Thank you.. The Annual Report on the Environmental, Social and Governance Disclosures has been successfully Registered and your Registration Code Number is 46291. 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 2025/2026

Print the current form

الهيئة العامة للرقابة المالية
FINANCIAL REGULATORY AUTHORITY

Annual report for FY 2025/2026

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 NBFI 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 2025/2026 In case of any inquiries related to this matter, you can contact sustainable development department via email sustainable.development@fra.gov.eg

Secand: Basic Data on The Status of Company

company's name:Qalaa For Financial Investments (S.A.E.), hereinafter .1 ”referred to as “Qalaa Holdings

company's sector:Non-Banking Financial Services .2

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

Name :Ghada Hammouda .1

Job Title:Group Chief Sustainability Officer .2

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Tax Card:489-434-800 .5

IFC Code:773865 .6

Fourth: TCFD KPIs

Governance KPI (Climate Related Governance).1

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

Qalaa Holdings and its subsidiaries continue to pursue a multifaceted investment strategy guided by an integrated economic, environmental, social, and governance (EESG) framework. In response to accelerating global environmental and climate challenges, Qalaa is advancing a sustainable economic model that prioritizes resource efficiency, circularity, responsible production, and long-term value creation. Through its triple-bottom-line approach, Qalaa has built and actively manages a diversified portfolio across strategic sectors, supporting inclusive economic growth, .industrial development, and job creation in Egypt and across Africa
Aligned with climate related UN Sustainable Development Goals (SDGs)—particularly Goals 6, 7, 11, 12, and 13—Qalaa actively works to mitigate climate-related risks and reduce environmental impacts across its operations and value chains. Resource efficiency, circular economy practices, and waste management remain core pillars of this approach, supported by a comprehensive Group Climate Policy covering all .operational sectors and supply chains
At the governance level, Qalaa's Board of Directors, through its dedicated Sustainability Committee, provides strategic oversight of sustainability priorities, climate risk management, and long-term transition planning. The Board continuously evaluates investments across subsidiaries, integrating climate-related risks and opportunities into capital allocation and strategic decision-making, ensuring resilience, regulatory readiness, and sustainable .value creation for stakeholders
: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
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 Reports. Please visit

 https://citadelcapitaleg-my.sharepoint.com/:b:/g/personal/asalman_qalaaholdings_com/IQD3Ky6IApUBQqhDo9qMGDZMAbAJH5tZaqoIE8K1EtTZGdw?e=ft2EFf

 https://citadelcapitaleg-my.sharepoint.com/:b:/g/personal/asalman_qalaaholdings_com/IQC11rE-tnq6RJjRZgbvFmVgAWBCo3IxsckecRsnVFrBTgk?e=pqIQ0N

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 comprehensive environmental registers to identify and assess climate-related risks and applies defined key performance indicators (KPIs) to monitor and reduce operational greenhouse gas (GHG) .emissions

o ACCM: Integrates climate change considerations into its environmental risk registers and applies KPIs to drive emissions reduction. The company also advances decarbonization efforts through the integration of renewable energy solutions, including on-site solar power systems, within its .operations

Check this link for more info on the solar plant: https://citadelcapitaleg-my.sharepoint.com/:b:/g/personal/asalman_qalaaholdings_com/IQDavo07E5TqTLx_9EZLALi8AUEgHz2XlVts02pOe-qLSKo?e=JjBjtg

ASEC Automation •

o ASEC Automation does not currently apply a formalized process for identifying climate-related risks and opportunities. However, the company recognizes the importance of robust climate governance and is committed to strengthening its approach in line with emerging best practices, as part of the Group's broader efforts to progressively enhance climate risk .management and sustainability integration

Does the management have a role in assessing and managing climate .2 related risks and opportunity? Yes

Qalaa Holdings' management systematically integrates climate-related risks and opportunities into its investment analysis and capital-allocation

processes. Environmental and climate considerations are embedded in evaluations conducted through the Investment Committee, in coordination with the Risk Management Officer, ensuring that climate factors directly inform both new investments and the oversight of the Group's diversified .portfolio

These assessments address physical and transition risks, regulatory developments, and long-term market shifts. Accordingly, Qalaa prioritizes investments that mitigate environmental risks and advance the energy transition, including renewable and clean energy, solar power, waste-to-energy and circular economy solutions, and sustainable buildings and energy-efficient construction materials, in addition to expanding natural-gas delivery to underserved areas.

Through key subsidiaries such as the Egyptian Refining Company (ERC) and Tawazon, Qalaa contributes to strengthening Egypt's energy security, improving resource efficiency, and advancing practical, scalable low-carbon solutions, aligned with national development priorities and long-term sustainability goals.

: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 and GlassRock)

o GlassRock: Management is responsible for setting, monitoring, and

achieving key performance indicators (KPIs) aimed at reducing greenhouse .gas (GHG) emissions from operations

o ACCM: Key performance indicators (KPIs) are being developed to reduce .greenhouse gas (GHG) emissions from operations

ASEC Automation •

o ASEC Automation does not currently have a formalized role or structure for assessing and managing climate-related risks and opportunities. However, the company acknowledges the importance of climate governance and is committed to progressively strengthening its management practices in alignment with emerging standards and Group-.level sustainability direction

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

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

Qalaa Holdings reinforced its environmental stewardship by integrating sustainability imperatives with business requirements to minimize environmental impacts while enhancing long-term value creation. A key enabler of this approach was the measurement of the Group's carbon footprint at the holding level for the first time, providing a consolidated, .data-driven view of greenhouse gas emissions across the portfolio

This enhanced visibility allows Qalaa to identify climate-related risks, uncover efficiency and decarbonization opportunities, and prioritize targeted operational improvements across subsidiaries. By establishing a credible emissions baseline, the Group is better positioned to strengthen resource efficiency, optimize energy use, and guide capital allocation .toward low-carbon and high-impact initiatives

Qalaa continues to leverage climate-related challenges as growth opportunities, advancing renewable and clean energy, waste-to-energy solutions, sustainable buildings, and resource-efficient transportation and services. These efforts are supported by comprehensive Environmental and Climate Policies that embed climate considerations into daily operations .and investment decisions

By systematically evaluating climate risks and opportunities over the short, medium, and long term, and implementing preventive and transitional measures across sectors—from agriculture to energy—Qalaa enhances operational resilience, supports collaboration with governments, and .accelerates the transition toward a low-carbon, circular economy

: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 2026 .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 and monitors key performance indicators (KPIs) to identify climate-related risks and opportunities, reduce greenhouse gas (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, supporting continuous improvement in .environmental performance

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 .2 organization's business, strategy, and financial planning? Yes

Qalaa Holdings reflects climate-related risks and opportunities across its business, strategy, and financial planning through progressive integration and informed decision-making, aligned with its long-term investment .horizon

Climate-related considerations are incorporated into investment studies and strategic assessments at the subsidiary and holding levels, where environmental risks, regulatory developments, and market trends are evaluated and discussed through the Investment Committee and Risk Management functions. These insights inform management judgment and strategic direction, particularly for long-term and capital-intensive .investments

In 2025, Qalaa strengthened this approach by measuring its carbon footprint at the holding level for the first time, establishing a consolidated emissions baseline (2023) and tracking progress (2024). This enhanced visibility enables the Group to better understand exposure, identify efficiency and decarbonization opportunities, and enhance operational .planning across subsidiaries

Climate considerations increasingly guide strategic focus toward renewable and clean energy, waste-to-energy and circular solutions, sustainable buildings, and resource-efficient agriculture, supporting resilience in food, energy, and water security. While the integration continues to mature, these practices ensure that climate risks and opportunities are recognized, monitored, and progressively reflected in strategic and financial decision-.making

: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 ASCOM sets key performance indicators (KPIs) to reduce greenhouse gas (GHG) emissions and lower its carbon footprint. The company considers the necessary technical and financial resources to implement emissions-reduction and waste-minimization projects and allocates an annual budget .for waste-recycling initiatives across its operations

Does your company invest, annually, in climate-related infrastructure, .3 resilience, and product development? Yes

Qalaa Holdings invests on ongoing basis in climate-related infrastructure, resilience, and product and operational development across its portfolio, in line with its long-term sustainability and business priorities. These investments are embedded within the Group's capital deployment and operational improvement initiatives, rather than treated as standalone .climate projects

Qalaa’s commitment to climate action is reflected in climate-resilient infrastructure, renewable and clean energy solutions, waste-to-energy and circular economy initiatives, sustainable buildings, and energy-efficient industrial processes implemented across subsidiaries. Product and process innovation—such as sustainable construction materials, waste-derived fuels, and resource-efficient agricultural and industrial solutions—continues to reduce emissions intensity and enhance operational resilience.

As the first Egyptian signatory to the Business Ambition for 1.5°C initiative and a signatory to the Africa Business Leaders Coalition (ABLC) Climate Statement, and currently the only Egyptian financial institution—under the Financial Institutions category of the Science Based Targets initiative (SBTi)—that is committed to aligning its climate strategy with science-based targets, Qalaa reinforces its accountability in supporting the transition toward a low-carbon economy. The Group prioritizes green and transition investments and continuous process improvements to minimize its carbon footprint across subsidiaries.

In parallel, Qalaa actively transfers expertise and scalable sustainability solutions across borders, extending proven climate-related practices to African markets and embedding climate resilience and innovation within its evolving sustainability strategy.

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

- Egyptian Refining Company (ERC)
  - ERC is Qalaa Holdings’ USD 4.3 billion 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 93,000 tons of sulfur annually in the atmosphere of Cairo.
- Dina Farms
  - 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 Arabia.
- ARESCO
  - ARESCO has set a clear 2026 objective to invest in climate infrastructure, reinforcing its commitment to environmental sustainability.
- Tawazon (ENTAG & ECARU)
  - 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 GlassRock operates a dedicated R&D center focused on innovation, product development, and continuous performance improvement to minimize environmental impacts and reduce the company's carbon .footprint

ASEC Automation •

o Participates in solar energy projects and renewable energy initiatives, supporting the integration of clean energy solutions within its operations .and projects

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Risk Management KPI (Climate-Related Risks).3

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

Qalaa Holdings has established a structured and evolving process for identifying and assessing climate-related risks, at both the pre-investment .and post-investment stages

To strengthen consistency and comparability across the Group, Qalaa is currently developing a standardized climate and environmental risk assessment framework to be applied across all subsidiaries. This framework is designed to ensure a unified approach and is based on clearly :defined steps, including

Identifying the type of climate-related risk (physical or transition) •

Describing nature and drivers of the risk •

Assessing potential consequences on operations, assets, and financial • performance

Evaluating the likelihood of occurrence •

Measuring the magnitude of impact •

Determining overall risk severity (likelihood × impact) •

Establishing mitigation, adaptation, and monitoring action plans •

This structured approach enhances Qalaa's ability to proactively manage climate-related risks, improve resilience, and progressively integrate climate considerations into governance, operations, and strategic decision- .making

: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

 Establishing a dedicated management core

 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 comprehensive Environmental Risk Assessment Registers to identify, assess, and monitor environmental and .climate-related risks across their operations
:NRPMC •
o NRPMC sets a defied process through Environmental Studies, Environmental Performance Report and constructions which Fulfill .environmental law instructions
ASEC Automation •
o ASEC Automation does not currently have a formalized procedure for identifying climate-related risks. However, the company conducts case-by-case environmental and climate assessments when required and is committed to strengthening its approach in line with emerging best .practices and Group-level sustainability direction

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

Qalaa Holdings has a structured and progressively strengthening process for managing climate-related risks across its portfolio. Climate considerations are integrated into both pre-investment and post-investment studies at the subsidiary level, where risks are evaluated in relation to operations, assets, and long-term performance. These assessments inform management oversight, operational priorities, and forward-looking financial .planning
To enhance consistency and effectiveness across the Group, Qalaa is developing a unified climate risk management framework to be applied across all subsidiaries. The framework is designed to support a systematic :approach to risk management and includes
Identification of climate-related physical and transition risks •
Assessment of subsidiaries' adaptation and mitigation capacity •
Evaluation of risk severity and potential impact •
Selection of appropriate risk management and response strategies •
Ongoing monitoring and periodic review, allowing for adjustments as • conditions evolve
This approach enables Qalaa to move from risk identification to active risk management, strengthening resilience, supporting informed decision-

making, and ensuring that climate-related risks are addressed in a .consistent, practical, and scalable manner across the Group

: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 greenhouse gas emissions, carbon footprint, and other relevant .indicators related to climate change and environmental performance

ASEC Automation •

o ASEC Automation does not currently have a formalized procedure to identify climate-related risks. However, the company conducts ad-hoc assessments as needed and is committed to developing a structured approach for climate risk identification and management in the future, aligned with emerging best practices and Group-level sustainability .direction

Does the company incorporate climate-related risks in the company's .3 overall risk management? Yes

Qalaa Holdings incorporates climate-related risks within its overall risk management framework as a core governance priority. Climate risk management is treated as an integral component of the Group's enterprise risk management approach, reflecting the potential impact of climate-related physical and transition risks on operations, assets, and long-term .performance

Climate considerations are embedded into risk identification, assessment, and monitoring processes across subsidiaries, with oversight provided through existing governance structures. This integration enables Qalaa to proactively identify emerging risks, evaluate their potential implications, and implement appropriate mitigation and adaptation measures in .alignment with business priorities

By embedding climate-related risks into its broader risk management framework, Qalaa enhances resilience, protects stakeholder value, and ensures that environmental considerations are systematically reflected in strategic and operational decision-making, supporting the Group's long-term sustainability and responsible growth objectives.

: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 measurement and greenhouse gas (GHG) reduction is integrated into the companies' overall risk management processes, supported by an action plan focused .on continuous improvement in environmental and climate performance

ASEC Automation •

o ASEC Automation does not currently have a formalized procedure to identify climate-related risks. However, the company conducts case-by-case assessments as required and is committed to developing a structured climate risk management approach in the future, aligned with emerging .best practices and Group-level sustainability direction

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

Does the company use any metrics to assess climate-related risks and .1 opportunities in line with its strategy and risk management process? Yes

Qalaa Holdings uses a set of qualitative and quantitative indicators to assess climate-related risks and opportunities, aligned with its strategy, environmental policies, and risk management processes. These metrics are applied at both the holding and subsidiary levels and are embedded within environmental compliance, operational monitoring, and investment .assessments

:Key metrics and indicators include

o Environmental impact assessments (EIAs) conducted prior to new investments, applying a precautionary approach to identify potential .climate and environmental risks

o Resource-efficiency indicators, including energy, water, and raw-material consumption, used to monitor performance and identify efficiency

.opportunities across sectors

o Energy mix and clean-energy adoption indicators, tracking progress .toward renewable and low-carbon energy sources

o Waste generation, recycling, and recovery rates, supporting circular .economy and waste-to-energy initiatives

o Operational HSE performance indicators, ensuring compliance with high .health, safety, and environmental standards

In 2025, Qalaa further strengthened its metrics framework by measuring greenhouse gas emissions at the holding level for the first time, providing a consolidated baseline to assess climate-related exposure, performance trends, and decarbonization opportunities. Qalaa Holdings' emissions are reported in accordance with the GHG Protocol – Corporate Accounting and Reporting Standard and aligned with ISO 14064-1:2018 and IPCC .Guidelines

Together, these metrics enable Qalaa to identify climate risks and opportunities, monitor progress, and inform strategic and operational decision-making in line with its sustainability and risk management .objectives

: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 (CO_2 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 23% .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 The company regularly updates carbon footprint reports and Environmental Product Declarations (EPDs) and has established key performance indicators (KPIs) to monitor and reduce greenhouse gas .(GHG) emissions across its operations

ASEC Automation •

o ASEC Automation does not currently have a formalized procedure to identify climate-related risks. However, the company conducts assessments and is committed to developing a structured approach in the future

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

As part of its enhanced climate governance, Qalaa achieved a key milestone in 2025 by issuing its first Group-wide Carbon Footprint Report, establishing 2023 as the base year and 2024 as the first year of progress tracking, and enabling consistent, data-driven monitoring of greenhouse gas emissions across the holding level. This represents a structural shift toward systematic emissions management, improved transparency, and .informed decarbonization planning across the Group
Qalaa's carbon footprint report covers Scopes 1, 2, and applicable Scope 3 categories, based on data availability and materiality, with Scope 3 Categories 5 and 6 intentionally excluded at this stage to prioritize data .quality and methodological robustness in this first holding-level inventory
was established as the base year with total quantified emissions of 2023 531.16 tCO_2e, while 2024 represents the first progress year, recording 470.107 tCO_2e. This reflects a year-on-year reduction of 61.053 tCO_2e, .equivalent to an 11.5% decrease in total emissions
This carbon footprint report sets a reliable baseline, improves climate governance and transparency, and helps track emissions yearly, identify .key hotspots, and plan effective decarbonization across Qalaa Holdings
: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 .2025 scope one has been calculated inhouse as 1,102,590 tonnes CO2eq

:ARESCO •
.o The company is in the process of preparing its 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 (CO_2 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.

23% 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 & 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 GlassRock and ACCM reports CO_2 equivalent calculations in their Sustainability, CFP, and EPD reports.

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