

Thank you.. The Annual Report on the Environmental, Social and Governance Disclosures has been successfully Registered and your Registration Code Number is 41997. You are kindly Requested to print the report and attach it to the annual report of the Board of Directors attached to the annual financial statements for the year 2024/2025.



الهيئة العامة للرقابة المالية
FINANCIAL REGULATORY AUTHORITY



Annual report for FY 2024/2025

On Financial Disclosures Related To Climate Change (TCFD)

In implementation of The FRA's Decrees no. (107) and (108) for the year 2021

First: Introduction

The report on financial disclosures related to climate change - recommendations of the Task Force on Climate Financial Disclosure TCFD reflects the company's ability to manage the risks and opportunities associated with climate change, which creates confidence among investors that enables them to make investment decisions that take into consideration the range of financial risks and opportunities associated with climate change and the company's management mechanisms for transitional risks and Physical risks of the effects of climate change on the company's financial performance,

thus providing more transparency regarding climate-related risks and opportunities for
.investors

Based on the FRA responsibility towards NBFIs including listed Companies on the Egyptian Stock Exchange, and within the framework of assisting these companies to submit annual reports to disclose ESG sustainability standards in accordance with the FRA decisions No. 107 and 108 of 2021, and to facilitate them, the FRA has prepared this electronic form to companies to fulfill the KPIs for financial disclosures related to
.climate change - TCFD recommendations

Therefore, please be careful, accurate and transparent when filling out this form, and please attach the report form within the annual report prepared by the Board of Directors attached to the annual financial statements for the year 2024/2025. In case of any inquiries related to this matter, you can contact the sustainable development department via email sustainable.development@fra.gov.eg

Second: Basic Data on The Status of Company

Select the company's name: Qalaa Holdings .1

Select the company's sector: Finance and Banking .2

Third: Basic Data of The Person Responsible for Completing The Report

Name : Ahmed Salman .1

Job Title:Sustainability Specialist .2

Email:asalman@qalaaholdings.com .3

Fourth: TCFD KPIs

Governance KPI (Climate Related Governance).1

Does the board have oversight of climate-related risks and opportunities? Yes .1

Qalaa Holdings and its subsidiaries follow a multifaceted investment strategy guided by a balanced economic, environmental, social, and governance (EESG) framework. In response to global environmental challenges, the company is committed to fostering a sustainable economic model that prioritizes resource efficiency , circularity, and responsible management. Through its triple-bottom-line strategy, Qalaa has invested in and developed a diverse portfolio of companies across various sectors, driving sustainable and inclusive economic .growth and job creation in Egypt and Africa

Aligning with the UN Sustainable Development Goals (SDGs), particularly Goals 11, 12, and 13, Qalaa actively works to mitigate climate change risks and minimize environmental impacts across its operations. Resource efficiency and waste management are fundamental pillars of this approach. To this end, the company has developed a comprehensive climate policy that spans all operational sectors, enabling the monitoring of climate-related risks and opportunities. Additionally, Qalaa's Board of Directors has established a dedicated Sustainability Committee responsible for shaping short- and long-term sustainability policies, providing strategic guidance, and fostering responsible business practices across the

.company and its subsidiaries

The Board continuously evaluates and monitors investments within its subsidiaries, assessing climate-related risks and opportunities to ensure informed decision-making for both existing and future ventures

:Examples at a subsidiary level, including but not limited to

Egyptian Refining Company (ERC) •

o As Qalaa Holdings' flagship investment, ERC represents a USD 4.3 billion greenfield petroleum refinery—the largest energy security public-private partnership (PPP) infrastructure project in Egypt and the biggest private-sector-led infrastructure initiative in Africa. The Board, through its Environmental Management Team, actively oversees climate-related risks and opportunities, including annual monitoring and reporting of greenhouse gas (GHG) emissions. ERC also conducted Egypt's first Environmental and Social Impact Assessment (ESIA) to evaluate potential impacts on local communities and implement mitigation strategies

National River Port Management Company (NRPMC) •

o NRPMC adheres to stringent environmental regulations, including Law 964 of 2015, ensuring responsible coal trading and storage practices. This includes measures to prevent groundwater contamination, control dust dispersion, and mitigate self-ignition risks

ARESCO •

o Climate-related risks and opportunities are integrated into ARESCO's strategic objectives and are continuously monitored. Check this link for ARESCO's Environmental Monitoring Report: (https://citadelcapitalegypt-my.sharepoint.com/:b:/r/personal/asalman_qalaaholdings_com/Documents/Qalaa/FRA/2025/2024reports/Subsidiaries/Recieved/Aresco/QALAA/ARESCO-EnvironmentalMonitoringReport.pdf?csf=1&web=1&e=M4udGI)

Tawazon (ENTAG & ECARU) •

o The Board of Directors oversees climate-related risks and opportunities, integrating them into the company's governance, risk management, and strategic

planning. Climate-related matters are periodically reviewed to ensure alignment with sustainability goals, regulatory requirements, and investor expectations

ASCOM (Including ACCM & GlassRock) •

- o GlassRock: Maintains environmental registers to assess climate-related risks and implements key performance indicators (KPIs) to reduce operational GHG emissions

- o ACCM: Considers climate change risks in environmental registers and sets KPIs for reducing emissions. The company also integrates renewable energy solutions, such as solar panels, into its operations. Check this link for more info on the solar

plant: (https://citadelcapitalegyptmy.sharepoint.com/:b:/r/personal/asalman_qalaaholdings_com/Documents/Qalaa/FRA/2025/2024reports/Subsidiaries/Recieved/ACCM/ACCM-SolarEnergyPresentationforCustomerRequiredGreenProduct2025.pdf?csf=1&web=1&e=pbnbYD)

my.sharepoint.com/:b:/r/personal/asalman_qalaaholdings_com/Documents/Qalaa/FRA/2025/2024reports/Subsidiaries/Recieved/ACCM/ACCM-SolarEnergyPresentationforCustomerRequiredGreenProduct2025.pdf?csf=1&web=1&e=pbnbYD)

Does the management have a role in assessing and managing climate related risks and opportunity? Yes

Qalaa Holdings' management integrates climate-related risks and opportunities into its investment analysis, conducting thorough evaluations that directly influence investment decisions both through the investment committee and dedicated risk management officer. These assessments cover our diverse portfolio of subsidiaries and investments across sectors. The company prioritizes investments that mitigate environmental risks, including renewable and clean energy, solar energy, green hydrogen, and the expansion of natural gas delivery to remote areas. Through its subsidiaries—ERC, and Tawazon—Qalaa strengthens energy security in Egypt and advances net-zero solutions

:Examples at a subsidiary level, including but not limited to Egyptian Refining Company (ERC) •

- o Management plays a crucial role in addressing climate change impacts through the deliberation, review, and approval of mitigation proposals. All operational

activities undergo rigorous internal monitoring by a joint team from ERC and the Egyptian Projects Operation and Maintenance Company (EPROM). This includes using monitoring systems and utilization of accredited external laboratories that comply with local and international standards. Management also oversees the annual monitoring and calculation of GHG emissions and is exploring strategies .for decarbonization

National River Port Management Company (NRPMC) •

o The management system is structured to ensure compliance with environmental .laws and to monitor their application effectively

ARESCO •

o Management is actively involved in assessing and managing climate-related .risks, with ongoing monitoring of these risks

Tawazon (ENTAG & ECARU) •

o While the Board plays a prominent role in overseeing climate-related risks and opportunities, management supports these efforts through strategic partnerships, .sustainability initiatives, and investments in green solutions

ASCOM (Including ACCM & GlassRock) •

o GlassRock: Management is responsible for setting and achieving KPIs aimed at .reducing GHG emissions from operations

.o ACCM: KPIs are being set to reduce GHG emissions from operations

Strategy KPI (Environmental Operations, Oversight and Mitigation).2

Does the organization identify any climate related risks and opportunities over .1 the short, medium and long run? Yes

Qalaa Holdings prioritizes environmental protection and strives to balance sustainability practices with business requirements, minimizing the potential

negative environmental impact of its investment activities in an ever-changing and dynamic business landscape. It also seeks to leverage opportunities to capitalize on climate change challenges from transitioning to green infrastructure to renewable energy and resource-efficient transportation and services. To achieve this, the company has developed a comprehensive environmental and climate policy that spans all its operations. These policies aim to integrate climate change-related risks into Qalaa's daily operations and investment decisions, aligning with leading practices in sustainability.

Qalaa Holdings evaluates various investment opportunities while considering climate-related risks and opportunities over the short, medium, and long term.

Given its long-term investment strategy, the company proactively ensures adaptability and sustainability in the face of evolving challenges. Preventive and transitional measures are taken to mitigate climate risks across multiple sectors, from agriculture to energy, while supporting the transition to new and renewable energy and waste recycling initiatives in collaboration with governments.

Examples at a subsidiary level, including but not limited to:

Egyptian Refining Company (ERC) •

- o ERC actively identifies opportunities to reduce GHG emissions in the short, medium, and long term as part of its GHG emissions inventory report. The company is dedicated to managing emissions-related risks and conducts studies to develop effective mitigation strategies. ERC's commitment to early voluntary action is reflected in its participation in GHG reduction initiatives, mandatory disclosure and reporting programs, and carbon markets. Notably, ERC is the first refining facility in Egypt's Oil & Gas sector to publish its annual GHG emissions inventory, covering both Scope 1 and Scope 2 emissions.

Dina Farms •

- o Dina Farms identifies climate-related risks and is expanding its use of solar energy for electricity generation, significantly reducing its carbon footprint. Additionally, the company employs highly efficient irrigation systems addressing water scarcity and increasing water salinity and sustainable agricultural practices.

ARESCO •

- o Climate-related risks are assessed in both the short and long term, with ongoing follow-ups as these factors are integrated into the company's 2025 goals

Tawazon (ENTAG & ECARU) •

- o ECARU systematically identifies climate-related risks and opportunities over the short, medium, and long term. The company continuously analyzes climate change and its potential impacts on operations, markets, and business strategies

ASCOM (Including ACCM & GlassRock) •

- o GlassRock: Sets KPIs to identify climate-related risks and opportunities, reduce GHG emissions, and lower its carbon footprint as part of its broader environmental strategy

- o ACCM: Establishes KPIs aimed at reducing GHG emissions and minimizing its carbon footprint

NRPMC •

- o The company identify any climate-related risks and opportunities over the short, medium, and long run through environmental measurements which are conducted every 3 months

Does the company reflect the climate-related risks opportunities on the organization's business, strategy, and financial planning? Yes

Qalaa Holdings acknowledges the pivotal role its operations play in environmental stewardship. Embracing a holistic approach, the group integrates climate-related risks and opportunities into the core assumptions of its subsidiaries' studies, feeding into their investment plans and financial strategies

Qalaa Holdings prioritizes investments in solar energy, water desalination, agricultural land expansion, crop diversification, and increasing the mix of green solutions to capitalize on opportunities and address food, energy, and water security. Qalaa Holdings continues to study several new medium-sized, export-oriented, and predominantly green investments with high local value-added components, to be executed through its subsidiaries

:Examples at a subsidiary level, including but not limited to

Egyptian Refining Company (ERC) •

- o The company conducts an annual accounting of its GHG emissions, creating a database that provides valuable insights. This information enables top management to address emission reduction strategies and identify climate-related risks and opportunities**

:National River Port Management Company (NRPMC) •

- o The financial planning includes a budget to cover all environmental studies and construction, ensuring compliance with environmental laws**

ARESCO •

- o ARESCO is currently evaluating proposals from donor companies to address its carbon footprint, reflecting a proactive approach to integrating climate-related considerations into its financial planning and business strategy**

Tawazon (ENTAG & ECARU) •

:o ECARU actively addresses climate-related risks through

- Identifying Opportunities and Risks: Assessing and recognizing potential risks and opportunities related to climate change, such as the demand for eco-friendly products and supply chain disruptions. Additionally, it identifies potential risks, including supply chain disruptions resulting from natural disasters**
- Financial Impact Assessment: The company conducts thorough financial impact assessments to gauge the implications of these opportunities and risks on financial performance, including forecasted costs associated with climate adaptation measures and strategies to mitigate risks**
- Strategy & Financial Planning Integration: The company integrates climate considerations seamlessly into overarching corporate strategy and financial planning, thereby prioritizing actions to capitalize on opportunities and minimize risks**
- Ensuring Transparency and Disclosure: The company effectively presents and highlights climate-related opportunities and risks in its financial and annual reports, facilitating a deeper comprehension among investors, partners, and**

stakeholders regarding the impact of climate change on financial performance, as well as plans and strategies

□ **Financial Policies Adaptation:** The company's financial policies adapt to proactively address climate-related opportunities and risks, such as allocating resources towards energy efficiency improvements and supply chain diversification initiatives aimed at reducing exposure to specific risks

ASCOM (Including ACCM & GlassRock) •

o **GlassRock & ACCM:** The organization sets KPIs to reduce GHG emissions and lower its carbon footprint. It considers all necessary resources for emission reduction and waste reduction projects. Additionally, the company allocates an annual budget for waste recycling initiatives across its operations

Does your company invest, annually, in climate-related infrastructure, resilience, and product development? Yes

Qalaa Holdings and its subsidiaries are dedicated to reducing their carbon footprint and tackling climate change. This commitment is demonstrated through investments in climate-resilient infrastructure and product innovation and in setting goals and targets across its investments

As a testament to its leadership in climate action, Qalaa Holdings was among the first Egyptian companies to sign an international pledge and join the Business Ambition for 1.5°C campaign. This commitment reinforces Qalaa's accountability and responsibility in building a net-zero carbon economy. The company prioritizes green investments and process improvements to minimize its carbon footprint across all subsidiaries

In addition, Qalaa Holdings actively transfers expertise and innovative solutions across borders, extending its success stories to African markets. The company's subsidiaries continuously implement environmentally friendly initiatives as part of a concrete and expanding sustainability strategy

:Examples at a subsidiary level, including but not limited to
Egyptian Refining Company (ERC) •

- o ERC is Qalaa Holdings' USD 4.3 billion greenfield petroleum refinery and Egypt's largest Energy Security (PPP) infrastructure megaproject and the largest private sector-led infrastructure megaproject in Africa. Under emission reduction plans, the company has prevented around 100,000 tons of sulfur annually in the atmosphere of Cairo
Dina Farms •
- o The company utilizes advanced irrigation technology and is expanding its use of solar power for electricity generation, contributing to a reduced carbon footprint. For example, Dina Farms uses electricity from a 6 MW solar power plant established by TAQA
ARESCO •
- o ARESCO has set a clear 2025 objective to invest in climate infrastructure, reinforcing its commitment to environmental sustainability
Tawazon (ENTAG & ECARU) •
- o ECARU makes substantial annual investments in climate-related projects, including composting, RDF production, and engineered landfills to enhance resilience and reduce carbon emissions
ASCOM (Including ACCM & GlassRock) •
- o ACCM & GlassRock: The GlassRock The R&D center focuses on innovation, product development, and performance improvement to minimize environmental impact and reduce the carbon footprint

Risk Management KPI (Climate-Related Risks).3

Does the company set a defined process for identifying and assessing the .1 climate related risks? Yes

Qalaa Holdings recognizes the positive impact of its business on the environment and investment opportunities while proactively addressing climate-related risks.

The group systematically integrates climate-related risks and opportunities into its subsidiaries' pre-investment and post-investment studies, shaping investment .and financial planning decisions

To ensure a unified approach across all subsidiaries, Qalaa Holdings is :developing a standardized risk assessment framework based on

Identifying the type of risk •

Explaining the risk •

Assessing the potential risk consequences •

Evaluating risk probability •

Measuring risk impact •

Calculating risk severity (likelihood × impact) •

Establishing a work plan for mitigation and adaptation •

:Examples at a subsidiary level, including but not limited to

Egyptian Refining Company (ERC) •

o As a leader in the Egyptian oil and gas sector, ERC became the first refining company to report its GHG inventory annually since 2020, positioning itself as a pioneer in the industry. In addition, it commissioned its first sustainability report in 2021. The company actively monitors GHG emissions and establishes .performance monitoring standards

ARESCO •

:o ARESCO is taking structured steps toward climate risk assessment by

o Establishing a dedicated management core

o Creating a new department to monitor its carbon footprint in collaboration with a donor company

Tawazon (ENTAG & ECARU) •

o ECARU employs structured risk management through assessment, policy .development, employee training, and external collaboration

o The Egyptian Company for Solid Waste Recycling (ECARU) has a well-defined

and structured process for identifying and assessing climate-related risks. This process enables the company to make informed strategic decisions to effectively manage these risks. The approach includes

: □ Damage and Exposure Analysis

.Evaluating the potential impacts of climate change on company operations -

.Assessing exposure to critical natural resources like water and energy -

: □ Sensitivity Assessment

.Identifying how climate change affects the company's operations and business -

.Determining the vulnerability of supply chains and resource availability -

: □ Weakness Identification

Recognizing areas where resilience is low and where climate risks could -

.significantly impact operations

: □ Opportunity Identification

:Analyzing potential business opportunities from climate change, such as -

. □ Growing demand for renewable energy

. □ Increasing market acceptance of alternative fuels (e.g., RDF and biomass)

: □ Economic and Financial Risk Assessment

:Assessing the financial implications of climate-related risks, such as -

. □ Expected costs of climate adaptation measures

. □ Risk insurance costs

: □ Gap Analysis

Identifying discrepancies between the company's current capacity to manage -

.climate risks and its future needs

: □ Strategic Plan Development

.Developing comprehensive strategic plans to mitigate climate-related risks -

Focusing on adaptation and risk reduction while leveraging potential climate- -

.related opportunities

ASCOM (Including GlassRock & ACCM) •

o GlassRock & ACCM maintain a comprehensive Environmental Risk Assessment

.Register

:NRPMC •

- o NRPMC sets a defined process through Environmental Studies, Environmental Performance Report and constructions which Fulfill environmental law instructions

Does the company have a solid process for managing the climate related risks? .2
Yes

Qalaa Holdings integrates climate-related risks into both pre-investment and post-investment studies across its subsidiaries. These evaluations inform investment decisions, performance assessments, and future financial planning

To ensure a standardized approach across all subsidiaries, Qalaa is developing a unified climate risk management framework, which includes

Identification of climate-related risks •

Assessment of adaptation and mitigation capacity •

Risk Evaluation to determine severity and impact •

Selection of appropriate risk management strategies •

Ongoing Monitoring and adjustments as necessary •

:Examples at a subsidiary level, including but not limited to

Egyptian Refining Company (ERC) •

- o The company has a clear approach to managing global warming risks within the framework of the GHG emissions monitoring plan and the road map for opportunities to reduce GHG emissions

Tawazon (ENTAG & ECARU) •

- o ECARU adopts a proactive and comprehensive approach to managing climate-related risks by integrating risk assessments, mitigation strategies, and strategic planning. This ensures operational resilience, regulatory compliance, and sustainability leadership in the waste management and alternative fuel sectors

:o Key Elements of ECARU's Climate Risk Management Process

:□ Risk Identification & Assessment

Conducts systematic analysis of climate risks affecting operations, supply

.chains, and financial performance
 Evaluates risks such as extreme weather events, resource scarcity, and
 .regulatory changes
 :□ Risk Reduction & Mitigation Strategies
 Implements alternative fuel production (RDF, biomass) to reduce fossil fuel
 .dependency
 .Develops climate-resilient infrastructure (e.g., engineered sanitary landfills)
 .Promotes energy efficiency and waste-to-energy solutions to lower emissions
 :□ Integration with Business Strategy
 .Climate risks are factored into corporate strategy and financial planning
 Aligns with national and global sustainability goals (UN SDGs, Egypt's Vision
 .2030)
 :□ Monitoring & Performance Tracking
 Regular assessments of GHG emissions, energy efficiency, and resource
 .consumption
 .Compliance with ISO 14001 environmental management standards
 :□ Collaboration & Stakeholder Engagement
 Partners with government agencies, international organizations, and research
 .institutions to enhance risk management
 Engages with regulatory bodies (FRA, GAFI) to ensure climate disclosure
 .compliance
 :□ Employee Awareness & Capacity Building
 .Provides training on climate risk management and sustainability practices
 .Encourages an organizational culture focused on environmental responsibility
 ASCOM (Including GlassRock & ACCM) •
 o GlassRock & ACCM have established Key Performance Indicators (KPIs) to
 track emissions, carbon footprint, and all indicators that include the climate
 change
 Does the company incorporate climate-related risks in the company's overall .3
 risk management? Yes

Climate risk management is a key pillar of Qalaa Holdings' governance systems. The company recognizes the significance of identifying, mitigating, and managing climate-related risks to protect its business, stakeholders, and the environment.

This approach underscores Qalaa's commitment to embedding environmental considerations into its overall risk management framework

:Examples at a subsidiary level, including but not limited to

Egyptian Refining Company (ERC) •

- o The company considers reducing GHG emissions as part of the company's comprehensive risk management strategy

ARESCO •

- o Climate-related risks are managed separately from the company's risk management

Tawazon (ENTAG & ECARU) •

- o The company integrates climate-related risks into its overall risk management framework. These risks, including both physical (e.g., extreme weather events) and transitional (e.g., regulatory changes, market shifts), are assessed and monitored alongside other financial and operational risks. Climate risk

considerations are embedded in decision-making processes, ensuring resilience and compliance with regulatory requirements, including FRA decisions No. 107 &

.108 of 2021 and TCFD recommendations

ASCOM (Including GlassRock & ACCM) •

- o GlassRock & ACCM : The commitment to carbon footprint (CFP) and GHG reductions is integrated into the company's overall risk management, with a corresponding action plan focused on continuous improvement

Metrics & Targets KPI (Carbon/ GHG Emission).4

Does the company use any metrics to assess climate-related risks and opportunities in line with its strategy and risk management process? Yes

Qalaa's environmental compliance framework ensures the adoption of various global guidelines, management systems and standards at Qalaa's level and across its subsidiaries. The company integrates and monitors many factors related to environmental protection in all its sectors, which serve as a point of :scrutiny for experts and investment partners. This includes our focus on

- o Precautionary Approach in Investments – Conducting thorough environmental .impact assessments before implementing new projects**
- o Resource Efficiency – Ensuring optimal use of resources across all sectors to .minimize natural resource depletion**
- o Clean Energy Transition – Gradually shifting toward renewable and low-carbon .energy sources**
- o Sustainable Transport – Investing in transport solutions that help reduce carbon .footprints for both industries and communities**
 - o Advanced Waste Management – Committing to the latest waste management .technologies as a key solution for resource conservation and energy efficiency**
- o Innovative Technologies – Continuously improving environmental performance .through cutting-edge solutions that reduce emissions and waste**
- o High HSE Standards – Investing in and complying with best-in-class Health, .Safety, and Environmental (HSE) standards**
 - :Examples at a subsidiary level, including but not limited to**
 - :Egyptian Refining Company (ERC) •**
 - o ERC Includes the periodic measurement of GHG emissions as part of its strategy, as this strategy involves comparing the total GHG emissions with the relevant international standards and benchmarks for the refining industry and .then identifying opportunities for decarbonization and risk management**
 - :ARESCO •**
- o Collaborates with specialized environmental firms to conduct air and noise .pollution assessments**

- o Implements an Environmental Monitoring Report, outlining corrective actions
 - .when pollution exceeds acceptable limits
 - :Tawazon (ENTAG & ECARU) •
- o The company employs quantifiable metrics to assess climate-related risks and opportunities, aligning them with the company's strategy and risk management process. These metrics help ECARU measure its environmental performance,
 - .track progress, and inform strategic decisions
- :o Key Metrics Used by ECARU for Climate Risk & Opportunity Assessment
 - GHG Emissions Tracking
 - .Measures carbon footprint (CO₂ equivalents) from operations
 - Tracks Scope 1 emissions (direct emissions from owned facilities and equipment)
 - .Monitors emission reductions through alternative fuel production (RDF, biomass)
 - Carbon Reduction Performance
 - Reduction of 92% in organic fertilizer production emissions by diverting household organic waste from landfill disposal
 - .Reduction of 13% in RDF production emissions, replacing coal in cement kilns
 - reduction in carbon emissions through the use of agricultural waste as an alternative fuel
 - :□ Energy Efficiency Metrics
 - Annual measurement of energy consumption by type (electricity, fuel, renewable sources)
 - .Tracks percentage of energy savings from operational improvements
 - .Evaluates impact of energy efficiency projects on carbon reduction
 - :□ Waste Diversion & Recycling Rates
 - .Measures total waste processed annually (~1 million tons of MSW)
 - .Tracks agricultural waste recycling (~500,000 tons per year)
 - .Assesses landfill diversion rates to minimize waste disposal impact
 - :□ Water Consumption & Recycling Metrics
 - .Annual tracking of water usage per site

Measures water recycling rates and safe disposal in compliance with
.environmental laws

: ☐ Financial Impact of Climate Risks & Opportunities

.Evaluates cost savings and revenue generation from sustainability initiatives

.Assesses ROI on green projects (e.g., waste-to-energy solutions)

.Identifies market opportunities related to alternative fuels and green energy

☐ Regulatory Compliance

.Meeting ISO 14001 and CDM monitoring requirements

:ASCOM (Including GlassRock & ACCM) •

o Aresco contracts specialized offices for environmental measures to reduce air and noise pollution, and if it exists, measures are being taken to reduce it. For

more information – (https://citadelcapitalegypt-my.sharepoint.com/:b:/r/personal/asalman_qalaaholdings_com/Documents/Qalaa/FRA/2025/2024reports/Subsidiaries/Recieved/GlassRock/GlassRock-GreenCompliance.pdf?csf=1&web=1&e=PcINhb)

Total amount, in CO2 equivalents, for Scope 1 (if applicable) ? Yes .2

Qalaa Holdings ensures that GHG emissions data is systematically tracked and reported against emission management plans, reflecting its commitment to

.climate action and sustainability

:Examples at a subsidiary level, including but not limited to

:Egyptian Refining Company (ERC) •

o Discloses Scope 1 & 2 emissions in its GHG inventory report, for year 2024

.scope one is still in accounting process

:ARESCO •

.o In the process of preparing its Scope 1 emissions report

:Tawazon (ENTAG & ECARU) •

o Employs quantifiable metrics to assess climate-related risks and opportunities, aligning them with the company's strategy and risk management process. These metrics help ECARU measure its environmental performance, track progress, and

.inform strategic decisions

:□ Greenhouse Gas (GHG) Emissions Tracking

.Measures carbon footprint (CO₂ equivalents) from operations

**Tracks Scope 1 emissions (direct emissions from owned facilities and
.equipment)**

.Monitors emission reductions through alternative fuel production (RDF, biomass)

:□ Carbon Reduction Performance

**Reduction of 92% in organic fertilizer production emissions by diverting
.household organic waste from landfill disposal**

**.Reduction of 13% in RDF production emissions, replacing coal in cement kilns
reduction in carbon emissions through the use of agricultural waste as an 23%
.alternative fuel**

:□ Energy Efficiency Metrics

**Annual measurement of energy consumption by type (electricity, fuel, renewable
.sources)**

.Tracks percentage of energy savings from operational improvements

.Evaluates impact of energy efficiency projects on carbon reduction

:□ Waste Diversion & Recycling Rates

.Measures total waste processed annually (~1 million tons of MSW)

.Tracks agricultural waste recycling (~500,000 tons per year)

.Assesses landfill diversion rates to minimize waste disposal impact

:□ Water Consumption & Recycling Metrics

.Annual tracking of water usage per site

**Measures water recycling rates and safe disposal in compliance with
.environmental laws**

:□ Financial Impact of Climate Risks & Opportunities

.Evaluates cost savings and revenue generation from sustainability initiatives

.Assesses ROI on green projects (e.g., waste-to-energy solutions)

.Identifies market opportunities related to alternative fuels and green energy

:□ Regulatory Compliance & Certifications

.ISO 14001 compliance (environmental management system)
Carbon emission monitoring under Clean Development Mechanism (CDM) since
.2008

Alignment with Egyptian Environmental Affairs Agency (EEAA) and FRA
.regulations

:ASCOM (Including GlassRock & ACCM) •

:o ACCM & GlassRock

.□ Reports CO₂ equivalent calculations in its Sustainability, CFP, and EPD reports