



TOWARD
GLOBAL ACTION

SUSTAINABILITY REPORT

2021

RAYA

About This Report

In this report, "Raya", "the Group", "the Company", "Raya Holding", and "we" refer to Raya Holding for Financial Investments.

Raya Holding constantly seeks to identify and champion solutions for the next big challenge. Technology and innovation are in our DNA, from pioneering e-payment services to creating smart and green buildings. Raya adopts an ambitious approach in everything it does, and it strives to always remain at the forefront of change. Our fourth sustainability report showcases our progress and achievements with regards to growing a sustainable business, safeguarding our environment, and providing value to all our stakeholders.

Reporting Period, Scope, and Boundaries

This report presents our governance framework, management approach, policies, practices, and performance on material topics at the holding level and across the following subsidiaries: AMAN Group, Raya Customer Experience, Raya Foods, Raya Smart Buildings (Galleria40), Raya Information Technology, Raya Data Center, and Raya Auto. Organizational and operational parameters for this reporting period are limited to operations within Egypt.

This report covers fiscal year 2021 (1 January 2021 to 31 December 2021), unless otherwise indicated. Our reporting leverages comprehensive materiality assessments for each subsidiary within the organization.

The material topics discussed in this report have been selected based on our internal priorities, stakeholder engagement, and extensive research on issues that affect the industries we operate in the most. The reporting scope and boundaries reflect the market presence and impact of the Group and each covered subsidiary.

Reporting Frameworks

This report is prepared in reference to the Global Reporting Initiative Sustainability Reporting Standards: Core Option. The report is also aligned with the United Nations Global Compact (UNGC) Ten Principles and the UN Sustainable Development Goals (SDGs). Acknowledging the significance of promoting sustainable business practices, Raya has been among the first companies in Egypt to be a signatory in the UNGC since 2004.

This year, we have also incorporated the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations to ensure we address climate change and the associated risks and opportunities within our operations and areas of impact. In line with TCFD recommendations, we expanded our assessment for carbon footprint calculations.

Restatements and Changes in Reporting

Our previous report (2019–2021) included our sustainability philosophy and critical policies and procedures at Raya Holding, including how they are represented in seven of our

core business lines: Raya Holding for Financial Investments (Raya Holding), AMAN Group (AMAN for E-Payments, AMAN for Financial Services, AMAN for Microfinance), BariQ, Raya Contact Center, Raya Foods, Raya Smart Buildings (Galleria40), and Raya Information Technology. This report includes different lines of business (LOBs) as detailed in the scope and boundaries section above. It is worth mentioning that the reporting period changed from being bi-annual report to an annual sustainability report to be in accordance with ESG disclosure requirements mandated by the Egyptian Financial Regulatory Authority (FRA).

Audience

We prepared this report to serve a broad range of audiences with diverse interests and backgrounds. Specialist readers, including investors, analysts, NGOs, and government representatives, will find detailed information on our LOBs, operations, and overall performance. Our customers, clients, employees, and other stakeholders will also find meaningful data and insights that have been presented with consideration of their interests and needs. We welcome insights and feedback on how we can keep on improving our sustainability reporting in every respect.

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MESSAGE FROM OUR CHAIRMAN



When we founded Raya, our goal was to build a pioneering and globally competitive Egyptian company. As our organization grew, so did our ambitions and our understanding of what it means to run an impactful conglomerate that looks beyond the present day. Today, we continue to drive growth across our business lines while advancing our agenda on climate change, social inequality, and progressive workplace trends.

Our sustainability journey began in 2004 when we were among the first companies in Egypt to become a member of the United Nations Global Compact (UNGC). Since then, we have become members of a number of programs and initiatives that support different envi-



As our organization grew, so did our ambitions and our understanding of what it means to run an impactful conglomerate that looks beyond the present day. Today, we continue to drive growth across our business lines while advancing our agenda on climate change, social inequality, and progressive workplace trends.

ronmental and social efforts. We have taken steps to identify how Raya and each of its subsidiaries contribute to Sustainable Development Goals (SDG) targets and are currently expanding this impact and the methods in which we measure and report on it. Our accomplishments toward ESG initiatives are the ones that mean the most; this is the story we have cultivated over the years and the legacy we wish to leave behind.

I am proud to see what Raya has accomplished over the years, from building BariQ, the first and only bottle-to-bottle PET recycler in the MENA region for plastic waste in 2010, to expanding our financial inclusion and fintech reach through AMAN Group to 27 governorates. Our journey has truly been a transformative one in which we have adapted to a multitude of challenges and shifting dynamics to remain ahead of the curve.

The new era of positive impact necessitates a team of exceptional talent and expertise, strong governance, robust operations, an

agile strategy, and a shared vision for a better future. These are the elements that embody Raya's structure and workforce and that will no doubt propel us to the next level on financial, operational, and sustainability fronts. We are cognizant that talent like this must be fostered over a long period of time. In our opinion, we must focus profoundly on education in the coming years to secure our future and advance our country. As it stands today, there is a gap between the skill sets of recent graduates and the needs of the workforce. Raya intends to fill the gap through targeted investments in education, training programs, and internship opportunities. Education is the key to unlock a prosperous future.

Our country is vast, and its population is growing at an exponential rate. The task at hand is far too complex for one entity to tackle on its own. Our collaborations have been monumental, inspiring, and life altering for our organization and the communities we serve. Together, we have improved the quality of education, promoted healthy habits, and taken

great strides toward financial inclusion to alleviate poverty. As always, we look forward to expanding our relationships and partnerships and to take on a more active role in causes that matter.

In closing, I would like to thank the members of our Board of Directors for their exceptional support and guidance throughout the year. I would also like to deeply thank our people and our partners, who constitute the base of our successes. Raya's sustainability journey comes alive on the back of your efforts, and we are excited to see what comes next.

Medhat Khalil

Chairman, Raya Holding For Financial Investments

MESSAGE FROM OUR CEO



Global challenges have largely dictated our movements in 2020, guiding us down paths that are rooted in risk management and forward-looking strategies. We have asked and answered many questions since, all to fuel the sustainable progress of our operations as a trendsetting holding company and to maintain our commitment as a leader in collective sustainable action. The latter has become fundamental to our wellbeing, and I am proud to say that in 2021, Raya has continued to lead by example in the sustainability space, and has maintained an approach that promotes attention, innovation, and action. Our journey is now closely intertwined with local and global conversations that seek to mobilize action on scales that our planet and our people need and deserve.

Our overarching sustainability strategy, fostered over 23 years of embracing ESG action, keeps us focused on topics that promote mutual wellbeing. This becomes especially significant as we look at how we bring together people, partners, and communities that aim to build a more responsible future for key industries across the region. Our strategic topics have recently developed under the areas of economic prosperity, supporting people, and environmental responsibility, three areas that we believe protect the interests of all those involved. As our operations cover more than 11 industries across Egypt and the region, this strategy is tailored to accommodate the nature and needs of each one. We have set priorities and goals for each and are committed to seeing them through.

Relevantly, and to ensure the dedication of monitoring resources that will keep us accountable, aligned, and effective, I am excited to announce that we have officially launched our Sustainability Committee. The diverse backgrounds and know-how of the committee's members will enable it to outline policies and procedures that comprise a strong oversight mechanism. It will also help us understand, adjust, and measure the impact of our actions, as we aim to improve our ESG positioning with each passing year. The committee is currently working on expanding and better defining

Raya's sustainability policy in line with local and international standards and best practices.

Change begins from within, and so we strive to promote diversity within the team and cultivate work environments that will help us remain an employer of choice across our expansive footprint. We are currently working on increasing the participation of women across the management and board in an effort to bridge the gender gap and truly foster inclusion across previously rigid industries. We are also putting systems in place that will enable us to increase opportunities for persons with disabilities, furthering our commitment to building companies that are truly representative of the communities we belong to.

Outside of our own people, we continue to empower our communities through the services of our AMAN, which has steadily grown to become one of the largest non-banking financial institution (NBFI) platforms in Egypt. Providing accessible financing for underserved individuals has become a central part of our philosophy, and our commitment to accelerating financial inclusion across the country is now part and parcel of our growth plans. AMAN's footprint now covers the majority of Egypt's governorates, providing services through more than 130 offices and over 200 stores.

Furthermore, and as we seek to structure our approach to monitoring the environmental footprint of Raya's network, we started mandating emission monitoring and reporting across the Group's subsidiaries and platforms in 2021. To facilitate this, a dedicated reporting software is being established to be utilized across the Group, giving us a clearer view of our environmental impact. We are also especially pleased with Raya Auto's growing portfolio of electric vehicles and hope to further strengthen our brand in the market, as well as encourage more people to embrace green alternatives.

As we enter a new year and as interest in ESG action continues to grow in relevance and importance, we look forward to playing a key role in the change to come. As Egypt's sustainability story unfolds, we are committed to doing our part and becoming a standard for other companies to follow suit. Our next chapter will deliver sustainable and innovative tools that advocate for consumer wellbeing, a greener environment, and social development within our communities, and we are honored to share this journey with you.

Ahmed Khalil

CEO, Raya Holding For Financial Investments

**AT A
GLANCE**



RAM

RAYA AT A GLANCE

Our Operations: Moving Upward Since 1999

Established in 1999, Raya Holding has since grown to become a leading Egyptian investment conglomerate managing a well-diversified business portfolio. Through our subsidiaries, Raya Holding operates in a variety of industries, including information technology (IT), consumer electronics and home appliances trading, contact center outsourcing services, data center outsourcing services, smart buildings, food and beverage manufacturing and trading, land transport, logistical solutions, light-mobility vehicles, and e-payments and non-banking financial services. At Raya Holding, we empower more than 14,000 talented employees, accommodating a wide international customer base from on-ground operations spanning Egypt, Saudi Arabia (KSA), United Arab Emirates (UAE), Bahrain, Poland, and Nigeria.

We aim to contribute to a more inclusive, sustainable, and prosperous future, with a firm belief that the world's future is a shared responsibility. This is why we are committed to leveraging our resources, expertise, and brand loyalty to address issues that impact our communities. As we established and grew our business across platforms, we ensured that

our environmental, social, and governance (ESG) priorities were integrated into our business model and strategy. Our focus has long been on areas where we can implement solutions and have a measurable, positive impact on the communities we serve. One of our areas of focus in recent years has been accelerating digital transformation as a foundation for future growth.

We have adopted a holistic approach to sustainability in which environmental, social, and economic goals are weaved in every business across our portfolio. This approach, along with an agile business model, proved essential in 2021 as the world grappled with the effects of the COVID-19 pandemic. Through all the challenges, we are proud of the initiatives and successes achieved during the year. Our company has emerged stronger from the pandemic, transformed into a more efficient organization, and positioned itself for continued growth in the years ahead.

We are committed to continuously improving our operations to ensure we utilize the best-in-class processes and standards in delivering exceptional products and customer service. Our expertise in an array of industries allows us to create long-term value for all our stakeholders.

11

Subsidiaries

6

Countries of operation

14,705

Employees

STRATEGIC MISSION AND VALUES



Our Mission

We aim to provide our clients with world-class services and maximize value for our stakeholders by adopting industry best practices, deploying state-of-the-art technology, employing streamlined processes, and empowering our employees.



Our Vision

We strive to be a market leader no matter where we are while supporting a thriving national economy, building flourishing local communities, and contributing to individual wellbeing and quality of life.



Our Values

Our core values have long served as a foundation for our success amid an ever-changing macroeconomic environment. As we explore new horizons and opportunities, our values guide our dreams and drive our progress toward growing a sustainable and diverse business.



Excellence – We are a leader in the markets we serve, continuously improving our products and services following recognized international standards.



Teamwork – We bring together people with diverse experiences, backgrounds, and advanced skills to facilitate fresh perspectives and deliver outstanding results.



Customer Focus – We offer exceptional customer experiences with quality products and services that solve significant problems while being competitively positioned.



Respect for People – We respect and appreciate our employees, partners, and other stakeholders, building open, trusted, and respectful relationships.



Our Commitments

Be a trusted business partner and product and service provider

Be a preferred employer

Be a force of good

RAYA

TOWARD
GLOBAL
ACTION

Our Collaboration Network

At Raya, we value our industry memberships and business associations, which provide us with opportunities to leverage impact beyond our operations and further advance our sustainability knowledge

We are currently involved in the following networks:



A JOURNEY OF SUSTAINABLE GROWTH

Our sustainability journey reflects our commitment to grow Raya and create value for our stakeholders while integrating ESG principles across our operations and geographic footprint. Through innovative strategies and sustainability frameworks we continue to reach milestones that enrich our communities.



- 1999** • Raya Holding is established following the merger of seven national IT companies
- 2002** • Magda Habib is appointed as first female board member at Raya Holding
- 2003** • International expansion into the USA and Gulf region
- 2005** • Raya Holding shares are listed on the Egyptian Stock Exchange through an EGP 400 million IPO
 - Raya Holding joins the UN Global Compact as an active participant
- 2011** • The establishment of BariQ, the largest bottle-to-bottle PET manufacturer of recycled plastic in Egypt and MENA region
- 2012** • Reem Asaad is appointed at Raya Data Center as the first female CEO
- 2015** • Raya Holding establishes its Corporate Social Responsibility Committee advocating an organizational culture embedding responsible management practices and creating shared value for the company and community
- 2016** • Launch of three new business lines; Raya Foods, Raya Manufacturing and AMAN E-payment and Financial Services
 - Raya Holding becomes a Women Empowerment Principles signatory
 - Raya Holding is selected by GIZ to benefit from their ECONWIN program to promote women empowerment in the IT sector



- 2017** • Raya Holding publishes its first Sustainability Report according to the Global Reporting Initiative GRI 4 guidelines; being among the first Egyptian companies to disclose its ESG performance

- 2018** • AMAN obtains a license for microfinance projects in Egypt and launches AMAN Micro-finance as an enabler of financial inclusion for un-banked populations across Egypt's governorates



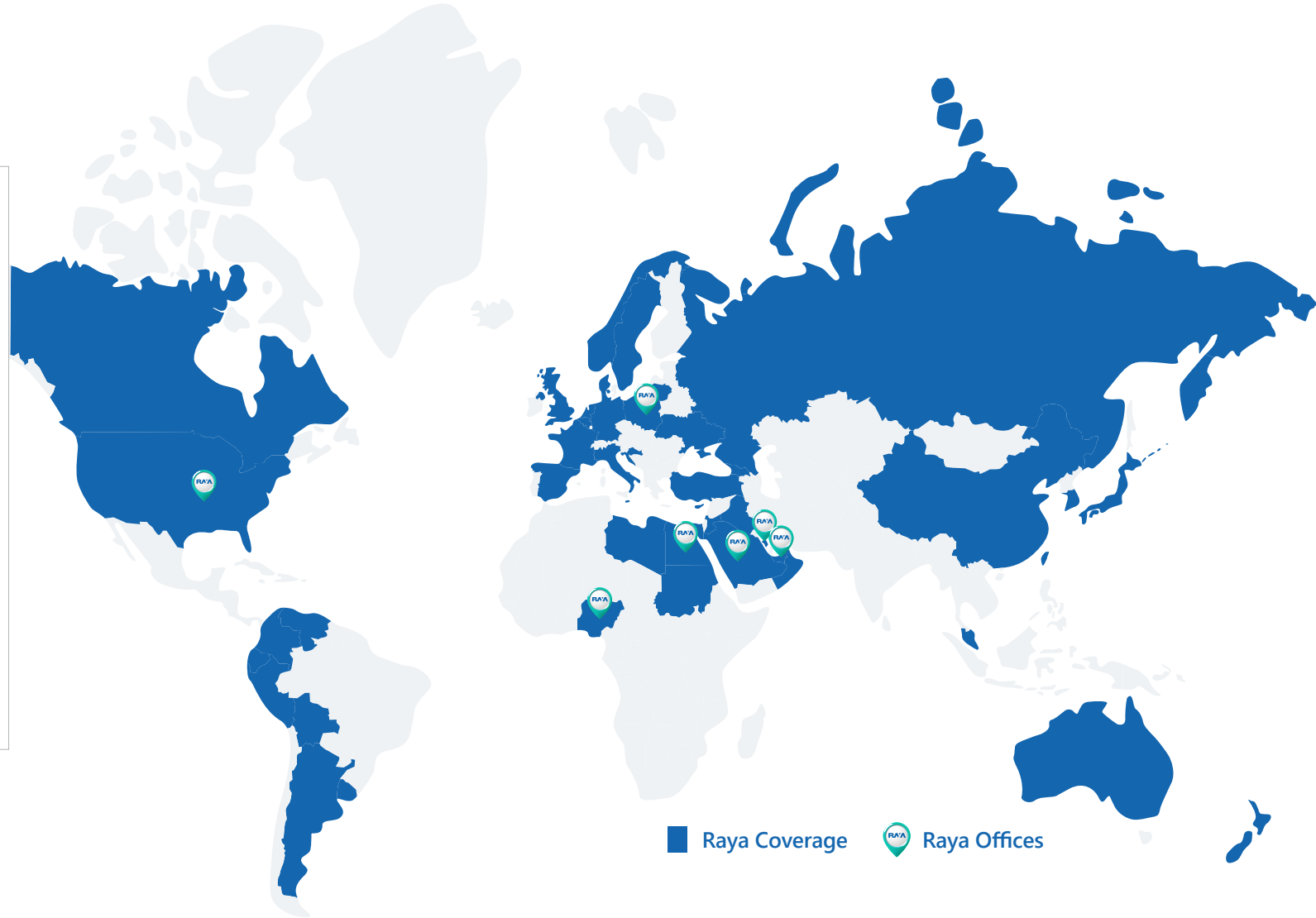
- Raya Holding publishes its second Sustainability Report according to GRI 4 standards
- 2019** • Raya Advanced Manufacturing offers electric vehicles to the market
 - BariQ wins best waste recycling company in the Middle East; recycling 11.5 billion bottles since inception



- 2020** • Raya Auto expands its investment in electric vehicles
 - Nihal Kamal joins the Board of Raya Contact Center
 - Raya establishes measures in response to COVID-19 including expanding its work from home policy
 - Coca-Cola and BariQ launch a new plastic waste sorting facility for bottle-to-bottle PET recycling

- 2021** • A new partnership between AMAN for E-payments and Arab Women's Enterprise Fund (AWEF) to empower 1,000 women from low-income communities
 - AMAN contributes to a new initiative of converting petrol-powered vehicles to natural gas, in coordination with the Ministry of Petroleum, at a cost of EGP 1.2bn; featuring as AMAN's green finance initiative
 - Raya Holding cooperates with the Ministry of Environment in a national initiative in raising awareness of e-waste collection through the E-Tadweer app
 - 100% divestment of BariQ
 - Raya Holding is among Egyptian companies invited to participate in COP26 showcasing its sustainability performance
 - Raya Holding publishes its third Sustainability Report

Raya Holding is an investment conglomerate headquartered in Cairo, Egypt, managing a diversified investment portfolio. As the parent company of three mature lines of business, and nine up-and-coming lines of business, the company operates in the fields of information technology (IT), consumer electronics and home appliances trading, contact center outsourcing services (CCO), data center outsourcing services (DCO), smart buildings, food and beverage manufacture and trade, land transport, logistical solutions, light-mobility vehicles, and e-payments and non-banking financial services. Raya Holding empowers more than 14,000 proficient employees, accommodating a wide international customer base from on-ground operations spanning Egypt, KSA, UAE, Bahrain, Poland, and Nigeria.



 **14,705**
Employees

 **22 YEARS**
In the Market

 **4**
Continents

 **11**
Lines of Business

 **2005**
Egyptian Stock Exchange

SUBSIDIARIES ACCELERATING OUR SUSTAINABILITY EFFORTS



AMAN Holding

AMAN encompasses three businesses: AMAN for e-Payments, AMAN for Financial Services, and AMAN for Microfinance. Together, AMAN Group aspires to become a leading fintech

company by promoting financial inclusion and driving digitalization. Its goal is to help citizens become financially independent and economically self-sufficient.



Raya Customer Experience

Raya Customer Experience (RCX) is a world-class business process outsourcing (BPO) and contact center outsourcing service provider offering contact center services, back-office

services, and inside sales channel management and professional services. RCX maintains on-ground operations in Egypt, KSA, Bahrain, UAE, Poland, and USA.



110,000

Active customers



2.1^{bn} EGP

In loans distributed
(41.2% to female customers)



+ 15

Languages



16MN

Transactions per month



1,758

Finance specialists



108

AMAN branches across
18 governorates



13

Delivery sites



20%

Market share in the Egyptian
BPO market



145,000

AMAN e-payments points
of sale



+ 10,000

Seat capacity



Raya Information Technology

Raya IT is a leading system integrator in the MEA region with a vision to lead the information technology market through its dynamic portfolio of system integration and technology consultancy services. Raya IT helps customers throughout their business journey to adopt cutting-edge technologies and achieve the highest level of business performance.

As a result of its remarkable success in the Egyptian market in the domain of ATM and self-service solutions, as well as exponential market share growth in the banking sector, Raya IT received four awards during the 2021 Diebold Nixdorf Middle East Virtual Partner Forum. Raya IT has also received three awards at the Cisco Partner Summit for North Africa and the Levant.



Awards

Best Performance of the Year 2020

Competition Takeover of the Year

Innovative Project of the Year

DN Series Champion Partner of the Year

Enterprise Partner of the Year in Middle East and Africa

Technology Excellence Award: Data Center

Technology Excellence Award: Service Provider



+1,000

Customers



+60

Partners



+800

Employees



4

Subsidiaries



1.5^{bn}_{EGP}

Revenue 2021



Raya Smart Buildings

Raya Smart Buildings develops elegant, efficient and innovative mixed-use complexes in Egypt. The company's smart buildings deploy improved energy and water systems to promote sustainability and responsible consumption in the commercial real estate sector. Galleria40 is the company's flagship mixed-use commercial and office complex, which features a luxury shopping mall and a green office building.



54

Net promoter score (NPS)

720,000

Number of visitors (estimated)

97%

Occupancy Rate



Raya Foods

Raya Foods strives to be the leading global supplier of healthy, wholesome, and nutritious prepared foods. It produces and exports premium quality frozen fruits and vegetables through its brands "Lazah" and "Everest".



38

Export countries



22

Products



650

Containers shipped in 2021



Raya Advanced Manufacturing (Raya Auto)

Raya Auto assembles and manufactures light transport vehicles, including motorcycles, scooters, three-wheel vehicles, and four-wheel commercial and electric vehicles

for the Egyptian market. The company's vehicles adhere to the highest quality and safety standards, as well as environmental compatibility rates.



23,000

Units sold



+600

Units are 100% electric



2021 OVERVIEW



AN OVERVIEW OF 2021

In 2021, we overcame a challenging operational environment to deliver impressive results and uphold our sustainable development practices. As we continue to grow our businesses, we want to drive positive and lasting change in our communities.

Upscaling Digital Services

Our digital transformation efforts support our vision for an inclusive society with access to high-quality digital services and solutions that enhance people's lives, conserve resources, and drive efficiency across our organization. With digital elements weaved in every subsidiary, this year's efforts focused on the following:

- All Raya companies are installing a new digital reporting software that will help measure emissions and report on Raya's social and environmental footprint.
- At Raya Customer Experience, we have revamped our digital infrastructure to better serve the company's digital transformation and expand our digital services beyond voice solutions. Furthermore, RCX's recent expansion to Bahrain and KSA has expanded its digital services and widened its customer support experiences.

Boosting Job Opportunities

We are committed to creating valuable job opportunities in the different industries we operate in and to enhancing the overall skill set of Egypt's workforce. The nature of our business allows us to directly increase headcount at our subsidiaries and to indirectly promote further job creation at local suppliers and manufacturers. In 2021, Raya developed HR initiatives, including Raya's Career Portal updates, which offers university students and recent graduates internship opportunities, job shadowing opportunities, and career advice across different career paths.

Safeguarding Our Environment

We believe everyone has a role to play in combating climate change, and we are determined to do our part. Our climate journey is exciting and dynamic, with milestones achieved each year across our companies to reduce our carbon footprint and provide our customers with eco-friendly alternatives.

At Raya Auto, we are aggressively growing our electric vehicle portfolio. This year, we added the 14-seat electric shuttle bus to our portfolio to facilitate mass commuting inside gated communities, such as residential



compounds, hotels and resorts, as well as touristic attractions and universities. Raya Auto's decarbonization strategy is in line with the global mobility megatrend of replacing conventional vehicles with electric or hybrid ones. Our plans include the addition of four-wheeler passenger electric vehicles (sedan and SUV) by the end of 2022. We are currently negotiating with several global EV players that will be shortlisted prior to the official rollout in the first quarter of 2023. Moreover, there has been a growing demand for the past couple of years for new electric watercrafts to combat the negative environmental and ocean life impacts resulting from fuel leakages and high noise levels.

Raya Data Center (RDC) is further reducing its emissions through energy-efficient technology as well as advanced cooling systems and refrigerants. In 2021, RDC implemented power usage efficiency technology to enhance electricity usage as per the IT load based pre-defined efficiency criteria. RDC is the first data center in Egypt to measure and manage its carbon emissions and footprint.

Supporting Our Communities

Throughout 2021, our initiatives addressed a wide range of pertinent issues in our communities, including poverty, good health and well-being, quality of education, gender inequality, and economic growth drivers. These initiatives focus on human capital development and support programs to equip youth with the necessary knowledge and skills to drive our industries, economy, and communities forward.



OUR APPROACH



OUR APPROACH: GROWING WITH PURPOSE

Our sustainability approach is underpinned by global goals and specific targets that enable us to measure our impact and progress toward reaching our vision. Over the years, we leveraged our expertise across a multitude of industries to have a wide impact on our people, environment, and communities. While we have grown Raya into a conglomerate with diverse interests and a global footprint, our primary goal is to grow with purpose.

Through our different initiatives and partnerships, we promote sustainable growth and support the communities we serve. We have aligned our business objectives with Egypt's vision 2030, worked toward realizing the UN's sustainable development goals, and remained an active member of the UNGC. We focus on areas where we can make the greatest material change and have aligned Raya's ESG approach to our business strategy to meet our targets.

Strategic Messaging and Pillars

Over the years, Raya Holding has been committed to offering innovative products and services, whether by introducing pioneering technologies or expanding into new markets. Our efforts include establishing the first bottle-to-bottle PET recycling factory in the region, offering export value-added products and services, and pioneering diversified financial solutions for the unbanked sector. By consolidating our industry expertise, we have succeeded in advancing our company with consumers, communities, and shareholders in mind while delivering on our strategic goals.

Grouped under different subsidiaries, our products and services meet the needs of a wide range of businesses and individuals alike. Our portfolio continues to grow and develop, and we are constantly making improvements in customer operations to ensure the best-in-class experience, processes, and standards are delivered. Moreover, we have adopted a comprehensive and holistic approach in everything we do and have focused on digital transformation as the foundation for future growth.

Strategic Pillars

Elevating
customer
experience



Expanding
our
international
footprint



Creating
value for
all our
stakeholders



ESG Agenda for 2020–2025



Economic Prosperity

Our company's growth has always been intertwined with the economic prosperity of the communities we serve. We believe that financial inclusion is essential for the advancement of economic prosperity. As such, we continue to grow our service offering through AMAN Group to provide access to digital and financial solutions that empower people and communities to break barriers.



Supporting Our People

Across our lines of business, we foster a culture that allows employees to thrive and exceed expectations. Through education, training, and the creation of opportunities, we are constantly helping our employees reach their career goals and reach their full potential by giving them the tools to succeed. Promoting diversity, equity, and inclusion in all our businesses is of utmost importance to us and the future of our company.








Driving Responsible Growth



Our company is growing exponentially, so is our responsibility to the environment that impacts the people and communities we serve. We believe that responsible growth entails strong governance systems at the holding level that are cascaded down to the different subsidiaries. Furthermore, we are constantly seeking alternatives that enhance our operations to meet rigorous climate, waste, and packaging goals. Addressing climate change issues and taking the necessary steps to protect our environment are part of every subsidiary's mandate.



2020–2025 Priorities for Raya and Its Businesses

COMPANY	GOALS	TARGET YEAR	PROGRESS (AS OF 31 DECEMBER 2021)
 <p>Raya Holding</p>	<ul style="list-style-type: none"> • Create an inclusive workforce, reflecting a diverse leadership team and Board • Promote employee well-being across all corporate ladders, ensuring an enabling working environment • Maintain a strong governance structure and integrate ESG principles and criteria at the group level • Develop strong sustainability related initiatives focusing on the mobility and financial services sector 	2025	<ul style="list-style-type: none"> • A sustainability policy has been developed, tackling key sustainability issues such as diversity and inclusion, employee well-being, environmental stewardship and climate change • Raya Sustainability Committee is under establishment with diverse members (established in 2022) • Currently implementing an ESG management system to be launched in 2023 • Currently developing key partnerships to launch sustainability related initiatives in the mobility and financial services sector
 <p>Raya Customer Experience</p>	<ul style="list-style-type: none"> • Build trust and become the company of choice for clients • Attract and retain a diverse pool of talent • Ensure the wellbeing of our people • Governance arrangements for long-term improvement of service quality and PCI DSS compliance 	2025	<ul style="list-style-type: none"> • Developed numerous HR programs to retain and attract a diverse talent pool and become an employer of choice • As of 31 December 2021, successfully implemented PCI DSS compliance for one of its largest clients and is currently implementing PCI DSS compliance across one of its largest operation hubs (Maadi Smart Building)

COMPANY	GOALS	TARGET YEAR	PROGRESS (AS OF 31 DECEMBER 2021)
 <p>Raya Smart Buildings</p>	<ul style="list-style-type: none"> • Sustain excellence in servicing our tenants and visitors • Improve tenants' experience and wellbeing • Optimize energy usage and efficient waste management 	2025	<ul style="list-style-type: none"> • Expanded its service offerings and created new solutions to accommodate tenants' needs and promote a healthy lifestyle for tenants, guests and employees • Conducted infrastructure work in the buildings to improve efficiency for easier navigation • Successfully reduced power consumption by 7%
 <p>Raya Information Technology</p>	<ul style="list-style-type: none"> • Develop innovative IT-based solutions and management system tools for businesses across sectors • Support gender diversity in the IT sector • Lead the adoption of financial inclusion through promoting digital transformation solutions 	2025	<ul style="list-style-type: none"> • Expanded its solutions to adopt tools and IT-based solutions that contribute to financial inclusion in-line with national directions • Fulfilled multiple projects that enabled the hybrid work model, facilitating a more sustainable work environment • Developed cloud-based solutions to create efficiencies and reduce the environmental footprint of data centers
 <p>Raya Foods</p>	<ul style="list-style-type: none"> • Develop efficient resource management systems and increase our consumption share of clean energy • Develop an efficient waste management system across our farms and manufacturing facility • Promote circular, inclusive supply chain management 	2025	<ul style="list-style-type: none"> • Introduced by-products to further utilize raw material usage • Signed two agreements for implementing a solar plant and a CCHP plant to cover 25% of total electrical needs by 2024 • Initiated waste management programs in cooperation with recycling facilities • Initiated a circular supply chain management program by applying an efficient waste tracking system across its value chain

COMPANY	GOALS	TARGET YEAR	PROGRESS (AS OF 31 DECEMBER 2021)
 <p>AMAN group</p>	<ul style="list-style-type: none"> Provide green finance products to contribute to the national and sustainability development goals Participate in wide scale initiative in offering tailored financing solutions for Egypt's green mobility transition and facilitate the adoption of EV Develop a strong governance structure 	2025	<ul style="list-style-type: none"> Continued to expand its market penetration. As of 2021, AMAN for E-Payment serves more than one million customers daily through more than 140,000 points of sale on the Internet local level. AMAN Financial Services is also active in financial services and installment payment programs for various products and services targeting more than 80% of the unbanked population with more than 220 stores nationwide Converting 147,000 petrol-powered vehicles to work on natural gas and currently considering different avenues for green finance products at a larger scale and scope
 <p>Raya Advanced Manufacturing</p>	<ul style="list-style-type: none"> Grow the company's electric vehicles portfolio Develop business innovative solutions to scale the national green transition to EV mobility in Egypt, backed by tailored financing solutions to accelerate the adoption of EV 	2025	<ul style="list-style-type: none"> Grew its EV portfolio, which represents more than 20% of its 2021 revenue and it is expected to grow to 30–40% in upcoming years as it continues to expand its EV products offerings



LAYING THE GROUNDWORK FOR MATERIALITY











ENGAGING OUR STAKEHOLDERS

To identify, understand, and measure our impact within key areas of ESG development, we rely on mechanisms inclusive of close, clear, and consistent stakeholder communication. Our deep-rooted connections with each of our stakeholder groups allow us to quickly pinpoint challenges, relevant trends, and risks, as well as take on the requests and needs of each group. The handling process then consists of assessments and forecasts that help us determine the most pressing issues, as well as action plans and roadmaps that put us on paths toward improvement.

“

Our deep-rooted connections with each of our stakeholder groups allows us to quickly pinpoint challenges, relevant trends, and risks, as well as take on the requests of each group.

Key Groups and Engagement Patterns

Stakeholder	Channels of Communication	Frequency
Employees 	Engagement surveys, career appraisals, capacity development programs, recognition programs, internal and management meetings, internal publications, emails	Ongoing, daily, weekly, monthly, quarterly, annually
Shareholders and capital providers 	Phone calls, emails, meetings, regular publications, EGX-mandated disclosures	Ongoing, quarterly reporting
Clients and customers 	Phone calls, emails, meetings, social media platforms, offers	Ongoing, weekly, monthly, post-delivery, annually
Communities and CSOs 	Social investment programs, conferences, meetings	Ongoing, annually
Suppliers 	Meetings, phone calls, emails	Ongoing, annually
Industry peers 	Industry associations, business chambers	Ongoing
Merchants 	Service offers, updates, YouTube tutorials, satisfaction surveys, SMS, outdoor campaigns, media campaigns, print campaigns, combined campaigns	Ongoing
Collaboration network UNGC 	Communication on Progress Report	Annually
EiTESAL, CIT, AmCham, FEI (Federation of Egyptian Industries), German Chamber, BEBA	Meetings	Periodically

MEGATRENDS, RISKS, AND OPPORTUNITIES

Slow recovery was among the general themes of 2021, with global disruptions caused by COVID-19 slowly beginning to ease due to the production of vaccines, among other endeavors, and with people and businesses gradually figuring out how to adapt to the new normal. These changes have largely impacted trends during the year, giving rise to new areas of risks and opportunities on both global and local scales. Coupled with long-term megatrends that are paving the way for permanent changes across green, digital, and social footprints, these constitute the main topics we have given focus during the year and will aim to continue investing in during the next stretch.

HEALTH AND HEALTHCARE

The economic and social impacts of COVID-19 uncovered multiple areas of inequality in healthcare provision and vaccine access. The resulting recovery risks furthered social fractures and geopolitical tensions as countries grappled with solutions to alleviate mortality rates and decline in overall population health.

SOCIAL DEMOGRAPHICS

Generational changes quickly reshape what we consider standard behaviors in the workplace. This is now especially true with the changes that the pandemic brought to workplaces, impacting knowledge access, career access, and career progress paths across most industries worldwide.

CLIMATE-RELATED RISKS AND LOW-CARBON TRANSITIONS

Climate change continues to be among the central threats facing our collective global progress, and failure to act is expected to inflict unprecedented damages over the next 10 years. Extreme weather and biodiversity loss are considered some of the most severe risks the environment endures today.

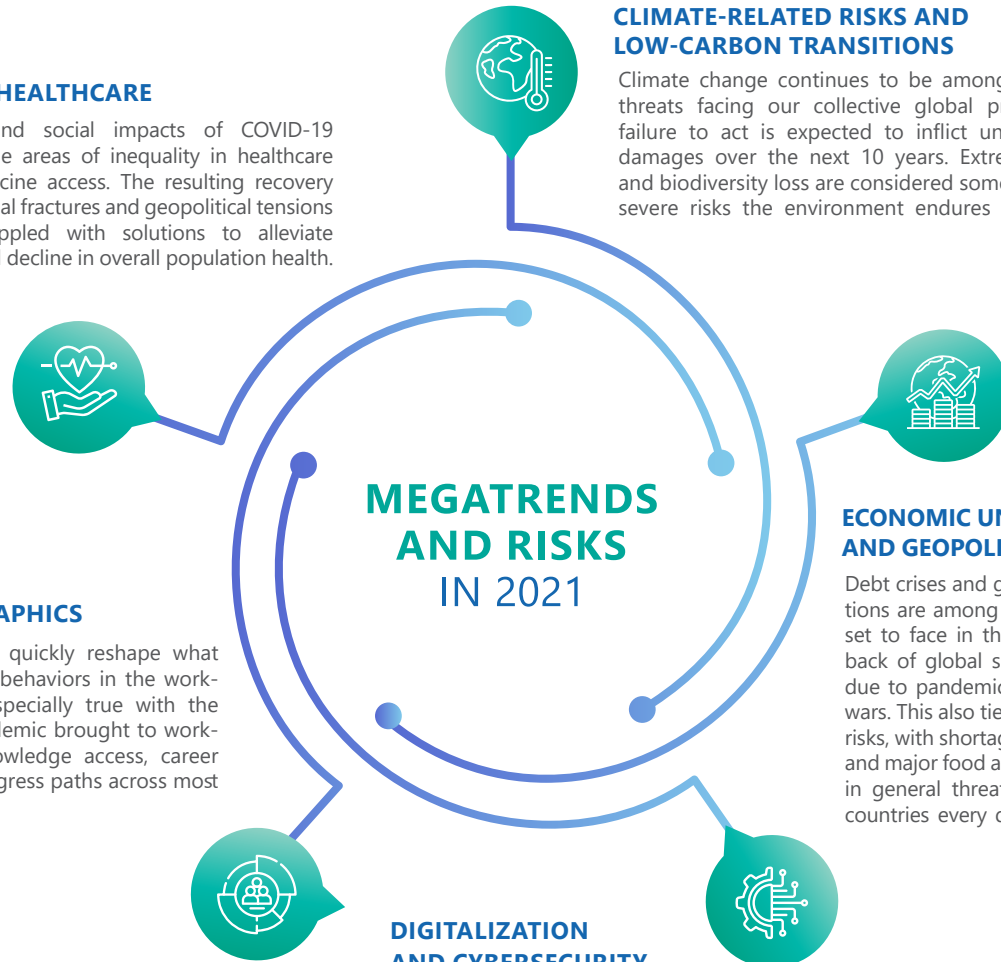
ECONOMIC UNCERTAINTIES AND GEOPOLITICAL TENSIONS

Debt crises and geoeconomic confrontations are among the central risks we are set to face in the next 10 years on the back of global supply chain disruptions due to pandemics, border conflicts, and wars. This also ties in with climate-related risks, with shortages in water in particular and major food and raw material supplies in general threatening more and more countries every day.

MEGATRENDS AND RISKS IN 2021

DIGITALIZATION AND CYBERSECURITY

Growing demand for advanced technology in a world where instant access to digital portals has become essential to day-to-day living increases the potential of cybersecurity threats and/or failures. It also raises the question of how quickly we can provide underserved segments of the community with solutions that enable them to access digital services, in an effort to minimize, if not eliminate, basic digital inequality.



Our Responses: Opportunities for Contribution



Health and Healthcare

Raya has invested in several health-care-led initiatives over the years and, more recently, promoted vaccine awareness across its footprint. We secured a stock of COVID-19-related medications for our employees and their families and provided them with in-patient and out-patient services related to COVID-19 covered by our medical insurance provider and by the company. We secured deals with healthcare providers at test centers at discounted rates for our employees and their families and provided them with COVID-19 medical awareness sessions while taking the necessary precautionary measures. We supported the vaccination process of all our employees and followed up with their vaccinations status, ensuring that they had easy access to the vaccination centers provided on work premises.



Climate-Related Risks and Low-Carbon Transitions

We're on a mission to measure our carbon footprint to better understand our impact and correctly mitigate it across our subsidiaries. Our measurement efforts are now limited to three of our major subsidiaries, but we aim to expand this over time to cover our entire operation. We also reference the TCFD and GRI standards when reporting on our environmental milestones to transparently disclose our progress to stakeholders. This is helping us work on a roadmap that sets clear targets for us as we advance our efforts in environmental management, social responsibility, and strong governance. It is also worth noting that our subsidiaries AMAN Holding, Raya Auto, Raya Foods, and Raya Smart Buildings pioneer green products and services that aim to optimize their operational efficiencies in terms of emissions and waste, serving overall national, regional, and global decarbonization agendas.



Economic Uncertainties and Geopolitical Tensions

Our operations are mostly rooted in a diversified portfolio backed by largely localized operations. This has enabled us to fortify our portfolio and successfully weather multiple storms that other national and global entities and supply chains have had to endure. Our strong and sustainable financial performance is a testament to the durability of our business models and the resilience of our portfolio.



Digitalization and Cybersecurity

We constantly reevaluate our business processes per growing digital transformation trends, factoring in new approaches where and when feasible across our business models. This applies to improving customer experiences, automating production, and more. Our comprehensive data security framework is also aligned with stringent international standards, and we regularly improve on cybersecurity measures utilized in the protection of customers and our operations. This is especially important for most of our subsidiaries, including Raya Data Center, RCX, and AMAN, whose services are rooted in digital safety and security. AMAN also factors into our plans to increase digital equality, bridging the financial inclusion gap across Egypt's 27 governorates using digital services.



Social Demographics

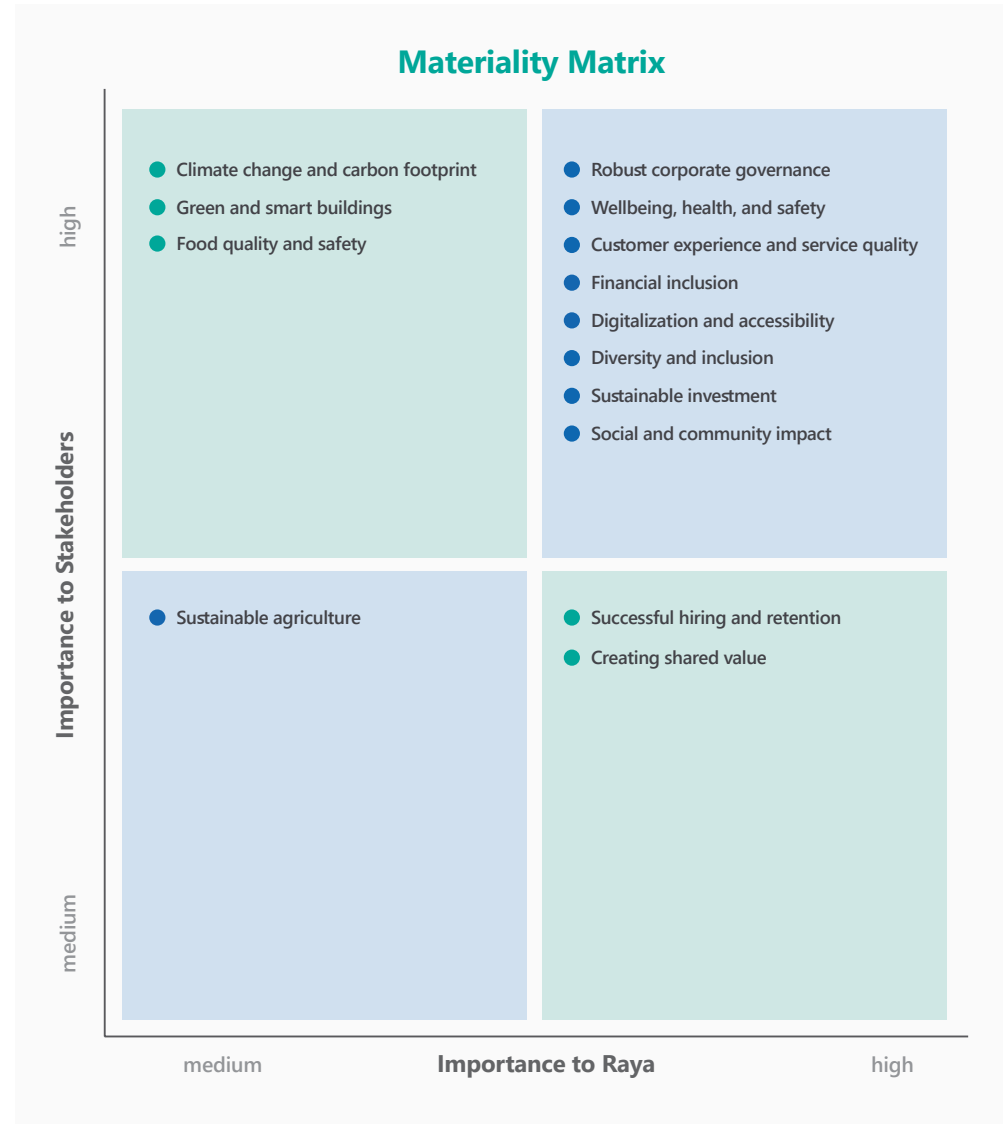
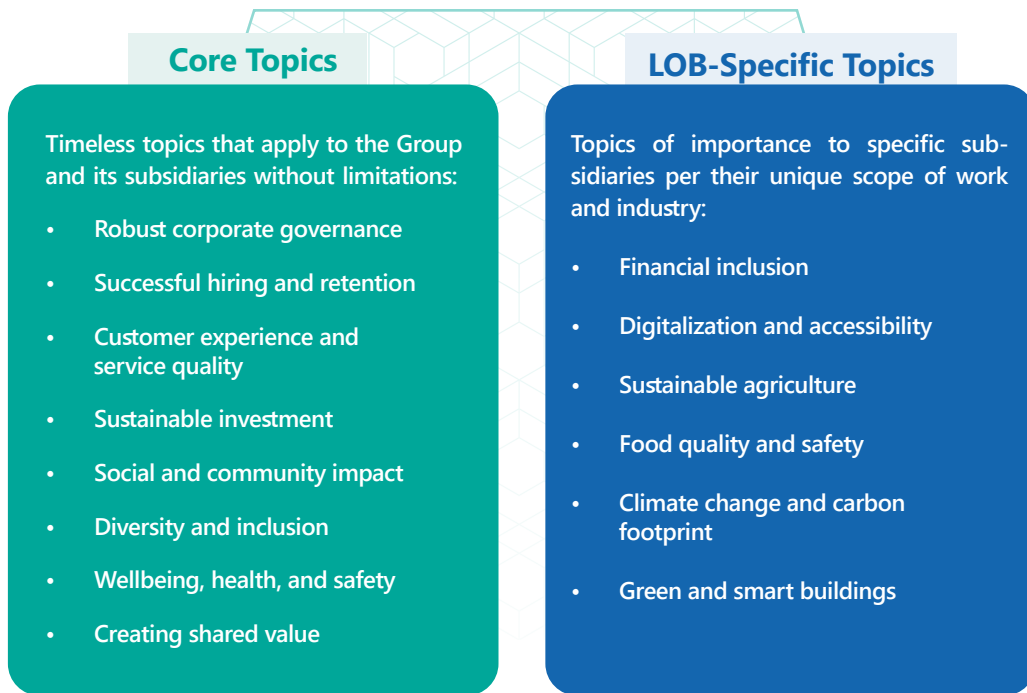
Attracting and retaining diverse talent pools and empowering members of our workforce of all ages is a priority at Raya. We provide learning and career development tools, and cultivate work conditions that encourage and promote safety, success, and satisfaction across our footprint. We also adopt the best standards in occupational health and safety, strongly protecting our employees and strengthening their commitment to their jobs and to the company.

OUR MATERIALITY TOPICS

We assess and select our key material topics based on how essential they are to Raya's internal sustainability and ESG agendas, their importance to our stakeholder groups, and their relevance under the umbrella of emerging and continuing megatrends, risks, and opportunities. Governance bodies also invest their expertise in providing recommendations that guide the

selection of these topics and provide insights on expectations, capabilities, and tangible action points that we can implement.

It is important to note that material topics are currently determined at the Group level, with reporting subsidiaries partially contributing to the process as fitting.



ECONOMIC DEVELOPMENT



HOW WE EMPOWER ECONOMIC DEVELOPMENT

Our Impact on Local Economy

2021 Financial Snapshots

2021 was an exceptional year with strong financial results and operational achievements. Our performance illustrated the company's resilience and agility in adapting its business model to mitigate the impact of global inflationary pressures, supply chain constraints, and

COVID-19 slowdowns. Despite the challenges, our revenue and net income growth during the year exceeded expectations as we swiftly responded to changing market dynamics and relied on our prudent strategies.

16.9^{bn}
EGP

Revenue

▲56.7% y-o-y

487^{mn}
EGP

Net income after minority

EGP 62 mn loss in FY2020

17.4%

Gross profit margin

(-1.2 pps y-o-y)

7.7%

EBITDA margin

(+0.8 pps y-o-y)

5.1^{mn}
EGP

Total debt

Diversified Revenue Streams 2021

■ Raya Trade & Distribution	47.0%	EGP 8,090.1 mn
■ Raya Information Technology	16.2%	EGP 2,702.9 mn
■ Non-Banking Financial Services	15.5%	EGP 1,392.0 mn
■ Raya FMCG (Raya Foods & Raya Food Trade)	6.1%	EGP 1,049.0 mn
■ RCX	4.6%	EGP 789.2 mn
■ Ostool	3.8%	EGP 648.5 mn
■ Raya Advanced Manufacturing	2.8%	EGP 473.9 mn
■ Raya Smart Buildings & Retail	1.6%	EGP 160.5 mn

Our success in navigating the challenges was hugely supported by the diversity of our portfolio. While certain subsidiaries were negatively impacted by the COVID-19 pandemic, the effects were counterbalanced by strong performances at Raya Trade and Distribution, Raya Information Technology, and our Non-Banking Financial Services companies.

Our growing business supports the local economy directly through the creation of meaningful jobs across multiple industries. Employment

serves as an engine for development by providing valuable opportunities, market-relevant skill building, and a sustainable source of income. Ultimately, our goal is to expand our company while advancing our economy and society.

Widescale Stakeholder Impact

Our direct investments have a widescale impact on multiple stakeholders. Our goal is to create more inclusive and sustainable communities and to create opportunities for underserved people. We have seen that our direct contributions have






a trickle down effect on society, open avenues for people to grow their businesses, improve their wellbeing, and ultimately lead to more beneficial economic and social results.

Indirect Contributions to Economic Welfare

In line with our corporate vision, we are constantly striving to support Egypt's economy. Our vision of sustainable prosperity is built on the shared value creation model, bringing together the best of what Raya can deliver to meet our

community's needs. Our contributions extend far beyond the direct impact they have on individuals and the economy. Leveraging clear goals and strategies, an innovative and long-term mindset, and impactful partnerships and strong networks has allowed us to have a wider influence on economic welfare.

Creating Value for our Stakeholders

Indicator	Benefiting Stakeholder	2021
Taxes paid to local authorities	 Government and local authorities	EGP 217.2 mn
Salaries, pensions and social benefits, including additional benefits beyond those required by law	 Employees, employees' families, and local communities	EGP 428.6 mn
Investments in training of direct employees	 Employees, employees' families, and local communities	EGP 11.8 mn
Capital expenditures	 Employees, customers, local communities, suppliers, and contractors	EGP 422.9 mn
Total spent to suppliers, local and international, for goods and services	 Employees, customers, local communities, suppliers, and contractors	EGP 13.9 bn

Financial Inclusion

Financial inclusion has been a clear priority at Raya for years and an area where we constantly maximize our impact. We believe that financial inclusion is the catalyst to solve many of society's complex challenges. Through the delivery of financial products and services at an affordable cost, we are able to address economic disparities and focus on groups at all income levels to create a thriving and sustainable economy.

Financial inclusion is a goal we have embedded across our subsidiaries; however, spearheading our efforts is AMAN Group through innovative solutions that aim to meet consumer needs and fill market gaps. A customized portfolio of products has proven to be an effective driver for the success of small and microenterprises and the generation of significant benefits to local communities. Moreover, AMAN has succeeded in reaching marginalized groups through digital finance, making it possible for individuals

to pay bills and installments from anywhere. We hope that our approach facilitates progress toward universal financial access and high levels of financial literacy, helping build a more prosperous and just society. Ultimately, financial inclusion increases the standard of living, provides children with access to education, enables better healthcare, and creates job opportunities.

Raya IT supports our financial inclusion efforts by providing digital transformation solutions that allow customers to conduct transactions regardless of their location with no need for branch access. As services continue to evolve, Raya IT embraced the change and rolled our POS terminals, self-services, e-channels, enhanced digital platforms, and cybersecurity solutions.

AMAN enjoys a unique position as it combines both digitalization and financial inclusion. The



company provides comprehensive, suitable, and diversified solutions to the unbanked population, as well as those who struggle to obtain alternative means of financing. AMAN provides financing solutions to low-income individuals as a means of social and economic empowerment. We are proud that AMAN has financed over 170,000 projects, most of which are located

in the Delta region and Upper Egypt. On top of that, women account for 40% of AMAN's portfolio. Through AMAN Group, we help small communities flourish, create new jobs, and finance businesses.

Please refer to the [Appendix](#) for more information on Financial Inclusion KPIs.

"My business is a bakery and patisserie that has been operational for four years now. We bake biscuits and kahk. I applied for financing after learning about AMAN. I met with an employee and submitted my papers. I received my facility after a couple of days through the branch then used the loan to purchase equipment and expand my business. I bought display stands, a trolley, and trays. The business developed really well thanks to the loan. I pay back the loan through the AMAN POS at the nearby supermarket. This is more convenient for me since I am always at the bakery."

Mamdouh Salem Ali – Bakery and Patisserie in Fayoum

"My business began as a liver sandwich cart in 1998. I used to work only at night and never worked mornings because stores are open then. I began growing gradually and, thankfully, I succeeded in opening a store. The business grew and I began offering a wider variety of food. An AMAN employee passed by my store and offered to provide financing, I accepted, and three days later, I had spent the full amount that was provided to me. Business is going well, and the people at AMAN treat me well. I obtained the funds that I needed, and I pay back the loan through the AMAN POS at the supermarket next to me. This is more convenient for me because the workload at the shop prevents me from going to AMAN's branch."

Alaa Ali Mehni – Store in Alexandria

CONTRIBUTIONS TO THE UN SDGS



NO POVERTY

1 End poverty in all its forms everywhere

- Raya Foods uses technology and resources to reduce poverty, improve working conditions, offer financial services, and create a sustainable agriculture livelihood that participants would otherwise not be able to achieve independently. Raya Foods' sustainable agriculture framework is based on partnerships with diverse stakeholders.
- AMAN Group's innovative financial solutions and infrastructure contribute to ensuring that vulnerable groups have access to technologically enabled financial services and tailored microfinance solutions.
- We support talented youth through multiple programs to develop their skills into lifelong enriching careers.



ZERO HUNGER

2 End hunger, achieve food security and improved nutrition, and promote sustainable agriculture

- Raya Foods creates sustainable food production systems and innovative solutions to address sustainable food security.
- Raya Foods implements resilient agricultural practices that increase productivity and production while strengthening ecosystems and adapting to climate change.
- Raya Foods maintains seeds and cultivated vegetables to preserve traditional regional crops.
- Raya Foods cooperates with international partners and invests in improvements to further develop our rural infrastructure, expand technology, and enhance both agricultural productivity and capacity.



QUALITY EDUCATION

4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- We invest significant resources into the personal and professional growth of our employees on an equitable basis.
- We train employees to improve their capabilities to make them eligible for promotions and higher pay.
- We are continuously expanding our contribution to quality education across Egypt through scholarship programs, the vocational San3ety program, and sustainability awareness sessions.
- Raya Customer Experience's Empower Your Future Program helps youth attain crucial skills needed to succeed throughout their careers.



GENDER EQUALITY

5 Achieve gender equality and empower all women and girls

- We invest in policies and development programs that support women in our workforce and fight discrimination.
- We strive to ensure that women have full and effective participation and equal opportunities within Raya's workforce.
- Raya Foods continues to implement initiatives to increase gender inclusion and equality in the workplace.

CONTRIBUTIONS TO THE UN SDGS (CONTINUED)



CLEAN WATER AND SANITATION

6 Ensure availability and sustainable management of water and sanitation for all

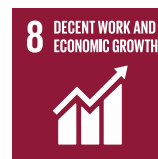
- We integrate advanced technology for water recycling at several of our offices and factories.
- We implement measures that increase water-use efficiency across our premises to ease the pressure on Egypt's resources and address water scarcity issues.



AFFORDABLE AND CLEAN ENERGY

7 Ensure access to affordable, reliable, sustainable, and modern energy for all

- We encourage energy efficiency practices across our businesses to ease the pressure on the national grid and resources.
- We promote innovation that reduces energy consumption and improves energy efficiency across our facilities.
- At Raya Foods, we have increased our energy consumption from renewable sources across our operations.



DECENT WORK AND ECONOMIC GROWTH

8 Promote sustained, inclusive, and sustainable economic growth; full and productive employment; and decent work for all

- We contribute to the continuous growth of Egypt's economy and have over 14,000 employees.
- We achieve higher economic productivity levels by constantly making improvements across our lines of business.
- We comply with a wide range of human resource management policies, procedures, and legislation.
- We contribute to economic growth and employment in Egypt and provide decent working conditions and entrepreneurship opportunities.
- We have measures that ensure equal pay for equal work for men, women, young people, and disabled individuals.
- We offer safe working conditions across all our operations to ensure employee safety by adhering to a strict health and safety management system.
- Our progressive improvements are grounded in sustainability implementation, and our added value outcomes align with sustainable development best practices and international standards.

CONTRIBUTIONS TO THE UN SDGS (CONTINUED)



INDUSTRY, INNOVATION, AND INFRASTRUCTURE

9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

- We constantly upgrade our infrastructure and equipment across our lines of business to ensure they are sustainable, and we focus on increased resource efficiency, clean energy, environmental management, and social wellbeing.
- We upgrade our technological capabilities within the sectors and industries we operate in.
- We are growing our sustainable business through clean innovation and environmental best practices.
- We are investing in energy infrastructure, industrial equipment, and technology at several of our subsidiaries.
- AMAN Group created an infrastructure that promotes inclusive finance in Egypt.
- AMAN Group promotes inclusive and sustainable industrialization, fosters innovation, and increases access to financial services for small-scale enterprises.
- By offering access to capital through advanced technological solutions, AMAN Group enhances value chains and markets through affordable and accessible financial products and services.
- Raya IT serves as a platform for expanding and diversifying technological development in Egypt.
- Raya IT ensures that developed infrastructure is of high quality, sustainable, reliable, and resilient.
- Raya Customer Experience's operation expansion is creating a new communication infrastructure and enabling faster technological development in Egypt.



REDUCED INEQUALITIES

10 Reduce inequality within and among countries

- We ensure equal opportunities and reduce inequalities for our workforce and the communities we operate in through our policies, governance, and ethics framework.
- AMAN's services support universal social and economic inclusion for all.



SUSTAINABLE CITIES AND COMMUNITIES

11 Make cities and human settlements inclusive, safe, resilient and sustainable

- At Raya Smart Buildings, we support the creation of sustainable cities and communities through an environmentally friendly infrastructure and by providing financial and technical resources for constructing sustainable and resilient buildings using local materials.
- At Raya Auto, we offer a range of environmentally friendly vehicles servicing a wide range of customers.

CONTRIBUTIONS TO THE UN SDGS (CONTINUED)



RESPONSIBLE CONSUMPTION AND PRODUCTION

12

Ensure sustainable consumption and production patterns

- We guarantee and enforce the sustainable management and efficient use of natural resources through our green building infrastructure at Galleria40.
- We take great measures to reduce our waste generation, water consumption, and energy consumption. The measures and relevant data are within our reporting.



PARTNERSHIPS FOR THE GOALS

17

Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

- We promote and increase awareness of the technology, expertise, and shared knowledge necessary to improve sustainability practices and development.
- We partner and collaborate with many public and private organizations to expand business, products, and services that support sustainability goals.
- We address stakeholder needs, including those interested in sustainability, Raya's performance, and the sectors in which we operate.
- AMAN aims to fully operationalize technology and innovation through its inclusive and digital financial services, enhancing communication, transparency, and full accessibility for all.
- Raya IT strengthens technological and innovative capacities in Egypt by leveraging its strong network of partners and diversified solutions.

AN ENVIRONMENT-CENTRIC AGENDA



COMMITMENT AND POLICIES

"A Market Leader No Matter Where We Are" is our motto when it comes to environmental leadership. We strive to become a leader in every industry we operate in, and in doing so, we need to ensure we implement international best practices when it comes to environmental management, in line with maintaining our operational quality and business performance. We believe we can lead change as we always have, and to do, so we have devised our policies to

achieve the exemplary environmental performance we aim for as a group.

On the Raya Holding level, we have developed and follow a Sustainability Policy that not only encompasses social aspects but also covers environmental issues. When it comes to environmental stewardship, we are focused on the following four pillars:



Energy management and efficiencies



Building smart and green buildings



Responsible waste management



Fostering climate resilience

- Environmental, Health, and Safety Guide Manual (2020), Raya Network Services
- Policy for Optimizing Energy Use, Water, and Natural Resources (2020), Raya Agro
- Policy for Waste Reuse and Recycling (2020), Raya Agro
- Policy for Preventing Contamination (2020), Raya Agro
- Policy for Optimization of Pesticide Use (2020), Raya Agro
- Facilities Handbook, Raya HQ Building
- GMP Procedure – Health Requirements for Buildings, Raya Foods
- General Waste Management Procedure and Responsibilities, Raya Foods
- Waste Management Procedure Inside Processing Areas and Labs, Raya Foods
- Sort out Waste Management Procedure, Raya Foods
- Grease Trap and Food Inspection Policy, Galleria40
- Galleria40's LEED Scorecard

IMPACT IN 2021

Energy Management and Efficiencies

Raya Foods Clean Energy and Energy Efficiencies

At Raya Foods, we ensure that we operate within the permissible limits and legal requirements of Egyptian environmental laws. We have assigned an annual budget to improve the level of environmental management within our company. Our Environmental Management Committee, which consists of a head and technical member from each department, meet on a monthly basis to apply laws and legislations, solve environmental problems, and address any breaches that may affect the company's environmental targets.



We are developing two major projects at our factory to source clean energy and enhance energy efficiencies across the value chain. We have partnered with Infinity Egypt to install solar panels that will source 50% of the factory's energy consumption from clean energy. The project is expected to be implemented in 2023 and is expected to reduce energy costs by 10% in addition to being a source of clean energy for our factory.

Furthermore, we are implementing a combined cooling, heat, and power (CCHP) project. The project aims to further reduce and optimize

energy consumption through the implementation of a system-based CCHP that will reduce energy consumption and create overall system efficiency. Unlike conventional methods for energy production, estimated at 700 tons of CO₂ emissions with a total system efficiency of 51.5%, the CCHP method for 1 megawatt is estimated at 420 tons of CO₂ emissions with a total system efficiency of 87.5%, as stipulated by industry standards. This project is expected to be implemented in 2023 and 2024 and is expected to further reduce costs by another 10%.

The CCHP project is expected to realize the following efficiencies in electricity consumption related to:



Electricity consumption

– covering about **52.7%** of Raya Foods' electricity consumption



Steam

– covering about **18.5%** of Raya Foods' electricity consumption



Chilled water

– covering about **58.5%** of Raya Foods' electricity consumption



Seasonal chilled water

– covering about **95.1%** of Raya Foods' electricity consumption

We have also taken further measures to reduce its energy consumption and its environmental footprint by reducing refrigerants surface area by 5–6%, which is estimated to yield further reductions in energy consumption of around 10–15%.

Raya Data Center Power Usage Efficiency

At Raya Data Center (RDC), we are working on enhancing Power Usage Efficiency (PUE) and Data Center Infrastructure Efficiencies (DCIE) to align with the latest industry standards. We have taken extensive short-term and long-term measures to improve our data efficiency across our operation. Those measures are expected to improve our efficiencies to 1.9 PUE, which will have a direct impact on our carbon emissions (scope 2) by 2023.

We aim to further reduce our environmental and carbon footprint through a series of calculated actions to improve energy efficiency. In 2021, we started measuring our carbon footprint and were the first data center in Egypt to issue a Carbon Footprint Report.

We are working on several effective short-term measures to control the data center aisle temperatures. Additionally, we are measuring our cubic feet meter (CFM) per grill to meet the racks needs and avoid any cooling losses. These measures will be supported by monitoring and performing regular corrective and preventive actions to ensure high efficiency of our equipment. As for our long-term actions, we will implement the necessary cables clean-ups to control and enhance air flow and air pressure, as well as applying necessary motion-sensors to optimize energy consumptions and any measures to prevent cool air leakages.

Responsible Waste Management

Each of Raya Holding's businesses is cognizant of the impact of hazardous and non-hazardous waste on the environment

and community. Our company operates in an array of diverse sectors, including two of the largest waste generating sectors, namely industrial and agricultural. Given the responsibility entailed, we have set clear policies and procedures to safely and sustainably manage our waste across the organization.

All our manufacturing facilities are ISO 14001-certified and adopt the best environmental and waste management practices according to each facility's unique sector. Our strategy is based on reducing first then reusing, recovering, and recycling our by-products and other surplus materials in our operations whenever feasible. We are adopting the appropriate measures to ensure that the waste generated from our operations is disposed of in a responsible manner. Our facilities partner

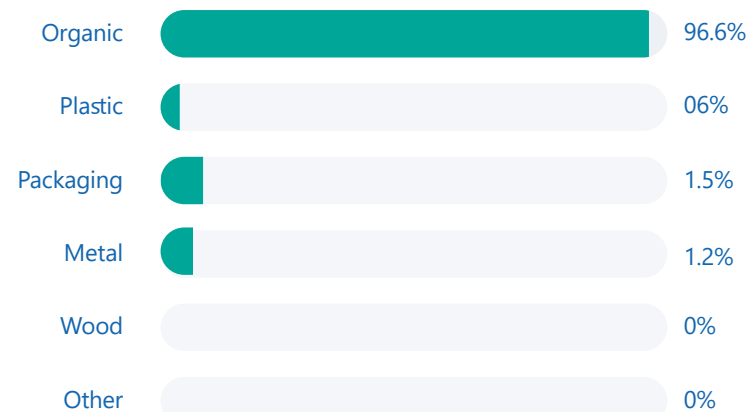
with certified waste collectors that abide by environmental and health and safety regulations set for different types of waste.

In 2021, the total waste generated across Raya's facilities amounted to 2,651 tons, of which 7.8% was diverted through recycling.

Total Waste Generated (tons)

2021			
Item	Landfill	Diverted from Landfill	% Diverted from Landfill
Raya Holding HQ	4	5	55.6%
Raya Foods	2,432	155	6%
Galleria40	7	38	84.4%
Raya Auto	1	9	90%
Total	2,444	207	

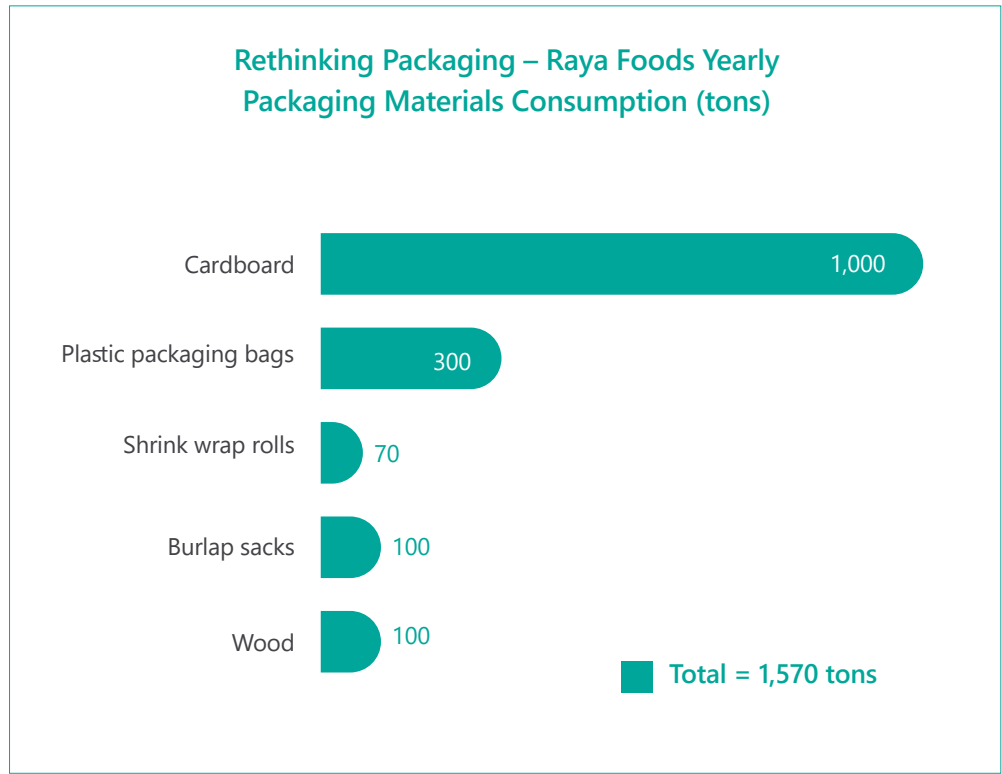
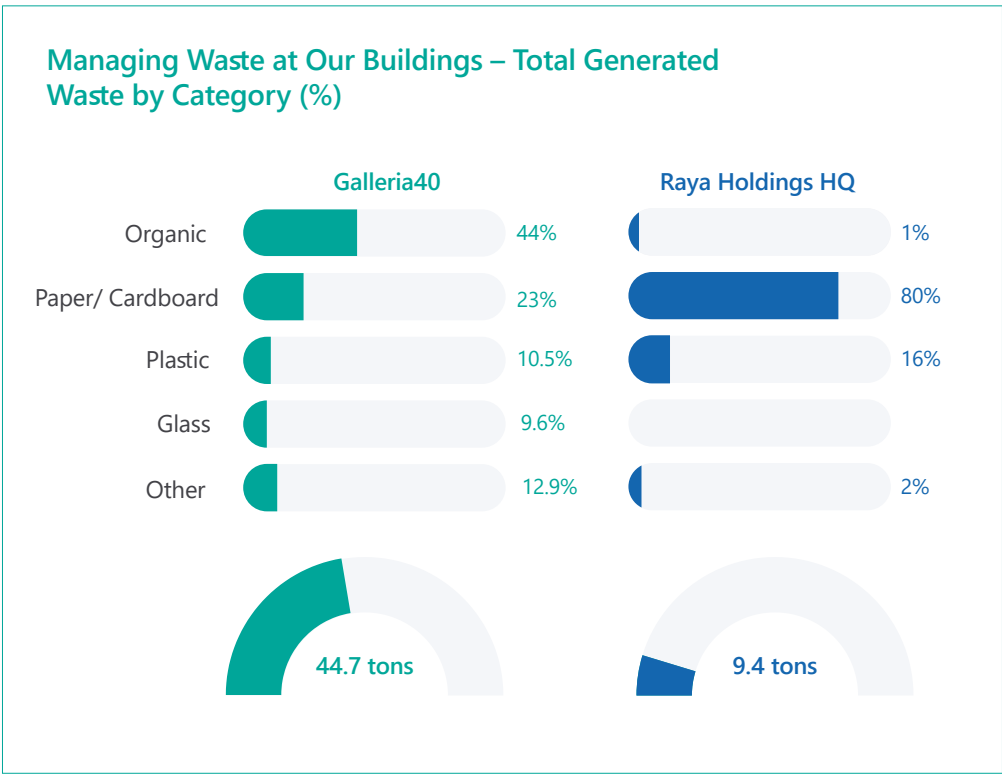
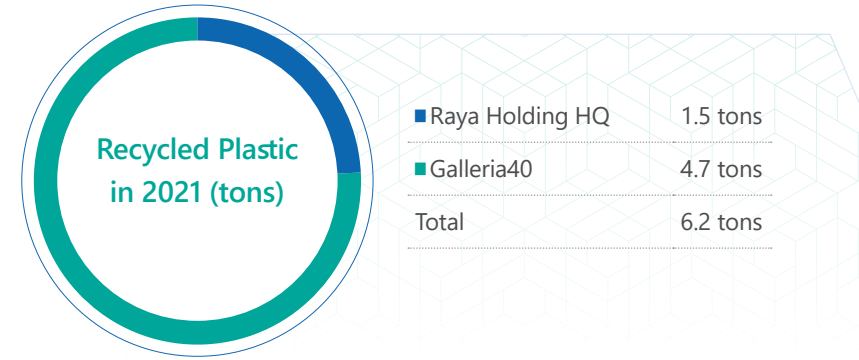
Raya Foods' Repurposing Food Waste – Raya Foods' Total Generated Waste by Category (%)





Plastic Recycling

Waste is segregated in our facilities and disposed of in a responsible manner, which considers environmental as well as health and safety measures. We make sure that most of the waste generated is diverted from landfill and sent to recycling facilities. For instance, at our HQ, we make sure that all our plastic waste is sent to BariQ, the biggest bottle-to-bottle PET recycler in the region, exemplifying the circularity model.



Repurposing E-Waste

At Raya, we realize the significant environmental impacts of improper management and disposal of e-waste, which often ends up at municipal waste landfills or remains at source. At Raya's facilities, we ensure that all our e-waste, such as broken LCD monitors, printers, circuit boards, cables, laboratory equipment, among others, is responsibly managed and disposed of by authorized companies that recycle e-waste.



To expand our efforts, we partnered with E-Tadweer, a mobile application launched in 2021, as part of our support of the initiative implemented by the Medical and Electronic Waste Management Unit of MOE, in cooperation with the United Nations Development Programme (UNDP) and funded by the Global Environment Facility (GEF). Through the E-Tadweer app, customers can upload their old electronics and e-devices, which are then dropped-off at the nearest branch, helping them earn collection points for use at select Raya stores in Cairo and Giza. Between May 2021 and September 2022, E-Tadweer collected approximately 3,250 items of mixed e-waste through Raya Trade branches and offices. This amounts to approximately 28.8 tons of e-waste, saving roughly 55 tons of CO₂ emissions.

Building Green and Smart

With a vision to introduce smart buildings in Egypt, we started with our very own head office. We are proud that Raya Holding's HQ building is the first smart and green building to operate in Egypt. Carrying on the success of our building, we established Raya Smart Buildings with the aim to disrupt the smart and green building industry with our unique innovation and value proposition.

Through collaborations with renowned architectural and green building companies, Raya Smart Buildings constructs green and smart buildings that improve energy and water efficiency through connected systems while promoting sustainable and responsible consumption. Our flagship building, Galleria40, is a mixed-use commercial and office complex featuring a luxury shopping mall and a green office building. Designed to reflect our vision of crafting smart and sustainable buildings, Galleria40 became the first business complex in Egypt to comply with international business standards for green buildings by receiving the LEED Gold Certificate in 2016 from the US Green Building Council (USGBC).

Following years of operations and having fully occupied buildings, we are revisiting the performance of our building to optimize energy and water usage and keep them at their most efficient and top performing status. The HVAC system is the main source of our energy consumption; therefore, we are implementing innovative solutions to increase the responsible consumption of energy and water.



3,250

items of mixed e-waste collected



28.8 tons

of e-waste collected



55 tons

of CO₂ emissions saved



Energy Solutions at Our Buildings

Electricity consumption constitutes the majority of our total energy consumption at our office buildings. As such, it has become a top priority for us to manage our energy consumption and improve our monitoring systems to identify consumption reduction solutions and introduce more efficient measures at all our office buildings. To date, we have implemented a number of energy saving measures, including

switching all light fixtures to LED at our HQ. The energy sources consumed at our buildings are grid electricity and diesel fuel, which are used to power the emergency diesel generators, in addition to natural gas at Galleria40.

RSB’s Engineering Department adjusted Galleria40’s chiller system set points for supply and return chilled water lines to ensure that the chiller only operates when needed as per

weather temperatures. This resulted in almost a 10% saving in total electricity consumption.

At Raya View in the Smart Village, management implemented a control solution for the chilled water system, which includes pressure and temperature sensors as well as actuators. This led to an almost 60% saving in chilled water consumption and had no effect on the quality of the HVAC system.



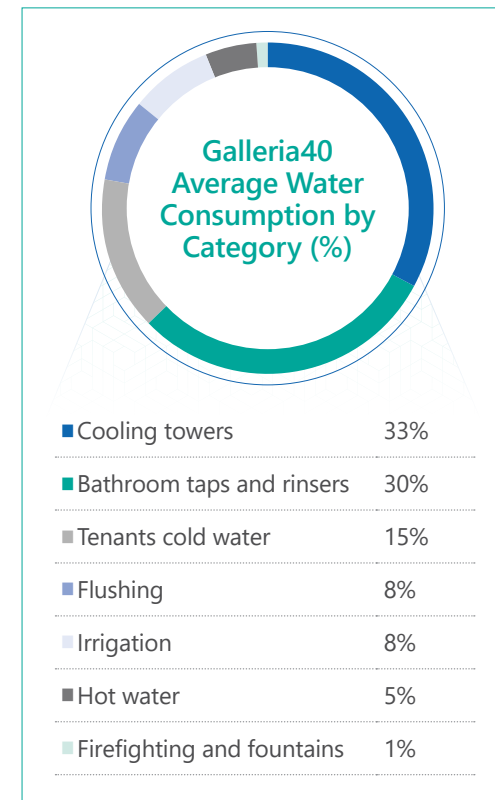
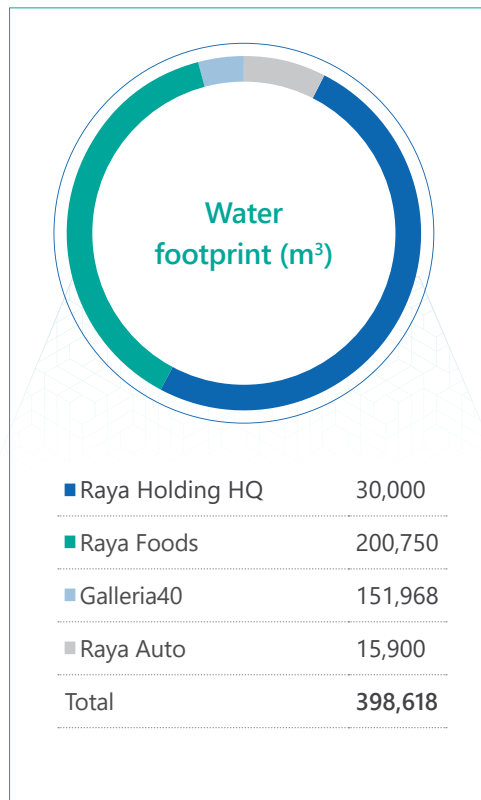
Water Solutions at Our Buildings

Across Raya’s office buildings, water consumption relies on the municipal water supply system. Galleria40’s Engineering Team readjusted the condensing pumps’ operating time by decreasing the shutdown lag time from 13 minutes to three minutes in order to reduce cooling tower water compensation from 120 m³ to 60 m³. This also contributed to an almost EGP 30,000 saving in the monthly water bill and increased the lifetime of the operating assets without affecting the service quality.

Total Energy Consumption

2021

Item	Purchased Electricity (MWh)	Diesel (Liters)	Gas (m ³)
Raya Holding HQ	6,000,000	0	0
Raya Foods	10,470,000	0	446,121
Galleria40	10,614,807	3,000	183,256
Raya Auto	199,891	9,900	0
Total	27,284,698	12,900	629,377



Raya Agro – Responsible and Sustainable Sourcing

In 2019, Raya Foods signed a protocol with the Principal Bank for Development and Agricultural Credit (PBDAC) to provide optimized financing solutions to small local growers across the stages of production, harvesting, and logistics. The funding provided growers with the needed supplies, equipment, and resources to help them grow their products sustainably. Following the success of the PBDAC initiative, Raya Foods established Raya Agro in 2020 to further advance the management of upstream activities in the production phase. Raya Agro is developing and setting the standards, procedures, and policies to be followed by Raya Foods’ suppliers to ensure that the best sustainable agricultural practices are implemented at all times, without compromising quality.

In 2021, Raya Agro joined the Cool Farm Alliance initiative to quantify the GHG emissions associated with upstream activities. The use of the Cool Farm Tool supports more informed on-farm decisions that achieve better resource and energy efficiency and cut down on emissions based on the generated baseline assessments and the developed action plans.

The Strawberry Farm Pilot project, which featured best-in-class sustainable practices and climate-resilient agriculture, was a great success. Raya has since expanded its agricultural land to 362 feddans, and it is expected to further grow its capacity in the coming years.

Today, the strawberry farms supply 20% of Raya Foods’ needed quantities of fresh and frozen strawberry.

Through the strawberry farms, Raya Agro is emphasizing Raya Foods’ commitment to developing a responsible and sustainable sourcing for its operations that ensures both high quality products and sustainable practices. Furthermore, Raya Agro complies with the requirements of different quality certificates, which ensure the traceability of its produce and that it meets global standards.



Fostering Climate Resilience

Climate change has broad impacts across our business and operations that must be considered. We are committed to growing a business that is constantly seeking innovative low-carbon and climate-resilient solutions to improve our overall environmental footprint. Our commitment has led us to expand our scope in measuring and managing our carbon footprint. For the 2021 reporting cycle, we successfully measured our carbon footprint across our headquarters, Raya Data Center, and Raya Foods.

To ensure that all relevant stakeholders are well-versed on key sustainability topics and methods of measuring carbon footprint across their operations, we conducted training sessions with department heads. The training sessions equipped stakeholders with the necessary knowledge and skills to measure and identify areas of improvement with the goal to achieve climate resilience at their respective lines of business. This is a scope we look forward to expanding even further in the future. To read more on our methods, please refer to our [2021 Carbon Footprint](#).



Climate Accelerator Program



As an active member of the UNGC, Raya Holding decided to join the UN Global Compact Climate Ambition Accelerator in 2022. This is a six-month program designed to equip companies with the knowledge and skills they need to accelerate progress toward setting science-based emission reduction targets aligned with the 1.5C pathway, setting them on a path toward net-zero emissions by 2050. The program has given us access to global best practices in measuring and setting carbon emission targets. In addition to participating in the program, we have developed, in parallel, our own internal capacity building trainings focusing on key concepts outlined in the program, such as the usage of GHG protocols standards.

CARBON FOOTPRINT

Our Commitment

As a parent company of 11 subsidiaries operating across four continents, Raya aims to support the Paris Agreement target to prevent average global temperature rising beyond 1.5°C compared to pre-industrial levels. We have begun incorporating climate change considerations at the Group level in line with TCFD recommendations to facilitate better decision-making by our internal and external stakeholders.

Tracking Our Operational GHG Emissions

We started our operation carbon footprint measuring journey in 2020, highlighting our commitment to establishing a GHG inventory system across our subsidiaries. In this regard, we took our first steps in quantifying our 2019 and 2020 operational GHG emissions at our head office building in Cairo in our previous sustainability report. In this reporting cycle, we decided to include two additional key lines of business by measuring the carbon footprint of Raya Data Center and Raya Foods. Furthermore, we are currently in the process of expanding our scope to include other subsidiaries, streamlining data collection processes and overcoming any related challenges to effectively build a comprehensive GHG database and reporting system for our operations. It is of utmost importance that we ensure data accuracy and quality in our reporting process.

Organizational Scopes and Boundaries

The organizational boundary defines the businesses and operations that are encompassed for the purpose of accounting and reporting GHG emissions. The boundaries covered in this reporting period include Raya Holding's headquarters building, Raya Data Center, and Raya Foods. It is worth noting that Raya Holding's HQ houses a number of lines of business that conduct their management operations within it. These LOBs include Raya Holding (Group headquarters), Raya Data Center (RDC), Ostool, RCX (headquarters only), AMAN E-Payment, and Raya IT.

This 2021 carbon footprint report covers emitting activities of Raya Holding's headquarters building, Raya Data Center, and Raya Foods during the period from 1 January 2021 to 31 December 2021.

Our GHG emissions assessments have been conducted according to protocols and standards specifically developed for accounting and reporting carbon footprint, including:

- The Greenhouse Gas Protocol Guidelines
- Intergovernmental Panel on Climate Change (IPCC) Guidelines for Greenhouse Gas Inventories (with 2019 Refinements)
- ISO 14064-1:2019 and 14067 Standards



The GHG Protocol splits emissions into three main categories:

SCOPE 1

All direct emissions from sources that are owned or controlled by the reporting company, such as the company's facilities and owned vehicles.

SCOPE 2

All indirect emissions from the generation of energy purchased by the reporting company, such as purchased electricity, heating, and cooling.

SCOPE 3

All other indirect emissions, not included in Scope 2, from sources that are not owned or controlled by the reporting company but are related to the reporting company's activity, such as waste disposal and employees' commuting in vehicles not owned by the company.

The carbon footprint calculations and assessments are based on assumptions and limitations. These assumptions and limitations are listed in the [Appendix](#).

Carbon Footprint Assessment Results Summary

The following assessment has been conducted as per the GHG Protocol guidelines, using primary sources of data including invoices, bills, and Raya Holding's relevant departments' databases and surveys. In cases where data was not directly available, secondary sources of data, such as those obtained from studies, reports, and international databases, were used. Any assumptions made were based on internationally recognized standards, where relevant, and have been listed in the [Appendix](#).

The breakdown of emissions for Raya's headquarters, RDC, and Raya Foods during 2021 resulting from each scope, as well as contributions of each line of business to the total scope emissions, are presented below.

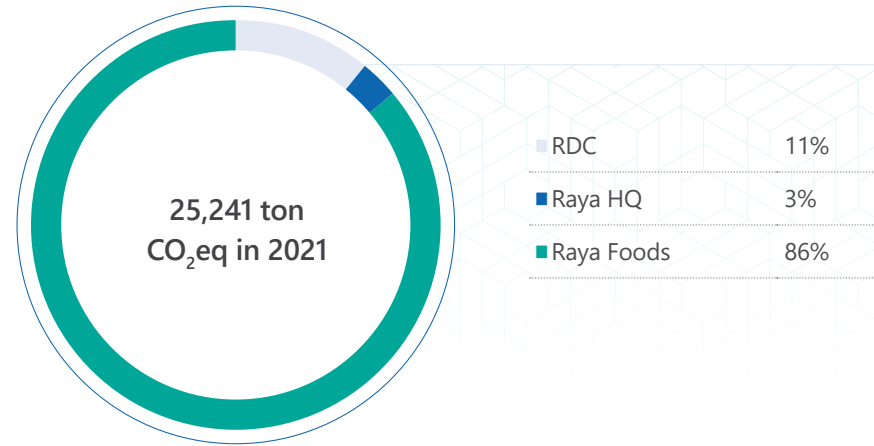
GHG emissions of the three entities under investigation in 2021

Company	Scope 1 Emissions (ton CO ₂ eq/year)	Scope 1 Emissions (%)	Scope 2 Emissions (ton CO ₂ eq/year)	Scope 2 Emissions (%)	Scope 3 Emissions (ton CO ₂ eq/year)	Scope 3 Emissions (%)	Total Emissions (ton CO ₂ eq/year)
RDC	112	8.5%	2,598	33.9%	34	0.2%	2,744
Raya HQ	237	17.9%	192	2.5%	302	1.9%	731
Raya Foods	976	73.6%	4,869	63.6%	15,922	97.9%	21,766
Total	1,325	100%	7,659	100%	16,258	100%	25,241

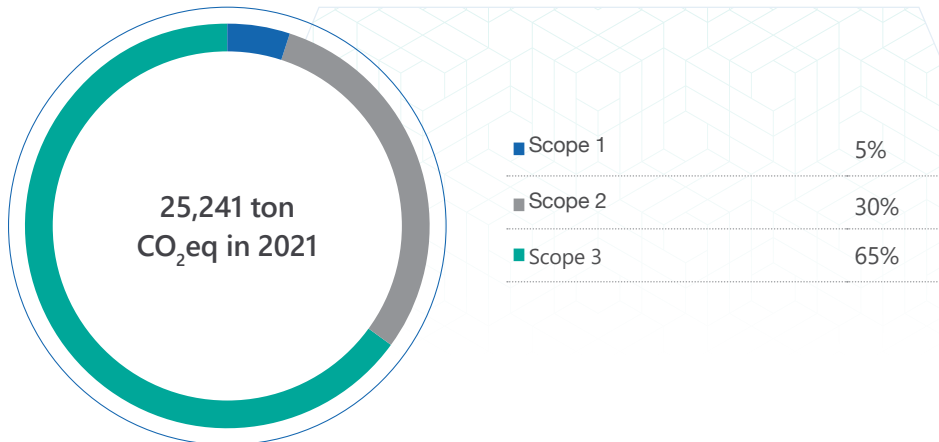
Scope 3 emissions are our largest contributor, corresponding to 16,258 ton CO₂eq or 64% of total emissions under investigation in 2021. The high contribution of scope 3 emissions is mainly attributed to the production of raw materials for Raya Foods, including fruits and vegetables, which are not under the direct control of Raya Foods.



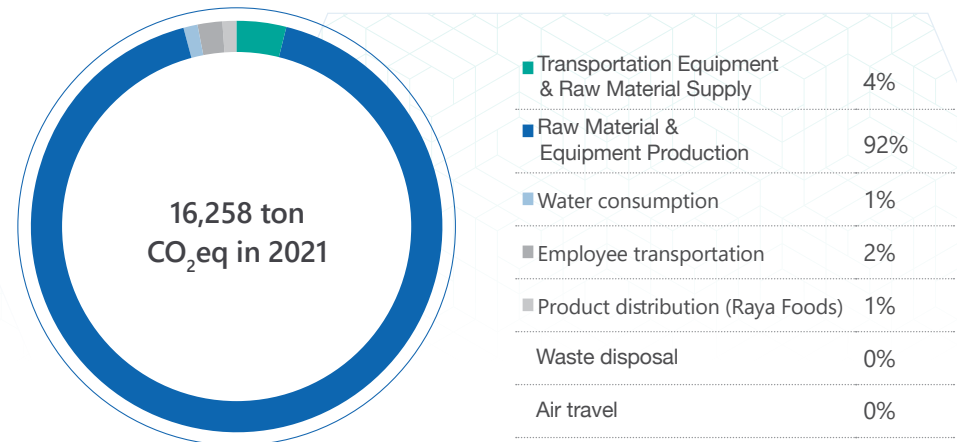
Contribution of each of the three entities to total emissions under investigation in 2021



Contribution of each scope to the total emissions under investigation in 2021



Breakdown of total Scope 3 emissions of the three entities under study



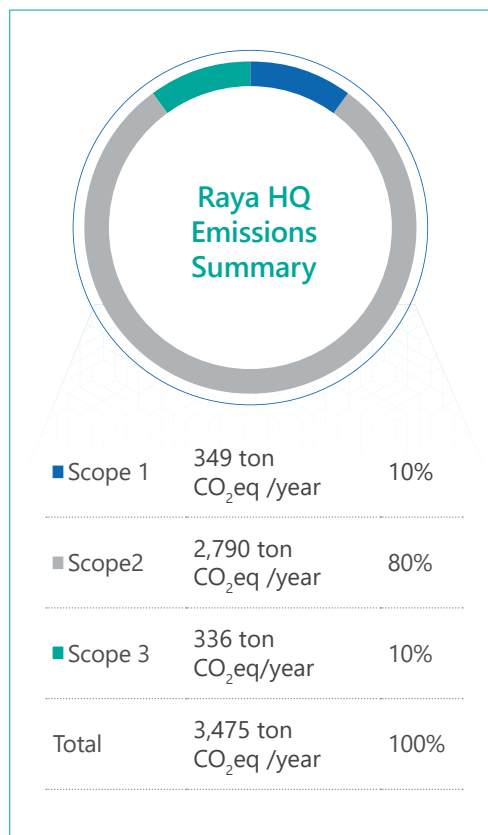
Raya Holding Headquarters (Raya HQ) Carbon Footprint Assessment Results

The study assesses the carbon footprint of Raya HQ in 2021, which includes Raya Holding (Group Headquarters), Raya Data Center (RDC), Ostool, RCX (Headquarters only), AMAN E-Payment, and Raya IT.

The total area of Raya HQ and the carbon intensity (tonCO₂eq/m²) are as follows:

Raya HQ Area (including RDC)	24,812 m ²
Raya HQ CFP/Area (including RDC)	0.14 tonCO ₂ eq/ m ²

The results of the carbon footprint analysis conducted for Raya HQ (including RDC) show a majority contribution from scope 2 emissions, which account for 80% of total emissions, followed by 10% for each of scope 1 and scope 3. The large contribution from scope 2 emissions is attributed to the high consumption of electricity in RDC.



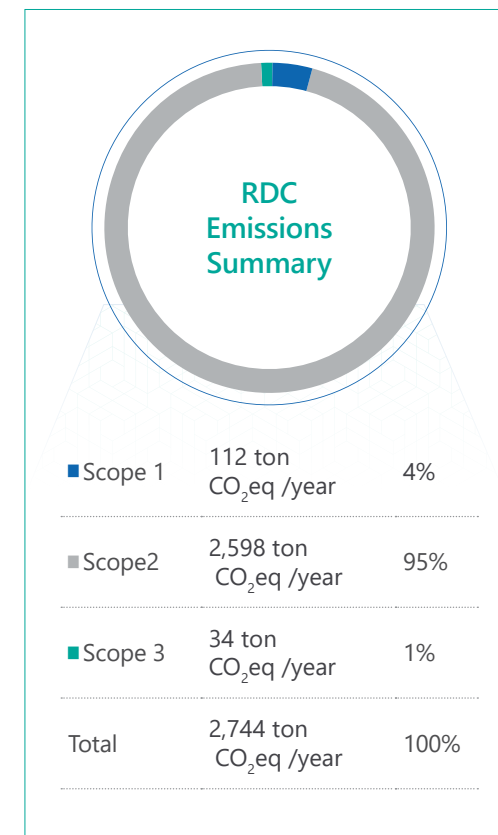
Raya Data Center Carbon Footprint Assessment Results

RDC provides data storage and cloud-based services to different clients all over Egypt. As previously mentioned, RDC is located in the same building as our headquarters, known as Raya HQ. The RDC premises consists of small office rooms for employees, electricity rooms, air conditioners, fire extinguisher corridors, and two big rooms for data center racks. The data center racks are the core operational item in RDC. While there are multiple racks in the data center, not all of them are owned by Raya; the majority are owned by different companies and organizations.

The main operations running at RDC are providing data and cloud services through the racks, as well as daily business and maintenance operations to ensure the sustainability of the services offered by RDC.

The total area of RDC and the carbon intensity (tonCO₂eq/m²) are as follows:

RDC Area	1,700 m ²
RDC CFP/Area	1.61 tonCO ₂ eq/ m ²

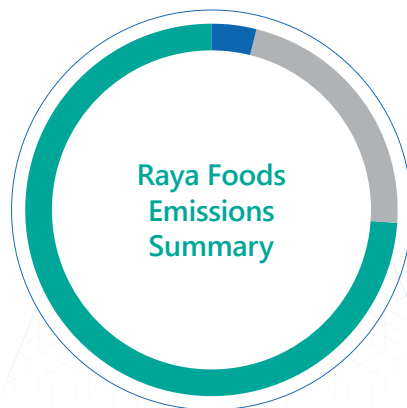


Raya Foods Carbon Footprint Assessment Results

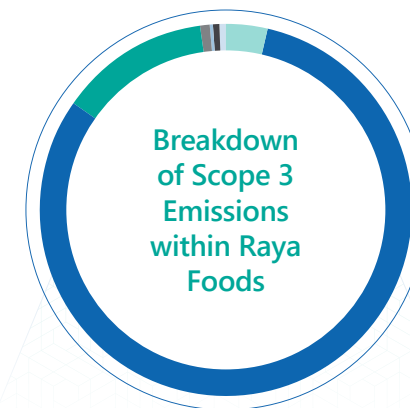
Raya Foods focuses on providing high-quality frozen fruits and vegetables to different households, sold locally and internationally. Raya Foods was ranked as the second biggest exporter of frozen vegetables in Egypt in 2021. The company exports 11 types of vegetables and fruits abroad to over 40 countries. In general, Raya Foods produces 22 different products, including mixed vegetables.

The boundary of the current product CFP assessment includes the CFP of the supplied materials, the daily operations inside Raya Foods premises, and the transportation of the different materials and products to and from Raya Foods. It is important to note that the physical boundaries of this study include only Raya Foods' factory and the machinery used inside, not any other offices that are responsible for the management of the factory.

As previously noted, the results show that 73% of Raya Foods' total emissions are associated with scope 3 due to the high emissions resulting from the production of their raw materials, including fruits and vegetables, which are not under the direct control of Raya Foods. Emission contributions are then followed by scope 2 at 22% and scope 1 at 4%.



■ Scope 1	976 ton CO ₂ e /year	4%
■ Scope 2	4,869 ton CO ₂ e /year	22%
■ Scope 3	15,922 ton CO ₂ e /year	73%
Total	21,766 ton CO₂e /year	100%



■ Raw material supply	579 ton CO ₂ e /year	3.6%
■ Fruits/vegetables production	12,869 ton CO ₂ e /year	80.8%
■ Production of packaging material	2,136 ton CO ₂ e /year	13%
■ Water consumption	168 ton CO ₂ e /year	1%
*water consumption inside the factory only		
■ Waste disposal	7 ton CO ₂ e /year	0.042%
■ Product distribution	88 ton CO ₂ e /year	0.6%
■ Employee transportation	76 ton CO ₂ e /year	0.47%
Total	15,922 ton CO₂e /year	100%

OUR PEOPLE



RAYA'S PEOPLE

Our Employees

At Raya, everything starts with our employees who are at the center of our operations and success. Our focus is to attract and retain the best talents across the company while fostering a diverse and inclusive environment. We believe that our workforce drives our company's performance and reflects the diversity of our portfolio, customers, and the communities we serve. Empowering and investing in the development of our employees has ensured our resilience, expansion, and reputation through the decades.

- Code of Ethics and Business Conduct
- Board of Directors & Management Securities Trading Policy
- Dividends Policy
- Disclosure Policy
- Related Party Transaction Policy
- Whistleblowing Policy
- Acceptable Use Policy
- Anti-Harassment Policy
- Anti-Corruption and Bribery Policy



Attracting Diverse Talents

In today's market, attracting the best talents is crucial for our ability to deliver on our goals and continue growing our business. Raya is deeply focused on enhancing diversity across its companies and being an equal-opportunity employer. Our recruitment processes, therefore, promote diversity and eliminate gender biases. This year, we launched the Raya career portal, which includes an Applicant Tracking System. We are proud of the progress we have made over the years and will continue to thrive to do better. Our strengths lie in valuing the expertise and services of a wide network of individuals with different backgrounds, perspectives, and abilities.

- Human Resources Philosophy
- Life Insurance Policy
- Work from Home Policy
- Medical Insurance Policy
- Flexible Working Arrangement Policy



New Hires in 2021

1,121

Female employees



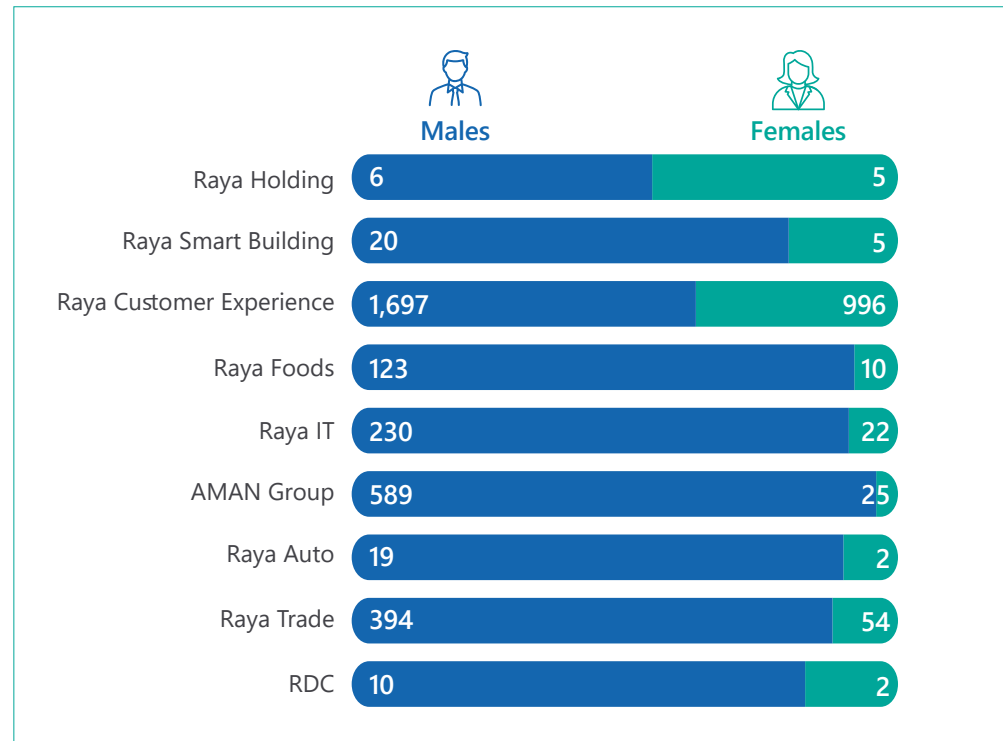
3,088

Male employees



4,209

Total employees



Employer Branding

At Raya, we strive to be the employer of choice. This year we conducted seven Level Up sessions, which are Raya’s external webinars attended by over 300 non-Raya employees. The webinars are conducted online once a month and led by subject matter experts from Raya to discuss career-related topics. We also launched the Snapshot, a job shadowing program, and had over 1,000 applications. Finally, we continue to strengthen our online presence and have reached over 29,000 followers on LinkedIn.

Our Youth Are the Future

Expanding employment opportunities for youth while equipping them with the skills and tools to succeed in their careers will define the future of our companies. At Raya Auto, we are attracting recent graduates and providing them with training and full-time job opportunities through well-structured internship programs. Raya IT frequents university career fairs across the country to target fresh graduates from multiple disciplines. Meanwhile, Raya Foods’ Quality and Production departments rely primarily on recent graduates and employees under the age of 30.



Age Distribution of Employees Across Raya in 2021

8,495

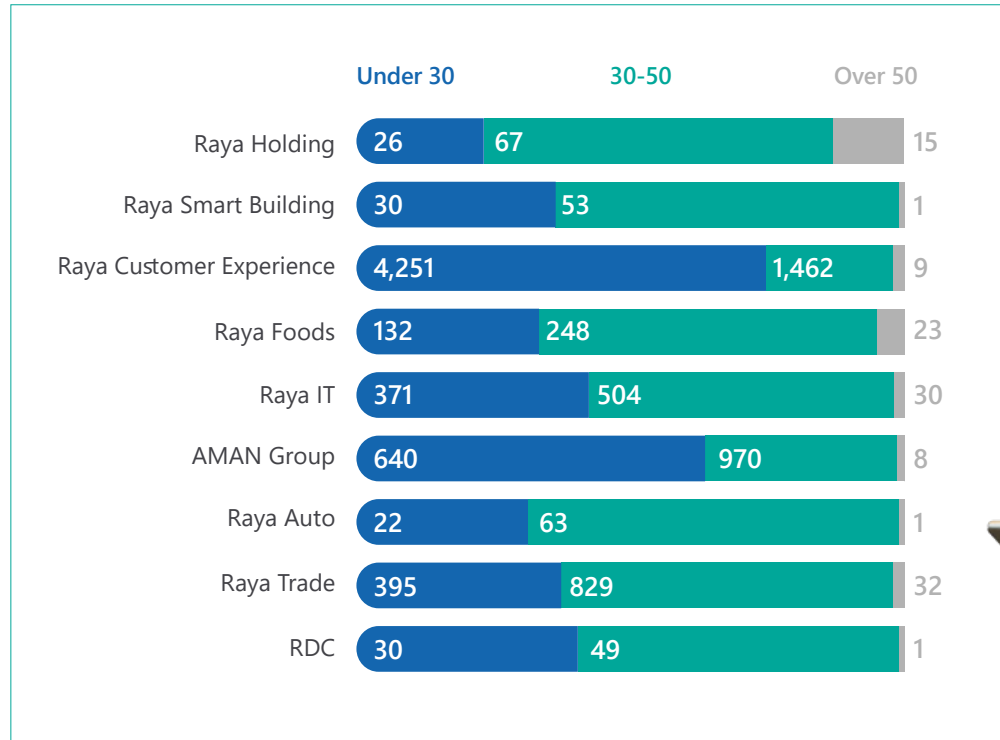
Under 30

5,995

30–50 years old

215

Over 50



A Gender-Diverse Workforce

Raya has been a signatory of the Women’s Empowerment Principals (WEPs), an initiative between UN Women and the UNGC, since 2017. The WEPs present seven principals for workplace gender equality, providing guidance to businesses on promoting women’s participation and leadership in the workforce. Our goal is to ensure that women have full and effective participation and equal opportunities within Raya’s workforce.

Our gender policy stipulates fair and equal treatment for women and men, as well as equal access to opportunities. We proactively implement affirmative action programs targeting women as a corrective measure to equalize opportunities and access across our organization. We also frequently organize training sessions to improve knowledge about and sentiments toward gender equality.

With the support of the German Agency for International Cooperation (GIZ), Raya IT is working on improving gender diversity in the industry. The initiative aims to attract and retain female talent through dedicated recruitment events, internship programs, and targeted communications to affirm Raya IT’s position as a women-friendly workplace and increase its share of recruited women in different roles.

- Code of Conduct
- Speak-Up System Policy
- Raya Employee Handbook
- Gender Equality Policy

Gender Distribution of Employees Across Raya's Companies

3,179



Female employees

11,526



Male employees

14,705



Total employees

Gender Distribution of Management Personnel Across Raya's Companies

173



Female employees

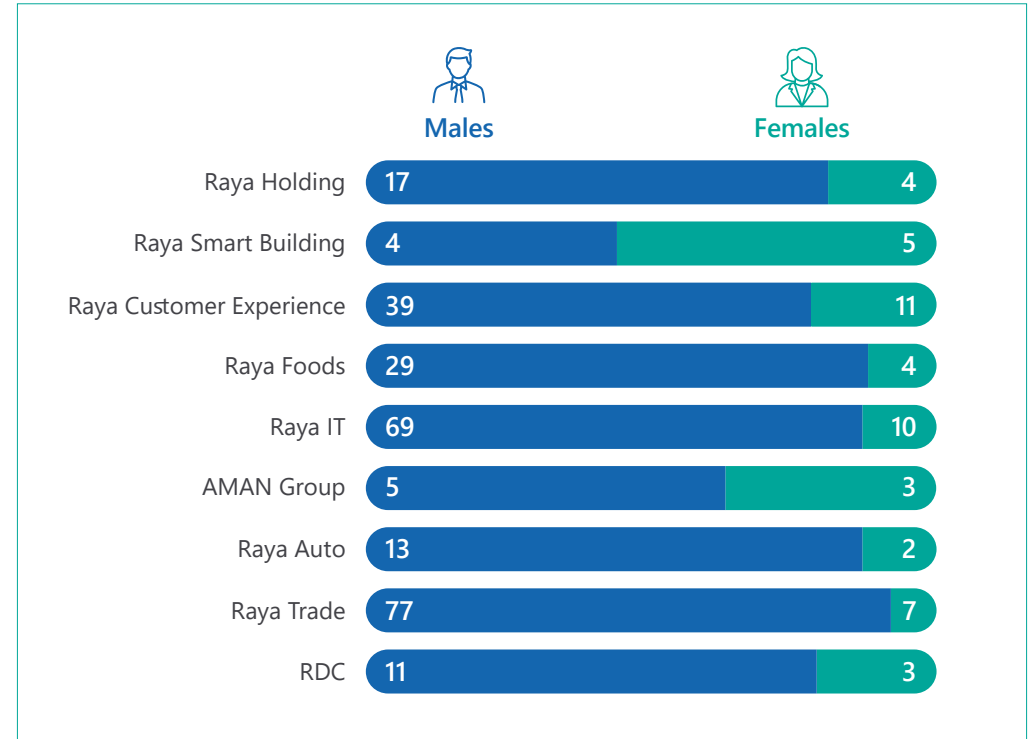
1,129



Male employees

1,307

Total management personnel



Toward a More Diverse and Inclusive Workforce

Committed to promote gender diversity and inclusion, Raya Chairman and Founder Mr. Medhat Khalil signed the WEP Statement of Support. The WEP is an initiative between UN Women and the UNGC. The WEPs are a set of seven steps providing guidance to businesses on how to promote women's participation and leadership in the workforce.

In cooperation with the UN and AUC, Raya IT's HR leaders attended a comprehensive 50-hour training program with the main aim of raising awareness on diversity and inclusion, as well as relevant worldwide practices and how we can adopt them across our businesses and workplaces.



Celebrating International Women's Day 2021

As part of Raya's commitment to promoting workforce diversity and providing an enabling and inclusive working environment, we celebrate the International Women's Day every year. In 2021, we decided to participate in the Virtual Women Championship under the auspices of the National Council of Women. The Virtual Women Championship was a three-day event with games, workshops, and motivational speeches offered to our employees.

Policies on Discrimination

Raya does not discriminate against race, gender, or age, and it works to ensure that qualified individuals with disabilities have access to equal employment opportunities. Human Resources personnel at all subsidiaries have been trained on how to interview, employ, and accommodate disabled individuals.

Raya is committed to creating and maintaining a work environment that is fair and free of any type of harassment. We strictly prohibit acts of harassment by or against our employees, partners, customers, or clients. Violation of this policy results in disciplinary action, which may include the immediate termination of employment. We also take the necessary action to prevent occurrences of prohibited harassment, including, but not limited to, verbal, visual, physical, and sexual harassment. This policy also extends to the conduct of employees performing their duties outside of Raya premises.

TAMKEEN: Raya's Inclusion Program

In collaboration with Helm, we are developing full-fledged inclusive workplace solutions. Raya is contributing to the Skills Enhancement and Employee Development (SEED) Program by creating an accessible online "Customer Service Basics" course on Helm Academy. The aim of this program is to prepare people with disabilities for the labor market and teach them about customer service basics, positive attitude benefits, and how to deliver a high customer experience in order to achieve and

maintain customer satisfaction. We also aim to create a more diverse and inclusive workforce by hiring more people with disabilities. As part of our program, we aim to employ and retain candidates from SEED graduates and provide disability ethics trainings and workshops to our employees and HR personals. In addition to creating and supporting the SEED program, Raya Holding will cover 300 scholarships for persons with disabilities to enroll the program.



Retaining Our Top Talents

Our goal is to create a culture where our employees feel a sense of belonging to ensure that they grow with the company. In empowering and developing our workforce, we support their ability to adapt, develop, and innovate in response to ever-changing market dynamics.

Learning and Development

Rooted in our belief that our company's performance relies on our employees' professional development, we constantly offer learning and development opportunities that would elevate our people's technical and soft skills. Raya supports its employees' personal and professional development via courses, diplomas, and certifications based on their development goals and job-specific needs. Employees can participate in training on interpersonal skills and technical programs and receive relevant higher education degrees. Moreover, our investment in employee digital skill set and technology infrastructure across the organization has allowed us to provide and upscale some of the best-integrated solutions.

Each subsidiary has tailored a learning program to suit its nature of business. Raya IT has developed a comprehensive portfolio of learning opportunities for its employees. Capitalizing on a qualified pool of talent in multiple domains, the company launched the Knowledge Hub Program to cascade knowledge in diverse topics through seven sessions to over 300 employees conducted by internal employees with the relevant knowhow. The topics included presentation skills, python



■ Raya Holding	2,946
■ Raya Smart Buildings	1,210
■ Raya Customer Experience	2,114
■ Raya Foods	10,966
■ Raya IT	12,651
■ AMAN Group	3,448
■ Raya Auto	748
■ Raya Trade	3,250
■ RDC	3,181

programming, business writing fundamentals, and excel power query. In addition, having certified instructional design experts on team, Raya IT developed a tailored customer service course to tackle the company's dynamic operational needs for elite clients.

At RCX, the focus is on developing technical and soft skills to match performance appraisal results using the Arise home-based learning platform. Each year, a personal development



■ Raya Holding	27.5
■ Raya Smart Buildings	24.2
■ Raya Customer Experience	0.3
■ Raya Foods	27
■ Raya IT	14
■ AMAN Group	9
■ Raya Auto	27.7
■ Raya Trade	10.6
■ RDC	40

plan is created for every employee, outlining their goals for the year. A qualified internal training team has been put together to deliver training modules using new gamification and content design based on a customized, customer-center curriculum that addresses pain points.

Engaging with Our Employees

To gain insights into how employees perceive Raya Holding, the HR Department conducts an anonymous employee engagement survey every two years titled "ECHO" (Employees + Communication + Hard work = Output). ECHO targets all Raya employees and is designed to measure engagement and gather feedback that can be used to enact organizational changes. The survey covers the following categories: connection to Raya, inclusive working environment, active communication, opportunities for growth and development, proactive human resources, and hands-on management. The results are communicated back to the employees, and appropriate action plans are devised.

Keeping Our People Safe

With over 14,000 employees driving our success, we are constantly taking steps to further enhance our people's health, safety, and wellbeing across all our facilities. Our robust Occupational Health and Safety Policy aims to protect the health and safety of our employees, customers, contractors, and visitors.

General Benefits

Our employees are essential to the success of our businesses, and we tremendously value their contribution. To support employee wellbeing, we offer comprehensive benefit packages that cover physical, social, and financial wellbeing. This includes medical, social, life insurance, transportation allowance, car allowance and insurance, mobile expenses, monthly uniform expenses, and saving plans.

ECHO 2021 Results



6,202

Participants



83%

Proud to be working at Raya



78%

Feel a connection to Raya



78%

Believe Raya respects workforce diversity

Medical insurance plans cover employees based on their job grades, and Raya fully finances participation in the plan. All Raya employees and workers are covered by health insurance and are provided with a health card to be used in case of non-work-related emergencies and illnesses. All our worksites are equipped with first-aid kits distributed across the facility, in addition to clinics that are accessible to all our employees.

Work from Home Policy

When COVID-19 hit, we were quick to adapt to curb the spread of the virus and protect the health and safety of our employees. We shifted to remote work for the majority of employees, while ensuring business continuity and transparent communication with stakeholders. In 2021, we maintained the flexi-

ble and remote arrangement for our permanent employees, allowing them to work up to four days a week from home if their job permits it.

Health and Safety Management System Standards

With regards to occupational health and safety systems, Raya successfully renewed its ISO 45001:2018 certificate for its headquarters in 2021, with zero non-conformities. We follow the standard's framework, in addition to all national laws and regulations that pertain to managing the health and safety of our employees, contractors, and visitors. We perform internal audits to evaluate the performance of the systems at our premises and are subject to biannual third-party external verification audits.

- Raya Holding's Occupational Health and Safety Policy
- Environmental Health and Safety Manual Guide, Raya IT
- Environmental Health and Safety Contractor Policy, Raya IT
- Raya Foods Risk Assessment, Raya Foods
- Hazardous Materials and Waste Handling Procedures, Raya Foods
- Building Operations, Raya Holding
- Building Services, Raya Holding
- Lost and Found, Raya Holding
- Clear Desk Policy, Raya Holding
- CCTV Review Policy, Raya Holding
- Receiving Area Policy, Raya Holding
- Transportation Policy, Raya Holding
- Meeting Rooms Policy, Raya Holding
- Security and Safety Process and Procedures, Galleria40
- Housekeeping Process and Procedures, Galleria40
- Occupational H&S Team Responsibilities, Galleria40
- Guidelines for Subcontractors, Galleria40
- Guidelines for Tenants, Galleria40

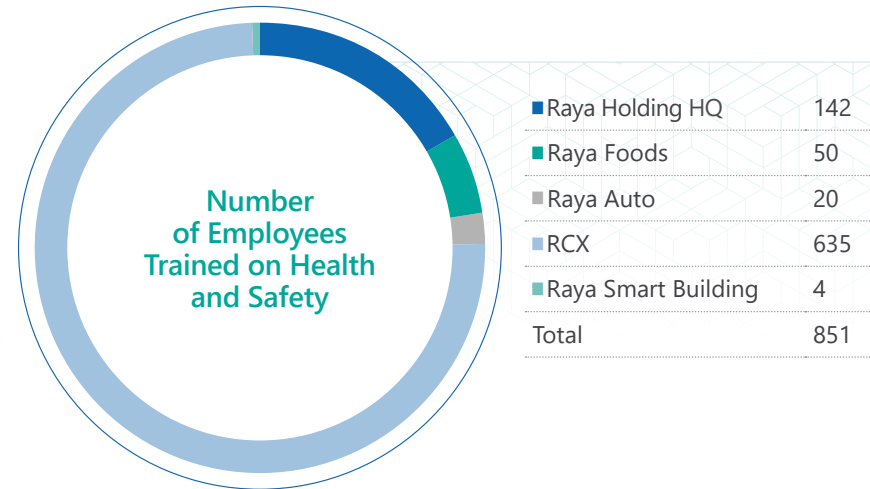
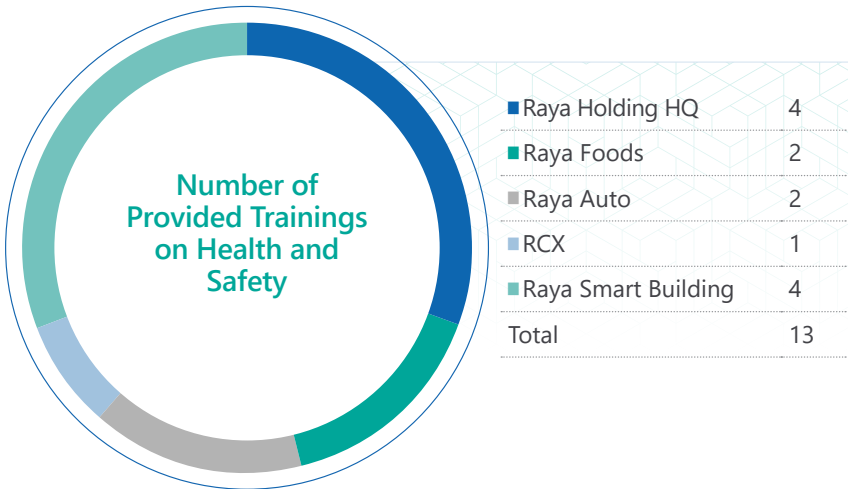
Contractor and Visitor Health and Safety

We require all contractors, visitors, and workers to follow Raya’s worksite safety and health requirements. This is achieved through induction sessions through which our specialized Health and Safety Team instructs and notifies them of all workplace hazards, in addition to supplying them with a copy of Raya’s Health and Safety Policy. Furthermore, contractors need to complete a preliminary process before they are allowed to work in any of Raya’s facilities. This process includes having the contractor’s work permit cover all potential hazards and risks, as well as controls and measures that shall be taken related to the work.



Work-Related Injuries and Illnesses

Investing in facility safety measures and protecting our employees is of utmost importance to us. We are targeting zero accidents across all our facilities and buildings worldwide through the implementation of advanced management and monitoring systems, as well as investing in the latest technologies. We are constantly identifying potential hazards across our facilities and finding methods to eliminate them through technical engineering solutions, new safety devices, and personal protective equipment.



Training on Health and Safety

We continuously train our staff on the best-in-class health and safety practices and measures across all our facilities. The programs and sessions provided include training on first aid, workplace emergency plan execution, firefighting and evacuation, civil protection, transportation risks, chemical handling, and any relevant industry-specific training topics based on the nature of their operations.

Promoting Improved Health and Safety Systems

In order to ensure the continuous improvement of our health and safety management systems, we engage our workforce in how we manage the processes. We operate an

emergency hotline through which employees and workers are able to instantly report any issues or incidents and receive advice from the responsible Health and Safety Team. In addition, we conduct periodic internal audits across our facilities to identify any violations or non-compliant factors in order to mitigate risks. We encourage our workforce to participate in post-audit discussions to promote their participation and encourage them to share suggestions for improvements. We also meet with our customers and their employees on a regular basis in order to get their feedback and suggestions and resolve any issues related to health and safety.



■ Raya Holding HQ	2
■ Raya Foods	7
■ Raya Auto	0
■ RCX	0
■ Raya Smart Building	8
Total	16



■ Raya Holding HQ	0
■ Raya Foods	75
■ Raya Auto	35
■ RCX	0
■ Raya Smart Building	0
Total	110

Our Customers

We serve a wide range of customers across multiple industries through our different companies. In addition to our responsibility toward their health and safety, we employ the highest standards with regards to product quality, communication, and the provided services. Implementing a rigorous quality management system to meet customers' expectations is crucial to maintaining our leading market position and unique Raya experience. We are also cognizant to customers' rapidly changing tastes and preferences, and we work to meet their needs and stay ahead of the market.

It is important that we remain connected to our customers and hear directly from them. At Raya Auto, we use a CRM software to ensure proper and efficient customer experience in handling all customer-related requests and inquiries. We also make full use of social media channels, a call center, and receive feedback from our sales and after sales teams. Moreover, the marketing team regularly conducts third-party surveys to monitor market insights, customer satisfaction, and the market's response to our products and services.



At Raya Foods, our end goal is to provide our customers with nutritious food and consistently superior quality. This year, we worked on developing a new product with the sole objective of simplifying the cooking process to empower customers with no cooking experience. Through our partnerships with industry leaders and numerous tasting sessions, we developed an innovative final product for launch in 2022.



At Raya Smart Buildings, our customers range from retailers, restaurants, and corporate clients to shoppers. Our motto is, therefore, to offer the highest level of flexibility and customization to meet each customer's unique needs and ensure business continuity.



**FIRST-CLASS
CX DOMAIN
EXPERTISE**

Raya Customer Experience's customers rely on our services to facilitate their business operations. It is therefore of utmost importance that we ensure the highest level of service is provided and that we incorporate the latest digital technologies in our operations. Each quarter, we conduct satisfaction surveys with our clients to measure their satisfaction with our overall services and with regards to each function. We target an 85% satisfaction rate and are incredibly proud to have achieved our target by the end of 2021. In addition to our engagement process with clients, we focus on maintaining open and transparent communication with our clients to keep them informed with all the details pertaining to their operations. This is conducted through weekly, monthly, and quarterly business reviews and through meetings with management and supporting functions.



Our Community

Giving back to our communities is a crucial part of Raya's culture and identity. Our impact on the communities where we operate and the broader society reflects our employees and the company we want to grow into. The social initiatives we participate in align with our values and priorities and are a collaborative effort with trusted partners. Our initiatives are focused on enriching lives, improving capabilities, and creating opportunities for children, youth, and adults in underserved communities.



“

Our impact on the communities where we operate and the broader society reflects our employees and the company we want to grow into.



Initiative for Fighting Stunting

Childhood stunting and anemia hinder children's cognitive and physiological development. Today, Egypt has one of the highest stunting rates in the world with one in five children under five years old suffering with being stunted or too short for his/her age. The

project is providing evidence-based preventive intervention in the Ezbet Khairallah community suffering from high stunting rates. The caregivers were provided with the knowledge, skills, and needed support to achieve optimal feeding practices for their children.

85

Newborns during the program

85

Infants with their mothers



Scholarship Program

The program, launched in partnership with Nile University, allows candidates with high academic records to pursue their undergraduate studies. It is currently offered to the children of Raya's employees, and we are planning further expansion.

6

Students enrolled



Empower Your Future by RCX

The four-month program aims to enhance the employment skills of university students while helping them contribute to the UN's SDGs. It is also expected to help connect university graduates to employers. RCX selected the top achievers in the program for a one-month summer internship with its different functions.

500

Number of participants in 2021



Vocational San3ety Program

San3ety provides technical college graduates with training in soft and technical skills required by potential employers. The program has three phases: work readiness training, technical skills training, and employment support. This year, Raya contributed to Sane3ty program by providing job training opportunities at Raya Haier Electric to select Sane3ty participants for a duration of three months.

50

Graduates in work-readiness training

50

Graduates in technical training

40%

Employment rate



Online Volunteering Program: COVID-19 Red Crescent Volunteering Program

In response to the COVID-19 pandemic, Raya partnered with the Egyptian Red Crescent and participated in their COVID-19 Online Volunteering Program to raise awareness about health-related COVID-19 facts and useful measures to help people face this pandemic. Raya volunteers received trainings on key topics, such as safety and security guidelines, psychological support, nutrition, health promotion, and home isolation measures. They were also encouraged to raise awareness about these topics and undertake a special health promotion task under the name #OurAwarenessOurSafety.





Blood Donation Campaigns

Raya Holding's CSR Department organizes regular blood donation campaigns across its Cairo facilities.

62

Donated units of blood in 2021

186

Lives saved in 2021

1,308

Units of bloods since 2015

3,924

Lives saved since 2015

Raya Volunteering and Engagement Program

Raya's CSR Department offers our employees a rich selection of corporate volunteering opportunities that engage our people and improve their wellbeing, while generating positive social and environmental benefits. Volunteering opportunities help our employees feel connected to the communities they operate in, building trust and mutual understanding.

128

Raya corporate volunteers in 2021

509

Volunteering hours in 2021





Food Supplies

In collaboration with NGO partners, we targeted vulnerable communities and provided food supplies for people in need with the support of Raya's employees.

1,800

Food boxes distributed &
Families reached in 2021

Planting Seeds of Hope

Raya supported the 57357 Children's Cancer Hospital create a new sustainable source of income through investing in tools and a workforce that helped the hospital create a new planting area. The new area is to be used as a permanent place for planting flowers, organic plants, and herbs to cover the hospital's cooking and gardening needs and to be sold to visitors and employees.

Raya CSR contributed in this project after ensuring the presence of the capabilities that would aid in executing it, and because we believe in its sustainable impact and the great value created and shared among Raya, the hospital, and the patients. We also involved our employees in planting this area to give them the chance to participate in leaving a developmental impact on society and become more aware of CSR activities and their impact.



**LEADING
WITH GOOD
GOVERNANCE**



GOVERNANCE STRUCTURE

Our strong corporate governance is led by our Board of Directors, which brings together unparalleled expertise and cascades throughout Raya. Our Board of Directors plays a crucial role in identifying and implementing appropriate corporate governance practices to ensure transparency, accountability, and adequate internal controls. The Board convenes at least four times per year to evaluate Raya's business performance and strategy. The Board also meets when necessary to discuss major strategic and financial decisions related to new investments, divestment, approval of significant alliances, major capital investment transactions, and executive management compensation.

Board meetings are held at the company headquarters at the request of the Chairman or upon the demand of one-third of the Board members. Following the end of each fiscal year, the Board conducts an annual performance evaluation to assess its performance effectiveness. All policies are ratified at the Board of Directors level, and it is the responsibility of all Board members to ensure approved policies are communicated through the respective business units.

“

Our Board of Directors plays a crucial role in identifying and implementing appropriate corporate governance practices to ensure transparency, accountability, and adequate internal controls.

The Board was founded in line with the rules and regulations for joint stock companies in Egypt, and it had 13 members as at 31 December 2021. Raya's Articles of Association require all Board Directors to run for re-election every three years. At each board performance evaluation, the elected Board of Directors' biography and professional expertise are disclosed in the annual general meeting notice. The Board fulfills its responsibilities according to internal guidelines and in compliance with the requirements set forth by the Egypt Capital Markets Authority. Furthermore, Raya complies with the code of best practices in corporate governance, financial reporting, disclosure regulations, and listing rules.





Medhat Khalil
Chairman, Raya Holding



Ahmed Khalil
Executive Board Member /
CEO, Raya Holding



Yasser Hashem
Non-Executive Board Member /
Zaki Hashem & Partners, MD



Mostafa Mobarak
Independent Board Member
/ Managing Partner, Solera



Ashraf Kheireldin
Non-Executive Board Member
/ CEO, First Distribution & Trading



Sherif Kamel
Non-Executive Board Member /
Dean, AUC's Business School



Malek Sultan
Non-Executive Board Member /
Investment Director, Watheeqa



Hamed Shamma
Non-Executive Board Member /
Professor of Marketing, AUC



Seif Coutry
Non-Executive Board Member /
Chairman, Fawry



Mohamed Hawa
Non-Executive Board Member /
Representing, Financial Holding LTD



Amr El Tawil
Non-Executive Board Member / CEO,
Triangle Group



Noha El Ghazaly
Independent Board Member /
Egypt Country Advisor,
Mediterrania Capital



Samer El Waziri
Executive Board Member /
Senior Adviser, Raya Holding



Reem El Saady
Independent Board Member
Head of MENA SME Funding-
EBRD

Responsibilities of the Board

Raya's Board of Directors is responsible for setting the company's corporate strategy, identifying any potential risks to operations, and presenting shareholders with mitigating measures. In addition, the Board's responsibilities include approving business plans, monitoring the performance of the compa-

ny's executive management team, delegating powers to members and committees, ensuring effective controls are in place to mitigate risks and protect the company, supervising disclosures, ensuring the accuracy of financial reporting, and ensuring the independence of auditing activities.

Committees

The Board's committees are essential to fulfill its responsibilities and tasks. The Board's current standing committees are its Audit, Investment, Corporate Governance, and Remuneration committees.



Audit Committee

Responsibilities include monitoring the integrity of Raya's financial statements prior to their submission to the Board and any formal announcements relating to Raya's financial performance.



Investment Committee

Responsibilities include setting the overall investment guidelines in line with the Board's strategy, as well as preparing investment cases and reporting to present to the Board.



Corporate Governance Committee

Responsibilities include overseeing the implementation of the corporate governance code as a whole and recommending qualified directors and committee nominees to the Board.



Remuneration Committee

Responsibilities include establishing Raya's policy on remuneration for the executive directors, executive management, Chairman, and CEOs of the different subsidiaries.

ESG OVERSIGHT

At Raya, we take a holistic approach to ESG topics with oversight from our Board of Directors, which oversees the Group's ESG strategy, developments, and initiatives. To assist the Board with its oversight duties, a Sustainability Committee has been established within the governance structure of the company and its subsidiaries.

The Committee's primary functions are to assist the Board in developing and making recommendations in connection with its strategy, standards, processes, and approach to ESG matters that could affect the company's business activities, assets, performance, and reputation.

Our Sustainability Committee is led by subject matter experts and is charged with leading and implementing our long-term ESG strategy development, as well as the implementation of ESG initiatives and the reporting and measurement of results across the organization. In order to maintain oversight of measures and their impact, the Committee conducts an annual review of its performance and effectiveness.

The Committee comprises a minimum of three directors who meet four times a year and have the following duties and responsibilities:

- Reviewing Raya's materiality thresholds, sustainability commitments, goals, and strategy
- Overseeing the impacts of Raya's sustainability performance, policies, and initiatives, and monitoring external developments and trends
- Reviewing and monitoring Raya's ESG policies, standards, relevant systems, strategies, and initiatives, and activities to ensure compliance with applicable legal and regulatory requirements
- Reviewing Raya's annual sustainability and environmental reports
- Overseeing development, monitoring execution, and reviewing effectiveness of strategies, policies, frameworks, and initiatives relating to human rights and diversity programs
- Monitoring Raya's community engagement activities and giving programs to ensure they are directed toward the development and wellbeing of the communities in which we operate and live
- Providing assistance and support to management in developing both near- and long-term policies and standards to ensure that the principles set out in the ESG and sustainability policies are measurable and achievable
- Ensuring that Raya monitors trends and reviews current and emerging issues in the field of ESG and evaluates their impact on the Group to include environmental statistics, workforce statistics, and other leading indicators
- Engaging with Raya's shareholders and other stakeholders in respect to ESG issues

QUALITY, COMPLIANCE, AND RISK MANAGEMENT

Our goal is to provide high quality products and services that enrich the lives of our customers and support communities reach their full potential. The quality of our products and services is reflective of our values, brand, and commitment to society. Our teams are constantly reviewing and evaluating emerging regulations to ensure we are adhering to the latest requirements and industry best practices.

Quality and Compliance

Over the years, we have built a brand that is committed to delivering outstanding quality products and services. This has been achieved through prudent overarching policies, mechanisms, and procedures on the holding level that trickle down to our subsidiaries. Additionally, we customize internal practices for quality management, learning, and innovation for each of our companies to ensure relevancy to their sectors and geographies.

We believe compliance with legal and regulatory obligations is an integral part of our duty as an organization that promotes a culture of integrity across its companies. Our compliance approach goes beyond national and international standards by ensuring that every part of our processes across facilities is subject to rigorous auditing and oversight. This includes diverse areas, including employee health and safety, data privacy, environmental metrics, corporate governance, listing and disclosure, employment, and taxes.

- Service Management Policy
- Business Continuity Management Policy
- Quality Management Policy
- Risk Management Policy
- RCX, Health, Safety and Environment Contractor Policy
- Anti-Bribery and Corruption Policy

Our process entails each department performing a business analysis and assessing its financial performance and budget on a monthly basis. Each subsidiary then communicates its results to top management in a timely and consistent manner. We achieve excellence by consistently complying with laws and regulations that guide Raya's business operations.

Within each subsidiary, the Quality Management System Department is guided by policies, procedures, and benchmarks to achieve business KPIs and comply with local and international standards and certifications. We conduct regular internal audits managed by our Audit Department and external third-party verification audits.

Certifications and Compliance Across Raya

Raya Holding

ISO 9001, ISO 27001, ISO 45001

Raya Smart Buildings

Leadership in Energy and Environmental Design (LEED)

— Certified Gold

Raya IT

ISO 27001, ISO 20000, ISO 9001,

ISO 22301 GDPR

Raya Customer Experience

COPC CX, GDPR, PCI, ISO 9001, ITIL

Raya Foods

FSSC v.5.0 BRCGS V8, ISO 17025, ISO 22000,

ISO 9001, OHSAS 18001, ISO 14001, Halal, OU

Kosher, ISO 17025, NFSA (Whitelist), SFDA

(Whitelist)



Risk Management

Efficient and sustainable risk management practices are concepts we've embraced across the organization. We continuously strive to enhance our risk management to build resilience and respond appropriately to changing market trends, macroeconomic factors, and regulatory systems.

The Board of Directors is responsible for the establishment and oversight of Raya's risk management framework, in addition to developing and monitoring the company's risk management policies. Raya has a rigorous risk management framework that identifies, assesses, and mitigates risks across LOBs and jurisdictions for all subsidiaries. We collect information and insights from diverse sources, including the FRA, the EGX, and the Central Bank of Egypt (CBE). Raya develops and assesses rules to measure, control, and monitor risks associated with our activities.

Raya Customer Experience Enterprise Risk Management

In 2021, RCX implemented the Enterprise Risk Management (ERM) framework, which is a process of planning, organizing, directing, and controlling the activities of RCX to minimize adverse risk effects on capital and earnings. The ERM encompasses financial, strategic, and operational risks, as well as risks associated with accidental losses. The ERM program also helps increase awareness of business risks across all RCX facilities, instills confidence in strategic objectives, improves compliance with regulatory and internal compliance mandates, while enhancing operational efficiency through more consistent applications of processes and controls.

During our comprehensive risk assessment, we identified the following key risks:

Risk Factor	Description
Raya Brand	Customer behavior and preferences evolve rapidly, which requires Raya to align its brands in a timely manner to meet changing demands.
Our Portfolio	Raya's strategic investment choices affect our long-term growth, profits, and reputation.
Climate Change	We need to build companies and products that help societies while addressing the complexities of climate change.
Customers	Strong customer relationships are vital to our businesses, especially for AMAN, Raya IT, and RCX. Failure to maintain successful relationships can affect pricing, competitiveness, and our customer base.
Employees	The loss of key personnel or the inability to identify, attract, and retain qualified personnel could adversely affect management, employer brand, operations, and financial results.
Supply Chain	Our supply chain is subject to disruptions, environmental and industrial accidents, restrictions, and material shortages. Maintaining our operations while adhering to new regulations and standards requires continued focus and agility.
Data Management	The threats of cyber-attacks, unauthorized access, and misuse of sensitive information or disruption to operations can negatively impact sales, production, and profitability. Increasing digital interactions requires secure and reliable IT systems, infrastructure, and data management to ensure privacy and security.
Ethical Standards	Failure to meet ethical standards could result in damage to Raya's corporate reputation and business results.
Compliance	Failure to comply with laws and regulations could cause damages, fines, and criminal sanctions, with possible consequences on our reputation, and new rules could impact our costs.



DIGITALIZATION AND CYBERSECURITY

At our core, Raya is a technology company with a vision for a digital and interconnected world. Digitalization and technology help Raya capture business opportunities, penetrate new markets, fast-track innovation, and deliver on its goal of financial inclusion through the provision of digital services. We have successfully provided communities with essential solutions through the rapid upscaling of digital, financial, and telecommunication services.

To realize our digitalization goals, we proactively invested in our own technology infrastructure and employee digital skill set. This allowed us to provide and upscale some of the best-integrated solutions that support our stakeholders' workforce agility needs, customer care, and technical support requirements.

- **Information Security Management Policy**
- **Data Privacy Policy**
- **Customer Privacy Policy**
- **Responsible Use of Technology Procedures**
- **Acceptable Use Policy (AUP)**

IT Governance Principles

We have adopted seven IT governance principles that apply at the Raya group level:

1. We interlink business development and IT planning, including alignment of IT and enterprise operations
2. IT processes are supported by people with the necessary skills, knowledge, and experience
3. We have procedures in place for the responsible procurement of IT hardware and software
4. We continuously review supplier relations and agreements for appropriateness and compliance
5. We have resilient and responsive recovery measures in place for disruptions in our IT infrastructure
6. We have compliance measures and best practices to address data privacy, cybersecurity, and user access
7. We combine internal monitoring and external assurance of IT governance

To ensure our industry leadership, RIT maintains peer-group relationships with the Egyptian Information, Telecommunications, Electronics, and Software Alliance (EITESAL), the Egyptian Information Technology Industry Development Agency (ITIDA), and the Industrial Modernization Centre (IMC).



Responding to COVID-19

During the COVID-19 pandemic, our suite of digital products and services proved essential. We facilitated financial transactions through mobile wallets, ATMs, point of sale (POS) solutions, and digital signature solutions, thereby minimizing in-person exposure and supporting inclusive access to financial services.

At Raya IT, we introduced remote workspace communication, cloud contact center, and cybersecurity solutions that ensured both our own business continuity across the organization and supported our clients' transition to a new business norm. We supported Egyptian banks in spreading financial inclusion via POS, self-services, and e-channels that leverage our expertise in digital platforms and cybersecurity solutions. Paired with our innovative financial solutions, we enabled our banking customers to cater for their clients by providing multiple channels to conduct transactions without the need to visit a branch in person. To date, we have catered the FSI sector with +3000 ATMs and Raya's market share has reached 48%.

Furthermore, cognizant of the rising demand for internet connectivity and phone calls as remote work increased and students continued to attend school online, we helped telecommunication operators update their infrastructure systems. These upgrades allowed them to provide sustainable and reliable services and smart solutions with highly improved network performance.

Accelerating Digital Transformation

Digital transformation is essential for Raya to meet its strategic goals. We believe that a digitally interconnected society is better equipped to navigate complexities and changing environments. This is why we focused on expanding our digital transformation efforts to provide each of our companies with the tools to innovate across all process and ultimately benefit their customers through digitalization. These efforts support our vision of an inclusive and digital society with universal access to high-quality services with solutions that improve people's lives, conserve resources, and drive efficiency.

Streamlining processes across the organization while ensuring data remains secure and compliant is crucial. Raya is committed to responsible and proactive use of technology and digitalization to sustain a secure organization, innovate, and improve the accessibility of services. The Raya Information Security and Compliance Department is responsible for implementing the Information Technology Governance Framework (ITGF).

Raya's digitalization philosophy focuses on educating our market about leading ICT solutions, consulting with customers about newly introduced technologies, and sharing successful proof of concepts (POCs). Migration to cloud-based platforms and software applications, virtualization, and co-location help create reliable performance and secure access.



In 2021, we achieved a major digitalization milestone at Raya Foods by finalizing the multi-phase implementation of all Oracle modules, creating and adjusting all the required reports and forms to meet all users' needs and relying entirely on the system, thereby eliminating the need for print documents. We also upgraded our main technology infrastructure framework by implementing a more technologically advanced and cost-efficient security layer. Consequently, no data breaches were identified in 2021.

Cybersecurity

We are committed to effectively managing IT-related risks, maintaining data security and privacy as well as protecting our business and customer data, in line with COBIT, ITIL, and ISO 27001:2013 standards. Through RDC, Raya IT provides IT and data management

services to all of Raya's subsidiaries and external customers, protects the confidentiality and integrity of physical and electronic information assets, and ensures ongoing accessibility. It complies with all the legal and regulatory requirements and contractual security obligations in every country in which we operate.

The Raya Acceptable Use Policy outlines the acceptable use of computer equipment at Raya, defining the rules that protect our employees and companies and helping lower the risks of virus attacks, compromised network systems, and legal issues. The Policy addresses Use and Ownership, Security and Proprietary Information, Unacceptable Use, Systems and Networks, and Email Activities. All employees are required to sign this policy and acknowledge they have read, understood, and will follow the Policy's guidelines.

“

We are committed to effectively managing IT-related risks, maintaining data security and privacy as well as protecting our business and customer data.



APPENDIX



ABBREVIATIONS

AmCham	The American Chamber of Commerce
AUP	Acceptable Use Policy
AWEF	Arab Women's Enterprise Fund
BEBA	The British Egyptian Business Association
BPO	Business process outsourcing
CBE	Central Bank of Egypt
CCHP	Combined cooling, heat, and power
CCO	Contact Center Outsourcing
CCTV	Closed-circuit television
CFP	Carbon footprint
CO2	Carbon dioxide
CRM	Customer relationship management
CSOs	Civil society organizations
CSR	Corporate social responsibility
CX	Customer experience
DCO	Data Center Outsourcing
EBITDA	Earnings before interest, taxes, depreciation, and amortization

EGX	Egyptian Stock Exchange
EITESAL	The Egyptian Information, Telecommunications, Electronics, and Software Alliance
ERM	Enterprise Risk Management
ESG	Environmental, social, and governance
FEI	The Federation of Egyptian Industries
FMCG	Fast Moving Consumer Goods
FRA	Financial Regulatory Authority
GACIC	The German-Arab Chamber of Industry and Commerce
GEF	The Global Environment Facility
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GIZ	German Agency for International Cooperation
GMP	Good Manufacturing Practices
GRI	Global Reporting Initiative
H&S	Health and Safety
HVAC	Heating, ventilation, and air conditioning

IPO	Initial public offering
IT	Information technology
ITGF	Information Technology Governance Framework
ITIDA	Information Technology Industry Development Agency
ITIL	Information Technology Infrastructure Library
KSA	Saudi Arabia/ Kingdom of Saudi Arabia
LEED	Leadership in Energy and Environmental Design
LOB	Line of Business
MEA region	Middle East and Africa
MENA region	Middle East and North Africa
MOE	Ministry of Environment
NBFI	Nonbanking financial institution
NFSA	National Food Safety Authority
NPS	Net Promoter Score
PBDAC	Principal Bank for Development and Agricultural Credit
PCI DSS	Payment Card Industry Data Security Standard

PET	Polyethylene terephthalate
POCs	Proof of concepts
POS	Point of sale
PPS	Price per share
RAC	Raya Achievers Club
RCX	Raya Customer Experience
RDC	Raya Data Center
r-PET	Recycled Polyethylene Terephthalate
SDGs	Sustainable Development Goals
SEED	Skills Engagement and Employee Development
TCFD	Task Force on Climate-Related Financial Disclosures
UAE	United Arab Emirates
UNDP	United Nations Development Programme
UNGC	United Nations Global Compact
USGBC	US Green Building Council
WEPs	Women's Empowerment Principals

2021 ESG METRICS

Workforce Indicators



■ Males	11,526
■ Females	3,179

Total Employee Distribution by LOB and Gender

Employees	Raya Holding HQ	Raya Smart Buildings	RCX	Raya Foods	Raya IT	AMAN Group	Raya Auto	Raya Trade	RDC	Other LOBs
Males	87	71	3,128	350	608	3,932	81	1,104	71	2,094
Females	24	14	2,026	54	65	763	8	162	17	46
Total	111	85	5,154	404	673	4,695	89	1,266	88	2,140

New Hires Distribution by LOB and Gender

Employees	Raya Holding HQ	Raya Smart Buildings	RCX	Raya Foods	Raya IT	AMAN Group	Raya Auto	Raya Trade	RDC
Males	6	20	1,697	123	230	589	19	394	10
Females	5	5	996	10	22	25	2	54	2
Total	11	25	2,693	133	252	614	21	448	12

Raya Group ratio of basic salary and remuneration of women to men (by category)*

Employees	Raya Group
Entry Level	1.01
Middle Management	0.95
Senior Management	1.11

Raya Group Employee Turnover

Employees	Raya Group
Total Male	6,495
Total Female	2,339
Under 30 years	6,609
30-50 years	2,178
Over 50 years	47

*All Raya Group's LOBs including non-disclosed ones in this report



■ Under 30	8,495
■ Between 30–50	5,995
■ Above 50	215



■ Males	1,129
■ Females	173

Total Employee Distribution by LOB and Age

Employees	Raya Holding HQ	Raya Smart Buildings	RCX	Raya Foods	Raya IT	AMAN Group	Raya Auto	Raya Trade	RDC	Other LOBs
Under 30	25	31	3,830	133	283	2,971	28	467	35	692
30–50	70	53	1,309	248	367	1,708	60	775	52	1,353
Over 50	16	1	15	23	23	16	1	24	1	95
Total	111	85	5,154	404	673	4,695	89	1266	88	2,140

New Hires Distribution by LOB and Age

Employees	Raya Holding HQ	Raya Smart Buildings	RCX	Raya Foods	Raya IT	AMAN Group	Raya Auto	Raya Trade	RDC
Under 30	9	7	2,448	69	164	383	12	229	5
30–50	1	18	244	64	85	230	9	219	7
Over 50	1	0	1	0	3	1	0	0	0
Total	11	25	2,693	133	252	614	21	448	12

Management Distribution by LOB and Gender

Employees	Raya Holding HQ	Raya Smart Buildings	RCX	Raya Foods	Raya IT	AMAN Group	Raya Auto	Raya Trade	RDC	Other LOBs
Males	17	4	39	29	69	5	13	77	11	865
Females	4	5	11	4	10	3	2	7	3	124
Total	21	9	50	33	79	8	15	84	14	994

Employee Training Hours

Employees	Raya Holding HQ	Raya Smart Buildings	RCX	Raya Foods	Raya IT	AMAN Group	Raya Auto	Raya Trade	RDC
Total Hours	2,946	1,210	2,114	10,966	12,651	3,448	748	3,250	3,181
Average per Employee	27.5	24.2	0.3	27	14	9	27.7	10.6	40

Health and Safety Indicators

OHS Training

Total number of health and safety training sessions conducted: **13 sessions**

Employees	Raya Holding HQ	Raya Smart Buildings	RCX	Raya Foods	Raya Auto
Number of Sessions	4	4	1	2	2





Total number of employees trained on health and safety: **851 employees**

Employees	Raya Holding HQ	Raya Smart Buildings	RCX	Raya Foods	Raya Auto
Number of Employees	142	4	635	50	20

Work-Related Injuries

Employees	Raya Holding HQ	Raya Smart Buildings	RCX	Raya Foods	Raya Auto
Number of Reported Hazards	2	8	0	7	0
Number of Workers Exposed to Hazards	0	0	0	75	35
LTIFR (Injuries per 1,000,000 hours)	0	0	0	9.25	0

Environmental Indicators

	Raya Holding HQ	Galleria40	Raya Foods	Raya Auto	Total
 Energy					
Purchased Electricity (MWh)	6,000,000	10,614,807	10,470,000	199,891	27,284,698
Number of Workers Exposed to Hazards	0	0	0	75	35
 Water					
Total water consumption (m ³)	30,000	151,968	200,750	15,900	398,618
 Waste					
Total waste generated (non-hazardous) (tons)	9	45	2,587	10	2,651
% Waste diverted through recycling from total (tons)	55%	84%	6%	90%	7.8%
	Raya Holding HQ	RDC	Raya Foods	Total	
 GHG Emissions					
Scope 1 Emissions (ton CO ₂ eq/year)	237	112	976	1,325	
Scope 2 Emissions (ton CO ₂ eq/year)	192	2,598	4,869	7,659	
Scope 3 Emissions (ton CO ₂ eq/year)	302	34	15,922	16,258	

Financial Inclusion Indicators



AMAN for Financial Services

Consumer Portfolio	EGP 1.6 billion
Monthly Requests	20,000
Active Customers	218,000
Operating Stores	250
Customer Database	380,000
Unbanked	80%

AMAN for Microfinance

Governorates	18
Total number of employees	2,566
Finance Specialists	1,758
Branches	108
Funding Portfolio	EGP 1.3 billion
Increase in loans distributed in 2021 compared to 2020	75%
Loans granted in 2021	EGP 1.2 billion
Total Customers	118,411
Female Customers	69,649
Male Customers	48,762



% of Client Concentration by Governorate

Qena	14.4%
Asyut	12.5%
Sohag	9.2%
Behira	9.5%
Minya	7.9%
Menoufia	6.2%
Cairo	4.2%
Sharqia	5.6%
Kafr El-Sheikh	3.6%
Giza	2.3%
Gharbia	4.8%
Daqahlya	3.4%
Qaliobia	3.4%
Aswan	3.8%
Bany Sweif	5.0%
Luxor	2.2%

% of Loan Amount by Governorate

Qena	13.5%
Asyut	10.4%
Sohag	9.6%
Behira	8.1%
Minya	8.8%
Menoufia	5.8%
Cairo	5.4%
Sharqia	6.3%
Kafr El-Sheikh	2.7%
Giza	2.7%
Gharbia	4.4%
Daqahlya	3.7%
Qaliobia	3.3%
Aswan	5.2%
Bany Sweif	5.0%
Luxor	3.0%

Financial Indicators (Year Ended 31 December 2021)

Statement of Consolidated Financial Position (EGP 000)

Non-current assets

Fixed Assets	1,466,998
Investment Property	661,217
Projects Under Construction	115,364
Intangible Assets	18,088
Leased Assets	606,520
Goodwill	368,336
Investments in Associates	101,704
Available for sale investments through comprehensive income	19,339
Deferred tax assets	85,459
Total non-current assets	3,443,025
Inventory	2,118,411
Work in progress	207,274
Accounts and notes receivable	5,336,549
Prepayments and other debit balances	2,167,384
Share based compensation	7,088
Debit balances (Tax authority)	101,689
Cash on hand and at banks	1,030,423
Total Current Asset	10,968,819
Total Assets	14,411,844

Provisions	107,166
Accounts and Notes Payable	2,475,938
Short-term liabilities	200,000
Current portion of long-term liabilities	428,858
Rights of use-current portion	17,830
Credit Facilities	4,910,249
Accrued expenses and other credit balances	2,432,918
Dividends payable	144,746
Total Current Liabilities	10,717,704
Working Capital	251,114
Total Investments	3,694,140
Issued and paid up capital	1,071,998
Legal reserve	92,010
General reserve	41,936
Treasury shares	(7,183)
Revaluation reserve of available for sale investments through comprehensive income	387,171
Net profit from share sale in AMAN	568
FX translation adjustments	(13,313)
Retained earnings/(Losses)	(761,088)
Profits for the year after minority interest	487,335
Total Shareholder's Equity	1,299,434
Minority Interest	454,202
Total Equity	1,753,636
Notes Payable – noncurrent portion	93,834
Long term loans	1,122,142
Long term liabilities – right of use	632,281
Other long-term liabilities	92,247
Total noncurrent liabilities	1,940,503
Total Equity & Non-current Liabilities	3,694,140

Consolidated Income Statement (EGP 000)

Revenue	16,851,479
COGS	(13,918,787)
Gross Profit	2,932,691
General & Administrative Expenses	(1,476,891)
Selling & Marketing Expenses	(523,755)
Board Remuneration	(705)
EBITDA	931,340
Provisions	(11,277)
Provisions(no longer required)	1,741
Impairments of Accounts Receivable	(154,887)
Reversal of Impairments of Accounts Receivable	84,356
Operating Profit	851,273
FX Gain (Loss)	(4,680)
Company's share in profits of associates	5,456
Other Income (expense)	(4,030)
Gain (losses) on sale of fixed assets	8,108
Dividends from investments at fair value	912
Gain from disposals of investments in associates	327,737
Takaful contribution	(23,217)
EBIT	1,161,559
Interest Expense	(403,017)
EBT	758,542
Income Tax	(217,155)
Net Income before minority	541,387

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

Disclosure	Relevant Section(s) in the Report (or direct answer)	
GRI 101: Foundation 2016		
The GRI Reporting Principles have been adopted in defining the report content and its quality as per the GRI Standards.		
GRI 102: General Disclosures		
Organization Profile		
102-1	Name of the organization	Raya Holdings for Financial Investments
102-2	Activities, brands, products, and services	Subsidiaries Accelerating our Sustainability Efforts
102-3	Location of headquarters	26 th July St., Touristic Zone, 6 th of October, 12568 Egypt
102-4	Location of operations	Raya at a Glance
102-5	Ownership and legal form	Raya Holdings for Financial Investment is listed on the Egyptian Stock Exchange Major Shareholders
102-6	Markets served	Raya at a Glance
102-7	Scale of the organization	Total number of employees at Raya: 14,705 Raya at a Glance
102-8	Information on employees and other workers	ESG Metrics: Workforce Indicators
102-9	Supply chain	Quality, Compliance and Risk Management
102-10	Significant changes to the organization and its supply chain	None
102-11	Precautionary principle or approach	Quality, Compliance and Risk Management
102-12	External initiatives	Our Community
102-13	Membership of associations	Our Collaboration Network

Strategy		
102-14	Statement from senior decision-maker	Message from our Chairman Message from our CEO
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	Strategic Mission and Values
Governance		
102-18	Governance structure	Governance Structure
102-19	Delegating authority	Responsibilities of the Board
102-20	Executive-level responsibility for economic, environmental, and social topics	Our Approach ESG Oversight
102-21	Consulting stakeholders on economic, environmental, and social topics	Engaging our Stakeholders
102-22	Composition of the highest governance body and its committees	Governance Structure
102-23	Chair of the highest governance body	Governance Structure
102-24	Nominating and selecting the highest governance body	Governance Structure
102-25	Conflicts of Interest	Governance Structure
102-26	Role of highest governance body in setting purpose, values, and strategy	Governance Structure
102-27	Collective knowledge of highest governance body	Governance Structure
102-28	Evaluating the highest governance body's performance	Governance Structure
102-29	Identifying and managing economic, environmental, and social impacts	Our Approach ESG Oversight
102-30	Effectiveness of risk management processes	Quality, Compliance, and Risk Management
102-31	Review of economic, environmental, and social topics	Our Approach ESG Oversight

102-32	Highest governance body's role in sustainability reporting	Our Approach ESG Oversight
102-33	Communicating critical concerns	Governance Structure
102-34	Nature and total number of critical concerns	None
102-35	Remuneration policies	Governance Structure
102-36	Process for determining remuneration	Governance Structure
102-37	Stakeholders' involvement in remuneration	External stakeholders are not currently involved in this process
102-38	Annual total compensation ratio	Raya Holding is unable to disclose this information
102-39	Ration of the percentage increase in annual total compensation for the organization's highest-paid individual	Raya Holding is unable to disclose this information

Governance

102-40	List of stakeholder groups	Engaging our Stakeholders
102-41	Collective bargaining agreements	None of Raya Holding's employees are covered by collective bargaining agreements
102-42	Identifying and selecting stakeholders	Engaging our Stakeholders
102-43	Approach to stakeholder engagement	Engaging our Stakeholders
102-44	Key topics and concerns raised	Megatrends, Risks, and Opportunities

Reporting Practice

102-45	Entities included in the consolidated financial statements	Raya FY21 Earnings Release
102-46	Defining report content and topic boundaries	Our Materiality Topics
102-47	List of material topics	Our Materiality Topics
102-48	Restatements of information	Restatements and Changes in Reporting
102-49	Changes in Reporting	Reporting cycle changed to annual
102-50	Reporting period	1 January 2021 – 31 December 2021
102-51	Date of most recent report	2020

102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Yasmine Sakr, CSR Manager Yasmine_sakr@rayacorp.com Tel: +2 02 3827 6000
102-54	Claims of reporting in accordance with the GRI Standards	Reporting Frameworks
102-55	GRI content index	GRI Content Index

GRI 103: Management's Approach 2016

103-1	Explanation of the material topic and its Boundaries	Subsidiaries Accelerating our Sustainability Efforts Our Approach Economic Development
103-2	The management approach and its components	Subsidiaries Accelerating Our Sustainability Efforts Our Approach Economic Development
103-3	Evaluation of the management approach	Subsidiaries Accelerating Our Sustainability Efforts Our Approach Economic Development

GRI 103: Management's Approach 2016

Economic

Economic Performance 2016

201-1	Direct economic value generated and distributed	How We Empower Economic Development Raya FY21 Earnings Release
201-2	Financial implications and other risks and opportunities due to climate change	Megatrends, Risks, and Opportunities
201-3	Defined benefit plan obligations and other retirement plans	Our Employees
201-2	Financial implications and other risks and opportunities due to climate change	Megatrends, Risks, and Opportunities

Market Presence 2016

202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Both male and female entry level wages are equal
202-2	Proportion of senior management hired from the local community	100% of Raya's senior managers are from Egypt

Indirect Economic Impacts 2016

203-1	Infrastructure investments	Indirect Contributions to Economic Welfare
203-2	Indirect economic impacts	Indirect Contributions to Economic Welfare

Procurement Practices 2016

204-1	Proportion of spending on local suppliers	Widescale Stakeholder Impact
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Environmental

Energy 2016

302-1	Energy consumption within the organization	Energy Management and Efficiencies ESG Metrics: Environmental Indicators
302-3	Energy intensity	Energy Management and Efficiencies ESG Metrics: Environmental Indicators
302-4	Reduction of Energy Consumption	Energy Management and Efficiencies ESG Metrics: Environmental Indicators

Water and Effluents 2018

303-1	Interactions with water as a shared resource	Energy Management and Efficiencies ESG Metrics: Environmental Indicators
303-2	Management of water discharge-related impacts	Energy Management and Efficiencies ESG Metrics: Environmental Indicators
303-3	Water withdrawal	Energy Management and Efficiencies ESG Metrics: Environmental Indicators

303-5	Water consumption	Energy Management and Efficiencies ESG Metrics: Environmental Indicators
Water and Effluents 2018		
305-1	Direct (Scope 1) GHG emissions	Energy Management and Efficiencies ESG Metrics: Environmental Indicators Carbon Footprint
305-4	GHG emissions intensity	Energy Management and Efficiencies ESG Metrics: Environmental Indicators Carbon Footprint
305-3	Other indirect (Scope 3) GHG emissions	Energy Management and Efficiencies ESG Metrics: Environmental Indicators Carbon Footprint
305-4	GHG emissions intensity	Energy Management and Efficiencies ESG Metrics: Environmental Indicators Carbon Footprint
Waste 2016		
306-1	Waste generation and significant waste-related impacts	Energy Management and Efficiencies ESG Metrics: Environmental Indicators
306-2	Management of significant waste-related impacts	Energy Management and Efficiencies ESG Metrics: Environmental Indicators
306-3	Waste generated	Energy Management and Efficiencies ESG Metrics: Environmental Indicators

306-4	Waste diverted from disposal	Energy Management and Efficiencies ESG Metrics: Environmental Indicators
306-5	Wasted directed to disposal	Energy Management and Efficiencies ESG Metrics: Environmental Indicators

Environmental Compliance 2016

307-1	Non-compliance with environmental laws and regulations	None
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Supplied Environmental Assessment 2016

308-1	New suppliers that were screened using environmental criteria	Not all suppliers are screened based on their environmental performance yet; however, we are working on enhancing their capacity to comply with ESG practices, to enable their social and environmental screening in the future
308-2	Negative environmental impacts in the supply chain and actions taken	Different standards and policies are being adopted which consider supply chains assessment and potential negative impacts

Social

Employment 2016

401-1	New employee hires and employee turnover	Our Employees ESG Metrics: Environmental Indicators
401-2	Benefits provided to full-time employees	Keeping Our People Safe Raya's Employee Handbook
401-3	Parental leave	ESG Metrics: Workforce Indicators

Occupational Health and Safety 2018

403-1	Occupational health and safety management system	Keeping Our People Safe ESG Metrics: Workforce Indicators
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403-5	Worker training on occupational health and safety	Keeping Our People Safe ESG Metrics: Workforce Indicators
403-9	Work-related injuries	Keeping Our People Safe ESG Metrics: Workforce Indicators
403-10	Work-related ill health	Keeping Our People Safe ESG Metrics: Workforce Indicators
Occupational Health and Safety 2018		
404-1	Worker training on occupational health and safety	Our Employees ESG Metrics: Workforce Indicators
404-2	Programs for upgrading employee skills and transition assistance programs	Our Employees
404-3	Percentage of employees receiving regular performance and career development reviews	All employees receive regular performance and career development reviews every year
Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Our Employees ESG Metrics: Workforce Indicators
405-2	Ratio of basic salary and remuneration of women to men	Our Employees ESG Metrics: Workforce Indicators
Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Our Employees ESG Metrics: Workforce Indicators
413-2	Operations with significant actual and potential negative impacts on local communities	Standards and policies are being adopted to screen suppliers, which consider negative societal impacts that maybe caused by members of the supply chain

Supplier Social Assessment 2016

414-1	New suppliers that were screened using social criteria	Suppliers are not yet screened based on their social performance, we are working on enhancing their capacity to comply with ESG practices, to enable their social and environmental screening in the future
414-2	Negative social impacts in the supply chain and actions taken	Policies and strategies are currently being developed to mitigate negative societal impacts that maybe caused by members of the supply chain

Public Policy

415-1	Political Contributions	None
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Customer Health and Safety 2016

416-1	Assessment of the health and safety impacts of product and service categories	Quality, Compliance, and Risk Management
416-2	Incidents of non-compliance concerning health and safety impacts of products and services	No incidents of non-compliance with regulations and/or voluntary codes have been identified

Customer Privacy 2016

418-1	Substantiated complaints concerning breaches of customer	Raya Holding cannot disclose this information
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TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX

TCFD Recommendation	Relevant Section(s) in the Report (or direct answer)	TCFD Recommendation	Relevant Section(s) in the Report (or direct answer)
Governance		Strategy	
a. Describe the board's oversight of climate-related risks and opportunities	Governance Structure ESG Oversight	a. Describe the organization's processes for identifying and assessing climate-related risks.	Our Approach ESG Oversight
b. Describe management's role in assessing and managing climate-related risks and opportunities		b. Describe the organization's processes for managing climate-related risks.	Quality, Compliance, and Risk Management Raya aims to incorporate and integrate fully and clearly a Climate Risk Management procedure into the group's current risk management, this would be achieved through the Sustainability Committee, in line with the Group's Audit Committee.
Strategy		Metrics and Targets	
a. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	ESG Agenda for 2020-2025 Megatrends, Risks, and Opportunities Carbon Footprint Report	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. Describe the organization's processes for managing climate-related risks.	Carbon Footprint Report Raya aims to set clear GHG emission targets on a group-level and across each subsidiary following the quantification of each business line's operational GHG emissions in the coming reporting periods.
b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	Raya has started assessing its operational GHG emissions calculations and aims to expand its scope to fully quantify and manage its carbon footprint across all its lines of business in the coming years on an annual basis. Furthermore, Raya aims to incorporate Climate Change Management in its Sustainability Policy and Approach in order to clearly identify, manage, set clear targets and communicate climate-related risks and opportunities.	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	
c. Describe the resilience of the organization's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.		c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	

UNITED NATIONS GLOBAL COMPACT (UNGC) INDEX

Principles	Description	Relevant Section(s)	Principles	Description	Relevant Section(s)
Principle 1: Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights.	Raya's People	Principle 6: Labor	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Our Employees
Principle 2: Human Rights	Businesses should make sure they are not complicit in human rights abuses.	Raya's People Leading with Good Governance	Principle 7: Environment	Businesses should support a precautionary approach to environmental challenges.	An Environment-Centric Agenda
Principle 3: Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	None of Raya Holding's employees are covered by collective bargaining agreements.	Principle 8: Environment	Businesses should undertake initiatives to promote greater environmental responsibility.	Our Approach An Environment-Centric Agenda
Principle 4: Labor	Businesses should uphold the elimination of all forms of forced and compulsory labor.	Raya's People	Principle 9: Environment	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Our Approach An Environment-Centric Agenda
Principle 5: Labor	Businesses should uphold the effective abolition of child labor.	Raya's People	Principle 10: Anti-Corruption	Businesses should work against corruption in all its forms, including extortion and bribery	Leading with Good Governance

CARBON FOOTPRINT CALCULATIONS

ASSUMPTIONS AND LIMITATIONS

The limitation related to calculating the carbon footprint of Raya HQ, RDC, and Raya Foods is data availability. Scope 1 and Scope 2 emissions are fully covered and calculated in detail. However, Scope 3 emissions are not

fully considered due to data unavailability. For the estimated emissions, some assumptions were made to get an approximate realistic value. Key assumptions made and used in the calculation are listed below:

Assumptions

- For the operational emissions of the three entities under study in 2021, Scope 1 emissions mainly entailed diesel consumption, refrigerants consumption, and firefighting agent leakage, while Scope 2 emissions included electricity consumption.
- Consumption of refrigerants is calculated for AC emissions in Scope 1. However, leakage emissions are not calculated due to data unavailability.
- Firefighting agent leakage rate is assumed to be constant over its lifetime. The actual consumption is not calculated because it was not used in 2021.
- All heavy trucks, medium-sized trucks, minibuses, and buses use diesel as fuel, and gasoline is only used for private cars.
- Airplanes used in business travels are assumed to use jet kerosene as jet fuel.
- Not all the manufacturing-related emissions of equipment used in Raya are calculated for all equipment due to lack of data. However, emission factors during the manufacturing process are mainly extracted from credible sources for those estimated emissions.
- The emission factor of data racks for RDC is obtained from calculating the average value of multiple racks produced by Dell company. Dell company was chosen because its data had the least uncertainty, and it provided various emission factors for different types of racks, which allowed a better estimation of the average value.
- Only plastic waste in Raya HQ is considered due to lack of data.



SUSTAINABILITY REPORT 2021

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