsewedy Electric ensures the organization remains competitive in the local markets. Although the committee receives its responsibilities from the Board of Directors, the final decisions and action plans rest with the Board. The committee's main responsibilities include establishing compensation and benefits policies, conducting periodic reviews of employee compensation, benefits, and stock option plans, and setting policies for management salaries, incentive compensation, benefits, and perquisites. Additionally, the committee oversees the development and implementation of succession plans within the organization. Elsewedy Electric is committed to creating a distinguished place to work by offering competitive, inclusive, and caring compensation and benefits to attract, motivate, and retain talent. The Group ensures fair and ethical treatment for its diverse workforce, strengthening its position as a leading employer. The benefits employees receive are designed to support them at every stage of their lives, providing meaningful choices that enhance well-being, flexibility, and financial security. Recognition and rewards for high performance include competitive pay, differentiated rewards, incentive programs, employee shareholding, and career growth opportunities. All compensation and benefits decisions adhere to inclusion principles and local agreements.

Relevant Policies

- Overseas Travel Policy
- Relocation Policy
- Loan Policy

COMPENSATION

Elsewedy Electric integrates the principles of fairness, equity, ethics, and transparency into its company values. Through comprehensive reward policies and processes, employees are compensated fairly and equitably for their skillsets and contributions to the business. The Group closely monitors salary offers for new recruits, salary adjustments from employee promotions, and other career movements. Managers and HR professionals receive training to ensure they make pay decisions mindfully and without bias.

The current salary structure includes a basic salary, transportation allowance, and mobile allowance. Employees may also receive a performance bonus based on set goals and their corresponding KPIs. Termination payments comply with legal requirements and vary based on the specific case, with no clawbacks. For employees reaching retirement age, there is a compensation policy in place to support them.

BENEFITS

In 2023, Elsewedy Electric upheld its dedication to employee benefits by offering special discounts at selected stores, nurseries, and sports facilities; providing meals and Ramadan boxes; ensuring funds and transportation options; and giving unique holiday gifts three times a year. The Company also provided an annual education bonus to all staff members and organized social and athletic events, including football games and award ceremonies. Furthermore, Elsewedy Electric implemented several key policies, such as the Transportation Policy, Car Benefit Policy, and Recognition Policy to enhance overall employee satisfaction and well-being.

PARENTAL LEAVE

Elsewedy Electric consistently prioritizes employee support and work-life balance. The company is dedicated to ensuring that employees feel valued and supported during their parental leave and throughout their return to work. By facilitating smooth reintegration into the workforce, Elsewedy Electric maintains high levels of employee engagement and satisfaction.

07

DELIVERING ON OUR SOCIETAL **COMMITMENTS**

Commitment to Community Impact 208
Empowering the Next Generation: Elsewedy Technical Academy 216
Empowering Communities with Sustainable Energy Access 220

At Elsewedy Electric, delivering on our societal commitments is integral to our mission. We are dedicated to making a positive impact on the communities we serve through sustainable practices, social initiatives, and responsible business conduct. By prioritizing education, healthcare, and economic development, we aim to enhance the quality of life and foster long-term prosperity. Our commitment to societal well-being reflects our belief that true sustainability encompasses not only environmental stewardship but also social responsibility and community engagement.

2023 KEY HIGHLIGHTS

EGP 250 MILLION
community investments

4,000 STUDENTS
supported across 4 schools in 2023

350 STUDENTS
graduates from Elsewedy Technical Academy

OUR PROGRESS

Pillar	Commitment	Key Targets	Baseline	2023 Performance	Target Year
PEOPLE AND SOCIETY	Local Community Impact	All new community projects to have a balanced contribution to all SDGs within their geographic boundaries	-	100%	2023
		Affected communities continuously engaged throughout the project life cycle for all new and existing developments	-	100%	2025
		Adopt Local Community Hiring Policy	-	100%	2025
		Volunteering events with local communities	-	100%	Annual
		Partnerships per community with local NGOs and CSOs, with focus on SDGs	-	100%	2025
		Develop and adopt Land Acquisition and, Resettlement Operational Procedures	-	100%	2023

COMMITMENT TO **COMMUNITY IMPACT**

CONTEXT

Elsewedy companies operate across diverse communities, striving to enhance social prosperity and support those in need. We select partners and interventions based on trust, integrity, transparency, and accountability, ensuring fair resource distribution. Our efforts include assessing the impacts of initiatives in education, healthcare, and development. They also involve evaluating opportunities to contribute to the SDGs, engaging stakeholders, and providing support for underprivileged communities.

Elsewedy Electric Foundation is dedicated to nurturing the potential of the community by focusing on critical health and education projects. One of our primary goals is to strengthen technical and vocational schools, enabling them to produce the skilled technicians needed to meet industry demands. By investing in education and technical training, we aim to nurture a generation of skilled professionals who can contribute to societal resilience, economic growth, and sustainable development. Through these efforts, the foundation not only addresses immediate educational needs but also fosters long-term community empowerment and industry innovation.

OUR MANAGEMENT APPROACH

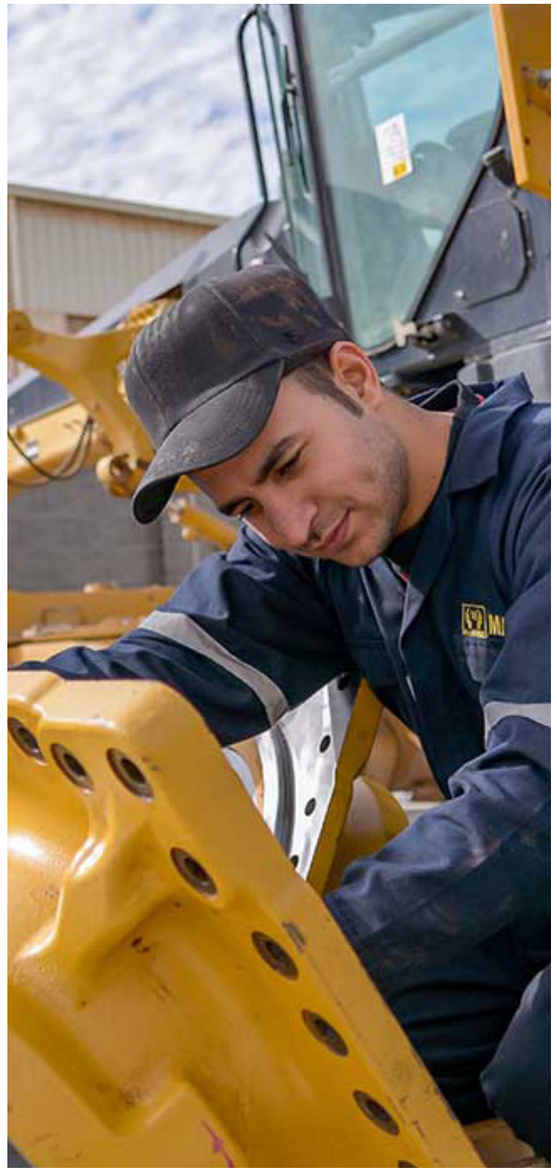
The Company's efforts are overseen by the Board of Directors and directly supervised by the Group's Chief Sustainability Officer. Donations, which are a percentage of Elsewedy Electric Group's profit, are approved annually by the general assembly.

OUR PROGRESS

In 2023, Elsewedy Electric's Social & Relationship Capital initiatives reflected a strong commitment to community development and welfare, with an investment of EGP 250 million. These initiatives have had a far-reaching impact across various sectors, including education, health, and social welfare. Elsewedy Electric's value creation stems from various efforts, such as projects, partnerships, and empowerment endeavors aimed at nurturing young talents, accelerating their career growth, promoting technical education, and fostering the organization's ongoing success.

EDUCATIONAL SUPPORT

In the field of education, Elsewedy Electric Foundation continues to empower future generations through strategic investments and scholarships. In 2023 alone, we supported 4,000 students across four schools, providing them with access to quality education and essential resources. Moreover, our commitment extends to nurturing technical expertise through the graduation and employment of 900 students from STA, all of whom have been integrated into the workforce by Elsewedy Electric and sponsoring partners like DB Schenker. Thirty deserving students were awarded full scholarships, further enabling them to pursue their educational aspirations without financial constraints. Through these initiatives, we aim to build human capital and create pathways for socio-economic development, ensuring that education remains a cornerstone of sustainable progress and community empowerment in Egypt.



ELSEWEDY ELECTRIC'S 2023 SUMMER INTERNSHIPS

In 2023, Elsewedy Electric welcomed a total of 170 interns. It marked another successful summer internship program, in collaboration with the Administrative Capital for Urban Development (ACUD), where talented interns completed their program at our factories. Their dedication and passion left a lasting impact, reaffirming our commitment to empowering future generations. At Elsewedy Electric, nurturing talent is central to our mission, and our internship program provides a platform for young minds to flourish. We are deeply grateful to our team members and mentors for their support and guidance throughout the interns› growth journey.

Additionally, the summer internship program, in collaboration with Elsewedy Electric's HR team, began at Iskraemeco in Egypt, marking another milestone in our commitment to talent development. Twenty interns were mentored by experts in Sales, TDC, Innovation, and Software Development, providing them with invaluable industry insights and guidance.

Furthermore, interns had the opportunity to visit our Production Hub three times, gaining hands-on experience and on-the-job training. HR sessions focused on interview techniques and interpersonal skills were also conducted to enrich the interns› learning experience.

We remain committed to providing opportunities for growth and development, shaping a brighter future for aspiring leaders in the industry.

20 interns at Iskraemeco Egypt

3 production-hub site visits

ROWAD'S LITERACY EMPOWERMENT PROGRAM: BRIDGING GAPS BEYOND CONSTRUCTION

In 2023, Rowad launched a pioneering initiative titled "Rowad Without Illiteracy" in collaboration with Farouk El-Baz Foundation. This ongoing program offers classes tailored to address literacy challenges among the workforce, aligning with the country's broader agenda for adult education. Throughout the year, four dedicated classes were held, culminating in the graduation of the participating workers. By prioritizing literacy enhancement, Rowad supports its employees' personal development and highlights its 20 interns at Iskraemeco Egypt 3 production-hub site visits commitment to fostering holistic growth beyond the construction sector.

ELSEWEDY CABLES' COLLABORATION WITH ASU IN FORMULA STUDENT 2023

In line with our commitment to fostering future generations, Elsewedy Cables contributed to Ain Shams University's (ASU) remarkable success in the "Formula Student 2023" competition at England's prestigious Silverstone Circuit, synonymous with Formula 1 racing. For a quarter century, the UK's "Formula Student" challenge, overseen by the esteemed Institution of Mechanical Engineers, has tested student teams ability to design and construct single-seat race car prototypes for autocross or sprint racing. This year, the ASU Racing Team's exceptional performance earned them the title of "Concept Class Overall Winner" for 2023, surpassing 37 international universities. Elsewedy Cables played a crucial role in this achievement by supplying automotive wires and cables for ASU's racing car. ASU's innovative marketing plan, aimed at transforming conventional cars into self-driving vehicles, further highlighted their ingenuity. In a competition divided into two rigorous sections, ASU's stellar performance placed them 20th globally in the category featuring cars with drivers and 5th globally in the highly challenging self-driving cars category, marking a significant achievement for Africa and the Middle East.

ATTRACTING TALENTS IN TANZANIA

In 2023, Elsewedy Electric embarked on a mission to attract and empower talented individuals in Tanzania through a series of impactful initiatives. One of these endeavors was the successful Career Day held at Saint Joseph University-Tanzania, where 240 students engaged in informative sessions led by Elsewedy Electric›s HR team. The event aimed to equip students with essential skills and insights for navigating today›s job market, fostering enthusiasm and engagement among participants.

240 participating students

Elsewedy Electric reinforced its commitment to career development by partnering with Don Bosco University, where the HR team held insightful workshops and training sessions. These sessions covered various aspects of career preparation, including interviewing skills, collaboration, and personal branding. Additionally, the Company signed an MOU with local communities and institutions to promote academic and educational cooperation, further strengthening ties and contributing positively to local economies.

Through its BEAM program, Elsewedy Electric promoted a culture of learning and development, hosting an open career day at the University of Dar es Salaam (UDSM)-Tanzania. The event featured engaging workshops and knowledge-sharing sessions facilitated by company representatives, providing young talents with valuable opportunities to explore different career paths and gain insights into digital era trends. The internship program also played an important role in empowering talent, allowing interns to contribute to ongoing projects and gain invaluable experience.

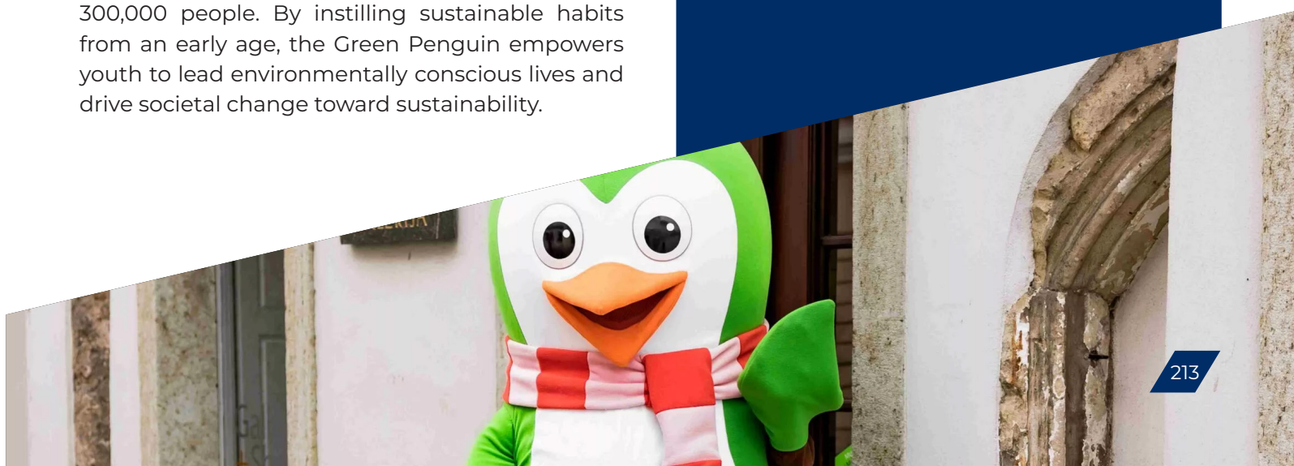
Elsewedy Electric collaborated with a talented group of interns in Tanzania, whose innovative ideas and fresh perspectives greatly enriched our team. Through our internship program in 2023, these interns had the opportunity to refine their skills and contribute to our ongoing projects. We express our gratitude for the privilege of working with these exceptional individuals, who played an integral role in advancing our initiatives. As we reflect on the achievements of the past year, we eagerly anticipate the continued success and growth of our interns as they embark on their professional journeys.

ISKRAEMECO'S GREEN PENGUIN

The Green Penguin, a project under Elsewedy Electric's Iskraemeco, is a smart city initiative designed to educate and engage residents in supporting cities' efforts to achieve carbon neutrality. Central to this initiative is the Green Penguin, a symbol of leadership and innovation, promoting sustainable practices and environmental awareness, particularly among children. Since its launch, the Green Penguin has been integrated into school curricula across seven institutions, involving over 200 teachers and students. It has received positive feedback from municipalities, national authorities, NGOs, SMEs, and corporations in Norway and Slovenia. In 2023, the project expanded its teaching methods and resources to address environmental issues and CO_2 reduction strategies, engaging in international events and media outreach to reach approximately 300,000 people. By instilling sustainable habits from an early age, the Green Penguin empowers youth to lead environmentally conscious lives and drive societal change toward sustainability.

GREEN PENGUIN IN 2023

- **7** educational institutions integrated curricula
- **200** active users, including teachers and students
- **+50** educational staff members contributed to testing and developing
- **100** media publications across social media and the website
- **300,000** people reached by media



HEALTHCARE CONTRIBUTIONS

Elsewedy Electric Foundation is deeply committed to advancing healthcare accessibility and quality across Egypt through multifaceted initiatives. The foundation has upgraded six public hospitals with crucial medical equipment, significantly enhancing their capacity to provide essential healthcare services to local communities. Notably, the foundation has funded life-saving heart operations for approximately 350 patients, demonstrating its dedication to addressing critical medical needs. Furthermore, partnerships with institutions like the Aswan Liver Association have expanded healthcare capabilities, with a new branch now equipped to serve over 10,000 patients monthly. Additionally, the foundation's investment in Abu El-Rish Japanese Hospital ensures uninterrupted healthcare services for children, maintaining 354 beds, including intensive care and nursery units. Elsewedy Electric Foundation also transformed El Sharqia Medical Unit into a fully equipped hospital featuring three operation rooms, 70 in-patient beds, 30 renal dialysis rooms, 25 ICUs, and 13 out-patient clinics. This facility now serves a substantial number of patients, accommodating 3,000 inpatients and 30,000 to 40,000 out-patients monthly. These upgrades improve medical care accessibility and empower local communities by providing comprehensive healthcare services closer to home. Through these initiatives, the foundation aims to significantly impact healthcare outcomes across the region, ensuring sustainable health improvements for all.

HUMANITARIAN ASSISTANCE AND SOCIAL WELFARE

Elsewedy Electric actively supports humanitarian causes, benefiting thousands of individuals and families each year. Through its annual contribution to the Egyptian Food Bank, the foundation distributes food boxes to 200,000-250,000 individuals, helping combat hunger across Egypt.

Additionally, the foundation's humanitarian fund provides essential medical support to 3,000-3,500 patients each year, covering a range of healthcare needs from basic medicine to complex operations. Furthermore, the foundation supports vulnerable groups, including widows, single mothers, and orphaned children. Initiatives like the donation to the Orphan Children Association in Tama El Marg provide crucial educational and healthcare support. By prioritizing humanitarian and social welfare initiatives, Elsewedy Electric Foundation aims to foster inclusive growth and community resilience, ensuring that its impact reaches those most in need across Egypt.

EMPOWERING THE NEXT GENERATION: **ELSEWEDY TECHNICAL ACADEMY**

CONTEXT

Elsewedy Technical Academy (STA) is a pioneering institution dedicated to delivering cuttingedge technical and vocational education and training (TVET) that adheres to the highest international standards. Its vision is to be a leading force in the development of the TVET system and workforce in Egypt and the broader region. The academy's mission is to offer innovative educational and training programs that focus on developing the skills, competencies, and attitudes essential for professional success. By aligning its curriculum with advanced global benchmarks, STA aims to equip students with the expertise and mindset necessary to thrive in a competitive and evolving job market.

STA ELSEWEDY TECHNICAL ACADEMY
BY ELSEWEDY ELECTRIC FOUNDATION

OUR MANAGEMENT APPROACH

The Board of Directors at Elsewedy Electric Foundation plays a crucial role in guiding both the foundation and STA, its technical education and vocational training arm. They oversee transparent decision-making processes that prioritize stakeholder interests and ensure effective resource utilization to meet societal needs. This governance structure supports STA's vision of delivering high-quality technical education and vocational training. STA adheres to strict processes and policies to ensure operational consistency and transparency. This includes manuals for procurement, HR, health, safety, and environment, as well as codes of conduct for students and teachers. Committed to continual improvement, STA adheres to ISO 21001:2018 standards, setting measurable quality objectives to enhance educational outcomes and customer satisfaction. Regular internal audits and management reviews further ensure the efficacy of its Educational Management System (EOMS) while fostering employee skill development and quality awareness.

The STA Strategy 2020 – 2025 prioritizes delivering high-quality education aligned with global standards to promote a competitive learning environment. By 2025, the strategy aims to benefit 10,000 students and trainees through an accessible educational pathway. Emphasizing financial sustainability, STA aims to ensure its long-term viability to effectively expand its educational services and impact. Currently, STA has over 2,000 graduates and enrollment exceeding 2,451 students, reflecting its commitment to advancing education and skill development. **Read more about STA on Elsewedy Technical Academy's website.**

EMPOWERING FUTURE GENERATIONS

STA provides students with an environment for exploration, creation, and collaboration. It offers tools and spaces for independent and group work, facilitating class assignments, STEM competitions, and interdisciplinary learning. This fosters skill development and creativity through hands-on projects. It proposes a framework for modern thinking and learning and encourages participation in national and international competitions.

In 2023, the institution celebrated the graduation of 350 students, bringing the total number of graduates to over 2,000. Additionally, enrollment numbers surged with 780 new students joining STA, ZOHR, and SADDAT for the 2023/2024 academic year, bringing the total student count to 2,451—a notable 32% increase from the previous year. STA introduced its Training for Employment (TFE) program in partnership with Suez Steel Co., aimed at training and offering job opportunities to 205 youths. Moreover, STA secured over 10 new partnerships with industrial collaborators, facilitating expanded opportunities for students. The institution also hosted its Annual Employment Fair, presenting more than 1,500 job opportunities to graduates. Furthermore, STA hosted a visit from the Ministry of Education and Technical Education. During the visit, the esteemed guests toured the STA campus and interacted with students with special needs enrolled in the Ready-made Garment program, sponsored by Abu Dhabi Commercial Bank and the European Bank for Reconstruction and Development.

STA IN 2023

- **350** graduates
- **780** new students
- **205** job opportunities - TFE program
- **1,500** job opportunities – employment fair
- **10** new partnerships

NEW FIELDS AND TECHNICAL PARTNERS

STA has expanded its specializations through partnerships with key industry leaders. These collaborations include Selah El Telmeez in Printing & Binding, Elsewedy Infrastructure in Welding & Metal Forming, Elsewedy Busway in Manufacturing, Installment, and Maintenance of Busway, and Elsewedy Electric T&D in Railway Engineering. These new specializations complement STA's existing programs in Iron & Steel Production, Energy Components, Logistics-Warehouse Operation, Industrial Electronics, Mechanical Operation and Maintenance, Diesel and Heavy Equipment, Food Production, Ready-made Garments, Electrical Maintenance, IT & Networking, Jewelry Making, Pharmaceutical Manufacturing Technology, Electricity Transmission and Distribution, Oracle Programming, Industrial Applications, Mechanical & Electrical Installation for Buildings, and Operating and Maintaining Energy and Plastic Machinery. Through these partnerships, STA continues to enhance its curriculum and provide students with diverse, industry relevant skills.

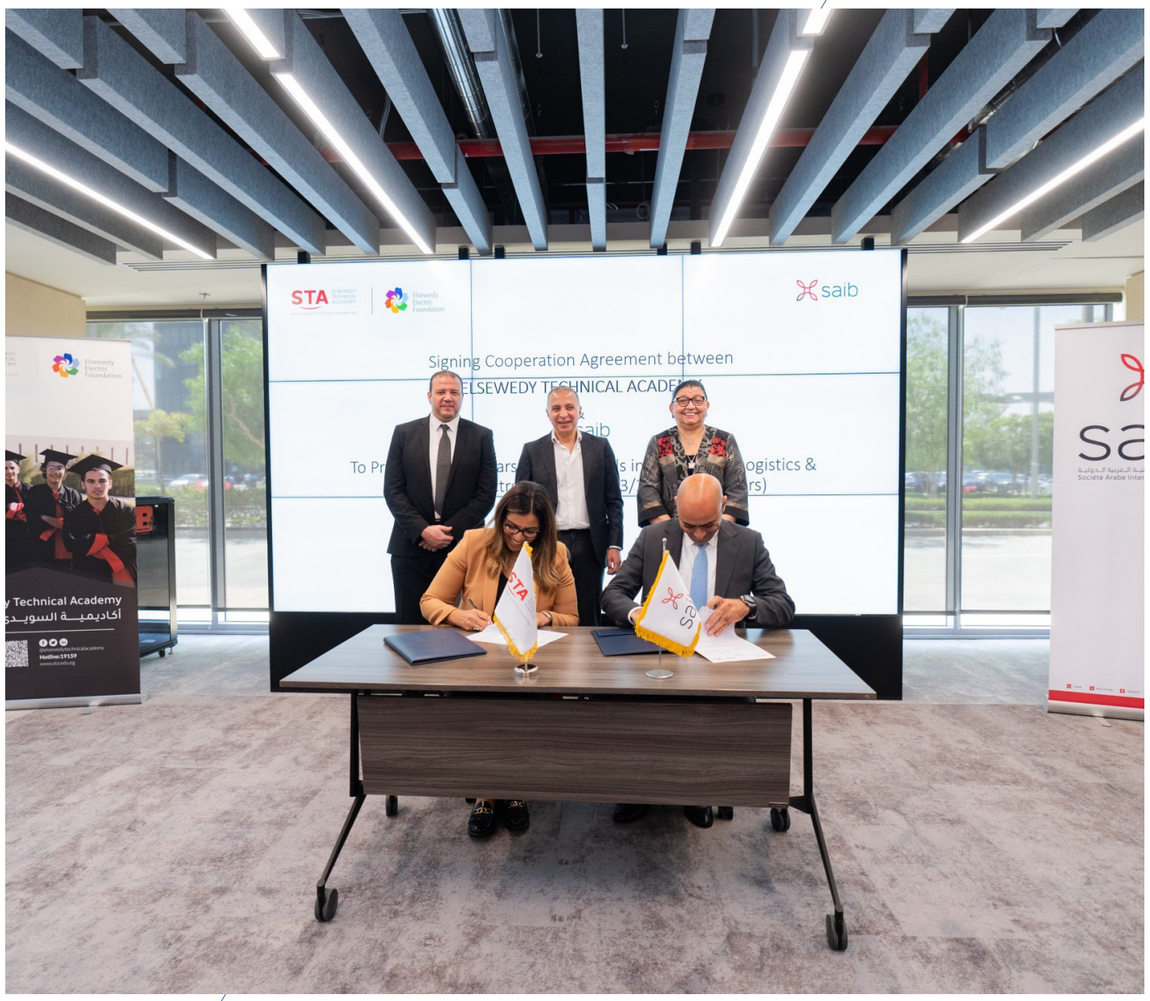
GENDER DIVERSITY AND EMPOWERMENT AT ELSEWEDY TECHNICAL ACADEMY

STA actively promotes gender diversity and women's empowerment, ensuring that at least 20-30% of its students are women. It also introduces new specializations that are welcoming to women, such as logistics, in partnership with DB Schenker. STA's selection criteria rely on transparency, diversity, equality, accessibility, and inclusion. The process is guided by clear public criteria, effective communication, and industrial partner involvement. The academy offers equal opportunities regardless of gender or religion, offering scholarships for outstanding achievements and financial aid for underprivileged students. It accepts students from all Egyptian governorates and includes programs for people with disabilities. In collaboration with the European Bank for Reconstruction and Development and Elsewedy Electric Group, STA enhanced economic inclusion for young women and men by improving access to high-quality dual education and training from 2018 to 2020. This project supported curriculum development, teacher training, national accreditation, expansion of new demand-driven schools, and promotion of gender mainstreaming, reinforcing STA's commitment to fostering an inclusive and diverse educational environment.

STA'S COLLABORATION WITH SAIB: EMPOWERING WOMEN IN TVET

STA is deeply committed to advancing TVET across Egypt and the Middle East. In line with this mission, STA has established strategic partnerships with various entities and organizations to develop initiatives that align with the evolving needs of the job market and uphold global quality standards.

A recent milestone in this commitment is STA's cooperation agreement with the Société Arabe Internationale de Banque (saib). Through this partnership, STA offers full scholarships to 20 female students for a three-year course in Logistics & Industrial Electronics, starting in the 2023/2024 academic year. By offering these scholarships, STA aims to create pathways for women to enter traditionally male-dominated fields, thereby enhancing their career prospects and fostering gender inclusivity in technical and vocational education.



EMPOWERING COMMUNITIES WITH **SUSTAINABLE ENERGY ACCESS**

CONTEXT

Access to renewable electricity has the potential to improve living standards by positively impacting various socioeconomic aspects, such as livelihoods, health, education, security, and gender empowerment. Moreover, it contributes to combating climate change by displacing fossil fuel-based solutions.

OUR MANAGEMENT APPROACH

Elsewedy Electric's renewable energy initiatives aim to deliver green and dependable electricity to communities in developing regions, viewing it as a fundamental right and a driver of social and economic progress. By providing a secure, clean, affordable, reliable, and sustainable energy solution, Elsewedy Electric highlights the essential role of green electricity in supporting livelihoods.

OUR PROGRESS

Elsewedy Electric aims to deliver sustainable and dependable green electricity to communities through its projects.

THE SAAD SOLAR PHOTOVOLTAIC POWER PLANT

Elsewedy Electric KSA, in collaboration with Jinko Power, is undertaking the Saad Solar PV Power Plant project, valued at $173 million, planned in Al Riyadh, Saudi Arabia. This project involves the comprehensive design, engineering, procurement, manufacturing, construction, testing, and commissioning of a 300 MW solar PV plant. It also includes the provision of operation and maintenance services for a period of two years.

Key project components include the installation of bifacial solar panels, an advanced technology that enhances energy generation efficiency by capturing solar irradiation from both the front and back surfaces of the panels. The plant's operational phase is projected to significantly reduce CO_2 emissions in Riyadh by over 0.5 million metric tons annually, which is equivalent to removing approximately 100,000 cars from the roads.

The project has been recognized by HRH Minister of Energy, Prince Abdulaziz bin Salman, for its crucial role in advancing Saudi Arabia's National Renewable Energy Program objectives. It also highlights the Kingdom's commitment to lowering energy-related emissions and advancing a Circular Carbon Economy framework. Moreover, these efforts align with the strategic goals of Saudi Vision 2030, particularly in enhancing the energy sector and achieving sustainable development targets.

This initiative is scheduled for completion over 16.5 months, from January 2023 to June 2024. It represents a major step toward enhancing renewable energy infrastructure and promoting environmental sustainability in the region.

ELSEWEDY ELECTRIC IN KSA

300 MW
PV plant capacity

USD 173 million
project value

2 years

ELSEWEDY ELECTRIC ADVANCES DJERMAYA SOLAR PROJECT IN CHAD: POWERING SUSTAINABLE GROWTH

Elsewedy Electric has played an important role in the Djermaya Solar Project, a major initiative featuring a 60 MW solar power plant and an extensive transmission line network. This project marks a significant milestone as Elsewedy Electric expands its footprint in renewable energy. The initial phase focuses on developing a 36 MW solar power plant, an 18 km transmission line operating at 33KV, and deploying a state-of-the-art 4 MWh Energy Storage System (SSEB). Over the next five years, our team of experts will provide comprehensive operation and maintenance services. In collaboration with esteemed developers Themis and Infraco Africa Limited, this joint effort leverages global expertise to advance clean energy solutions. Supported by key financial institutions including AFDB, Proparco, and EU-AITF, the Djermaya Solar Project reflects our commitment to sustainable development with green electricity across Africa. We extend our sincere appreciation to all stakeholders for their invaluable contributions to this initiative. Together, we are building a brighter future by expanding access to clean energy and driving socio-economic progress across the continent.

77 MWP PV POWER PLANT IN SOUTH AFRICA'S LEPHALALE SOLAR PROJECT

EETD has been awarded the construction of the 77 MWp PV Power Plant Lephalale Solar Project in collaboration with Cennergi Holdings, a subsidiary of South African mining company Exxaro Resources. Our responsibilities consist of the engineering, procurement, and construction of the 77 MWp photovoltaic power plant, a 33kV/132 substation, and a 132 kV (2x4.5) KM overhead transmission line, along with five years of operation and maintenance. The solar farm is located on a 236-hectare site in the Waterberg district, adjacent to the Grootegeluk mining complex in Limpopo province. Owned by Exxaro, it aims to supply clean electricity to Exxaro's flagship Grootegeluk mine. Cennergi will sell the electricity generated to this subsidiary of Exxaro Resources under a 25-year power purchase agreement (PPA).

ELSEWEDY ELECTRIC T&D PARTNERS WITH ZIMPLATS FOR SOLAR POWER PLANT IN ZIMBABWE

Elsewedy Electric T&D has partnered with Zimplats Holdings Ltd, the largest platinum producer in Zimbabwe. The two companies have signed an EPC contract for the engineering, procurement, installation, testing, and commissioning of a 40.5 MWp solar PV power plant, along with a two-year O&M agreement. This milestone marks a pivotal moment in Zimplats' transition toward cleaner and more reliable energy sources. The international tender, awarded in late 2022, saw submissions from 27 bidders, with Elsewedy Electric T&D securing the partnership. This project aims to support Zimplats› shift to renewable energy while providing sustainable solutions that benefit the wider community. As the project progresses, regular updates will be provided to highlight the impact of sustainable energy solutions on communities.

ANGOLA SOLAR PLANT AGREEMENT

Elsewedy Electric and PRODEL have signed an agreement for the construction of a 90 MW photovoltaic solar plant and 25 MW of batteries on an EPC + Finance basis. The agreement was attended by Chief Executive Officer Eng. Jouaquim Ventura, Board Member Mr. Euclides de Brito, and Eng. Ahmed Amin, Regional Director for the SADC Region. This project marks a significant step toward enhancing Angola›s renewable energy capacity and promoting sustainable development in the region.

SOLAR PROJECTS IN BURKINA FASO

A prestigious delegation of government officials has visited Elsewedy Electric's Solar Power Plant construction site in Ouaga Nord Est, Burkina Faso. The team was led by H.E. Mr. Simon Pierre Boussim, Burkina Faso's Minister of Energy, and included H.E. Mr. Apollinaire Joachimson Kyelem, Prime Minister of Burkina Faso; Diego Escalona, Head of the European Union Delegation in Burkina Faso; Nana Saidou, Director of Solar Projects in Burkina Faso; and Andrew Daoud, Senior Manager of BD. The Minister expressed his appreciation for the progress and dedication shown in completing the project within the set timeline.

Elsewedy Electric is dedicated to the successful completion of the 24 MW Zano Solar Photovoltaic Power Plant in Tenkodougou, developed by QAIR. Awarded in 2022, the project has reached nearly 70% construction completion. As one of the first solar power plants in Burkina Faso, this initiative aims to provide sustainable and reliable energy, promoting clean energy resources.

With just a few steps remaining until full completion, this ambitious project promises significant benefits and contributes positively toward climate change mitigation efforts, making it a valuable investment.

POWERING TANZANIA'S FUTURE: THE IMPACT OF JNHPP ON SUSTAINABLE DEVELOPMENT

When Elsewedy Electric undertook the Julius Nyerere Hydropower Project (JNHPP) as the main EPC Contractor, it encountered significant challenges due to the project's vast scale and complexity, particularly concerning its environmental and social impacts. We reviewed the environmental and social assessment studies and management plans originally developed for the project including the EIA study, public consultation and stakeholder engagement initiatives, social and environmental baseline data and project's cumulative impacts. Accordingly, in collaboration with external consultants and experts, we conducted a gap analysis against our E&S policies and procedures, IFC Sustainability Strategy Framework and Performance standards and IFC General EHS Guidelines. Based on the gaps identified, we developed an environmental and social action plan (ESAP) in line with the Project's timeframe in order to fill these gaps and mitigate the residual risks and impacts for the identified issues. Among the actions taken were the development of an updated Project's ESMS and ESMP and the development of a comprehensive Biodiversity Management Plan. Over 60 million Tanzanians are expected to benefit from a 700 MW dependable power supply, set to increase to 2,115 MW. The Rufiji River, known for causing devastating floods, is now being managed, preventing loss of life and property and ensuring sustainable year-round agriculture. The eradication of seasonal swamps, previously breeding grounds for deadly diseases, has improved public health. Additionally, mitigating dry seasons in the Selous Game Reserve has significantly reduced wildlife losses. The project is also fueling East Africa's industrial growth, stabilizing the Tanzanian national grid, eliminating tons of carbon emissions from diesel and gas-fired power plants, and ensuring uninterrupted water supply for inhabitants, farmers, and wildlife year-round. Moreover, new tourism destinations are being created, stimulating economic growth. The JNHPP stands as a cornerstone for Tanzanian welfare, addressing numerous sustainability goals and reflecting Elsewedy Electric's commitment to sustainable development, leaving a lasting legacy for the region.

JNHPP IN TANZANIA

- ✓ **+60 million** impacted Tanzanians
- ✓ **700 MW** power supply accessibility, increasing to 2,115 MW
- ✓ **Protection** from floods caused by the Rufiji River
- ✓ **Stabilization** of the Tanzanian national grid
- ✓ **Uninterrupted water supply** for inhabitants, farmers, and wildlife
- ✓ **Tourism destinations** created, stimulating economic growth

08

ESG
INDICATORS

Environmental Indicators 228
Social Indicators 232
Community Engagement Indicators 239
Certifications Status 240

ENVIRONMENTAL **INDICATORS**

In 2023, Elsewedy Electric expanded its environmental organizational reporting boundaries to include three additional factories: Transformers Algeria, EE Electrical Products Busway, and Elsewedy Electric Tanzania. GIAD Elsewedy Sudan was excluded from this year's assessment due to its non-operational status caused by war circumstances. With these additions, our organizational boundaries now include a total of 24 factories in the current reporting year, compared to 22 in 2022 and 18 in 2021.

Moreover, we have expanded our operational scope to include additional activities within Scope 3. Notably, this includes emissions resulting from the procurement of capital goods and those arising from the transmission and distribution losses of purchased electricity. Through this expansion, we have successfully completed a comprehensive group-wide GHG emissions assessment for all operating factories in 2023.

The year 2023 has been established as the new base year for comparing future emissions and consumption data.

GHG Emissions

		Unit	2020	2021	2022	2023
Scope 1 (Direct)	Total	$mtCO_2e$	15,121	31,219	38,319	38,713
Scope 2 (Indirect)	Total (location-based)	$mtCO_2e$	58,899	102,750	110,571	127,188
Scope 1+2	Total	$mtCO_2e$	74,020	133,968	148,890	165,900
Scope 3 (Indirect)	Total	$mtCO_2e$	29,538	78,901	2,349,842	3,072,313
	Purchased Goods and Services	$mtCO_2e$	542	10,468	2,183,047	2,882,280
	Capital Goods	$mtCO_2e$	-	-	-	3,310
	Fuel- and Energy-Related Activities	$mtCO_2e$	1,792	4,934	7,058	11,247
	Waste Generated in Operations	$mtCO_2e$	304	564	2,898	1,567
	Business Travel	$mtCO_2e$	341	994	1,375	8,941
	Employee Commuting	$mtCO_2e$	14,485	33,742	58,798	58,752
	Downstream Transportation	$mtCO_2e$	12,074	28,198	46,001	61,184
	Upstream Transportation	$mtCO_2e$	-	-	50,664	45,031
Reduced Emissions	Solar PV Panels	$mtCO_2e$	-	-	-	2.36
Carbon Intensity	Scope 1+2 Emissions Intensity per Revenue	$mtCO_2e$/ thousand EGP	-	0.0034	0.00227	0.00126

Energy

		Unit	2020	2021	2022	2023
Total Energy Consumption		**MWh**	39,088	374,718	408,052	452,213
Primary Energy Consumption	Natural Gas	MWh	18,185	106,175	111,547	116,125
	Diesel	MWh	14,566	12,816	9,404	13,286
	LPG	MWh	-	-	106	1,087
	Diesel and Petrol Consumed by Owned Vehicles	MWh	6,337	9,766	28,222[38]	20,575
Secondary Energy Consumption	Purchased Electricity	MWh	97,218	243,141	256,620	299,050
	Purchased Heat	MWh	-	2,820	2,153	2,083
Renewable Energy	Solar PV Panels	MWh	-	-	-	7
Energy Intensity	Total	MWh/ thousand USD	-	-	0.154	0.105

Water and Effluents

	Unit	2020	2021	2022	2023
Total Water Withdrawals	m^3	566,880	881,762	996,951	932,347
Total Wastewater Discharge	m^3	425,160	705,410	897,256	839,112
Total Water Consumption (withdrawals-discharge)	m^3	141,720	176,350	99,695	93,235
Water Withdrawals Intensity	m^3/ thousand USD	-	-	0.377	0.210

Materials

	Unit	2020	2021	2022	2023
Total Packaging Material Consumption	Tons	-	7,176	4,229	2,585
Total Purchased Goods Consumption	Tons	463,68	89	36[39]	NA[40]
Total Raw Materials	Tons	-	-	583,217	767,262

Waste

	Unit	2020	2021	2022	2023
Total Non-hazardous Industrial Waste Generated	Tons	14,620	60,519	68,031	11,715[41]
Total Waste Diverted through Recycling	Tons	14,620	45,163	58,711	11,113
Diversion Rate (Non-Hazardous Waste)	%	100%	75%	86%	95%
Total Hazardous Waste	Tons	-	-	-	1,543

[38] Figure has been restated from the previous report.
[39] This only includes the weight of consumables.
[40] In 2023, data on purchased goods were recorded in monetary values, which were used to estimate the associated emissions; however, this data is confidential and not publicly disclosed.
[41] The significant difference in waste quantities between 2023 and previous years is attributed to the improved data quality achieved in 2023. This enhancement is one of the reasons 2023 has been established as the new base year.

SOCIAL **INDICATORS**

Elsewedy Electric Employees

		Unit	2020	2021	2022	2023
Employees	Total	No.	14,661	16,049	18,681	19,139
	Full-Time Employees	% of Total Employees	100%	100%	100%	100%
	Permanent Employees		55%	41%	53%	55%
	Temporary Employees		45%	59%	47%	45%
Breakdown by Gender	Male		93%	93%	92%	92%
	Female		7%	7%	8%	8%
Breakdown by Age	Age under 30		21%	24%	29%	28%
	Age 30- 50		68%	68%	63%	63%
	Age above 50		11%	8%	8%	9%
Breakdown by Region	Algeria		5%	4%	4%	4%
	Egypt		75%	79%	79%	80%
	Ethiopia		1%	1%	0.8%	1%
	Greece		0.05%	0.05%	0.04%	0.04%
	India		0.25%	0.3%	0.5%	1%
	Indonesia		3%	3%	2%	2%
	Saudi Arabia		2%	2%	2%	2%
	Kuwait		0%	2%	0.4%	0.3%
	Malaysia		0.06%	0.06%	0.1%	0.1%
	Qatar		4%	3%	3%	3%
	Slovenia		5%	4%	4%	3%
	UAE		2%	2%	2%	1%
	Zambia		1%	0.6%	0.6%	1%
	Kenya		0%	-	2%	0.02%
	Pakistan		1%	-	0.7%	1%
	Tanzania		0%	-	0.9%	1%
	Sudan		-	-	-	1%
Disabled Employees	Total	No.	226	420	1,405	393
	Women	% of Disabled Employees	25%	32%	24%	34%

Diversity Across Employee Categories (2023)

		Total & by Gender			Age Category		
		Total	Male	Female	Under 30	30-50	Above 50
Employee Category	Top Management	**219**	90%	10%	0%	69%	31%
	Middle Management	**1,106**	90%	10%	1%	84%	15%
	Junior Management	**1,489**	92%	8%	3%	89%	8%
	Management Position in Revenue Generating Functions	**286**	93%	7%	1%	98%	1%
	STEM Employees	**777**	96%	4%	13%	82%	5%
	Entry Level	**5,568**	85%	15%	43%	51%	5%
	Labor	**9,694**	96%	4%	29%	61%	10%

Gender Pay Indicators

		Unit	FY 2023
Ratio of Median Hourly Pay of Women to Men	Entry-Level	**Ratio (Women : Men)**	1.3:1
	Mid-Level		0.8:1
	Senior and Executive Management		0.5:1

New Hires

		Unit	2020	2021	2022	2023
	Total	**No.**	**2,700**	**3,089**	**3,815**	**2,954**
New Hired Employees	Female	% of Total New Hires	12%	10%	8%	11%
	Disabled New Hires	No.	5	0	45	5
Breakdown by Age	Age under 30	% of Total New Hires	55%	59%	59%	38%
	Age 30- 50	% of Total New Hires	41%	46%	38%	60%
	Age above 50	% of Total New Hires	4%	5%	3%	2%
Breakdown by Region	Algeria	Total No.	-	22	52	57
	Egypt	Total No.	812	2,272	3,128	2,506
	Ethiopia	Total No.	-	8	6	6
	India	Total No.	-	28	59	63
	Indonesia	Total No.	-	9	22	15
	Kuwait	Total No.	1	9	15	-
	Malaysia	Total No.	-	3	19	-
	Pakistan	Total No.	-	-	6	8
	Qatar	Total No.	34	69	52	33
	Saudi Arabia	Total No.	47	31	57	66
	Slovenia	Total No.	-	45	107	61
	Sudan	Total No.	-	-	35	2
	Tanzania	Total No.	-	-	164	102
	UAE	Total No.	51	130	89	25
	Zambia	Total No.	-	11	4	10
	Greece	Total No.	2	0	0	-

Employee Turnover

		Unit	2020	2021	2022	2023
	Total	**No.**	**3,747**	**1,789**	**1,715**	**2,410**
Employee Turnover	Female	% of Total Employee Turnover	6%	10%	1%	1%
	Disabled Turnover	No.	1	5	4	9
Breakdown by Age	Under 30	% of Employee Turnover	-	-	3%	5%
	30- 50	% of Employee Turnover	-	-	5%	7%
	Above 50	% of Employee Turnover	-	-	1%	1%
Breakdown by Region	Algeria	Total No.	-	51	29	15
	Egypt	Total No.	1,177	1,485	1,391	2,028
	Ethiopia	Total No.	-	16	7	20
	India	Total No.	-	4	9	21
	Indonesia	Total No.	23	0	11	46
	Kenya	Total No.	-	-	-	2
	Kuwait	Total No.	8	8	1	-
	Malaysia	Total No.	-	0	5	20
	Pakistan	Total No.	-	-	1	12
	Qatar	Total No.	75	76	6	32
	Saudi Arabia	Total No.	26	26	31	23
	Slovenia	Total No.	-	68	23	76
	Sudan	Total No.	-	-	84	1
	Tanzania	Total No.	-	-	29	53
	UAE	Total No.	65	50	49	60
	Zambia	Total No.	-	5	36	1
	Greece	Total No.	-	0	0	-

Training and Development

		Unit	2020[43]	2021	2022	2023
Employee Training and Development	Total	Hours	-	-	311,112	40,208
		Avg. hours/ employee/yr.	46.4	8.36	44	31
	Female	Avg. hours/ employee/yr.	49.7	10.87	47.3	33.2
	Male	Avg. hours/ employee/yr.	43.2	5.8	40.7	28.8
	Entry Level	Avg. hours/ employee/yr.	30.4	-	83.6	1,453[44]
	Staff	Avg. hours/ employee/yr.	127.2	-	65.8	NA
	Management	Avg. hours/ employee/yr.	312.3	-	17.8	430[45]
Spend on Employee Training and Development	Total	EGP	10,191,095	-	25,316,414	142,000,000
Corporate Functional Training	HSE Training	No. of Trainees	35	-	614	77,752
	IT/Cybersecurity Training	No. of Trainees	4	-	96	NA
	Other Training (compliance, technical, soft skills, etc.)	No. of Trainees	70	-	7,546	7,631

Employees Receving Performance and Career Development Reviews

		Unit	2022	2023
Total	All Employees	No. of employees who received reviews	4,588	5,793
		%of employees who received reviews from total employees	25%	30%

[44] This figure represents the number of seats.
[45] This figure represents the number of customized management programs.

Parental Leave

		Unit	2020	2021	2022	2023
Number of employees who are entitled to a maternity/parental leave*	Employees	No.	926	1,266	1,405	1,493
Number of employees who took maternity/parental leave during the reporting year	Employees	No.	9	12	11	8
Number of employees who returned to work after maternity/parental leave ended	Employees	No.	9	11	11	6
Rate of return to work	Employees	%	100%	92%	100%	75%

*All female employees are entitled to a maternity leave of 3 months as per the national labor law.

Occupational Health and Safety

		Unit	2020	2021	2022	2023
Work-Related Fatalities	Employees and contractors	No.	2	1	1	2
Lost-time Injuries	Employees and contractors	No.	-	-	-	26
Medical Treatment Injuries	Employees and contractors	No.	-	-	-	68
First Aid Injuries	Employees and contractors	No.	-	-	-	441
Near Miss Accidents	Employees and contractors	No.	-	-	-	266
Work Related Illness Cases	Employees and contractors	No.	-	-	-	88
No. of Lost days due to Injuries	Employees and contractors	No.	-	-	-	186
Worked Hours	Employees and contractors	No.	-	-	-	35,862,783
Reported Work-Related Hazards	Employees and contractors	No.	-	-	-	1,460,797
Lost Time Injury Frequency Rate (LTIFR)	Employees and contractors	No. of injuries per 1,000,000 hours worked	0.29	1.0	0.8	0.72
Lost Time Injury Severity Rate (LTISR)	Employees and contractors	No. of lost days due to injuries per 1,000,000 hours worked	-	-	-	5.19
Occupational Illness Frequency Rate (OIFR)	Employees and contractors	No. of illness cases per 1,000,000 hours worked	-	-	-	2.0
Data Coverage[46]	Operations/ Revenues	%	100%	100%	100%	100%
Worksites Certified to ISO 45001:2018 or OHSAS 18001	% of total manufacturing facilities	%	100%	100%	100%	86%

[46]Data coverage includes Elsewedy Electric's manufacturing facilities in addition to Elsewedy Electric's EPC projects.

COMMUNITY ENGAGEMENT **INDICATORS**

Breakdown of Elsewedy Electric's Foundation's Financial Commitments*

		Unit	2023
Elsewedy Electric Foundation's Budget	Total	EGP Mn	250
	Education Projects	EGP Mn	125
	Health Projects	EGP Mn	100
	Other Humanitarian and Social Projects	EGP Mn	25

*These figures represent Elsewedy Electric's Foundation projects in Egypt.

CERTIFICATIONS **STATUS**

Percentage of Manufacturing Facilities Certified (FY 2023)		
ISO 9001	% of Total Manufacturing Facilities	100%
ISO 14001		86%
ISO 45001		86%
ISO 50001		36%

Certification	Business Site / Subsidiary	Year of Attainment or Terms of Validity
ISO 50001:2018 Energy Management Systems	Egyplast	2022-2025
	Elsewedy Electric LLC	2022-2025
	Elsewedy Power Electrical Contracting LLC	2022-2025
	3W Networks FZE 3W Networks LLC 3W Networks FZCO 3W Networks LLC 3W Networks 3W Networks Arabia	2022-2025
	Egyptian Company For Manufacturing Electrical Insulators (ECMEI)	2022-2025
	Elsewedy Electrical Infrastructure & Environmental Solutions	2023-2026
	Elsewedy Electric Cable Accessories (SEDCO)	2023-2026
	Elsewedy Cables	2022-2025
	Egytech Cables	2022-2025
	Elsewedy Special Cables - UIC	2021-2024
	Iskraemeco Slovenia	2023-2025

Certification	Business Site / Subsidiary	Year of Attainment or Terms of Validity
ISO 9001:2015 Quality Management Systems	United Metals Company (U.M.C)	2021-2024
	Elsewedy Special Cables	2023-2026
	Iskraemeco - Slovenia	2023-2024
	Elsewedy Electric for Electrical Products	2022-2025
	Elsewedy Electrical Infrastructure & Environmental Solutions	2022-2025
	Elsewedy Electric Steel Applications	2023-2026
	Egyplast	2023-2026
	Egyptian Company For Manufacturing Electrical Insulators (ECMEI)	2021-2024
	Iskraemeco India	2023-2026
	Elsewedy Electrical Infrastructure & Environmental Solutions	2022-2025
	Iskraemeco Egypt	2022-2025
	Elsewedy Cables Ethiopia	2022-2025
	Elsewedy Cables KSA	2022-2025
	Elsewedy Cables Algeria	2024-2027
	Elsewedy Cables Egypt	2023-2026
	Elsewedy Electric Cable Accessories (SEDCO)	2023-2026
	Egytech Cables	2023-2026
	Transformers Egypt	2024-2028
	Transformers Indonesia	2024-2027
	Transformers Pakistan	2024-2026
	Iskraemeco Bosnia	2024-2027
	Elsewedy Electric East Africa (Tanzania)	2021-2024
	Elsewedy Electric T&D	2023-2026
	Elsewedy SEDCO for Petroleum Services	2021-2024
	Elsewedy Electric Power Systems Projects (PSP)	2024-2027
	Doha Cables	2015-2024 2024-2027

Certification	Business Site / Subsidiary	Year of Attainment or Terms of Validity
ISO 14001:2015 Environmental Management Systems	Iskraemeco India	2023-2026
	Egytech Cables	2021-2024
	Elsewedy Electric for Electrical Products	2021-2024
	Elsewedy Special Cables - UIC	2022-2025
	United Metals Company (U.M.C)	2023-2026
	Elsewedy Electric Steel Applications	2023-2026
	Elsewedy Cables Algeria	2023-2026
	Elsewedy Electric Cable Accessories (SEDCO)	2023-2026
	Doha Cables	2024-2027
	Transformers Indonesia	2024-2027
	Transformers Egypt	2024-2027
	Egyplast	2024-2027
	Egytech Cables	2024-2027
	Egyptian Company For Manufacturing Electrical Insulators (ECMEI)	2021-2024
	Transformers Pakistan	2024-2026
	Doha Cables	2021-2024
	Iskraemeco Slovenia	2023-2025
	Rowad Modern Engineering (RME)	2024-2027
	Elsewedy Electrical Infrastructure & Environmental Solutions	2022-2025
	Egytech Cables	2021-2024
	Elsewedy Electric T&D	2024-2027
	Elsewedy SEDCO for Petroleum Services	2021-2024
	Elsewedy Electric Power Systems Projects (PSP)	2021-2024
	Iskraemeco Egypt	2021-2024

Certification	Business Site / Subsidiary	Year of Attainment or Terms of Validity
ISO 45001:2018 Occupational Health and Safety Management Systems	United Metals Company (U.M.C)	2023-2026
	Iskraemeco India	2023-2026
	Transformers Egypt	2024-2027
	Transformers Indonesia	2024-2027
	Elsewedy Electrical Infrastructure & Environmental Solutions	2022-2025
	Elsewedy Electric for Electrical Products	2022-2024
	Elsewedy Electric Steel Applications	2024-2026
	Iskraemeco Egypt	2021-2024
	Transformers Pakistan	2024-2026
	Elsewedy Electric Cable Accessories (SEDCO)	2023-2026
	Egyplast	2023-2026
	Egytech Cables	2024-2027
	Elsewedy Cables Algeria	2023-2026
	Elsewedy Cables KSA	2022-2025
	Egyptian Company For Manufacturing Electrical Insulators (ECMEI)	2021-2024
	Rowad Modern Engineering (RME)Rowad	2024-2025
	Doha Cables	2024-2027
	Elsewedy Special Cables - UIC	2022-2025
	Iskraemeco Slovenia	2023-2025
	Elsewedy SEDCO for Petroleum Services	2021-2024
	Elsewedy Electric Power Systems Projects (PSP)	2021-2024
	Elsewedy Electric T&D	2022-2025
ISO/IEC 17020:2021 Conformity Assessment — Requirements for the Operation of Various Types of Bodies Performing Inspection	Iskraemeco Slovenia	Granted 2011

Certification	Business Site / Subsidiary	Year of Attainment or Terms of Validity
ISO/IEC 17025:2017 General requirements for the competence of testing and calibration laboratories	Elsewedy Cables Laboratory (A3) Elsewedy Cables Organization	2020-2024
	Elsewedy Electric Steel Applications	2022-2026
	Elsewedy Cables Egypt	2020-2024
	Elsewedy Electric for Electrical Products Laboratories Elsewedy Electric for Electrical Products Organization	2022-2025
	Elsewedy Cables Algeria	2023-2026
	Egyptian Company For Manufacturing Electrical Insulators (ECMEI)	2023-2027
	Iskraemeco India	2023-2025
	Elsewedy Electric Cable Accessories (SEDCO)	2023-2027
	Elsewedy Special Cables	2022-2025
	Iskraemeco Slovenia	Granted 2004
	Iskraemeco Egypt	2023-2027
ISO 27001 Information Security Management Systems	Iskraemeco Slovenia	2016-2025
	Iskraemeco India	2021-2024
	Iskraemeco Egypt	2022-2025
ISO/IEC 33061:2021 Information technology — Process assessment — Process assessment model for software life cycle processes	Iskraemeco Slovenia	2023-2026
ISO 3834-2:2021 Quality Requirements for Welding	Elsewedy Electrical Infrastructure & Environmental Solutions	2022-2025
ISO 37301:2021 Compliance Management Systems	Elsewedy Special Cables - UIC	2023-2024
	Elsewedy Cables Egypt	2023-2026
	Egytech Cables	2023-2026

Certification	Business Site / Subsidiary	Year of Attainment or Terms of Validity
ISO 22301:2019 Business Continuity Management Systems	Elsewedy Cables Egypt	2022-2025
	Egytech Cables	2022-2025
ISO 27017:2015 Information Security for Cloud Services	Elsewedy Cables Laboratory (A3) Elsewedy Cables Organization	2020-2024
ISO 27018:2019 Protection of Personally Identifiable Information in Cloud Services	Iskraemeco Slovenia	2024-2025
ISO 29001:2020 Petroleum, petrochemical and natural gas industries — Sector-specific quality management systems — Requirements for product and service supply organizations	Iskraemeco Slovenia	2024-2025
ISO 21500:2021 Project, programme and portfolio management — Context and concepts	Elsewedy Electric Power Systems Projects (PSP)	2021-2025

For more information on the certifications, please visit our website.

09

SUPPLEMENTARY **INFORMATION**

Limited Assurance Statement 248
GRI Content Index 252
SASB Correspondence Table 263
TCFD Correspondence Table 266
Alignment with the Integrated Reporting <IR> Framework 271
IFRS S1 Correspondence Table 273
IFRS S2 Correspondence Table 279
UNGC Correspondence Table 287
Abbreviations and Acronyms 288

LIMITED ASSURANCE **STATEMENT**

INTRODUCTION AND OBJECTIVES OF THE ENGAGEMENT

Masader Environmental and Energy Services S.A.E (the 'Assurance Provider') has been engaged by Elsewedy Electric (the 'Reporting Organization') to provide Moderate Assurance Type 1 (the 'Assurance') regarding adherence to the AA1000AS v3 (2020) over the Elsewedy Electric 2023 Sustainability Report (the 'Report').

SCOPE, SUBJECT MATTER, AND LIMITATIONS

The report covers the ESG performance data and information of the reporting organization for the year that concluded on December 31, 2023. The assurance's scope is restricted to a study of the particular data that follows:

- Elsewedy Electric ESG Management
- Stakeholder Engagement
- Materiality Assessment

The assurance process was subject to the following limitations and exclusions:

- Verify the data or information provided by Elsewedy Electric, as stated in the Introduction section and Elsewedy Electric's Top Management Letters.
- Appropriateness of definitions and any internal reporting criteria adopted by Elsewedy Electric for its disclosures.
- Appropriateness of any new commitments and objectives established and communicated by Elsewedy Electric.
- Content of external websites or documents linked from the Report and Elsewedy Electric.

We have not been engaged to:

- Verify any statement indicating Elsewedy Electric's intention, opinion, belief, and/or aspiration.
- Determining which, if any, recommendations should be implemented.

INTENDED USERS

The Reporting Organization and its stakeholders, including but not limited to clients, staff, investors, governmental bodies, and regulators, are the intended users of this assurance engagement.

REPORTING CRITERIA

The selection of data has been prepared in compliance with the UN Global Compact (UNGC) Principles, the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, and the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) Standards.

RESPONSIBILITIES OF THE REPORTING ORGANIZATION

The provision of the Selected Information in the Report is the sole responsibility of the Management of Elsewedy Electric.

The Reporting Organization is responsible for calculating the chosen KPIs in compliance with Elsewedy Electric's "Basis of Reporting" and preparing the Report in compliance with the reporting criteria and the GRI 2021 Universal Standards.

ASSURANCE PROVIDER'S RESPONSIBILITIES

We are responsible for undertaking a limited assurance engagement and providing an assessment based on the work completed. Our responsibilities were to:

Provide Moderate Level (Type 1) assurance as per AA1000AS v3 over the accuracy, reliability, and objectivity of the information contained within the Report. Form an independent conclusion based on the procedures performed and evidence obtained.

METHODOLOGY

To form our conclusion, we undertook the following procedures:

- Interviewed management and other persons responsible for the Reporting Organization's ESG performance to assess the application of the GRI 2021 Universal Standards in the preparation of the Report.
- Analyzed and evaluated the key structures, processes, procedures, and controls relating to the preparation of the Report.
- Evaluate whether the management approach for the material topics presented in the Report is consistent with Elsewedy Electric's overall sustainability management and performance.
- Assessed the completeness and accuracy of the GRI, SASB, TCFD, and UNGC content indexes concerning the disclosures and their omissions.
- Interviewed management and data owners regarding the identification, data collection, consolidation, and reporting process for the selected KPIs.
- Reviewed the selected KPIs in relation to Elsewedy Electric's internal calculations and supporting documentation.
- Compare the content of the Report against the findings of the outlined procedures.

STATEMENT OF INDEPENDENCE AND IMPARTIALITY

The Assurance Provider and the Reporting Organization are not engaged in relationships that would be perceived to affect its ability to provide an independent and impartial statement.

STATEMENT OF COMPETENCE

Masader Environmental and Energy Services S.A.E is an AA1000AS v3 - Licensed Assurance Provider as per the license agreement (ID: 000-882) with Accountability AA1000 CIC. The assurance team has extensive experience assessing ESG data, systems, and procedures.

RECOMMENDATIONS

Based on the conducted assurance engagement, it is recommended that the Reporting Organization implement the following measures to enhance future reporting:

- Ensure clear alignment between reported metrics and the long-term ESG goals and targets, including progress made during the reporting period.
- Ensure consistent and complete disclosure of stakeholder engagements conducted for the purpose of the report prepared in case such actions have been undertaken.

CONCLUSION

Our conclusion has been formed based on and is subject to the matters outlined in this Report. Our evidence is sufficient and appropriate to provide a basis for our findings. The conclusion on applying the AA1000 Assurance Principles (2018) is presented below.

Inclusivity	The Reporting Organization has provided evidence of the inclusivity regarding its stakeholder relations, including understanding and representation of stakeholder interests in the Report.
Materiality	The Reporting Organization has described its material topics and the materiality assessment process. Based on the conducted engagement, we believe the material topics accurately reflect the Reporting Organization's ESG impacts and disclosures. The disclosures presented in the Report have been organized to show performance on each material topic. However, the Report would benefit from a more straightforward representation of the connection between the Reporting Organization's targets and reported disclosures.
Responsiveness	The obtained evidence has been sufficient to conclude that the Reporting Organization is responsive to the issues raised by its stakeholder groups by collecting regular feedback via tailored communication channels and appropriate procedures to handle grievances, feedback, and other types of stakeholder input.
Impact	The Reporting Organization has provided evidence of the procedures and systems used to monitor and measure its impacts on the environment and actions to ensure accountability for those impacts.

Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the Selected Information of the Report of Elsewedy Electric for the year ended 31 December 2023 has not been prepared, in all material respects, in accordance with the standards, frameworks, and principles indicated in the 'Reporting Criteria' section above.

According to the terms of our engagement, this independent assurance statement on the Selected Information has been prepared for Elsewedy Electric concerning reporting to the Reporting Organization's stakeholders and for no other purpose or in any other context.

For and on behalf of Masader Environmental and Energy Services S.A.E.

Dr. Abdelhamid Beshara,
Founder and Chief Executive Officer
Masader, Environmental and Energy Services (S.A.E)
Cairo, August 2024

GRI CONTENT **INDEX**

Statement of Use	Elsewedy Electric has reported in accordance with the GRI Standards for the period from January 1st, 2023, to December 31st, 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	None

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Map-ping	WEF Metrics
			Requirement(s) Omitted	Reason	Explanation		
GRI 2: General Disclosures 2021							
	The organization and its reporting practices						
GRI 2: General Disclosures 2021	2-1 Organizational details	About this Report An Overview: Elsewedy Electric Group					
	2-2 Entities included in the organization's sustainability reporting	About this Report					
	2-3 Reporting period, frequency and contact point	About this Report					
	2-4 Restatement of information	About this Report					
	2-5 External assurance	Limited Assurance Statement					
	Activities and workers						
	2-6 Activities, value chain and other business relationships	An Overview: Elsewedy Electric Group					
	2-7 Employees	Social Indicators				SDG 8.5, 10.3	
	2-8 Workers who are not employees	Social Indicators				SDG 8.5	

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Map-ping	WEF Metrics
			Requirement(s) Omitted	Reason	Explanation		
	Governance						
	2-9 Governance structure and composition	Elsewedy Electric Leadership Elsewedy Electric 2023 Corporate Governance Report Strategic Sustainability Governance				SDG 5.5, 16.7	Gover-nance body com-position
	2-10 Nomination and selection of the highest governance body	Compensation and Remuneration Committee charter				SDG 5.5, 16.7	
	2-11 Chair of the highest governance body	Elsewedy Electric Leadership Elsewedy Electric 2023 Corporate Governance Report				SDG 16.6	
	2-12 Role of the highest governance body in overseeing the management of impacts	Strategic Sustainability Governance				SDG 16.7	
	2-13 Delegation of responsibility for managing impacts	Strategic Sustainability Governance					
	2-14 Role of the highest governance body in sustainability reporting	Strategic Sustainability Governance					
	2-15 Conflicts of interest	Integrity and Compliance at the Core of Elsewedy Electric's Business Zero Tolerance for Corruption				SDG 16.6	
	2-16 Communication of critical concerns	Integrity and Compliance at the Core of Elsewedy Electric's Business					
	2-17 Collective knowledge of the highest governance body	Elsewedy Electric 2023 Corporate Governance Report Strategic Sustainability Governance					
	2-18 Evaluation of the performance of the highest governance body	Elsewedy Electric 2023 Corporate Governance Report Strategic Sustainability Governance					

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Map-ping	WEF Metrics
			Requirement(s) Omitted	Reason	Explanation		
	2-19 Remuneration policies	Compensation and Remuneration Committee charter Elsewedy Electric 2023 Corporate Governance Report					
	2-20 Process to determine remuneration	Compensation and Remuneration Committee charter Elsewedy Electric 2023 Corporate Governance Report				SDG 16.7	
	2-21 Annual total compensation ratio	The ratio of basic salary and remuneration of the highest paid individual to the average annual total compensation for all employees is 0.05%, while the ratio of the percent increase in annual total compensation of the highest paid individual to the average annual total compensation for all employees is 156%.					
	Strategy, Policy and Practices						
	2-22 Statement on sustainable development strategy	A Word from the President and CEO Insights from the Group ESG, Sustainability, & CSR Director					
	2-23 Policy commitments	Strategic Sustainability Governance Integrity and Compliance at the Core of Elsewedy Electric's Business				SDG 16.3 UNGC 7, 10	
	2-24 Embedding policy commitments	Strategic Sustainability Governance Integrity and Compliance at the Core of Elsewedy Electric's Business					
	2-25 Processes to remediate negative impacts	Strategic Sustainability Governance Integrity and Compliance at the Core of Elsewedy Electric's Business Materiality Assessment					Risk and oppor-tunity oversight

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Map-ping	WEF Metrics
			Requirement(s) Omitted	Reason	Explanation		
	2-26 Mechanisms for seeking advice and raising concerns	Integrity and Compliance at the Core of Elsewedy Electric's Business				SDG 16.3	
	2-27 Compliance with laws and regulations	Zero Tolerance for Corruption					
	2-28 Membership associations	Elsewedy Electric is a GRI Community Member, UNGC participant, a member in the Alliance for Industry Decarbonization, and a member in the American Chamber of Commerce in Egypt. Partnerships for Impact					
	Stakeholder Engagement						
	2-29 Approach to stakeholder engagement	Connecting with Stakeholders					Gover-nance body-composi-tion
	2-30 Collective bargaining agreements	Human Rights				SDG 8.8	
GRI 3: Material Topics 2021							
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment					
	3-2 List of material topics	Materiality Assessment					
Corporate Governance							
GRI 3: Material Topics 2021	3-3 Management of material topics	Elsewedy Electric 2023 Corporate Governance Report Strategic Sustainability Governance					
GRI 205: Anti-cor-ruption 2016	205-1 Operations assessed for risks related to corruption	Integrity and Compliance at the Core of Elsewedy Electric's Business 100% of Elsewedy Electric's business sites are assessed for corruption by the Compliance department.				SDG 16.5	
	205-2 Communication and training about anti-corruption policies and procedures	Zero Tolerance for Corruption				SDG 16.5	

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Map-ping	WEF Metrics
			Requirement(s) Omitted	Reason	Explanation		
	205-3 Confirmed incidents of corruption and actions taken	Zero Tolerance for Corruption				SDG 16.5	Ethical behavior
Product Design and Life Cycle Assessment							
GRI 3: Material Topics 2021	3-3 Management of material topics	Circular Economy and Product Stewardship					
ESG Integration							
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability at the Core Leading with Integrity, Driving Accountability					
Digitalization with Purpose							
GRI 3: Material Topics 2021	3-3 Management of material topics	Digital Trust and Security					
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Digital Trust and Security				SDG 16.3, 16.10	
Employee Development							
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, Equity, and Holistic Well-being					
GRI 401: Employ-ment 2016	401-1 New employee hires and employee turnover	Diversity, Equity, and Holistic Well-being Social Indicators				SDG 5.1, 8.5, 8.6, 10.3	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Compensation and Benefits				SDG 3.2, 5.4, 8.5	
	401-3 Parental leave	Compensation and Benefits Social Indicators				SDG 5.1, 5.4, 8.5	
	404-1 Average hours of training per year per employee	Talent Attraction and Development Social Indicators				SDG 4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3	Skills for the future

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Map-ping	WEF Metrics
			Requirement(s) Omitted	Reason	Explanation		
GRI 404: Train-ing and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Attraction and Development				SDG 8.2, 8.5	
	404-3 Percentage of employees receiving regular performance and career development reviews	Talent Attraction and Development Social Indicators				SDG 5.1, 8.5, 10.3	
Diversity and Inclusion							
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, Equity, and Holistic Well-being					
GRI 405: Diversity and Equal Opportuni-ty 2016	405-1 Diversity of governance bodies and employees	Elsewedy Electric Leadership Diversity, Equity, and Holistic Well-being				SDG 5.1, 5.5, 8.5	
	405-2 Ratio of basic salary and remuneration of women to men	ESG Indicators - Social Indicators				SDG 5.1, 8.5, 10.3	
Occupational Health and Safety							
GRI 3: Material Topics 2021	3-3 Management of material topics	Prioritizing Occupational Health and Safety					
GRI 403: Occu-pational Health and Safety 2018	403-1 Occupational health and safety management system	Prioritizing Occupational Health and Safety				SDG 3.3, 3.4, 3.9, 8.8, 16.1	
	403-2 Hazard identification, risk assessment, and incident investigation	Prioritizing Occupational Health and Safety				SDG 8.8	
	403-3 Occupational health services	Prioritizing Occupational Health and Safety				SDG 8.8	

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Map-ping	WEF Metrics
			Requirement(s) Omitted	Reason	Explanation		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Prioritizing Occupational Health and Safety				SDG 8.8, 16.7	
	403-5 Worker training on occupational health and safety	Prioritizing Occupational Health and Safety				SDG 8.8	
	403-6 Promotion of worker health	Prioritizing Occupational Health and Safety				SDG 3.3, 3.5, 3.7, 3.8	Health and well-being
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Prioritizing Occupational Health and Safety				SDG 8.8	
	403-8 Workers covered by an occupational health and safety management system	Prioritizing Occupational Health and Safety				SDG 8.8	
	403-9 Work-related injuries	Prioritizing Occupational Health and Safety Social Indicators				SDG 3.6, 3.9, 8.8, 16.1	Health and well-being
	403-10 Work-related ill health	Prioritizing Occupational Health and Safety Social Indicators				SDG 3.3, 3.4, 3.9, 8.8, 16.1	
Resource Efficiency & Renewable Sources							
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Manufacturing					
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Sustainable Manufacturing				SDG 6.3, 6.4, 6.A, 6.B, 12.4	
	303-2 Management of water discharge-related impacts	Sustainable Manufacturing				SDG 6.3	
	303-3 Water withdrawal	Sustainable Manufacturing Environmental Indicators				SDG 6.4	

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Map-ping	WEF Metrics
			Requirement(s) Omitted	Reason	Explanation		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Sustainable Manufacturing Environmental Indicators				SDG 7.2, 7.3, 8.4, 12.2, 13.1	
	302-2 Energy consumption within the organization	Sustainable Manufacturing Environmental Indicators				SDG 7.2, 7.3, 8.4, 12.2, 13.1	
	302-3 Energy intensity	Sustainable Manufacturing				SDG 7.3, 8.4, 12.2, 13.1	
	302-4 Reduction of energy consumption	Sustainable Manufacturing				SDG 7.3, 8.4, 12.2, 13.1	
	302-5 Reductions in energy requirements of products and services	Sustainable Manufacturing				SDG 7.3, 8.4, 12.2, 13.1	
Local Community Impact							
GRI 3: Material Topics 2021	3-3 Management of material topics	Delivering on Our Societal Commitments Community Health and Safety					
GRI 413: Local Com-munities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Delivering on Our Societal Commitments Community Health and Safety					
	413-2 Operations with significant actual and potential negative impacts on local communities	Community Health and Safety				SDG 1.4, 2.3	
Circular Economy							
GRI 3: Material Topics 2021	3-3 Management of material topics	Circular Economy and Product Stewardship					
GRI 3: Material Topics 2016	301-1 Materials used by weight or volume	Environmental Indicators				SDG 8.4, 12.2	
	301-2 Recycled input materials used	Circular Economy and Product Stewardship				SDG 8.4, 12.2, 12.5	

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Map-ping	WEF Metrics
			Requirement(s) Omitted	Reason	Explanation		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Circular Economy and Product Stewardship				SDG 3.9, 6.3, 6.6, 11.6, 12.4,12.5	
	306-2 Management of significant waste-related impacts	Circular Economy and Product Stewardship				SDG 3.9, 6.3, 8.4, 11.6, 12.4,12.5	
	306-3 Waste generated	Circular Economy and Product Stewardship				SDG 3.9, 6.6, 11.6, 12.5, 12.4, 15.1	
	306-4 Waste diverted from disposal	Circular Economy and Product Stewardship				SDG 3.9, 11.6, 12.4,12.5	
	306-5 Waste directed to disposal	Circular Economy and Product Stewardship				SDG 3.9, 6.6, 11.6, 12.4, 12.5, 15.1	
Climate Action							
GRI 3: Material Topics 2021	3-3 Management of material topics	Elsewedy Electric's Carbon Footprint Elsewedy Electric's Commitment to Decarbonization					
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Elsewedy Electric's 2023 Carbon Footprint Report				SDG 3.9, 12.4, 13.1, 14.3, 15.2	
	305-2 Energy indirect (Scope 2) GHG emissions	Elsewedy Electric's 2023 Carbon Footprint Report				SDG 3.9, 12.4, 13.1, 14.3, 15.2	
	305-3 Other indirect (Scope 3) GHG emissions	Elsewedy Electric's 2023 Carbon Footprint Report				SDG 3.9, 12.4, 13.1, 14.3, 15.2	
	305-4 GHG emissions intensity	Elsewedy Electric's 2023 Carbon Footprint Report				SDG 13.1, 14.3, 15.2	
	305-5 Reduction of GHG emissions	Elsewedy Electric's 2023 Carbon Footprint Report				SDG 13.1, 14.3, 15.2	

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Map-ping	WEF Metrics
			Requirement(s) Omitted	Reason	Explanation		
Human Rights and Working Conditions							
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Rights Sustainable Supply Chain Management					
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights Sustainable Supply Chain Management				SDG 8.8	
GRI 409: Forced or Compul-sory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights Sustainable Supply Chain Management				SDG 5.2, 8.7	
GRI 308: Supplier Environ-mental As-sessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainable Supply Chain Management					
	308-2 Negative environmental impacts in the supply chain and actions taken		a., b., c., d., e.	Info. Unavailable	Elsewedy Electric is preparing to disclose this information in the upcoming reporting period.		
GRI 414: Supplier Social Assess-ment 2016	414-1 New suppliers that were screened using social criteria	Sustainable Supply Chain Management				SDG 5.2, 8.8, 16.1	
	414-2 Negative social impacts in the supply chain and actions taken		a., b., c., d., e.	Info. Unavailable	Elsewedy Electric is preparing to disclose this information in the upcoming reporting period.	SDG 5.2, 8.8, 16.1	
GRI 204: Procure-ment Practices 2016	204-1 Proportion of spending on local suppliers		a., b., c	Info. Unavailable	Elsewedy Electric is preparing to disclose this information in the upcoming reporting period.		
Protecting Ecosystems & Biodiversity Conservation							
GRI 3: Material Topics 2021	3-3 Management of material topics	Protecting Ecosystems and Biodiversity Conservation					

GRI Standard	Disclosure	Direct Response/ Section in this Report	Omissions			SDGs Mapping	WEF Metrics
			Requirement(s) Omitted	Reason	Explanation		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Protecting Ecosystems and Biodiversity Conservation					
	304-2 Significant impacts of activities, products and services on biodiversity	Protecting Ecosystems and Biodiversity Conservation					
	304-3 Habitats protected or restored	None					
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Protecting Ecosystems and Biodiversity Conservatio					
Sustainable Business Model							
GRI 3: Material Topics 2021	3-3 Management of material topics	Group Environmental and Social Management System					

SASB **CORRESPONDENCE TABLE**

SASB Standard - Electrical & Electronic Equipment					
Sustainability Disclosure Topics & Accounting Metrics					
Topic	**Accounting Metric**	**Category**	**Unit of Measure**	**Code**	**Response**
Energy Management	(1) Total energy consumed	Quantitative	Gigajoules (GJ), Percentage (%)	RT-EE-130a.1	452,212 MWh
	(2) percentage grid electricity				Environmental Indicators: Energy (2) % grid electricity: 66% (3) % renewable: 0.002%
	(3) percentage renewable				
Hazardous Waste Management	Amount of hazardous waste generated; percentage recycled	Quantitative	Tons (t), Percentage (%)	RT-EE-150a.1	Hazardous waste generated: 1,543 tons Environmental Indicators: Waste
	Number and aggregate quantity of reportable spills, quantity recovered	Quantitative	Number, Kilograms (kg)	RT-EE-150a.2	This information is not available for the current reporting period. Elsewedy Electric is working on the implementation of its ESMS system that will help in collecting the required information for the upcoming reporting periods. Elsewedy Electric adopts a Spill Control Procedure as part of its HSE management system, across all sites of operation.
Product Safety	Number of recalls issued; total units recalled	Quantitative	Number	RT-EE-250a.1	This information is unavailable/incomplete for the current reporting period
	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitativeg	Reporting currency	RT-EE-250a.2	This information is unavailable/incomplete for the current reporting period
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	Percentage (%) by revenue	RT-EE-410a.1	This information is unavailable/incomplete for the current reporting period
	Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria	Quantitative	Percentage (%) by revenue	RT-EE-410a.2	This information is unavailable/incomplete for the current reporting period
	Revenue from renewable energy-related and energy efficiency-related products	Quantitative	Reporting currency	RT-EE-410a.3	Measuring Our Impact Toward Sustainable Development
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	RT-EE-440a.1	Elsewedy Electric ensures sustainable material sourcing by adhering to the RoHS and REACH frameworks, which regulate the use of harmful chemicals.

SASB Standard - Electrical & Electronic Equipment

Sustainability Disclosure Topics & Accounting Metrics

Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	Discussion and Analysis	n/a	RT-EE-510a.1	Integrity and Compliance at the Core of Elsewedy Electric's Business Zero Tolerance for Corruption
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Reporting currency	RT-EE-510a.2	No losses were recorded in the reporting year
	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	Reporting currency	RT-EE-510a.3	No losses were recorded in the reporting year

Activity Metrics

Activity Metric	Category	Unit of Measure	Code	Response
Number of units produced by product category	Quantitative	Number	RT-EE-000.A	Total units produced/sold in FY 2023: Transformers: 14,521 units Meters: 4,057,065 units Cables (tons): 156,748 Source: FY 2023 RAP Sheet
Number of employees	Quantitative	Number	RT-EE-000.B	Total number of employees as of 2023: 19,139

SASB Standard - Electric Utilities & Power Generators

Sustainability Disclosure Topics & Accounting Metrics

Topic	Accounting Metric	Category	Unit of Measure	Code	Response
Greenhouse Gas Emissions & Energy Resource Planning	Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	Quantitative	Metric tons (t) CO2-e, Percentage (%)	IF-EU-110a.1	Elsewedy Electric's Carbon Footprint Refer to Elsewedy Electric's 2023 Carbon Footprint Report
	Greenhouse gas (GHG) emissions associated with power deliveries	Quantitative	Metric tons (t) CO2-e	IF-EU-110a.2	Elsewedy Electric's Carbon Footprint Refer to Elsewedy Electric's 2023 Carbon Footprint Report
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	IF-EU-110a.3	Elsewedy Electric's Carbon Footprint Elsewedy Electric's Commitment to Decarbonization Refer to Elsewedy Electric's 2023 Carbon Footprint Report

SASB Standard - Electric Utilities & Power Generators

Sustainability Disclosure Topics & Accounting Metrics

	Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage fulfillment of RPS target by market	Quantitative	Number, Percentage (%)	IF-EU-110a.4	This information is unavailable/incomplete for the current reporting period
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	Quantitative	Metric tons (t), Percentage (%)	IF-EU-120a.1	This information is unavailable/incomplete for the current reporting period
Water Management	Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m^3), Percentage (%)	IF-EU-140a.1	Sustainable Manufacturing
	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Quantitative	Number	IF-EU-140a.2	No incidents were recorded in the reporting year
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	IF-EU-140a.3	Sustainable Manufacturing Refer to CDP Water Security Questionnaire
Workforce Health & Safety	Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Quantitative	Rate	IF-EU-320a.1	Social Indicators: Occupational Health and Safety Metrics

TCFD **CORRESPONDENCE TABLE**

TCFD Recommendation	CDP Corporate Questionnaire	Brief description (please refer to CDP Climate Change response for further details)
Governance		
a. Describe the board's oversight of climate-related risks and opportunities.	4.1.2	Elsewedy Electric's CEO holds key responsibility for climate-related issues, including approving budgets for climate-related projects and endorsing sustainability targets and plans. This ensures the company's commitment to sustainability and accountability to stakeholders. The board oversees climate-related issues through scheduled meetings, where they review and guide annual budgets, strategy, transition plans, corporate targets, public policy engagement, and value chain engagement. Their agenda includes monitoring environmental and social commitments as part of its 2025 and 2030 Goals, handling external communications related to sustainability, reviewing non-financial reporting systems, approving budgets for sustainability, and updating the company's CSR and training programs. They also revise and approve environmental policies and sign commitment letters on sustainability initiatives.
b. Describe management's role in assessing and managing climate-related risks and opportunities.	4.3	
Strategy		
a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	2.1, 2.2.2, 3.1, 3.1.1, 3.6, 3.6.1	Our organization defines time horizons as short-term (0-3 years) for immediate sustainability targets, medium-term (3-10 years) for aligning with Egypt's 2030 agenda, and long-term (10-30 years) for achieving net-zero emissions by 2050. 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. In Elsewedy Electric's climate-related risk assessments, the considered risk types include: **Current regulation:** Elsewedy Electric must adhere to international regulations to access global markets, with non-compliance risking export losses. Water standards and import regulations also impact the business. Egytech, a subsidiary, received the BASEC certification for its solar cables, reflecting high quality. The company continues to enhance standards by obtaining new certifications and transitioning to updated standards, with all factories ISO 14001 certified and over 50% ISO 50001 certified. Four EPDs have been published covering 37 cables in 2023, aiming for full product coverage by 2030. ESG and carbon footprint reporting initiatives support compliance with the new Financial Regulatory Authority (FRA) ESG and TCFD regulations from January 2023, and careful supplier audits ensure adherence to sustainability and safety standards. **Emerging regulation:** As part of our corporate risk management, we regularly monitor and assess emerging regulations, focusing on new climate-related and sustainability requirements at both national and international levels. To mitigate risks from these regulations, we undertake climate-related initiatives such as GHG reporting and decarbonization plans. We anticipate new
b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	3.1.1, 3.6.1, 5.1.2, 5.2, 5.3.1, 5.3.2, 5.14, 5.14.1	
c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	5.1, 5.1.1, 5.1.2	

TCFD Recommendation	CDP Corporate Questionnaire	Brief description (please refer to CDP Climate Change response for further details)
Strategy		
		regulations on energy efficiency and renewable energy, and plan to double our investments in these areas by 2025. Additionally, we aim to derive 20% of our energy from renewable sources by 2030, with plans to exceed this target. **Technology:** In addition to monitoring emerging regulations and market trends, Elsewedy Electric focuses on R&D to develop products and services addressing climate change opportunities, such as advanced materials, higher efficiency, smart technology, and digitalization, to mitigate technological risks like shifts in technology and demand. Investing in cutting-edge technology and smart green buildings, electrifying fleets, and improving digital capabilities positions the company as a leader in clean technology and enhances efficiency. The Digital Transformation Strategy aims to optimize asset use, integrate renewable energies, and reduce costs. Key risk factors include technological shifts, evolving regulations, and declining demand for hydrocarbons. Mitigation strategies involve investing in R&D, leading transitions in technology, and exploring environmental risks across the value chain. **Legal:** 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. 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. **Market:** Elsewedy Electric monitors global market trends and assess their potential risks, considering factors like the global economy, import availability, market interest, and changing consumer behavior. In Egypt, market risks related to imports, delays, and restrictions could significantly impact production, cash flows, operational costs, and profits. Identified risk factors include supply chain disruptions, shifts in market demands, price fluctuations, increased energy costs, declining hydrocarbon demand, stranded assets, and reduced shareholder returns. To mitigate these risks, we adopt sustainable business models, align assets with low-carbon scenarios, increase natural gas use, transition to renewable energy, and explore alternative energy and water sources. **Reputation:** Non-compliance with energy, environmental, and water standards can lead to financial losses, substantial fines, loss of investment bank financing, and significant reputational damage, affecting consumer preferences, stakeholder concerns, and public perception. Additionally, failing to participate in key market events, like COP27 and WETEX & Dubai Solar Show, could negatively impact our visibility and reputation. Risk factors include impacts on stakeholder relations, stock price, and ESG scores. To mitigate these risks, we maintain strong sustainability

TCFD Recommendation	CDP Corporate Questionnaire	Brief description (please refer to CDP Climate Change response for further details)
Strategy		
		governance, set science-based climate targets aligned with SDGs, ensure transparent reporting, communicate our goals and progress effectively, and foster partnerships with a broad range of stakeholders. **Acute physical:** Our manufacturing operations depend on an upstream value chain for materials and parts, making them vulnerable to severe weather events, climate change impacts, global economic shifts, and raw material shortages, which can disrupt operations, affect pricing, and delay deliveries. Past issues with third-party security providers and instability led us to establish our own security company to ensure compliance with standards and protect against theft and fraud. Risks include damage to infrastructure, operational interruptions, recovery costs, and employee health impacts. To mitigate these risks, we implement technical measures for infrastructure protection, apply stringent design criteria, enhance environmental monitoring, adopt early warning systems, and diversify our portfolio across different geographies and sectors. **Chronic physical risks:** Chronic physical risks, such as rising sea levels, extreme weather events, and changes in climate patterns, can directly and indirectly impact our production facilities and suppliers, especially in coastal regions and areas vulnerable to severe weather. For example, the production and supply chain of smart electricity meters, like those from Iskraemeco, face significant sustainability challenges, including: · **Conflict Minerals:** Sourcing minerals like gold, tantalum, tungsten, and tin (3TG) from conflict zones, such as the Democratic Republic of Congo, which are often associated with human rights abuses and environmental damage. · **Material Scarcity:** Increasing scarcity of essential materials listed by the European Commission, necessitating the search for substitutes. · **E-Waste:** Rapidly growing volumes of electronic waste with inadequate recycling, highlighting the need for longer product lifespans and better recycling solutions. · **Resource Usage:** High resource consumption (energy, water, gas) in production processes, requiring improvements in product design and manufacturing practices to minimize environmental impact. Addressing these challenges involves enhancing supply chain transparency, finding alternative materials, improving product durability and recyclability, and optimizing resource usage to reduce pollution.

Risk Management		
a. Describe the organization's processes for identifying and assessing climate-related risks.	2.1, 2.2.1, 2.2.2, 2.2.5, 2.2.6, 2.2.8, 2.2.9	In 2023, we conducted a comprehensive risk assessment process focusing on climate-related risks and opportunities. To carry out this assessment, we appointed an ESG and Climate Consultant to identify and evaluate the impacts of climate change on the Company. An initial inventory of risks and impacts has been developed, covering both transition and physical risks. The work also involved creating a tailored impact assessment methodology and process for Elsewedy Electric, covering both physical and transitional risks and opportunities. All risks were evaluated based on the significance of the impacts and the likelihood of occurrence. As part of Elsewedy Electric's updated 2020-2030 ESG strategy, processes will be implemented to manage climate-related risks, integrating them into our business-as-usual processes. These will include the following four areas: 1. Electricity, fuel and water consumption 2. Raw materials and supply chain 3. Product Environmental Footprint and GHG portential 4. Policies The organization has not yet integrated the processes for identifying, evaluating, and handling climate-related risks into its overall risk management. This integration is anticipated to be completed by the end of 2024/Q1 of 2025.
b. Describe the organization's processes for managing climate-related risks.	2.1, 2.2.1, 2.2.8, 2.2.9	
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	2.1, 2.2.1	
Metrics and Targets		
a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	7.52, 7.54, 7.54.1, 7.54.2	Elsewedy Electric has detailed its gross global Scope 3 emissions, encompassing a range of categories with some areas still under development. For the category of purchased goods and services, the reported emissions amount to 2,882,280 $mtCO_2e$ This figure is derived using the average data method and includes emissions from the procurement of raw materials, packaging materials, consumables, paper, ink, and municipal water use. The majority of these emissions, about 97%, come from raw material procurement. The emissions calculation involves multiplying the total purchased materials by emission factors from the UK Government GHG Conversion Factors for Company Reporting (DEFRA UK). In the category of fuel-and-energy-related activities not included in Scope 1 or 2, the reported emissions are 11,247 $mtCO_2e$ calculated using both fuel-based and distance-based methods. These emissions cover Well-To-Tank (WTT) emissions from stationary and mobile fuel combustion. The calculation is based on fuel consumption data and emission factors from DEFRA UK. For upstream transportation and distribution, emissions are reported at 45,031 $mtCO_2e$. These emissions are calculated using average data and distance-based methods, including Well-To-Tank (WTT) and Tank-To-Wheel (TTW) emissions from transporting raw materials to the company's factories and warehouses. Data for these calculations come from logistics operations, with emission factors applied from DEFRA UK. Waste generated in operations contributes 1,567 $mtCO_2e$. This total includes emissions from solid waste and wastewater treatment. Emissions are calculated using waste-type-specific methods and emission factors from DEFRA UK, covering all stages from collection to final disposal.
b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	7.6, 7.7, 7.8, 7.8.1, 12.1, 12.1.1, 12.1.3, 12.3	
c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	7.53, 7.53.1, 7.53.2, 7.53.4, 7.54, 7.54.1, 7.54.2	

Metrics and Targets		
		Business travel emissions are reported as 8,941 $mtCO_2e$. These include emissions from air and land travel and hotel stays. The emissions are calculated using distance-based methods and emission factors for various travel modes and accommodations from DEFRA UK. Employee commuting results in 58,752 $mtCO_2e$. calculated using average data and distance-based methods for emissions related to commuting in rented coasters. The calculation uses data on passenger numbers, distances traveled, and fuel types. Downstream transportation and distribution emissions are reported as 61,184 $mtCO_2e$. This category includes emissions from transporting finished products to customers, both locally and internationally, calculated using average data, fuel-based, and distance-based methods. The calculations use data from the logistics division and DEFRA UK emission factors. Capital goods category emissions are reported as 3,310. $mtCO_2e$ Several categories are noted as not yet calculated or not relevant. The company is working on an ESG data collection system to provide these figures in the next two years. The use of sold products and end-of-life treatment categories are also not yet calculated due to insufficient data. However, the company is developing Environmental Product Declarations (EPDs) for its products and aims to achieve 100% EPD/Green Label products by 2030. The categories for upstream leased assets, downstream leased assets, and franchises are deemed not relevant as Elsewedy Electric does not lease assets to external parties or franchise its operations. Lastly, the investments category is relevant but not yet calculated. The company is working on integrating social and environmental criteria into its investment efforts, with plans to align investment criteria with sustainability priorities as part of its Corporate Environmental and Social Management System (C-ESMS). Elsewedy Electric is committed to adopting and setting near-term and net-zero emission reduction targets across our entire company, based on the most robust climate science available through the SBTi. These targets will guide our actions and reinforce our commitment to sustainability. Our near-term and net-zero targets are currently under review by the SBTi, and once approved, we will transparently communicate these goals in our Carbon Footprint and sustainability reports.

ALIGNMENT WITH THE INTEGRATED **REPORTING <IR> FRAMEWORK**

This Report is developed in accordance with the International Integrated Reporting Framework. This Framework covers both guiding principles and content elements.

Guiding Principles	Our Approach	Cross Reference
A. Strategic focus and future orientation	The structure of this report revolves around Elsewedy Electric's value creation strategy and approach, including information on how this strategy is being implemented, and the anticipated performance.	Sustainability at the Core
B. Connectivity of information	This report establishes a clear link between Elsewedy Electric's operating environment, strategy, performance, as well as key risks and opportunities.	Sustainability at the Core
C. Stakeholder relationships	The main stakeholder groups of Elsewedy Electric are identified in this report, along with an examination of the relationships between these groups and the organisation.	Connecting with Stakeholders
D. Materiality	The areas and material topics that have the greatest impact on Elsewedy Electric and its stakeholders are the primary focus of this report and are the basis of the report's structure. These areas are defined as the ones where the organization believes it can generate the most value.	Materiality Assessment
E. Conciseness	To ensure focused content, Elsewedy Electric employs a materiality principle. As a standalone document, this report in addition to public ESG disclosures and ratings (e.g. CDP response) contain sufficient information for stakeholders to make decisions or form opinions.	About this Report
F. Reliability and completeness	Before publication, all information undergoes internal review, approval by the Executive Board, and external assurance. This process ensures a proper balance and emphasis on both positive and negative topics.	About this Report
G. Consistency and comparability	This is Elsewedy Electric's first Sustainability Report using the IR Framework. Where possible, data is shown in context, with comparisons to the previous year's performance.	About this Report

Content Elements	Cross Reference
A- Organizational overview and external environment	An Overview: Elsewedy Electric Group
B- Governance	Strategic Sustainability Governance
C- Business model	An Overview: Elsewedy Electric Group
D- Risks and opportunities	Sustainability at the Core
E- Strategy and resource allocation	Sustainability at the Core
F- Performance	Sustainability at the Core
G- Outlook	Sustainability at the Core
H- Basis of preparation and presentation	About this Report
L- General reporting guidance	About this Report

IFRS S1
CORRESPONDENCE TABLE

IFRS S1 Disclosures	Direct Response "or" Reference Section
Governance	
(a) The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	Strategic Sustainability Governance
i. How responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s)	
ii. How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities	
iii. How and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities	
iv. How the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities	
v. How the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	
(b) Management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about:	
i. Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	
ii. Whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	

IFRS S1 Disclosures	Direct Response "or" Reference Section
Strategy	
(a) The sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects	Sustainability Risks, Opportunities, and Impacts
(b) The current and anticipated effects of those sustainability-related risks and opportunities on the entity's business model and value chain	
(c) The effects of those sustainability-related risks and opportunities on the entity's strategy and decision-making	
(d) The effects of those sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those sustainability-related risks and opportunities have been factored into the entity's financial planning	
(e) The resilience of the entity's strategy and its business model to those sustainability-related risks	
Sustainability-related risks and opportunities	
(a) Describe sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects	Sustainability Risks, Opportunities, and Impacts Refer to our Response to the CDP Corporate Questionnaire
(b) Specify the time horizons—short, medium or long term—over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur	
(c) Explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	
Business model and value chain	
(a) A description of the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain	Refer to our Response to the CDP Corporate Questionnaire
(b) A description of where in the entity's business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	

IFRS S1 Disclosures	Direct Response "or" Reference Section
Strategy and decision-making	
(a) How the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making;	Sustainability Risks, Opportunities, and Impacts Our Commitments and Progress Refer to our Response to the CDP Corporate Questionnaire
(b) The progress against plans the entity has disclosed in previous reporting periods, including quantitative and qualitative information	
(c) Trade-offs between sustainability-related risks and opportunities that the entity considered (for example, in making a decision on the location of new operations, an entity might have considered the environmental impacts of those operations and the employment opportunities they would create in a community).	
Financial position, financial performance and cash flows	
(a) The effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects)	This information is currently unavailable or incomplete for this reporting period. Elsewedy Electric is actively working to disclose this information in future reports.
(b) the anticipated effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	
Quantitative and qualitative information	
(a) How sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period	
(b) The sustainability-related risks and opportunities for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements	
(c) How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability related risks and opportunities, taking into consideration:	
i.Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to	
ii. Its planned sources of funding to implement its strategy	
(d) How the entity expects its financial performance and cash flows to change over the short, medium, and long term, given its strategy to manage sustainability-related risks and opportunities.	

IFRS S1 Disclosures	Direct Response "or" Reference Section
Preparing disclosures about the anticipated financial effects of a sustainability-related risk or opportunity	This information is currently unavailable or incomplete for this reporting period. Elsewedy Electric is actively working to disclose this information in future reports.
(a) use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort	
(b) use an approach that is commensurate with the skills, capabilities and resources that are available to the entity for preparing those disclosures.	
If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a sustainability-related risk or opportunity applying the criteria set out	
(a) explain why it has not provided quantitative information	
(b) provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that sustainability-related risk or opportunity	
(c) provide quantitative information about the combined financial effects of that sustainability-related risk or opportunity with other sustainability-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful.	
Resilience	
An entity shall disclose information that enables users of general-purpose financial reports to understand its capacity to adjust to the uncertainties arising from sustainability-related risks. An entity shall disclose a qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon.	A Sustainability Strategy Designed for Impact Our Commitments and Progress Sustainability Risks, Opportunities, and Impacts
Risk management	
(a) to understand an entity's processes to identify, assess, prioritize and monitor sustainability-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process	Sustainability Risks, Opportunities, and Impacts Managing Climate Risks and Opportunities Refer to our Response to the CDP Corporate Questionnaire
(b) To assess the entity's overall risk profile and its overall risk management process.	
To achieve this objective, an entity shall disclose information about:	
(a) the processes and related policies the entity uses to identify, assess, prioritize and monitor sustainability-related risks, including information about:	

IFRS S1 Disclosures	Direct Response "or" Reference Section
i. The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes)	Sustainability Risks, Opportunities, and Impacts Managing Climate Risks and Opportunities Refer to our Response to the CDP Corporate Questionnaire
ii. Whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks	
iii. How the entity assesses the nature, likelihood, and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria)	
iv. Whether and how the entity prioritisesprioritizes sustainability-related risks relative to other types of risk	
v. How the entity monitors sustainability-related risks	
vi. Whether and how the entity has changed the processes it uses compared with the previous reporting period	
(b) The processes the entity uses to identify, assess, prioritiseprioritize and monitor sustainability-related opportunities	
(c) The extent to which, and how, the processes for identifying, assessing, prioritisingprioritizing and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process.	
Metrics and targets	
The objective of sustainability-related financial disclosures on metrics and targets is to enable users of general-purpose financial reports to understand an entity's performance in relation to its sustainability-related risks and opportunities, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	A Sustainability Strategy Designed for Impact Our Commitments and Progress
(a) Metrics required by an applicable IFRS Sustainability Disclosure Standard	
(b) Metrics the entity uses to measure and monitor:	
i. That sustainability-related risk or opportunity	
ii. Its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	
If an entity discloses a metric taken from a source other than IFRS Sustainability Disclosure Standards, the entity shall identify the source and the metric taken. If a metric has been developed by an entity, the entity shall disclose information about: (a) How the metric is defined, including whether it is derived by adjusting a metric taken from a source other than IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by the entity differs from the metric specified in that source	

IFRS S1 Disclosures	Direct Response "or" Reference Section
(b) whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure (such as a red, amber, green—or RAG—status);	
(c) whether the metric is validated by a third party and, if so, which party	
(d) the method used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made	
An entity shall disclose information about the targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation. For each target, the entity shall disclose: (a) the metric used to set the target and to monitor progress towards reaching the target	A Sustainability Strategy Designed for Impact Our Commitments and Progress
(b) the specific quantitative or qualitative target the entity has set or is required to meet	
(c) the period over which the target applies	
(d) the base period from which progress is measured	
(e) any milestones and interim targets	
(f) performance against each target and an analysis of trends or changes in the entity's performance	
(g) any revisions to the target and an explanation for those revisions.	

IFRS S2 **CORRESPONDENCE TABLE**

IFRS S2 Disclosures	Direct Response "or" Reference Section
Governance	
(a) The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	
i. How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s)	
ii. How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate related risks and opportunities	
iii. How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities	
iv. How the body(s) or individual(s) takes into account climate related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities	Strategic Sustainability Governance Refer to our Response to the CDP Corporate Questionnaire
v. How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets including whether and how related performance metrics are included in remuneration policies	
(b) Management's role in the governance processes, controls and procedures used to monitor, manage, and oversee climate-related risks and opportunities, including information about:	
i. Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	
ii. Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	

IFRS S2 Disclosures	Direct Response "or" Reference Section
Strategy	
(a) The climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	Managing Climate Risks and Opportunities Refer to our Response to the CDP Corporate Questionnaire
(b) The current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain	
(c) The effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan	
(d) The effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning	
(e) The climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities	
Climate-related risks and opportunities	
(a) Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	Managing Climate Risks and Opportunities Refer to our Response to the CDP Corporate Questionnaire
(b) Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk	
(c) Specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur	
(d) Explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making	
Business model and value chain	
(a) Description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain	Managing Climate Risks and Opportunities Refer to our Response to the CDP Corporate Questionnaire
(b) Description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated	

IFRS S2 Disclosures	Direct Response "or" Reference Section
Strategy and decision-making	
(a) How the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making;	Managing Climate Risks and OpportunitiesRefer to Elsewedy Electric's Sustainability Strategy Refer to our Response to the CDP Corporate Questionnaire Refer to Elsewedy Electric's 2023 Carbon Footprint Report
(b) The progress against plans the entity has disclosed in previous reporting periods, including quantitative and qualitative information	
i.Current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities	
ii. Current and anticipated direct mitigation and adaptation efforts	
iii. Current and anticipated indirect mitigation and adaptation efforts	
iv. Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies	
v. How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets	
(b) information about how the entity is resourcing, and plans to resource, the activities disclosed	
(c) Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods	
Financial position, financial performance, and cash flows	
(a) The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects)	
(b) The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	
Quantitative and qualitative information: (a) How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period	

IFRS S2 Disclosures	Direct Response "or" Reference Section
(b) the climate-related risks and opportunities for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements	This information is currently unavailable or incomplete for this reporting period. Elsewedy Electric is actively working to disclose this information in future reports.
(c) How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability related risks and opportunities, taking into consideration:	
i. Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to	
ii. Its planned sources of funding to implement its strategy	
(d) How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities	
Climate resilience	
(a) The entity's assessment of its climate resilience as at the reporting date, which shall enable users of general-purpose financial reports to understand:	Refer to our Response to the CDP Corporate Questionnaire
i. The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis	
ii. The significant areas of uncertainty considered in the entity's assessment of its climate resilience	
iii. The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including: (1) The availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities (2) The entity's ability to redeploy, repurpose, upgrade or decommission existing assets (3) The effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience	
iii. The reporting period in which the climate-related scenario analysis was carried out	

IFRS S2 Disclosures	Direct Response "or" Reference Section
(b) How and when the climate-related scenario analysis was carried out, including:	Refer to our Response to the CDP Corporate Questionnaire
i. Information about the inputs the entity used, including: (1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks. (4) whether the entity used, among its scenarios, a climate related scenario aligned with the latest international agreement on climate change. (5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) the time horizons the entity used in the analysis; and (7) what scope of operations the entity used in the analysis	
ii. The key assumptions the entity made in the analysis, including assumptions about: (1) climate-related policies in the jurisdictions in which the entity operates. (2) macroeconomic trends. (3) national- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources); (4) energy usage and mix; and (5) developments in technology; and	
iii. The reporting period in which the climate-related scenario analysis was carried out	
Risk management	
(a) the processes and related policies the entity uses to identify, assess, prioritize and monitor sustainability-related risks, including information about:	Managing Climate Risks and Opportunities Refer to our Response to the CDP Corporate Questionnaire
i.The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	
ii.Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	
iii. How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	
iv. Whether and how the entity prioritisesprioritizes climate-related risks relative to other types of risk;	
v. How the entity monitors climate-related risks;	
vi. Whether and how the entity has changed the processes it uses compared with the previous reporting period;	
(b) The processes the entity uses to identify, assess, prioritize and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its	
(c) the extent to which, and how, the processes for identifying, assessing, prioritisingprioritizing and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	

IFRS S2 Disclosures	Direct Response "or" Reference Section
Metrics and targets	
(a) Information relevant to the cross-industry metric categories	Refer to our Response to the CDP Corporate Questionnaire Our Progress Refer to Elsewedy Electric's 2023 Carbon Footprint Report
(b) Industry-based metrics that are associated with particular business models, activities or other common features that characterize participation in an industry	
(c) Targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets	
Climate-related metrics	
(a) greenhouse gases—the entity shall:	Elsewedy Electric's Carbon Foot-print Environmental Indicators Referto Elsewedy Electric's 2023 Carbon Footprint Report
i. Disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent (see paragraphs B19–B22), classified as: (1) Scope 1 greenhouse gas emissions; (2) Scope 2 greenhouse gas emissions; (3) Scope 3 greenhouse gas emissions;	
ii.Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions	
iii. Disclose the approach it uses to measure its greenhouse gas emissions, including: (1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions; (2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; (3) Any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	
iv. For Scope 1 and Scope 2 greenhouse gas emissions, disaggregate emissions between: (1) the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); (2) other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries);	Refer to Elsewedy Electric's 2023 Carbon Footprint Report
v. For Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions	
vi. For Scope 3 greenhouse gas emissions disclosed in accordance withaccordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57, disclose: (1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) (2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance	

IFRS S2 Disclosures	Direct Response "or" Reference Section
(b) Climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks	Refer to Elsewedy Electric's 2023 Carbon Footprint Report
(c) climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks	
(d) climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities	
(e) capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	
(e) capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities (f) internal carbon prices—the entity shall disclose: i.An explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis) ii.The price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions;	
(g) Remuneration—the entity shall disclose: i.Description of whether and how climate-related considerations are factored into executive remuneration ii. The percentage of executive management remuneration recognisedrecognized in the current period that is linked to climate related considerations	Refer to Elsewedy Electric's 2023 Carbon Footprint Report
Climate-related targets	
(a) The metric used to set the target	Referto Elsewedy Electric's 2023 Carbon Footprint Report
(b) The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives)	
(c) The part of the entity to which the target applies	
(d) The period over which the target applies	
(e) The base period from which progress is measured	
(f) Any milestones and interim targets	
(g) If the target is quantitative, whether it is an absolute target or an intensity target	
(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target	
Approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) Whether the target and the methodology for setting the target has been validated by a third party	
(b) The entity's processes for reviewing the target	

IFRS S2 Disclosures	Direct Response "or" Reference Section
(c) The metrics used to monitor progress towards reaching the target	Refer to Elsewedy Electric's 2023 Carbon Footprint Report
(d) Any revisions to the target and an explanation for those revisions	
For each greenhouse gas emissions target (a) Which greenhouse gases are covered by the target.	
(b) Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	
(c) Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target	
(d) Whether the target was derived using a sectoral decarbonization approach.	
(e) The entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits	
i.The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits. ii.Which third-party scheme(s) will verify or certify the carbon credits iii. The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal. iv. Any other factors necessary for users of general-purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use	Elsewedy Electric does not currently have a plan regarding the use of carbon credits.

UNGC **CORRESPONDENCE TABLE**

Principle	Description	Report Section(s)
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	Human Rights
Principle 2	Businesses should make sure they are not complicit in human rights abuses.	Human Rights
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Integrity and Compliance at the Core of Elsewedy Electric's Business Human Rights
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labor	Human Rights
Principle 5	Businesses should uphold the effective abolition of child labor.	Human Rights
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Human Rights Diversity, Equity, and Holistic Wellbeing
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges.	Accelerating Decarbonization Towards a Low-Carbon Economy Managing Resources Responsibly
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	Accelerating Decarbonization Towards a Low-Carbon Economy Managing Resources Responsibly
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Accelerating Decarbonization with Efficient and Digital Products and Solutions
Anti-corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Integrity, Foundation of Elsewedy Electric's Business Zero Tolerance for Corruption

ABBREVIATIONS AND **ACRONYMS**

ARC	Audit, Risk & Compliance
BCM	Business Continuity Management
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CSO	Chief Sustainability Officer
BoD	Board of Directors
EPD	Environmental Product Declaration
ESG	Environmental, Social, and Governance
ESMS	Environmental and Social Management System
FRA	Financial Regulatory Authority
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HSE	Health, Safety, and Environment
IFRS	International Finance Reporting Standards
ISO	International Standardization Organization
IT	Information Technology
kWh	Kilowatt-hour
L&D	Learning and Development
LCA	Life Cycle Assessment
LTIFR	Lost-time Injury Frequency Rate
LTISR	Lost-time Injury Severity Rate
MWh	Megawatt-hour
OHS	Occupational Health and Safety
OIFR	Occupational Illness Frequency Rate
OMP	Operational Management Procedures
PSP	Power Systems Projects
PTW	Permit-to-Work
PwD	People with Disabilities
PV	Photovoltaic
R&D	Research and Development
S&P CSA	S&P Global Corporate Sustainability Assessment
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goal
STA	Elsewedy Technical Academy
t	Metric Tons
TBT	Toolbox Talk
TCFD	Taskforce on Climate-Related Financial Disclosures
$mtCO_2e$	Metric Tons of Carbon Dioxide Equivalent
UNGC	United Nations Global Compact

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