Our Roadmap To Carbon Neutrality

TCI Sanmar Chemicals S.A.E.
Sustainability Report 2023-24

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About this Report

This is our sixth Sustainability Report for TCI Sanmar, highlighting the company's progress in driving sustainable growth and the creation of value for our stakeholders during the period from April 2023 to March 2024. The report aligns with Egypt's Vision 2030, contributing to the country's long-term sustainable development goals. It also provides insights into anticipated trends and challenges within the petrochemical industry, both at the national and regional levels.

Our Sustainability report is prepared on a consolidated basis, encompassing all of our business operations, regardless of function, ensuring a comprehensive overview of our sustainability performance. As in previous years, the 2023-24 report is based on the materiality assessment conducted through extensive stakeholder engagement, and it has been updated to reflect the evolving concerns and priorities of our stakeholders.

In line with the latest global standards, our sustainability disclosures have been prepared in accordance with the Global Reporting Initiative (GRI) standards and aligned with the UN Sustainable Development Goals (SDGs). This updated report reflects our commitment to transparent, responsible, and impactful sustainability reporting, in accordance with our most recent materiality assessment. The report has been externally assured by **TÜV HELLAS (TÜV NORD) S.A.**

Chairman's Message

Dear Stakeholders,

As we reflect on our sustainability journey, I am proud to present our sixth Sustainability Report, centered around our commitment to achieving Net Zero emissions. In 2024, we are at a critical juncture—where the choices we make today will shape the world for future generations. At TCI Sanmar, we recognize the importance of these choices, and we are determined to lead the way in decarbonizing our operations while continuing to contribute positively to society.

Our Path to Net Zero Emissions

The global call for climate action has never been louder, and we have embraced this challenge wholeheartedly. Our commitment to Net Zero is not just a long-term vision, but a roadmap for how we operate day-to-day. Over the past year, we have introduced several initiatives that are already reducing our environmental impact, from implementing cutting-edge technologies to optimizing resource use and improving energy efficiency.

A key element of our strategy has been reducing our reliance on traditional energy sources by studying renewable energy solutions. The microturbines project is under execution in the company and will be completed in the coming year. Integration of hydrogen boilers is another project under development. All these initiatives are focused upon our commitment to reduce our carbon footprint. We are exploring available opportunities in this aspect and will execute a program to leverage the upcoming Public-Private Partnerships (PPP) projects in Egypt. These innovations are not just about technology—they are about reshaping how we think about and manage energy across our operations.

Leading With Responsibility

While Net Zero is a core focus, our commitment to sustainability extends beyond just the environment. At the heart of our efforts are the people who make our progress possible—our employees, our communities, and our partners. We believe that true sustainability means ensuring that every action we take benefits both the planet and the people we work with. Our workforce continues to be a vital part of our sustainability journey. We have expanded our training programs to ensure our teams are equipped with the skills and knowledge to drive our sustainability efforts forward. Additionally, we've fostered a culture of innovation and collaboration through cross-functional teams, bringing diverse perspectives together to solve complex challenges.

With an objective to achieve production at 100% design capacity on a consistent and reliable manner, the company had engaged with a leading international consulting firm to study the features of plant management and suggest improvements. The support included framing maintenance strategies, defining measures to analyze and improve key operational metrics for daily review, evaluating operational improvement areas including capacity building and talent management.

An operations transformation program has been implemented to achieve excellence in operations, plant maintenance, asset reliability, procurement and human resource management. The implementation of the transformation program has reflected in significant improvement in plant operations including achieving capacity production, optimizing energy consumption, and improving environmental standards. The company also embarked upon a safety culture transformation journey under the caption `SANSAFE' supervised by a leading international safety consulting firm in advising on plant safety.

Community Impact and Social Responsibility

Our commitment to sustainability also extends to the communities we serve. We continue to focus on impactful social initiatives, partnering with local organizations to support education, health, and economic development. Through our Corporate Social Responsibility (CSR) programs, we aim to create lasting change, empowering individuals and communities to thrive alongside us.

Innovation in Action

One of the most exciting aspects of our *Net Zero* strategy is how it is driving innovation across the company. Sustainability is not just about reducing emissions—it's about rethinking the way we do business. From investing in clean technologies to revamping our processes to maximize resource efficiency, we are reengineering our operations to be more sustainable in every sense. These changes have not only reduced our environmental footprint but have also made our business more resilient and adaptable.

The Road Ahead

While we have made significant progress, the journey toward *Net Zero* is far from complete. We remain committed to transparent reporting and continual improvement, ensuring that our stakeholders are fully informed of our advancements. The steps we are taking today will help us meet our future targets, but more importantly, they will contribute to a healthier, more sustainable planet.

As we look ahead, I am confident that by working together—employees, partners, communities, and stakeholders—we can continue to make meaningful strides toward a sustainable future. Together, we can lead the way toward achieving *Net Zero* and set new standards for what is possible in sustainable industrial practices.

Thank you for your continued trust and partnership as we work toward these ambitious goals.

P S Jayaraman
Chairman
TCI Sanmar Chemicals S.A.E.

CONTENTS

1. ROAD TO NET ZERO

1.1 ROAD TO NET ZERO APPROACH

In its journey towards achieving net-zero emissions, TCI Sanmar has developed a long-term sustainability roadmap aligned with both international climate targets and the specific needs of the chemical manufacturing sector. The "Road to Net Zero" strategy focuses on reducing greenhouse gas (GHG) emissions from all operational scopes (1, 2, and 3), with a goal of net-zero emissions by 2050, in line with global frameworks such as the Paris Agreement.

Operational Efficiency & Energy Management

Carbon Reduction Technologies & Innovation

Sustainable Supply Chain & Scope 3 Emissions

TCI Sanmar is committed to optimizing its operational efficiency across all facilities, including investments in energy-efficient technologies and modernization of manufacturing processes to lower emissions. A priority area is transitioning from fossil fuel-based energy to renewable energy, focusing on Scope 2 emissions. Additionally, the company is implementing advanced energy management systems to monitor and minimize energy consumption in real-time, enabling further reductions in energy intensity per unit of production.

TCI Sanmar is exploring the use of emission capture and utilization technologies within its chemical manufacturing operations, to mitigate Scope 1 emissions from its production processes. The integration of hydrogen and other low-carbon fuels is being evaluated to reduce emissions related to industrial heat generation. Furthermore, the company is investigating solutions to minimize energy wastage, leading to reductions in carbon intensity.

A significant part of the net-zero strategy involves collaborating with suppliers and customers to manage Scope 3 emissions. TCI Sanmar is working with key partners across the supply chain to source sustainable raw materials and reduce the emissions that are associated with transportation, distribution, and logistics. Engaging on a sustainable procurement policy will ensure that carbon emissions are factored into purchasing decisions, fostering transparency and accountability throughout the value chain.

The net-zero plan supports a circular economy approach by reducing waste and optimizing resource use. TCI Sanmar is aiming to minimize its environmental footprint by implementing sustainable waste management practices, such as reusing by-products from chemical processes and adopting closed-loop systems where feasible. This reduces both emissions and resource depletion, supporting the overall goal of decarbonization and contributing to environmental conservation.

Circular Economy & Waste Minimization

Employee Engagement & Capacity Building

Transparency, Monitoring & Reporting

1.2 SUSTAINABILITY METRICS

TCI Sanmar tracks various sustainability performance metrics to monitor and enhance performance. These metrics are aligned with global standards GRI framework and reflect the company's commitment to sustainability.

7M USD

Environmental Expenditure, 23% increase compared to the previous year

500

Supported Families During Ramadan

14%

Reduction in Operating Cost

32%

Increase In Total Assets

18%

Increase in Total PVC Production Volume

13%

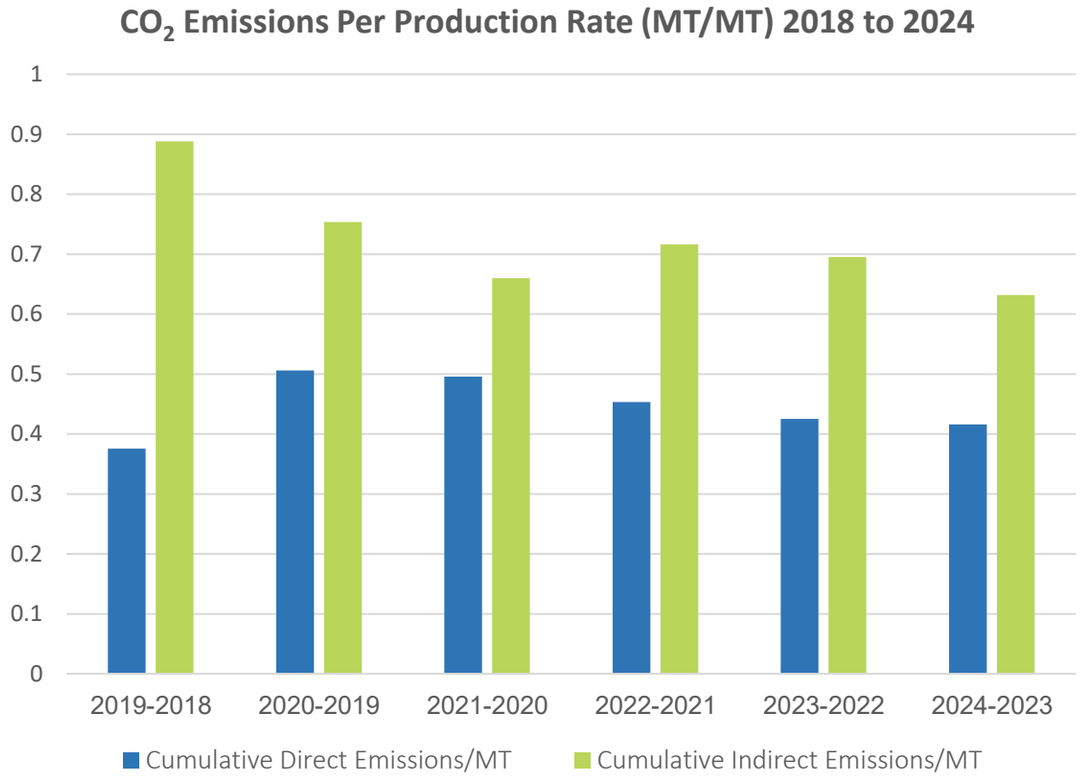
Increase in Total $CaCl_2$ Production Volume

6,000

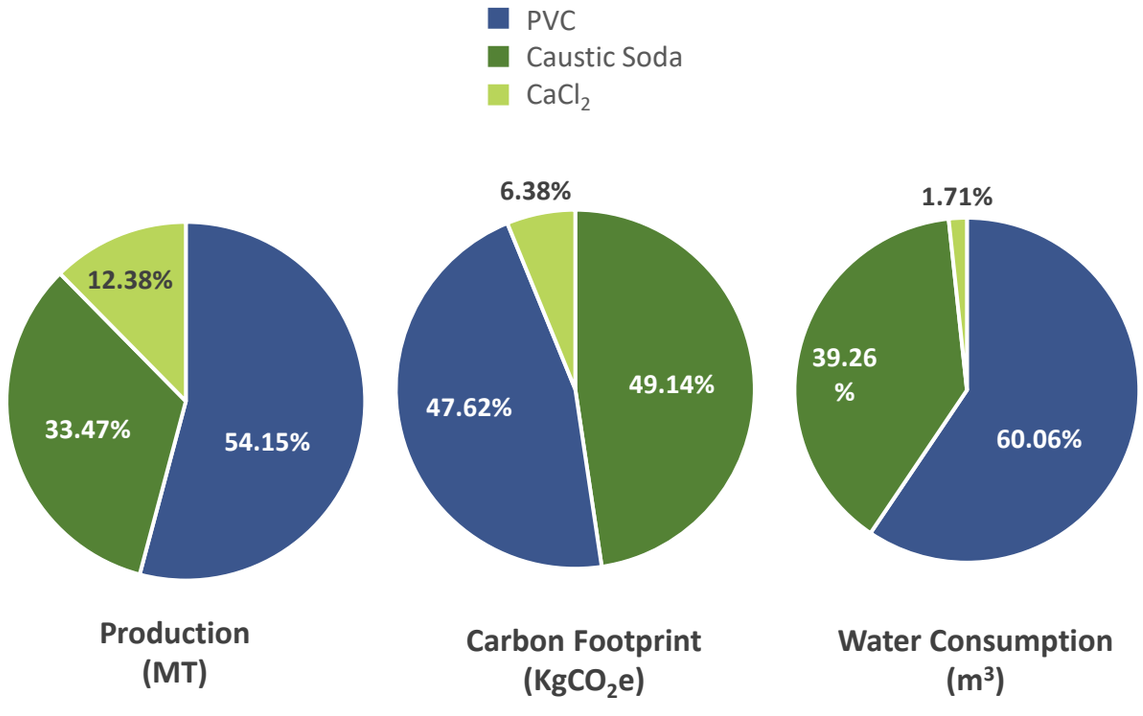
Trees Planted

64%

Exports to Global Market



TCI Sanmar total Production Rate, Carbon Footprint and Water Consumption for PVC, Caustic Soda, $CaCl_2$, during 2023-2024.



1.3 MATERIALITY ASSESSMENT

GRI 3-3 GRI 3-1 GRI 3-2

The materiality assessment is a fundamental part of TCI Sanmar's sustainability strategy, focusing on ESG issues most significant to stakeholders and the business from all company's internal departments. This process is aligned with the **Global Reporting Initiative (GRI) Standards**, specifically GRI 3-1, GRI 3-2, and GRI 3-3, providing the framework for identifying and prioritizing material topics ensuring transparency, responsiveness to stakeholders, and strategic alignment with global sustainability trends.

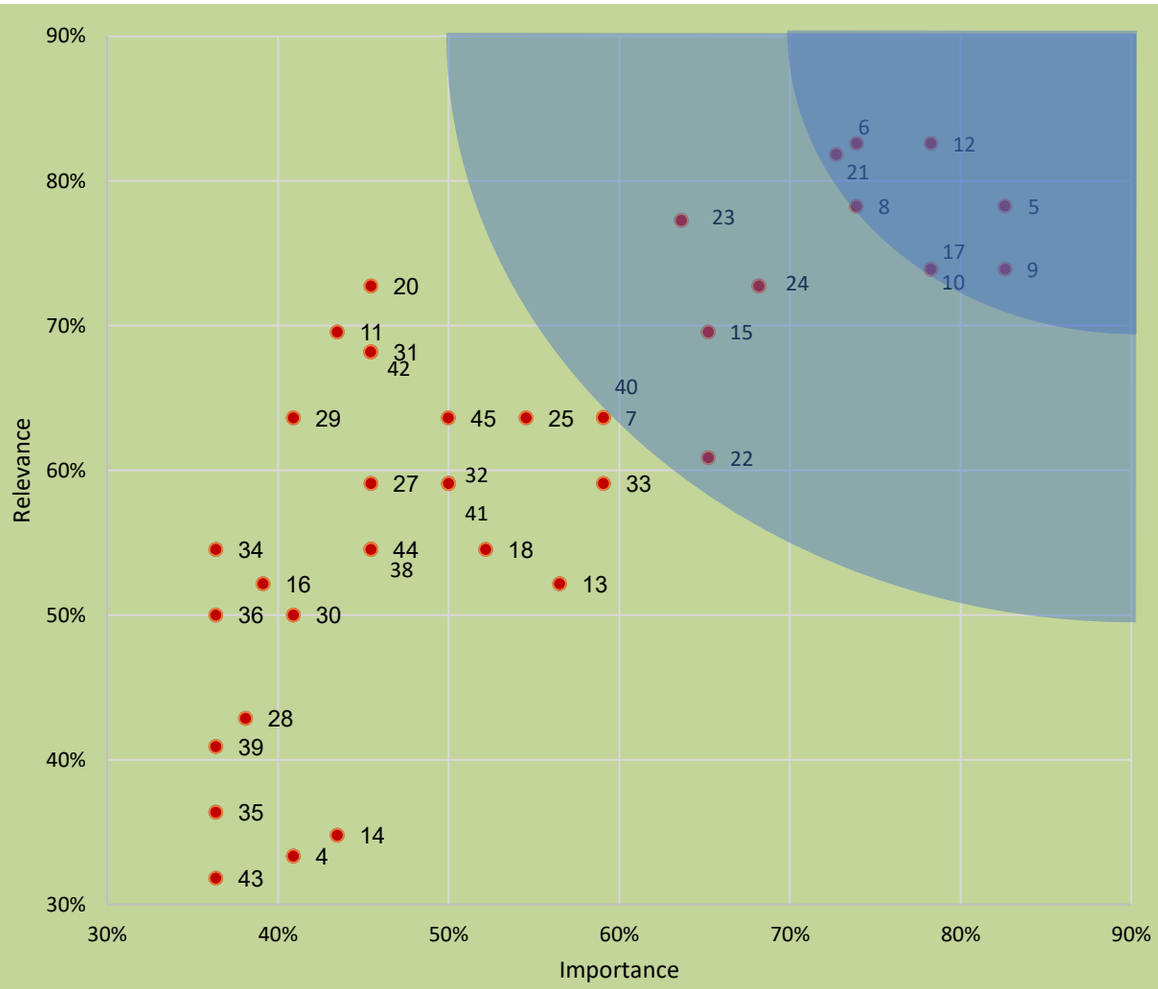
Methodology
The process involved a multi-step approach to gather input from both internal and external stakeholders to align reporting with the concerns and expectations of the company's diverse audiences.

Survey & Stakeholder Engagement
A comprehensive survey was designed and distributed to a wide range of stakeholders through the SurveyMonkey platform, where various sustainability topics were ranked on a scale from 1 (lowest importance) to 5 (highest importance) based on their relevance and significance.

Data Analysis
The responses from the survey were analyzed using the **Net Score Methodology**, which helps quantify the perceived importance of each material topic. The net score for each topic was calculated by subtracting the percentage of low importance scores (1s and 2s) from the percentage of high importance scores (4s and 5s). This approach ensures a balanced representation of stakeholder perspectives, reflecting both the positive and negative opinions on each topic. The results were then plotted on a materiality matrix, with the **x-axis** representing the **Importance** to stakeholders and the **y-axis** representing the **Relevance** to the business.

Focus Groups
Focus groups were conducted with various internal departments to further explore the materiality topics and ensure the inclusion of key issues that may not have been adequately captured by the survey. These sessions allowed for deeper discussions on the alignment between the company's strategic priorities and stakeholder expectations.

Results
As per GRI 3-3: Management of Material Topics, the high-priority topics identified in the matrix will be managed proactively, and detailed disclosures related to these topics will be provided in the respective sections of this sustainability report. Each topic will be reported in line with relevant GRI standards, including specific performance indicators and management approaches.



5 GRI 2-5 External Assurance
9 GRI 201 Risks & opportunities
12 GRI 417 Marketing and Labeling
6 GRI 1 Reporting & Transparency
22 GRI 302 Energy
23 GRI 305 Emissions
21 GRI 308 Supplier Environmental Assessment
8 GRI 204 Procurement Practices
17 GRI 403 Occupational Health and Safety
24 GRI 303-306 Water, Effluents & Waste
15 GRI 418 Customer Privacy
10 GRI 307 Environmental Compliance

Materiality Matrix

Additional material topics generated from the focus groups:
GRI 201 Economic Performance --- GRI 401 Employment --- GRI 207 Tax --- GRI 402 Labor/Management Relations --- GRI 404 Training and Education --- GRI 301 Materials

1.4 SUSTAINABILITY STRATEGY & VISION

Our Vision for a Sustainable Future

Our sustainability vision is centered on a long-term commitment to achieving operational excellence, environmental stewardship, and community engagement. We believe that sustainable development is the key to securing a prosperous future for our company and the communities in which we operate. Our strategy aligns with Egypt's national development vision 2030 and the global UN 2030 Sustainable Development Goals (SDGs).

Our vision is to establish TCI Sanmar as a leader in sustainable chemical manufacturing, known for minimizing environmental impacts, enhancing social responsibility, and promoting economic growth through innovative practices. We aim to create a low-carbon and resource-efficient future by focusing on key sustainability pillars.

Environmental Stewardship

Achieving Carbon Neutrality: We are dedicated to reducing greenhouse gas emissions across our operations. Our long-term goal is to achieve zero carbon emissions through the continuous implementation of energy efficiency measures through the adoption of renewable energy and innovations in process optimization.

Energy Efficiency: We are systematically converting our electrolyzer membranes to zero-gap technology, reducing power consumption by millions of kilowatt-hours annually. This will contribute significantly to our goal of reducing carbon intensity in our production processes.

Waste Minimization and Recycling: Through the installation of high-efficiency motors and micro-turbines to generate electricity from steam, we are reducing both energy consumption and waste generation. Additionally, our Zero Liquid Discharge (ZLD) system ensures that no wastewater is released into the environment.

Water Conservation and Management: Water is a critical resource in our operations, and TCI Sanmar is committed to using it responsibly. Our strategy focuses on reducing water consumption, increasing the recycling of process water, and ensuring that our effluent discharge meets the highest environmental standards.

ZLD Technology: Our ZLD system plays a crucial role in recycling water within our operations, reducing our reliance on freshwater resources and contributing to a circular water management approach.

Sustainable Water Withdrawals: By using borewell and municipal water efficiently, alongside treating wastewater for reuse, we ensure minimizing our environmental footprint and reducing the strain on local water supplies.

Social Responsibility

Workplace Safety and Well-being: Safety is paramount at TCI Sanmar. Through our SANSAFE program and Occupational Health and Safety Management System (OHSMS) based on ISO 45001, we continuously strive for "Zero Incidents". We provide ongoing safety training, risk assessments, and employee engagement to create a culture where safety is everyone's responsibility.

Employee Development and Diversity: We foster an inclusive and diverse workplace where employees can grow, innovate, and contribute to the company's success. Programs like the Graduate Engineer Trainee (GET) program equip young engineers with the skills to drive innovation and operational excellence. Moreover, we prioritize continuous training for employees across all levels.

Community Engagement and Social Impact: TCI Sanmar is dedicated to improving the communities where we operate. Our social initiatives focus on education, healthcare, and environmental protection. We partner with local institutions such as the Elswedey Technical Academy to provide training, enhance employability, and support sustainable community development.

Human Rights and Labor Practices: We are committed to upholding fair labor practices, ensuring diversity, inclusion, and equal opportunity for all employees. This includes compliance with local and international labor laws and offering fair compensation and benefits packages. We maintain a strong focus on employee engagement through regular performance reviews and development opportunities.

Economic Sustainability

Operational Excellence and Innovation: TCI Sanmar continuously invests in improving the reliability and efficiency of our production facilities. Notable initiatives include the VCM-2 debottlenecking project, which has increased production from 250 TPD to 290 TPD, and the development of new PVC products tailored to market demands, such as K57 and K70 grades.

Responsible Growth and Innovation: We invest in sustainable technologies and innovations that enhance efficiency, reduce costs, and generate value for our business and stakeholders. This includes leveraging digital transformation, process automation, and smart manufacturing solutions.

Supply Chain Resilience: In response to risks such as currency devaluation and foreign currency shortages, we are developing alternative domestic sources for key raw materials, reducing reliance on imported items, and enhancing our supply chain resilience.

Risk Management: We proactively manage risks through comprehensive risk assessments and mitigation strategies. These include safeguarding against economic volatility, regulatory changes, and operational disruptions. By addressing risks like employment-related lawsuits, customer complaints, and single-source raw material dependency, we ensure a stable and resilient business environment.

2. GOVERNANCE

2.1 Governance and Compliance
2.2 Board of Directors
2.3 Stakeholders & Policies
2.4 Organizational Chart
2.5 Risk Management

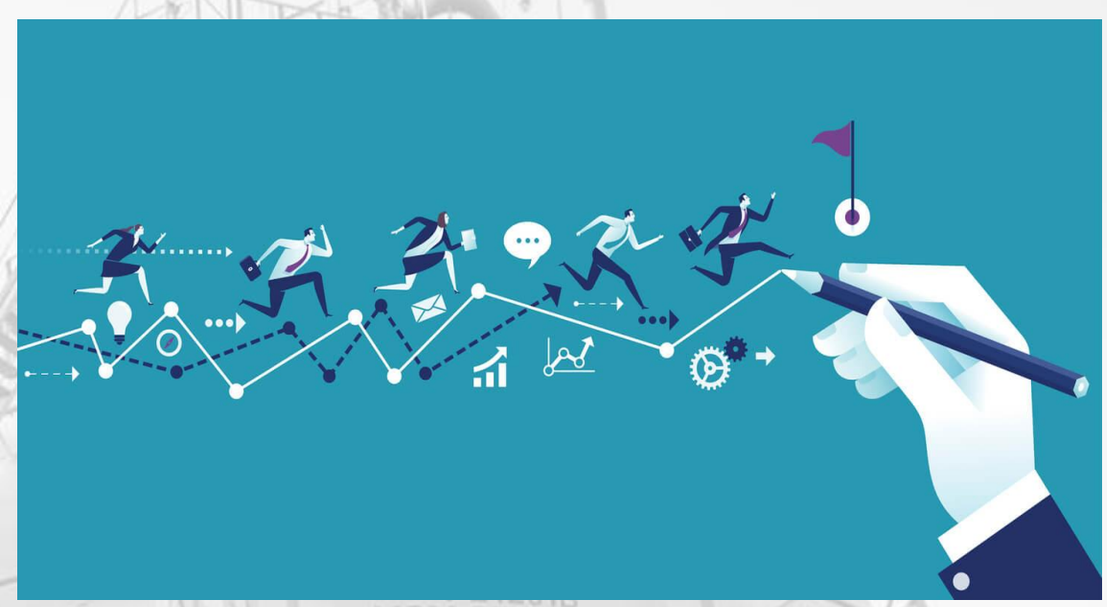
2.1 GOVERNANCE & COMPLIANCE

GRI 2-6 GRI 2-3 GRI 2-1 GRI 2-4 GRI 2-2

TCI Sanmar Chemicals S.A.E., headquartered in Port Said, Egypt, operates primarily within Egypt, focusing on the sustainable production of chemicals and petrochemicals. The campus includes the plant and other facilities at the same location. The company is an entity under Egyptian corporate laws and specializes in the chemical industry, serving both local and international markets with a broad range of petrochemical products for various industries. As part of Sanmar Group, we do not have any subsidiaries or joint ventures. This Sustainability Report covers the financial year from April 1, 2023, to March 31, 2024, and is published on an annual basis. For any inquiries regarding this report, stakeholders can contact the TCI Sanmar Environmental Department at mhh1t@tci.Sanmargroup.com. Additionally, there are no restatements of information from previous sustainability reports.

The company operates in the chemical industry, focusing on petrochemical production and distribution. The company upholds a robust value chain system, incorporating sustainability criteria in its selection and management of suppliers, contractors, and service providers. Through integrating Environmental, Social, and Governance (ESG) factors in our supply chain processes, we aim to foster sustainable development and create positive economic impacts throughout.

As part of our sustainability strategy, we prioritize compliance with national and international regulations. We are committed to conducting regular audits, staying updated with evolving regulatory frameworks, and fostering a culture of compliance across all levels of the organization.
At TCI Sanmar, we take a proactive approach to ensure compliance with employment laws and data privacy regulations by regularly updating our policies and conducting audits to identify and mitigate potential risks. This approach helps safeguard the rights of our employees and ensures that we remain aligned with local and international standards. In terms of supply chain management, we prioritize working with suppliers who share our commitment to sustainability. By carefully selecting partners that uphold ethical labor standards and engage in responsible sourcing practices, we reinforce our dedication to ethical and sustainable business operations across the entire supply chain.



Our Strategic Goals

Achieve Zero Incidents:
- Through robust safety programs, regular audits, and continuous training, we are working towards a target of zero workplace incidents by 2026.

Reduce Carbon Footprint:
- TCI Sanmar aims to significantly reduce its carbon emissions by 2030, aligned with global climate action targets. This includes investments in renewable energy and energy-efficient technologies.

Enhance Resource Efficiency:
- By 2025, we aim to reduce our waste generation and water consumption by 20%, reinforcing our commitment to resource conservation.

Foster Employee Engagement and Growth:
- We will continue to expand our employee development programs, ensuring 100% of our workforce receives regular performance reviews and career development opportunities.

Enhance Resource Efficiency:
- Strengthening our community partnerships, we aim to positively impact the lives of 5,000 individuals through education and health initiatives by 2025.

2.2 BOARD OF DIRECTORS

GRI 2-13 GRI 2-11 GRI 2-14 GRI 2-12

5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

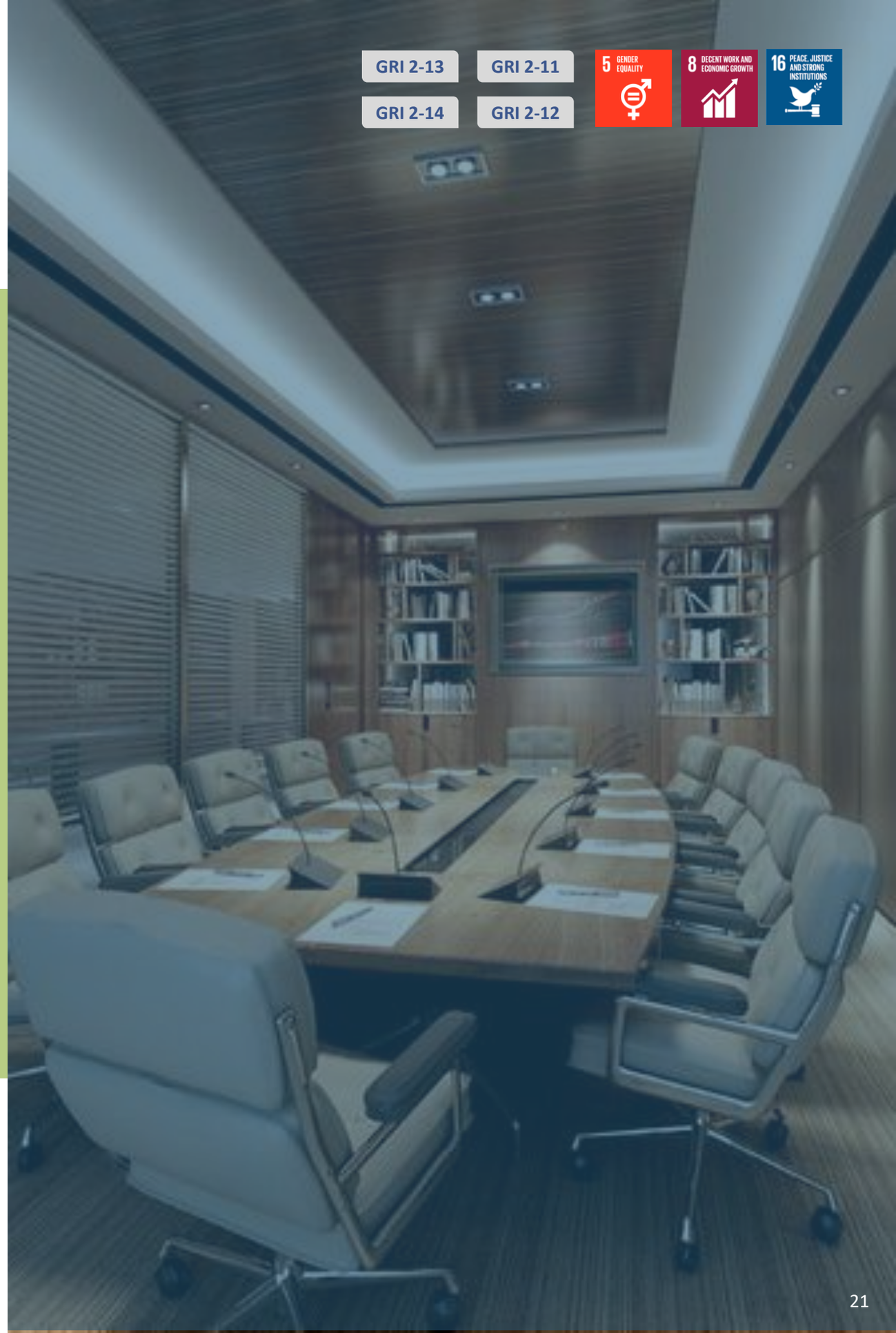
The governance structure of TCI Sanmar is designed to foster value creation and ensure accountability. At the core of this structure is the Board of Directors (BoD), which consists of 11 members as of March 2024, representing various stakeholder groups. The BoD oversees the strategic direction of the company, risk management, and sustainability goals. Additionally, specialized committees—including the Environment Committee, Health and Safety Committee, and CSR Committee—support the governance framework and drive progress toward sustainability targets.

The Chair of the BoD at TCI Sanmar holds the highest administrative authority within the organization and plays a critical role in steering the company's strategic vision. The Chair ensures that governance policies are strictly adhered to, focusing on sustainable growth and risk mitigation.

The BoD actively oversees the management of economic, environmental, and social impacts at TCI Sanmar. The CSR Committee and other subcommittees regularly report to the BoD on sustainability initiatives, supply chain risk management, and occupational health and safety performance. These insights are used to shape the company's sustainability strategy and ensure alignment with stakeholder interests.

Responsibility for managing sustainability impacts is delegated to relevant departments within TCI Sanmar, including the Health and Safety Department, the Risk Control System, and the CSR Committee. These departments report to the BoD and ensure that sustainability priorities are integrated into all areas of the business. The Environmental Department Manager plays a key role in monitoring the execution of sustainability initiatives.

While the BoD does not directly manage sustainability reporting, it oversees the process through the CSR Committee, ensuring transparency, accuracy, and compliance with applicable standards. The BoD formally approves all major sustainability initiatives and reviews the outcomes during annual meetings.



2.3 STAKEHOLDERS & POLICIES

GRI 2-19 GRI 2-27 GRI 2-25 GRI 2-23 GRI 2-16
GRI 2-10 GRI 2-28 GRI 2-26 GRI 2-24 GRI 2-22

Chair of the BoD at TCI Sanmar holds the highest administrative authority within the organization and plays a critical role in steering the company's strategic vision. The Chair ensures that governance policies are strictly adhered to, focusing on sustainable growth and risk mitigation. TCI Sanmar has implemented robust mechanisms for communicating critical concerns throughout the organization. Employees, contractors, and suppliers are encouraged to report issues through established channels, including a whistleblowing mechanism. This mechanism allows for early detection and prevention of potential risks related to ethical violations, environmental hazards, and compliance issues. The concerns raised are reviewed by the relevant committees, including the Audit and Risk Management Committees, ensuring prompt and appropriate action.

At TCI Sanmar, sustainability is integrated into every aspect of our operations. The strategy focuses on creating long-term value for all stakeholders, promoting environmental stewardship, and fostering social responsibility. By adhering to our governance framework and sustainability management system, TCI Sanmar ensures that its actions contribute to the global Sustainable Development Goals (SDGs). The company's core pillars—integrity, stakeholder prosperity, continuity, and excellence—guide our pursuit of sustainable growth, responsible business practices, and transparency in governance.

TCI Sanmar is governed by a comprehensive set of policies that reflect our commitment to sustainability and ethical business practices. These include the Code of Conduct, the Policy Statement of Ethics, the Code of Corporate Governance, and industry best practices in corporate governance. Our operations align with national and international regulations, including labor laws, human rights standards, and environmental laws.

To ensure that policy commitments are embedded throughout the organization, we conduct regular training sessions for employees, suppliers, and contractors, which cover a wide range of topics, including ethical behavior, human rights, and environmental management. The Code of Conduct serves as a key document, outlining responsibilities of all stakeholders in upholding the company's sustainability principles. TCI Sanmar's executive leadership and various committees regularly monitor compliance with these policies, ensuring continuous adherence across the organization.

The company has established a formal process to address and remediate any negative environmental, social, or governance impacts caused by its operations. The company's Risk Management System plays a crucial role in identifying potential issues, and the CSR and Audit Committees oversee the implementation of corrective measures. Stakeholders are encouraged to report grievances through established channels, and all reported concerns are investigated thoroughly. Remedial actions are taken based on the nature and severity of the impact, ensuring that adverse effects are mitigated promptly.

TCI Sanmar encourages employees, suppliers, and contractors to voice concerns without fear of retaliation through our whistleblowing mechanism. This system provides a confidential and secure channel for reporting any violations of company policies, including unethical behavior, regulatory non-compliance, or environmental risks. Additionally, stakeholders can seek advice or clarification on company policies through internal communication channels, ensuring that they are fully informed about TCI Sanmar's sustainability practices.

TCI Sanmar does not currently have formalized remuneration policies for its highest governance body or senior executives. Compensation decisions are guided by broader corporate objectives, focusing on maintaining competitiveness within the industry and rewarding contributions to the company's operational and strategic goals. While remuneration policies are not explicitly documented, TCI Sanmar is committed to ensuring fairness and transparency in compensation decisions. The company acknowledges the importance of aligning compensation with sustainable performance outcomes and intends to explore opportunities for formalizing these policies in alignment with evolving governance standards and best practices.

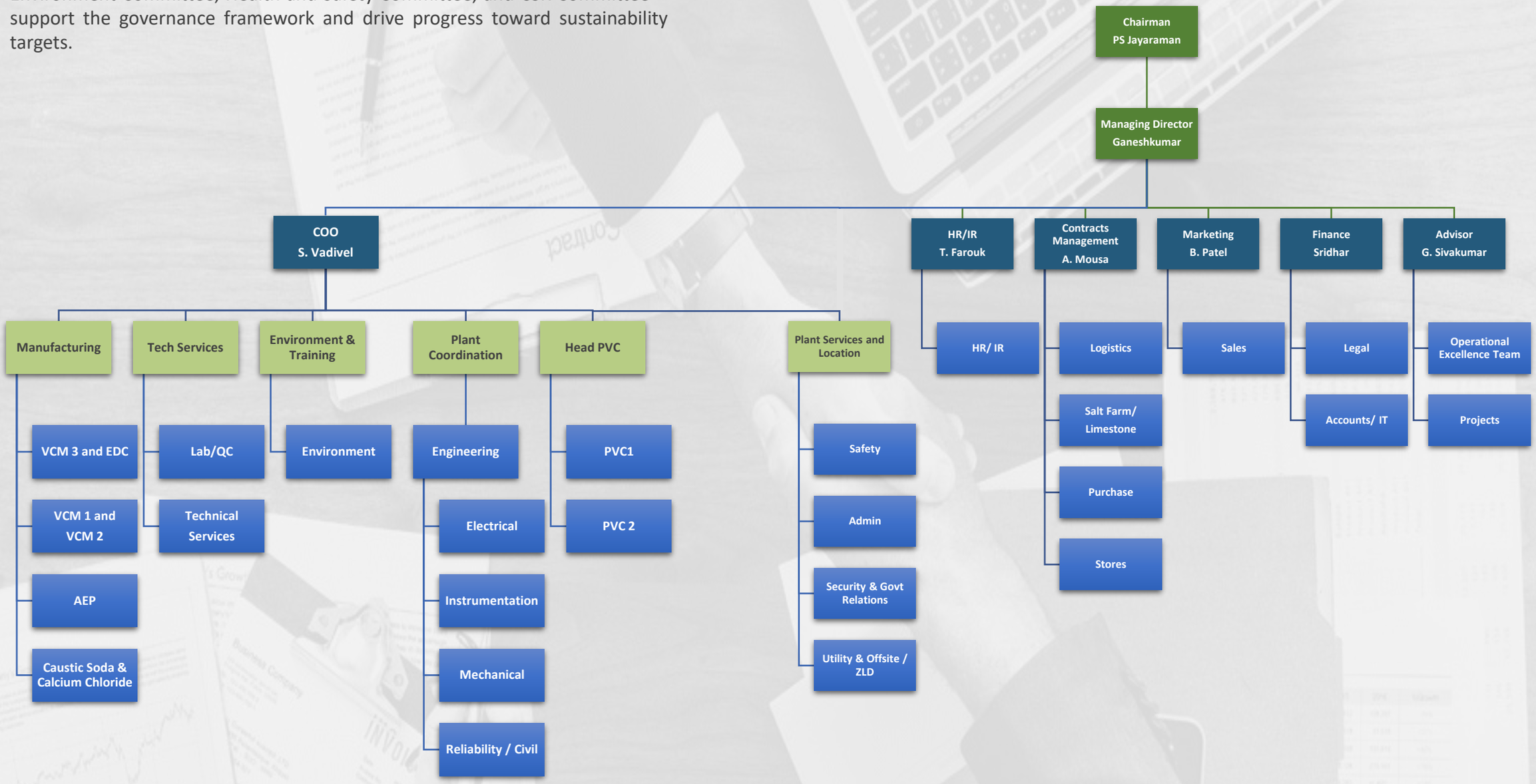
We comply with all applicable laws and regulations in our operations, including environmental, labor, and safety regulations. The company has not recorded any incidents of non-compliance with environmental laws and regulations in the reporting period. Through regular audits and reviews, TCI Sanmar ensures that its operations are fully aligned with national, and international legal requirements, further safeguarding its reputation and stakeholder trust.

TCI Sanmar is a member of several key industry associations, both locally and internationally. These memberships provide opportunities to engage with peers, share best practices, and collaborate on sustainability initiatives. The company actively participates in industry forums and is committed to promoting sustainability standards within the chemical industry. Specific associations and organizations to which TCI Sanmar belongs will be disclosed in future reports.

2.4 ORGANIZATIONAL CHART

GRI 2-9

The governance structure of TCI Sanmar is designed to foster value creation and ensure accountability. At the core of this structure is the Board of Directors (BoD), which consists of 11 members representing various stakeholder groups. The BoD oversees the strategic direction of the company, risk management, and sustainability goals. Additionally, specialized committees—including the Environment Committee, Health and Safety Committee, and CSR Committee—support the governance framework and drive progress toward sustainability targets.



Organizational Chart

2.5 RISK MANAGEMENT

At TCI Sanmar, we recognize that effective risk management is crucial for maintaining compliance and ensuring business continuity. Our approach to risk management includes identifying potential risks, implementing proactive mitigation strategies, and regularly reviewing the status of each risk to adapt as needed.

1. Non-Compliance with Employment Laws and Regulations

We face the potential risk of non-compliance with employment laws, including labor standards and data privacy regulations. To mitigate this risk, we stay continuously updated on relevant laws and regulations, conduct regular compliance audits, and provide compliance training to our employees. Additionally, maintaining accurate employee records is a key focus. Given the complexity and evolving nature of these regulations, we have assessed this risk as high.

2. Attracting and Retaining Top Talent

The competition for top talent in the market can pose challenges to our recruitment and retention efforts. To address this, we offer competitive compensation and benefits packages, employ effective recruitment strategies, and foster a positive work environment that encourages employee satisfaction and retention. This risk is currently considered medium, with ongoing efforts to maintain our position as an attractive employer in the market.

3. Employment-Related Lawsuits and Claims

The risk of facing employment related lawsuits, including discrimination claims or wrongful termination cases, is mitigated by our clear and fair employment policies.
We provide comprehensive training to managers on legal compliance and ensure that all disciplinary actions and performance reviews are properly documented. Legal counsel is consulted as needed, helping us keep this risk at a medium level.

4. Fire Fighting System Modification Delays

Delays in the firefighting system modification project could impact our safety protocols. To address this, we are in the process of hiring a new fire engineer who will oversee the timely completion of the project. The risk is actively being managed with ongoing recruitment efforts.

5. Economic and Regulatory Risks

There are several macroeconomic factors pose challenges to our operations, including the local currency devaluation, shortage of foreign currency, and changing taxes and importing laws. To mitigate these risks:

I. We are reducing reliance on imported materials by replacing them with domestic sources.
II. Discussions with the authorities have helped reduce customs duty on key raw materials, such as EDC, to 0%.
III. We continue to assess and adapt to changing taxes and regulations, viewing regulatory changes as an opportunity to demonstrate our adaptability and compliance with new systems.

6. Single Sources for Key Raw Materials

Relying on single suppliers for key raw materials presents supply chain risks. We are actively developing alternative sources to mitigate this risk, ensuring the continuity of operations as well as reducing dependence on single suppliers.

7. Customer Complaints

Quality complaints from customers are a significant challenge for our team, as unresolved issues can negatively impact key performance indicators (KPIs). We are committed to addressing complaints technically and promptly to minimize their impact on our overall performance. While the risk remains present, we continuously work to improve our processes.

8. Employee Shortage

Resource constraints within certain departments, particularly due to employee shortages, pose a risk to fulfilling both customer and management requirements. As we strive to meet growing demands with limited resources, this has become a significant challenge. We are focused on optimizing current resources and are exploring solutions to address this risk proactively.

3. ECONOMIC PERFORMANCE

3.1 FINANCIAL PERFORMANCE OVERVIEW

GRI 201-1
GRI 3-3

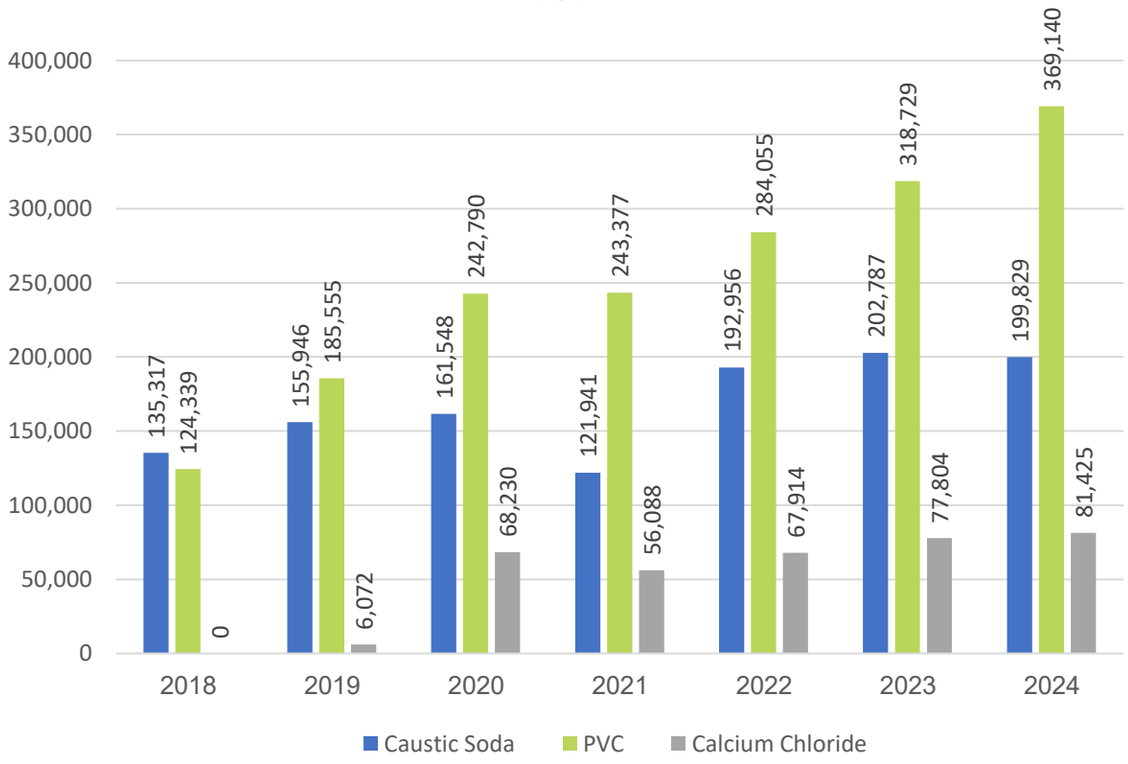
In 2024, Fitch Ratings maintained Egypt a B+ rating but highlighted economic vulnerabilities, although a $35 billion investment deal with UAE improved liquidity prospects.
This rating reflected Egypt's ongoing economic challenges, including high inflation, a weakening currency, and pressure on foreign reserves. Despite some reform efforts and the external funding, vulnerabilities remained in the economy, contributing to the cautious outlook. In the short term, Egypt remains vulnerable to global economic shocks, notably the war in Gaza and the continuation of the Russian – Ukrainian Conflict, which pose a security risk in the Red Sea and could impair tourism receipts and Suez Canal revenues.
Moreover, the Egyptian economy benefits from a large base of consumers, diversified economy, strategic geopolitical location, in addition to several free trade agreements.
However, the structural transformation is impeded by slow private sector growth. Such challenges and strengths of the Egyptian Economy reflect on the economic performance of TCI Sanmar.

TCI Sanmar's economic results are usually evaluated through Key Performance Indicators (KPIs) like gross revenue, total assets, current and quick ratios, earnings before interest and taxes (EBIT), and net earnings. The accuracy of these TCI Sanmar's economic outcomes are confirmed through independent audits and internal safeguards.

TCI Sanmar has faced two major economic challenges during FY 2023-24 which are the shortage of funds and the global interest rates. However, the company had to switch to the export of PVC, even at the cost of compromising margins, to meet its forex obligations, and it has Loans which bear floating interest rate (LIBOR/SOFR/CBE Overnight rate). It is worth mentioning that one of the major economic opportunities for TCI Sanmar is the annual increasing demand for PVC, but still the market low prices is causing a challenge.

This FY 2023/24 was a successful period, with record-breaking production levels in VCM, PVC, and Calcium Chloride activities. Both VCM and PVC saw their production rates hit 99% utilization during the second half of the year. Due to the challenging foreign exchange (forex) in Egypt, the company faced difficulties in converting its surplus EGP into USD. This predicament led the company to focus more on exporting PVC, even at lower profit margins, to cover its foreign exchange needs, primarily for buying raw materials and repaying loans. The exchange rate situation in the country has begun to improve, and the company is optimistic about boosting its local sales this year (2024-25), which will help in enhancing its profits and margins. Although the current national economic challenges, TCI Sanmar has achieved an increase in the total production volume of approximately 10%. This can be attributed to the increase in the PVC sales by 50,411 MT.

Sales Growth by Product Category (USD) – 2016 to 2024



3.2 FINANCIAL HIGHLIGHTS

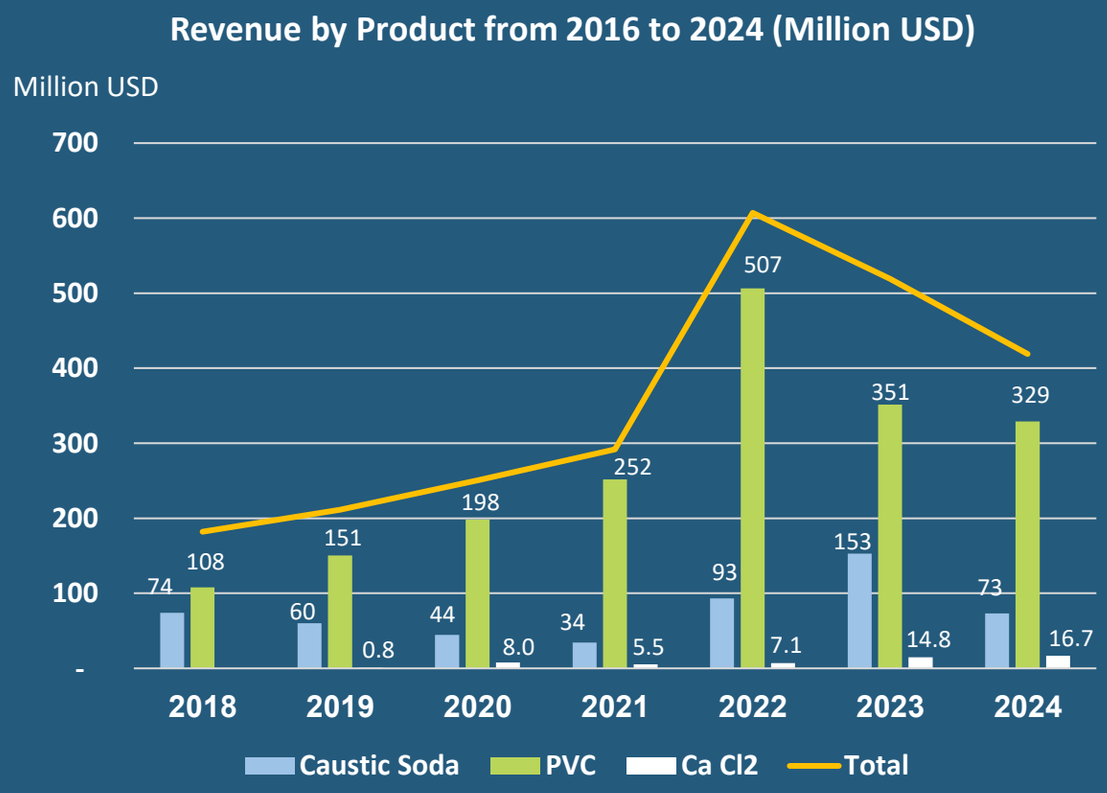
10%
increase in total production Volume

GRI 201-1

The following figures provide financial highlights for TCI Sanmar in comparison to the previous years. Revenues were probably impacted by low PVC prices and the devaluation of the EGP, but thanks to the TCI Sanmar team in reducing the operating costs by approximately 14%.

TCI Sanmar Financial Highlights 2019-2024 (USD)

Year	2019-20		2020-21	2021-22	2022-23	2023-24
Revenue (Net Sales + Financial Investments + Sales of Assets)	260,146,114		310,521,136	627,486,245	608,994,982	450,301,152
Operating Costs	381,681,051		298,208,733	482,879,986	495,623,130	433,430,783
Employee Wages and Benefits	14,106,477		14,548,145	15,286,121	15,565,939	15,246,132
Payment to Providers Capital (i.e., Dividends, Loan Interests)	83,274,338		54,658,445	39,754,500	28,234,867	76,538,648

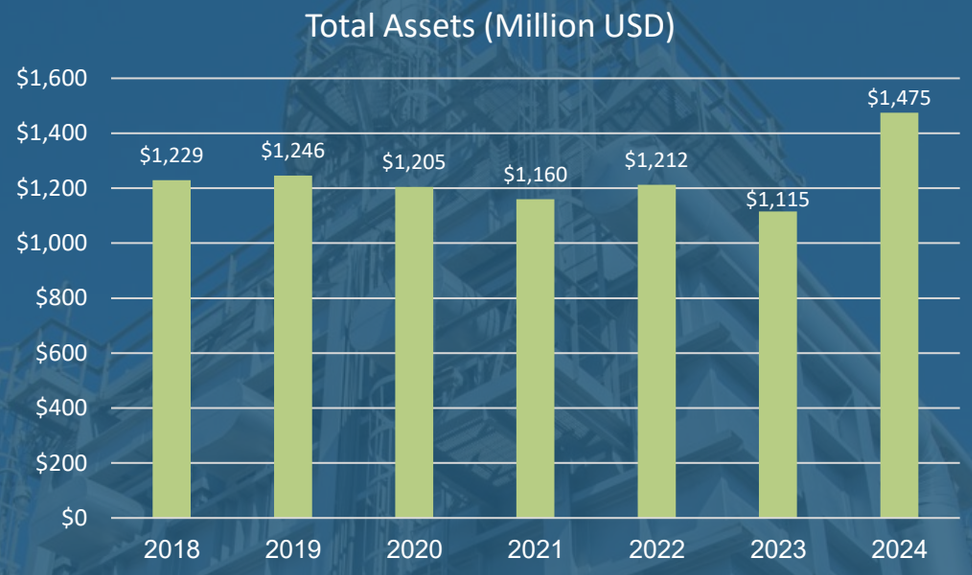


3.3 FINANCIAL ANALYSIS

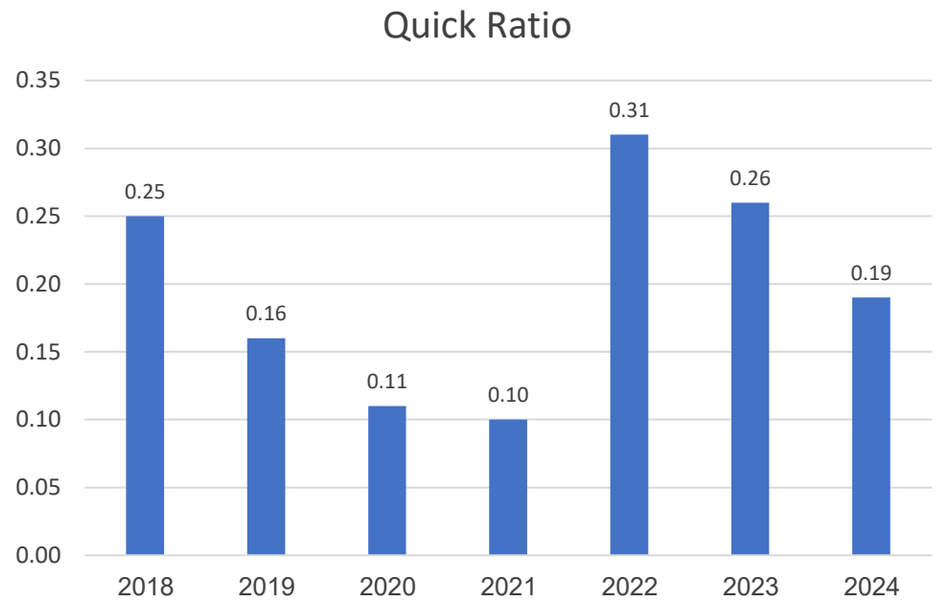
GRI 201-1

8 DECENT WORK AND ECONOMIC GROWTH

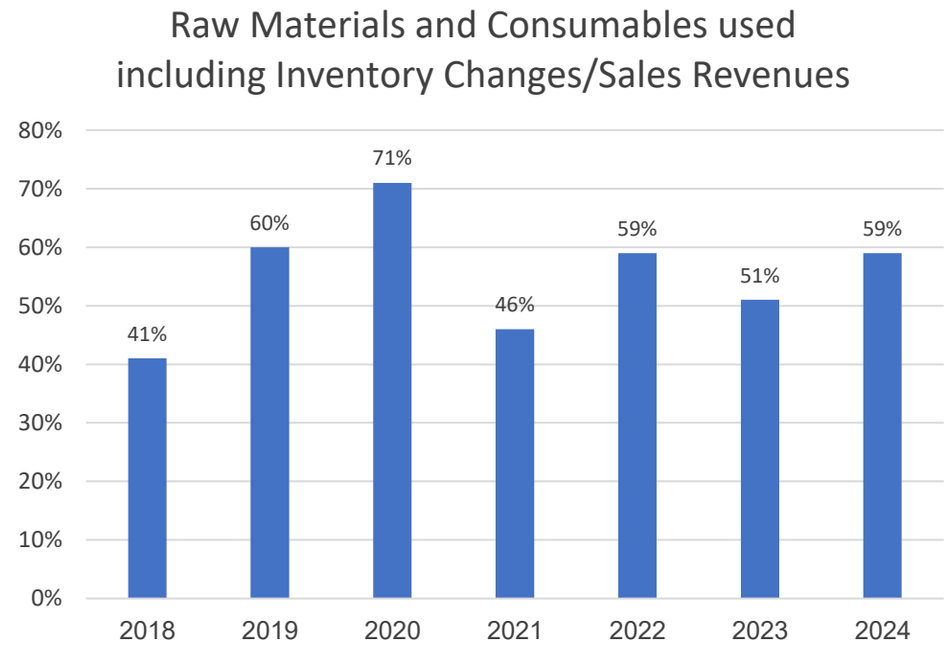
TCI Sanmar's total assets have shown a positive trajectory over the past few years, indicating growth and expansion. FY 2023-24 witnesses the highest total asset value of 1,475 Million USD with an increase of 32% compared to the previous year.



TCI Sanmar's current ratio has demonstrated resilience, reflecting the company's ability to navigate changing conditions from 2022 to 2024. Although there has been a gradual decrease, the company continues to maintain sufficient liquidity to meet its short-term obligations. The quick ratio has experienced fluctuations, showcasing periods of both growth and adjustment. While the recent dip highlights areas for attention, the company's overall financial health remains stable and robust.



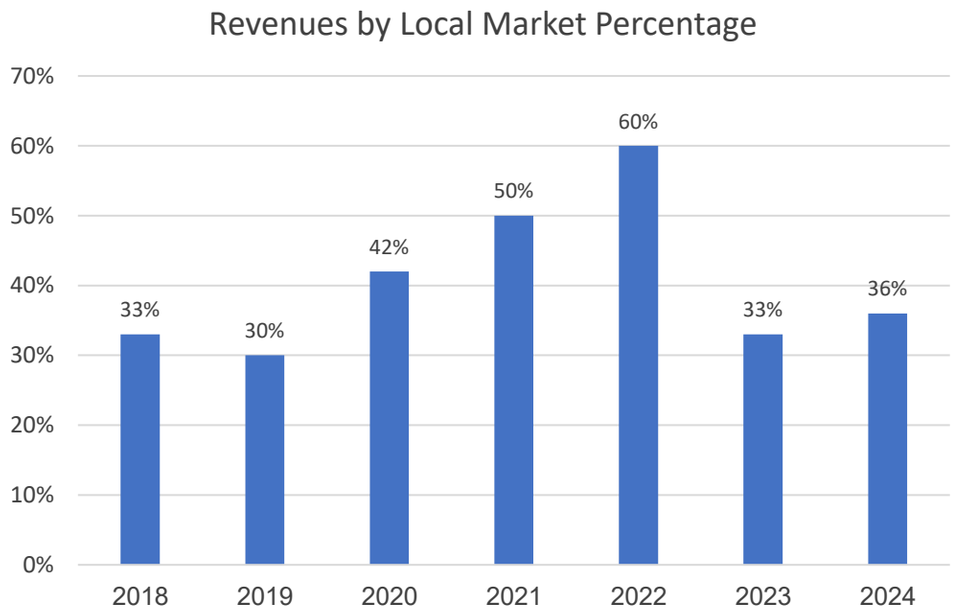
The cost of sales is slightly high regarding the manufacturing industry (raw materials and consumables including inventory changes to revenues). Again, this might be attributed to the low prices of PVC while increasing the production rate. Thus, investing in sustainable practices, particularly in raw materials, may help in improving this ratio.



3.4 CONTRIBUTION TO LOCAL ECONOMIES

TCI Sanmar stands as a major international investor in Egypt's chemical sector, making substantial economic contributions to the nation, estimated at $1.5 billion. The company supplies essential materials like PVC, caustic soda, and calcium chloride to the local market, which are vital for sectors such as construction, packaging, and agriculture. This not only lessens Egypt's dependence on foreign chemical imports, but also strengthens the domestic supply chain.

TCI Sanmar has played a significant role in generating employment, both directly and indirectly. The company's activities offer jobs across various skill levels, benefiting the local employment landscape and supporting the community's economic well-being. In the fiscal year 2023/24, the company's earnings from the local market reached 36%, marking a 3% increase from the previous fiscal year 2022/23. However, these figures are lower than the peaks seen in the years 2020 to 2022. This is attributed to TCI Sanmar's strategy of exporting to the international market as a solution to the forex issue. It's important to note that TCI Sanmar's export efforts are not only improving Egypt's trade balance but also positioning the country as a competitive force in the regional and global chemical industry.



TCI Sanmar has no specific retirement plan schemes since the national labor laws and security insurances are already applied. TCI Sanmar is keen to improve employee attainability of benefits, including savings schemes, health insurance for employees and their families, loans, indemnity, and annual bonus. We have received incentives during this year as part of the Export Incentive Program, continuing as per the last years at rates of 14% to 15% for all TCI Sanmar products, since the program duration is three years starting from July 2021.

3.5 TAXES

GRI 207-2 GRI 201-4 GRI 201-1
GRI 207-3 GRI 207-1 GRI 201-3

8 DECENT WORK AND ECONOMIC GROWTH

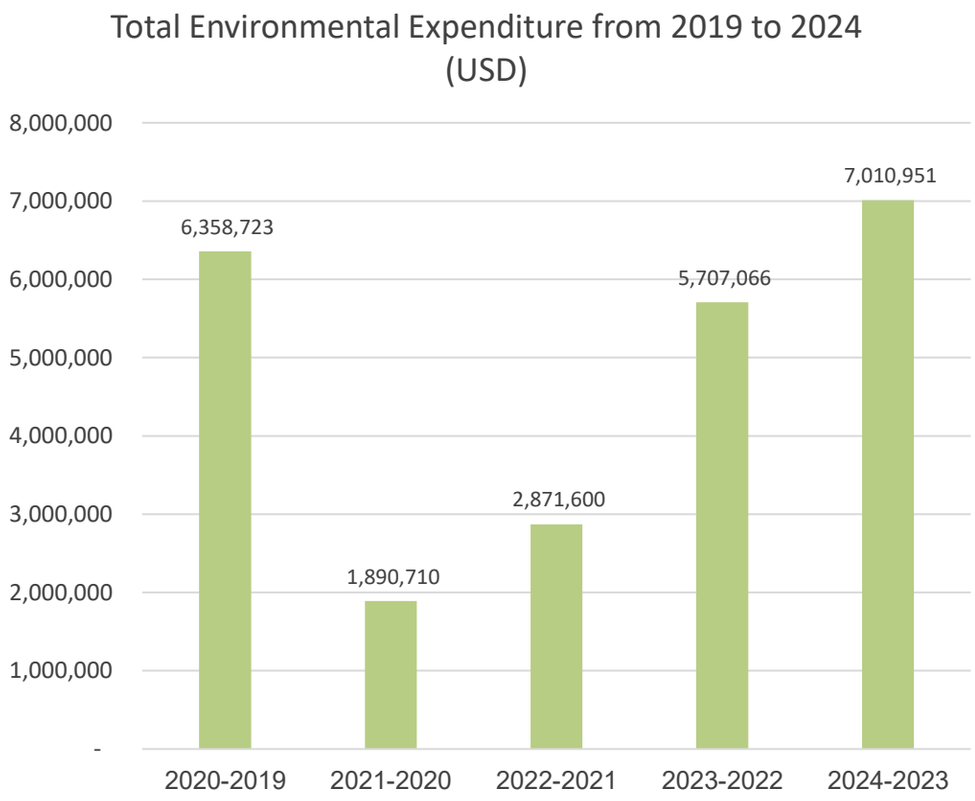
TCI Sanmar is dedicated to upholding complete adherence to relevant tax laws and regulations in every location where it operates. Our tax strategy is founded on principles of transparency, fairness, and accountability, showcasing their commitment to ethical tax practices. We seek to support the economic growth of local communities by making timely and precise tax payments, while optimizing the use of relevant exemptions and incentives in accordance with the law (72/2017), which reflects its sustainable industrial practices. To guarantee a fair contribution to taxes, TCI Sanmar undergoes a thorough annual financial audit conducted by certified external firms. In the 2023-24 fiscal year, the company reported its highest tax payment to date, demonstrating a remarkable increase of 328%, signifying our commitment to addressing concerns regarding its business conduct and integrity. This ensures compliance with GRI 207: Tax requirements by outlining their approach to tax governance, risk management, and compliance. Our tax policies emphasize full compliance with Egyptian tax regulations. The finance department is crucial in maintaining this compliance by consistently reviewing tax laws, managing tax payments, filing returns, and swiftly incorporating any legal amendments. Our strong internal controls and external audits confirm their adherence to statutory responsibilities, highlighting their commitment to transparency and sustainable business practices.

TCI Sanmar always strives to ensure all tax related compliances are adhered to. All direct and indirect tax positions are annually published in the annual financial audit. Whenever issues are raised by tax departments, they are addressed with utmost commitment and possible steps to be resolved in a timely manner.

3.6 INVESTMENTS IN SUSTAINABLE PRACTICES

TCI Sanmar is setting high standards for investing in eco-friendly practices for the fiscal year 2023-24, aiming for ***"Carbon Neutrality and Net Zero"*** status. The company is focusing on investments that enhance energy efficiency and reduce greenhouse gas emissions, in line with environmental regulations. In the fiscal year 2023-24, TCI Sanmar has increased its spending on environmental initiatives by 23% over the previous year. This has led to a variety of projects, including research and development, environmental monitoring, the establishment of an Environment Management System (EMS) at all locations, compliance with legal standards, and securing the required certifications.

The company has allocated funds to energy-saving technologies, renewable energy projects, and measures to conserve resources, all aimed at cutting down carbon emissions and energy use. These efforts also include improving environmental conditions, safety, and the health of workers (Occupational, Safety, Process Safety, Health and ESOH). By adopting these forward-thinking strategies, TCI Sanmar has been able to lessen any adverse effects and meet its goals in adopting the most sustainable practices.



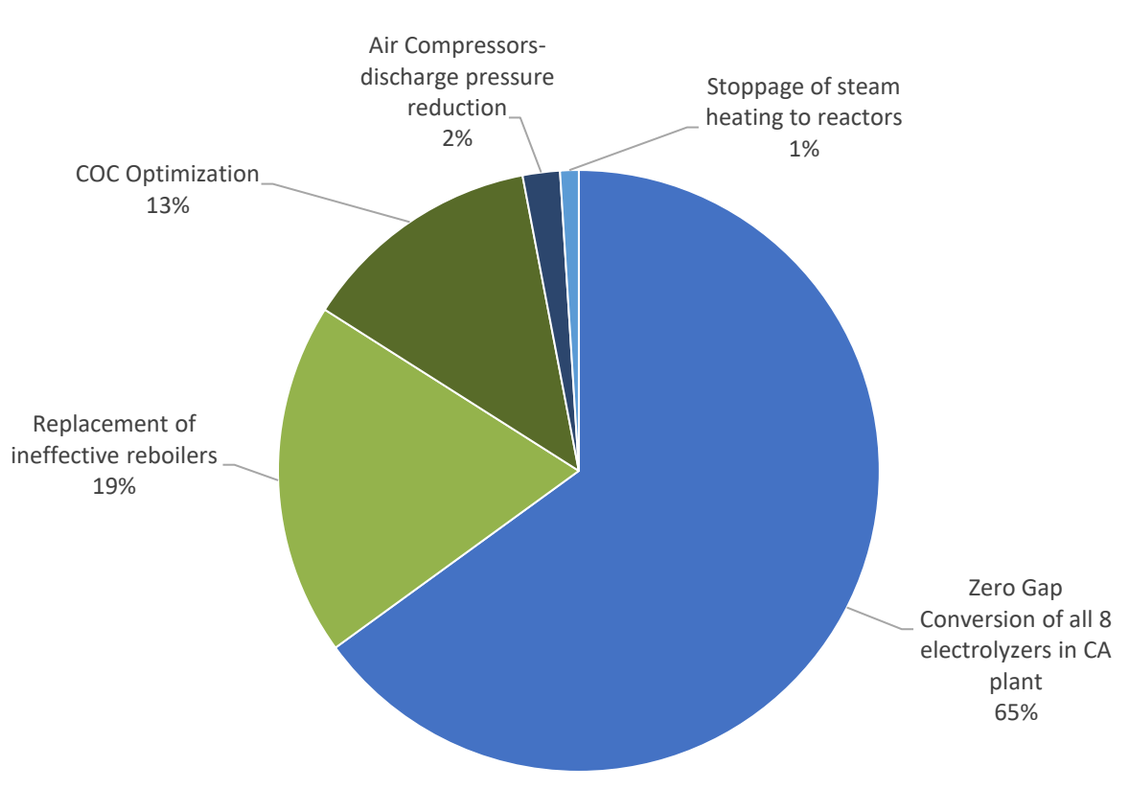
3.7 INNOVATION AND R&D INVESTMENTS

GRI 203-1
GRI 203-2

TCI Sanmar is committed to enhancing its financial stability and overcoming challenges by utilizing its resources, expanding its influence, creating value, and maintaining a competitive edge, known as the ***"Carbon Market Strategy".*** The organization employs a systematic and scientific approach to integrate sustainability into its financial decision-making processes, which includes reducing carbon emissions, choosing ethanol imports over other options, using hydrogen in steam production, and investigating the application of photovoltaic cells. This approach enables it to make informed business decisions, increase efficiency, and ensure its actions align with long-term sustainability goals.

The company's proficient execution abilities, developed over several years, have been crucial in its rise to become a leading business entity. Currently, the emphasis is on strategic investments to expand the business and enhance its product offerings. To date, the company has achieved savings of approximately 0.5 Million USD through these efforts.

TCI Sanmar's Investments allocation and savings for "Carbon Neutrality and Net Zero Emissions" till Mid 2023

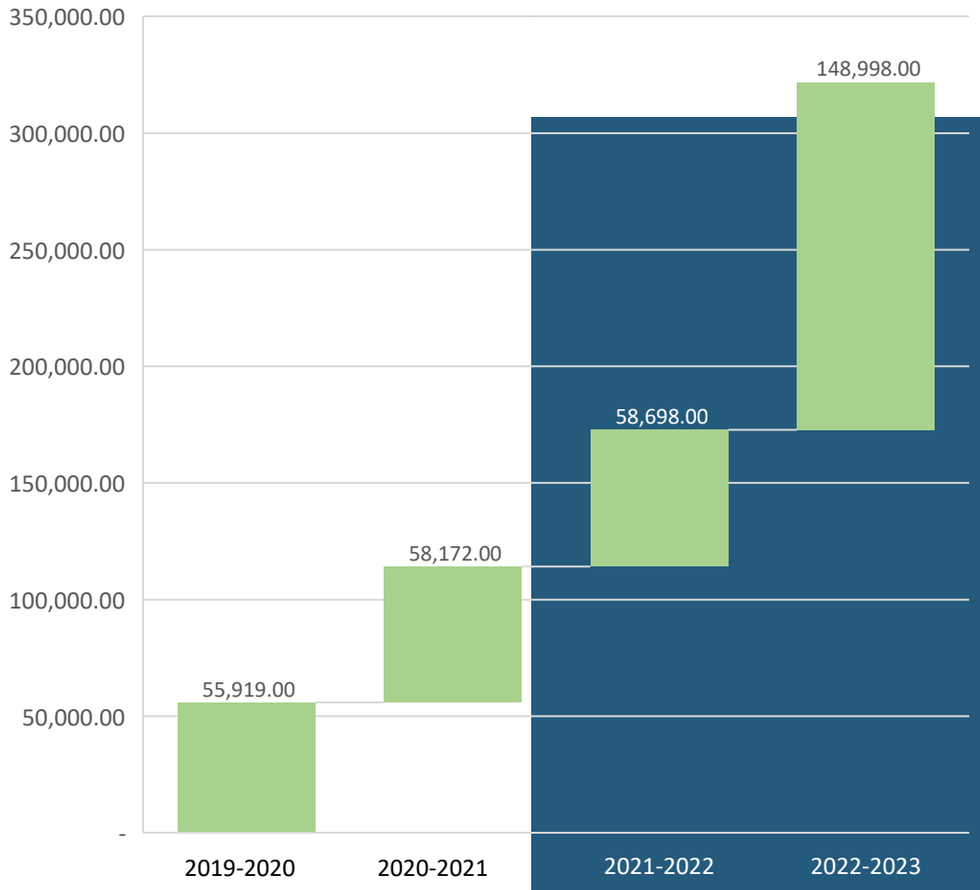


3.8 ECONOMIC IMPACT OF SUSTAINABILITY INITIATIVES

TCI Sanmar is dedicating resources to sustainable practices by allocating capital to initiatives that meet numerous Environmental, Social, and Governance (ESG) standards. This commitment reflects a dedication to long-term environmental care, social responsibility, and ethical business practices, all while seeking financial returns. Sustainable investments can vary, including:

- Investment in several Corporate Sustainability Initiatives
- Corporate Social Responsibility
- Investment in Renewable Energy

CSR Donation (USD)



Investment in Corporate Sustainability Initiatives

TCI Sanmar is investing in the development and preparation of its ESG annual report starting from year 2019. TCI Sanmar's annual sustainability report aims to transparently outline the company's contributions to the aspects of environment, society, and governance, as well as its impact on both positive and negative aspects.

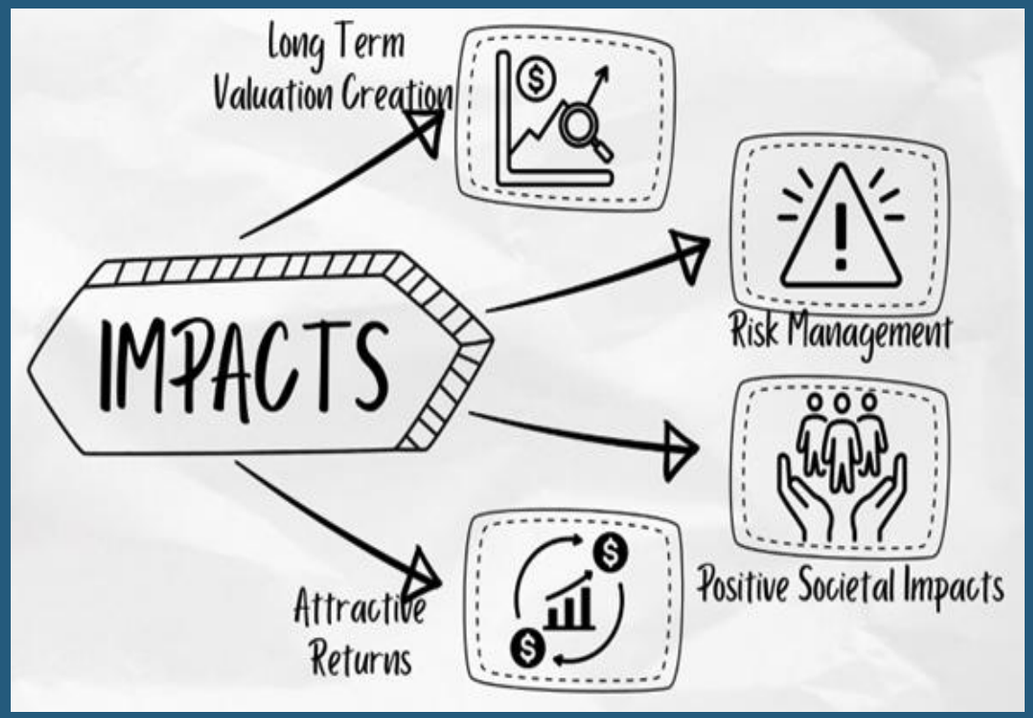
GRI 203-1
GRI 203-2

Corporate Social Responsibility (CSR)

The company is deeply committed to preserving the social values and cultural heritage of local communities while supporting their overall development. This includes programs for livelihood, healthcare, and education. TCI Sanmar's investment in the community is growing, ensuring the company's promises to the community are fulfilled.

Investment in Renewable Energy

As global awareness of climate change increases, TCI Sanmar is investing in renewable energy sources such as solar PV. These investments reduce dependence on fossil fuels and contribute to a cleaner, more sustainable energy future.



3.9 BUSINESS TRANSFORMATION

GRI 2-6 GRI 404-3

8 DECENT WORK AND ECONOMIC GROWTH

TCI Sanmar's partnership with Boston Consulting Group (BCG) has significantly enhanced operational reliability, efficiency, and safety through a comprehensive transformation program. As one of the world's leading consulting firms, BCG was selected for their proven expertise in the petrochemical industry and their commitment to delivering sustainable results. This collaboration aligns closely with TCI Sanmar's goals of operational excellence and sustainable growth, positioning the company as an industry leader in asset integrity.

BCG's transformation program at TCI Sanmar goes beyond standard operational improvements; it has laid a foundation for a resilient, future-ready operation focused on sustainable growth. With a focus on optimizing equipment reliability, maintenance processes, and safety protocols, BCG's work is transforming TCI Sanmar into a model of operational excellence within the petrochemical industry.

The **Fixed Equipment Condition Monitoring and Inspection** initiative has introduced a proactive safety strategy. By closely monitoring and assessing fixed equipment, TCI Sanmar can now anticipate and prevent hazardous material leakages before they occur. The success of this approach is evidenced by a significant reduction in unexpected leaks, which enhances safety and allows for efficient maintenance scheduling. The completion of the VCM3 inspection and forthcoming inspections, guided by DNV, reflect this new level of diligence and foresight in plant operations.

BCG's **Criticality Assessment for Rotating Equipment** has fundamentally reshaped how TCI Sanmar approaches equipment maintenance. By introducing a standardized definition of criticality, TCI Sanmar can prioritize maintenance based on actual risk, preventing costly shutdowns and reducing interruptions.

Operation excellence weekly review meetings

Boston Consulting Group (BCG) Business Transformation Program

This criticality-based approach, informed by historical trends, empowers the company to allocate resources precisely where they are needed most, supporting uninterrupted operations and minimizing potential losses. Through a **Maintenance Plan for Critical Equipment**, BCG has crafted a strategic approach to plant upkeep. By aligning maintenance priorities with historical procurement data, this plan minimizes unnecessary plant stoppages and lowers maintenance costs. The data-driven focus ensures that critical equipment receives prompt attention, promoting a smooth, cost-effective operation.

A cornerstone of this transformation is the emphasis on **Root Cause Analysis (RCA) Best Practices**. BCG's training program has equipped TCI Sanmar's teams with advanced RCA techniques, enabling them to investigate incidents rigorously and implement timely corrective actions. This has driven a noticeable increase in action closure rates, which in turn reduces downtime and improves operational stability. The program's tracking mechanisms ensure that these benefits are sustained, and compliance remains strong.

Finally, the **'Bad Actors' Identification and Resolution** initiative is helping TCI Sanmar target and resolve persistent issues with frequently failing equipment. By focusing on "bad actors," TCI Sanmar can conduct targeted preventive actions and repairs, reducing the risk of equipment failure and operational disruptions. This approach is reinforced through a dedicated dashboard that allows real-time tracking, ensuring that TCI Sanmar's equipment operates at peak performance.

BCG's transformation journey with TCI Sanmar has become a blueprint of innovation, resilience, and a shared commitment to excellence. Bringing in the world-renowned expertise of Boston Consulting Group, TCI Sanmar set its sights on a future of operational prowess, where every function—from equipment maintenance to inventory management—embodies best-in-class practices. This partnership reflects a deeper vision of aligning TCI Sanmar's capabilities with international standards, sustainable practices, and the strategic goals of Egypt's industrial future.

3.9 BUSINESS TRANSFORMATION

GRI 2-6 GRI 404-3

Combined TCI Sanmar's and BCG's efforts began by laying the foundation for operational excellence, rooted in transparency, precision, and accountability. A long-term **Production Road Map (PRM)** now provides a clear framework for action, prioritizing tasks that yield the highest production impact. This roadmap has brought teams together under common goals, bridging communication gaps and fostering synergy across all units.

The **Production Loss Analysis (PLA)** mechanism, meticulously designed to record and analyze daily production losses, has transformed TCI Sanmar's ability to proactively address recurring issues. This approach has empowered teams to pinpoint root causes—like frequent operational "bad actors"—and tackle them with targeted maintenance or capital interventions, preventing costly downtimes.

In revisiting **Standard Operating Procedures (SOPs)** for each operational step, BCG enabled TCI Sanmar to minimize shutdown delays and achieve safety standards with precision. By developing a **Shift E-Logbook** for recording daily observations, TCI Sanmar has ensured a seamless handover between shifts, making operations more transparent and consistent.

BCG introduced a new era of maintenance at TCI Sanmar with a robust **Work Order (WO) methodology**, effectively connecting maintenance tasks with procurement and budgeting. This holistic, data-driven approach requires that every work task includes essential details such as target dates, resources, and accountability. With this transformation, maintenance efforts have moved from reactive fixes to proactive planning, adding stability to daily operations.

The integration of SAP's **Plant Maintenance (PM) module** has given TCI Sanmar digital mastery over its maintenance routines. From tracking repairs and scheduling to performing comprehensive analytics, SAP PM has empowered management with a full view of asset performance, ensuring that plant assets remain reliable, accessible, and integrated with broader business functions.

BCG's vision for TCI Sanmar's static equipment included a thorough evaluation of failure risks and the introduction of a regular **inspection schedule**. This strategic approach, which includes analyzing corrosion loops and damage mechanisms, has brought TCI Sanmar to the forefront of predictive maintenance. Each component in the plant's intricate network now operates within a clear, risk-assessed schedule, ensuring continuous operational integrity.

BCG's restructuring of TCI Sanmar's procurement model addressed key supply chain challenges with precision. Through data analysis, BCG set minimum and maximum inventory thresholds for each asset, enabling TCI Sanmar to streamline purchasing and achieve transparency across inventory management. By reducing purchase request backlogs and optimizing lead times, TCI Sanmar has fortified its supply chain and enhanced its capability to respond to operational demands without delay.

The success of this transformation lies in its people-driven governance model. A **Steering Committee** comprising senior leadership steers the vision, keeping it aligned with strategic goals and clearing obstacles as they arise. The **Project Management Office (PMO)** supports daily execution, ensuring that progress is steady, goals are met, and updates are frequent. On the ground, **Business Teams and Support Functions** breathe life into the transformation by executing the program's goals with precision. Regular forums and meetings bridge every level of the organization, ensuring that transformation progress is not just tracked but celebrated.

BCG's collaboration with TCI Sanmar is more than a consulting success story; it is a testament to what happens when a company commits wholeheartedly to progress and sustainability. As TCI Sanmar continues to raise the bar for operational excellence, it exemplifies the potential for change that resonates throughout Egypt's industrial landscape and beyond. This transformation solidifies TCI Sanmar's role as a leader in the petrochemical sector, committed not only to performance but to a legacy of sustainable growth and global standards.

Operation Excellence Weekly Review Meetings

4. ENVIRONMENTAL STEWARDSHIP

4.1 Material Management and Efficiency
4.2 Energy
4.3 Emissions (Scope 1, 2 & 3)
4.4 GHG Emissions Intensity
4.5 Scope 1, 2 & 3 Breakdown
4.6 Water Management
4.7 Wastewater Treatment & Discharge
4.8 Waste Management

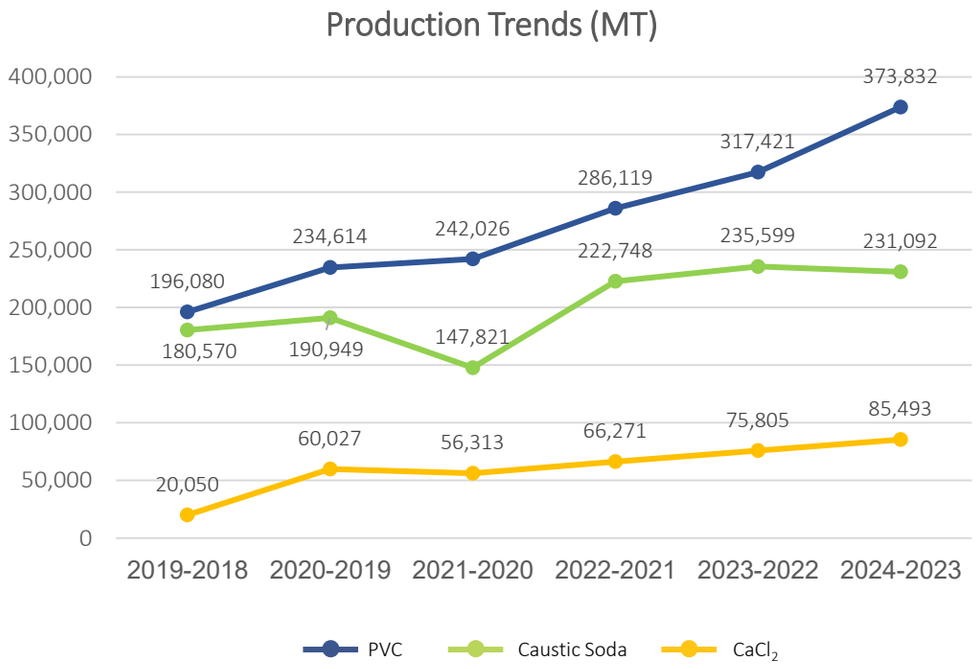
4.1 MATERIAL MANAGEMENT AND EFFICIENCY

GRI 301-1

TCI Sanmar achieved its highest production levels in the period from April 2023 to March 2024, with a total production of 690,417 MT which includes 373,832 MT of PVC, the largest contributor to overall production, followed by 231,092 MT of Caustic Soda, and 85,493 MT of Calcium Chloride. This marks a significant increase across all product lines compared to previous years, reflecting TCI Sanmar's continued growth and enhanced operational capabilities.

Production Volume for Main Products

Year	PVC	Caustic Soda	$CaCl_2$	Total
2018-2019	196,080	180,570	20,050	396,700
2019-2020	234,614	190,949	60,027	485,590
2020-2021	242,026	147,821	56,313	446,160
2021-2022	286,119	222,748	66,271	575,138
2022-2023	317,421	235,599	75,805	628,825
2023-2024	373,832	231,092	85,493	690,417



TCI Sanmar is optimizing material management and ensuring resource efficiency throughout its operations. By carefully monitoring the consumption of raw materials and implementing process improvements, the company minimizes waste and maximizes productivity. The key component of this strategy is the adoption of circular economy principles, where materials are recycled, reused, or repurposed wherever feasible.

Continuous monitoring of material consumption allows for precise adjustments in production processes, contributing to a reduction in both costs and environmental impacts. The below table provides a comprehensive summary of the key raw materials (non-renewable) used across TCI Sanmar's various plants (PVC, Caustic Soda, and Calcium Chloride) categorized by the source of each material (whether externally supplied or sourced internally), consumption rate (April 2023 – March 2024), where these consumption rates are directly measured.

Key Raw Material Summary

Materials	Plant (PVC, Caustic Soda, $CaCl_2$)	External Supplier or Sourced Internally	Consumption Rate	UOM
Limestone Powder	Caustic Soda + VCM	External	372,327	MT
Limestone Granules	Calcium Chloride	External	98,199	MT
Salt	Caustic Soda	Internal and External	408,672	MT
Ethanol	PVC	External	47,896	MT

4.1 MATERIAL MANAGEMENT AND EFFICIENCY

GRI 301-2
GRI 301-3

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

The below table summarizes the consumption rates of the key raw materials, including limestone powder, limestone granules, commercial salt, and ethanol over the last 6 years.

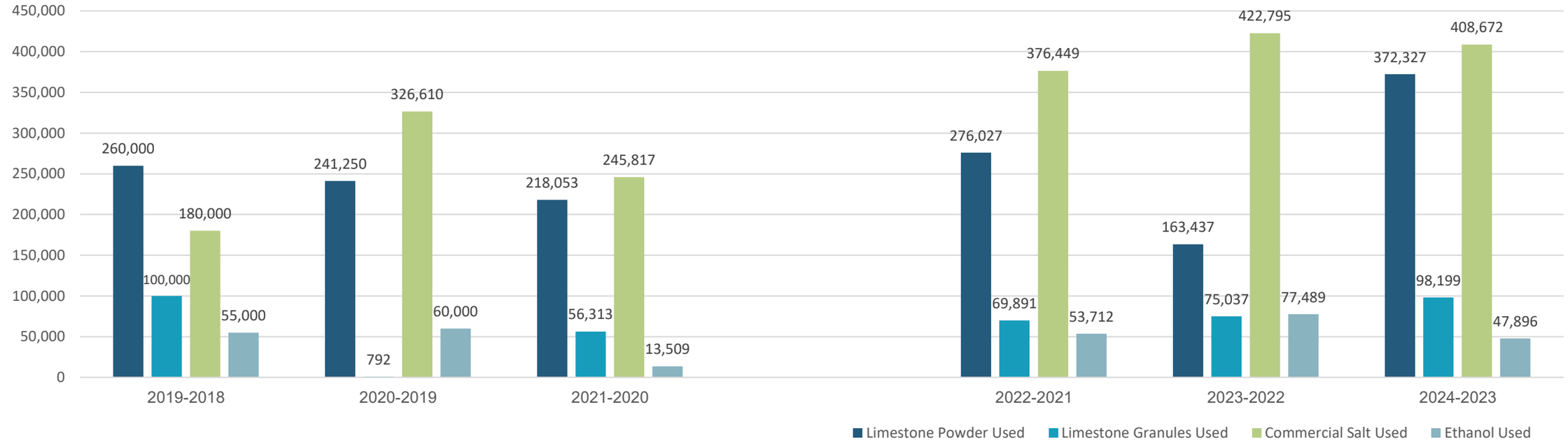
Consumption Rates of Key Raw Materials (MT/year)

Year	Limestone Powder Used	Limestone Granules Used	Commercial Salt Used	Ethanol Used
2018-2019	260,000	100,000	180,000	55,000
2019-2020	241,250	792	326,610	60,000
2020-2021	218,053	56,313	245,817	13,509
2021-2022	276,027	69,891	376,449	53,712
2022-2023	163,437	75,037	422,795	77,489
2023-2024	372,327	98,199	408,672	47,896

Currently, TCI Sanmar does not report the use of recycled materials in the manufacturing of its primary products (PVC, Caustic Soda, and Calcium Chloride).

The focus remains on improving the efficiency of raw material consumption and exploring opportunities to incorporate recycled materials in the future.

Material Usage Trends of Key Materials (MT/year)

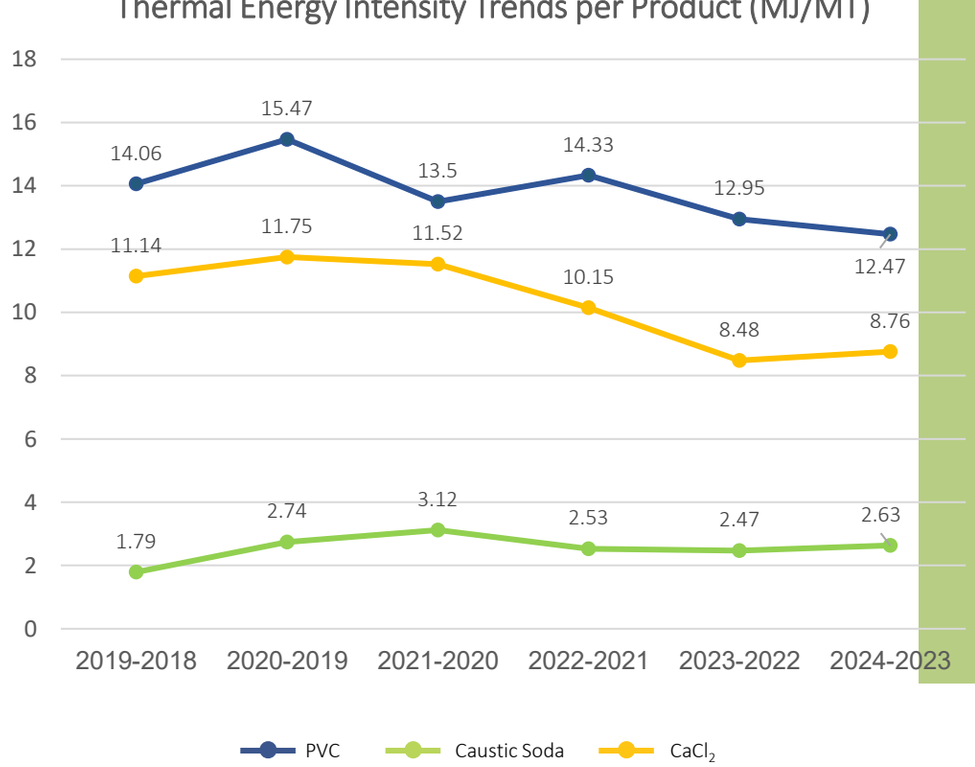


4.2 ENERGY

GRI 302-1
GRI 302-4

Thermal Energy Intensity Per Product Volume

Thermal Energy Intensity (MJ/MT)			
	PVC	Caustic Soda	$CaCl_2$
2018-2019	14.06	1.79	11.14
2019-2020	15.47	2.74	11.75
2020-2021	13.50	3.12	11.52
2021-2022	14.33	2.53	10.15
2022-2023	12.95	2.47	8.48
2023-2024	12.47	2.63	8.76



Our Path Toward a Greener Future

TCI Sanmar, as a leading chemical manufacturer in Egypt, understands the critical importance of integrating sustainability into our operations. In alignment with the **Egypt Vision 2030** and the **UN Sustainable Development Goals (SDGs)**, we have taken significant steps toward reducing our environmental footprint, with a strong focus on optimizing energy use and minimizing greenhouse gas (GHG) emissions. Our strategic energy and emissions initiatives in the past year have laid a solid foundation for continued improvement in environmental performance, while also contributing to national and global climate change goals.

Energy Efficiency and Innovation: Reducing Our Environmental Impact

The year 2023-2024 has seen remarkable progress in TCI Sanmar's journey to enhance energy efficiency. We focused on leveraging technology and innovation to minimize energy consumption and reduce dependency on non-renewable energy sources.

One of our key achievements was the **conversion of electrolyzer membranes** in the Chloro-Alkali (CA) plant. This change, from finite-gap to **zero-gap membranes**, allowed us to significantly reduce power consumption. The project, which included the conversion of multiple electrolyzers, resulted in savings of approximately **9.8 million kWh annually**, equating to **0.34 Million USD**. This transition will be extended to other electrolyzers in the upcoming year, further boosting energy savings and operational efficiency.

Additionally, our investments in **high-efficiency IE3 motors** and the **installation of micro-turbines** have reduced energy consumption across various operations. The turbines, installed at key pressure letdown stations, have allowed us to harness steam to generate in-house electricity. These turbines now produce **2.15 MWh of electricity** by utilizing previously wasted steam, thus reducing our reliance on external electricity sources and contributing to lower overall energy consumption.

Energy efficiency also saw improvements through **condensate recovery** initiatives, which were implemented across multiple production units, including VCM and PVC plants. By recovering heat from steam condensates, we realized annual savings of **0.38 Million USD** and reduced the demand for demineralized water by 126,000 cubic meters annually. This not only lowers energy use but also conserves valuable water resources.

Renewable Energy: Moving Toward Solar Power

To further our sustainability efforts, we have commenced planning for a significant renewable energy initiative: the installation of **solar panels** across our complex. This project aims to generate **24 MW of electricity per day**, accounting for a 1% reduction in our direct carbon footprint. While still in the conceptual development stage, the solar power project underscores our long-term commitment to increasing the share of renewables in our energy mix. This shift aligns with both national and international calls to embrace clean energy sources, reducing our dependence on fossil fuels.

4.2 ENERGY

GRI 302-3 GRI 302-1 GRI 302-4

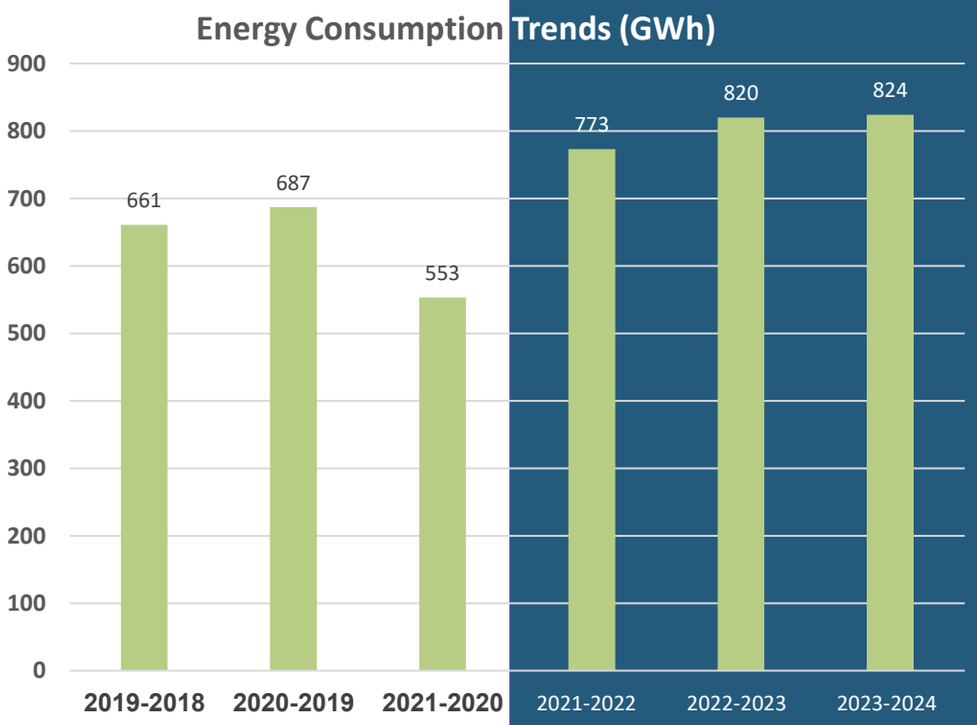
Energy Consumption (GWh)	
2018-2019	661
2019-2020	687
2020-2021	553
2021-2022	773
2022-2023	820
2023-2024	824

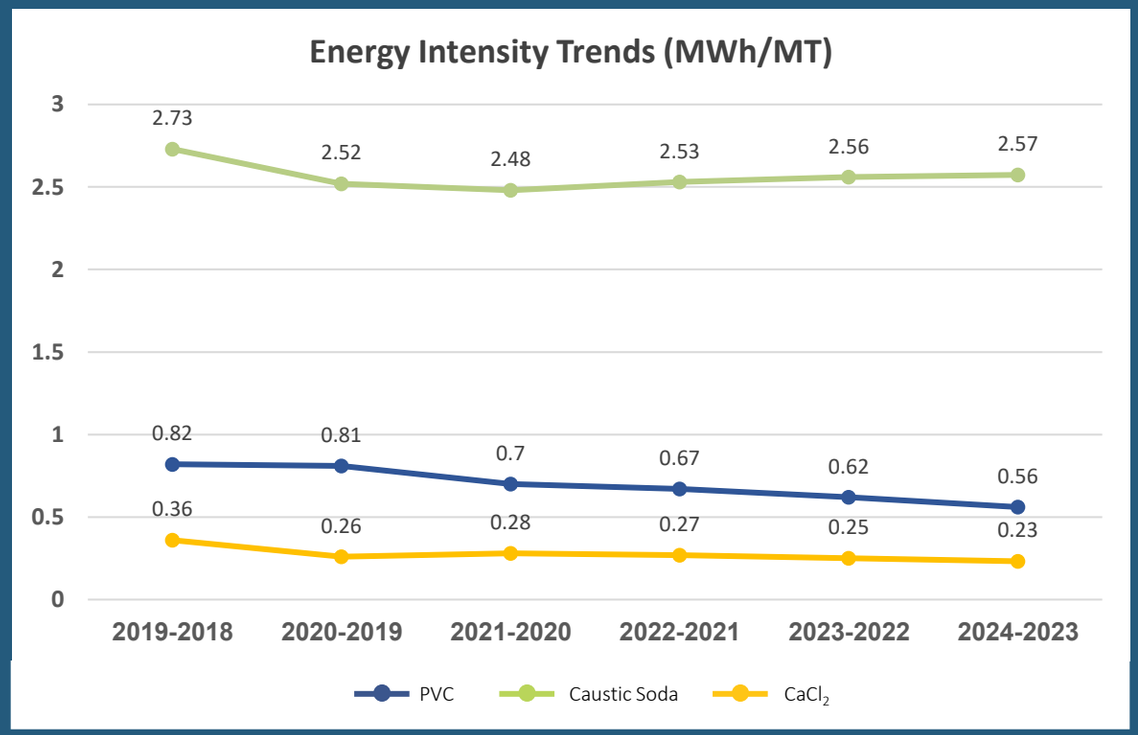
9.8 Million KWh saved annually

The following figures provide highlights for TCI Sanmar total energy consumption in comparison to the previous years. It also shows TCI Sanmar energy intensity for each one of the main products (PVC, Caustic Soda, calcium chloride) in comparison to the previous years.

Energy Intensity

Power Intensity (MWh/MT)			
Year	PVC	Caustic Soda	$CaCl_2$
2018-2019	0.82	2.73	0.36
2019-2020	0.81	2.52	0.26
2020-2021	0.70	2.48	0.28
2021-2022	0.67	2.53	0.27
2022-2023	0.62	2.56	0.25
2023-2024	0.56	2.57	0.23





4.3 EMISSIONS (SCOPE 1, 2 & 3)

GRI 305-5 GRI 305-1 GRI 305-7 GRI 305-2

13 CLIMATE ACTION

Greenhouse Gas Emissions (GHG)

At TCI Sanmar, we are committed to addressing GHG emissions across all scopes (Scope 1, Scope 2, and Scope 3). In 2023-2024, our **Scope 1** emissions—those from direct operations—were primarily generated from natural gas combustion in boilers, furnaces, and other stationary sources. Through a series of targeted interventions, including process optimization and the adoption of energy-efficient technologies, we achieved a **reduction of 30,000 metric tons of CO_2** emissions across our operations.

A notable planned initiative in this space is the use of **excess hydrogen**—a byproduct of the electrolyzer process—instead of natural gas for powering our boilers. This initiative alone will reduce our reliance on natural gas by **24,000 cubic meters per day**, further cutting down direct CO_2 emissions and contributing to our goal of reducing Scope 1 emissions.

For **Scope 2 emissions** (indirect emissions from purchased electricity), our focus has been on increasing operational efficiency. By enhancing energy management systems and reducing electricity consumption, we successfully reduced the CO_2 emissions from electricity by **456,338 metric tons**. These reductions are a result of using energy more efficiently in our production lines and supporting efforts to decarbonize our electricity consumption.

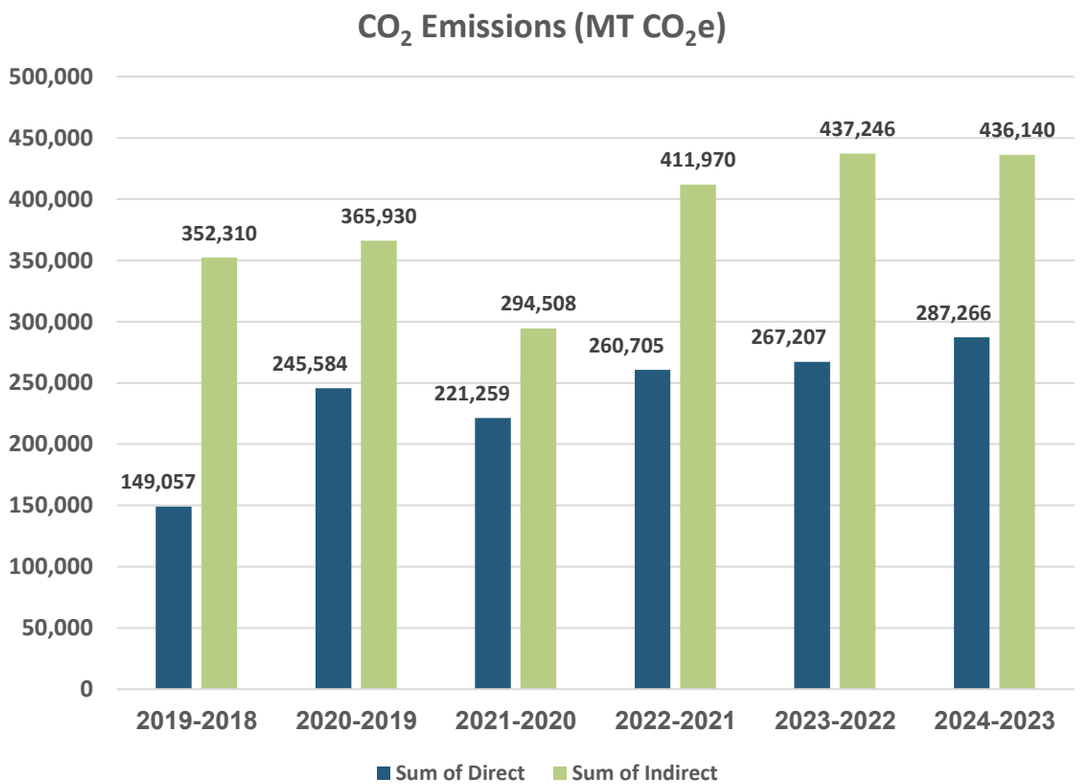
Mitigating Other Air Pollutants: NOx, SOx, and Particulate Matter

Beyond CO_2 emissions, TCI Sanmar has also been actively reducing other air pollutants. **Nitrogen oxides (NO_X)** and **sulfur oxides (SO_X)** are common byproducts of combustion processes, especially in natural gas-fired boilers and furnaces. We addressed these pollutants by installing advanced **stack analyzers** in critical areas of our plant, enabling real-time monitoring and control of emissions. By optimizing combustion processes and employing new technologies for emission control, we have reduced NO_X and SO_X emissions by approximately **10%** in 2023-2024.

Further, we have made significant progress in managing **particulate matter (PM)** and **volatile organic compounds (VOCs)** through the implementation of **vent scrubber** systems. These systems have been upgraded to enhance their efficiency in capturing pollutants before they are released into the atmosphere. Additionally, our waste incinerator, which was revamped this year, has further reduced emissions from hydrocarbon chlorinated wastes, contributing to a **0.78 Million USD annual savings** in steam generation, while also reducing external waste disposal.

Total GHG Emissions

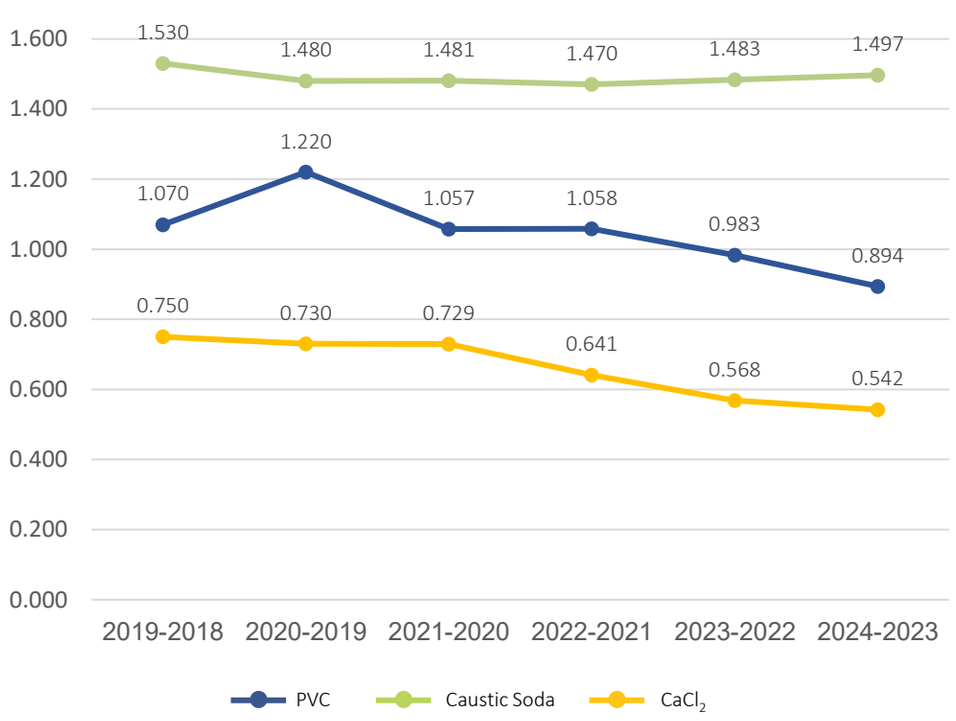
CO_2 Emissions (MT CO_2e)			
Year	Sum of Direct	Sum of Indirect	Total
2018-2019	149,057	352,310	501,367
2019-2020	245,584	365,930	611,514
2020-2021	221,259	294,508	515,767
2021-2022	260,705	411,970	672,675
2022-2023	267,207	437,246	704,453
2023-2024	287,266	436,140	723,406



4.4 GHG EMISSIONS INTENSITY

GHG Emissions Intensity for Main Products

Carbon Footprint (Kg CO_2e/kg)			
	PVC	Caustic Soda	$CaCl_2$
2018-2019	1.070	1.530	0.750
2019-2020	1.220	1.480	0.730
2020-2021	1.057	1.481	0.729
2021-2022	1.058	1.470	0.641
2022-2023	0.983	1.483	0.568
2023-2024	0.894	1.497	0.542



4.5 SCOPE 1, 2 & 3 BREAKDOWN

GRI 305-5 GRI 305-3 GRI 305-1 GRI 305-7 GRI 305-4 GRI 305-2

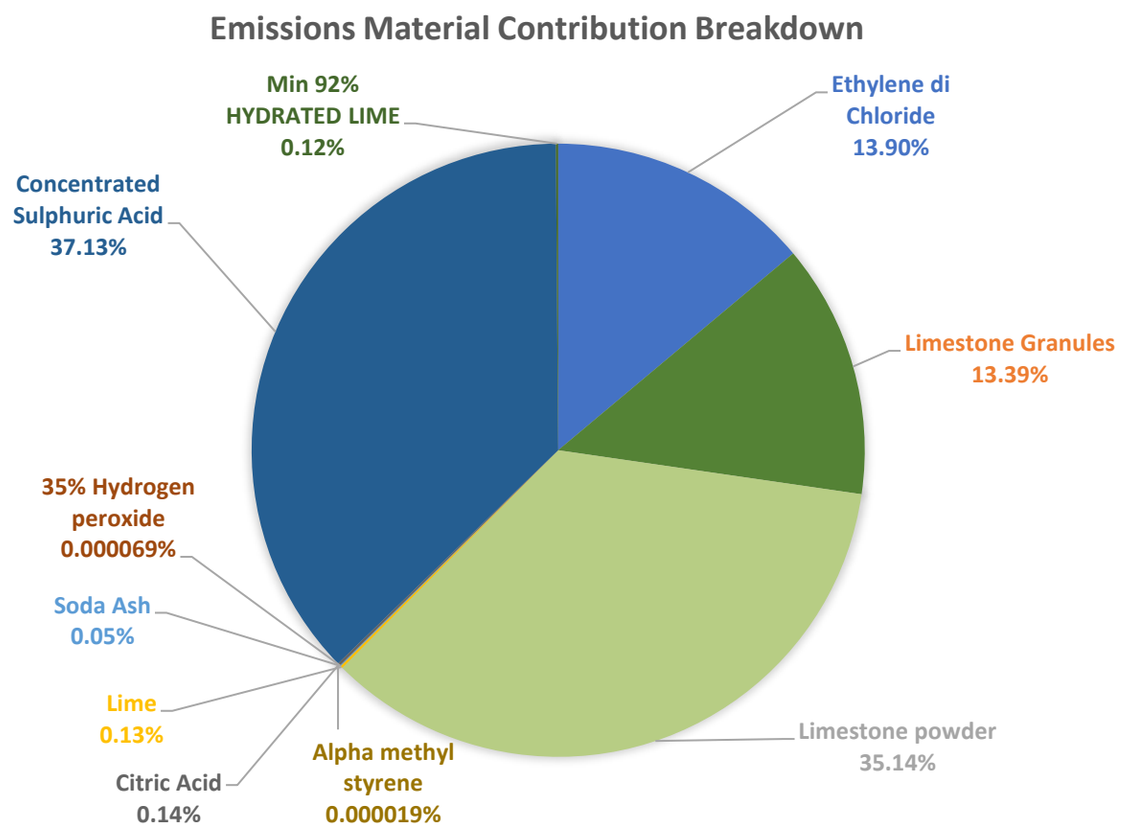
13 CLIMATE ACTION

a. Raw Material/ Product Procurement

At TCI Sanmar, we understand that our environmental responsibility extends beyond our immediate operations. This year, we undertook a comprehensive assessment of our Scope 3 emissions — the indirect greenhouse gas emissions generated by the raw materials we rely on. By examining these emissions, we're identifying key areas where we can make meaningful improvements to reduce our overall impact.
Here's a closer look at some of our primary contributors:

- **Limestone Powder**: Emissions associated with this essential material are substantial, totaling **279,245.25 MT of CO_2**.
- **Concentrated Sulphuric Acid**: Vital for many of our processes, it contributes **295,020.00 MT of CO_2**.
- **Ethylene di Chloride**: Another significant emitter at **110,487.21 MT of CO_2**.

Other materials, like **Limestone Granules** and **Citric Acid**, also contribute to our emissions footprint, though on a smaller scale. Each material we use has its own environmental impact, and our responsibility is to seek ways to reduce these wherever possible.



b. Emissions from Fuel and Energy Use

GRI 305-5 GRI 305-3 GRI 305-1 GRI 305-7 GRI 305-4 GRI 305-2

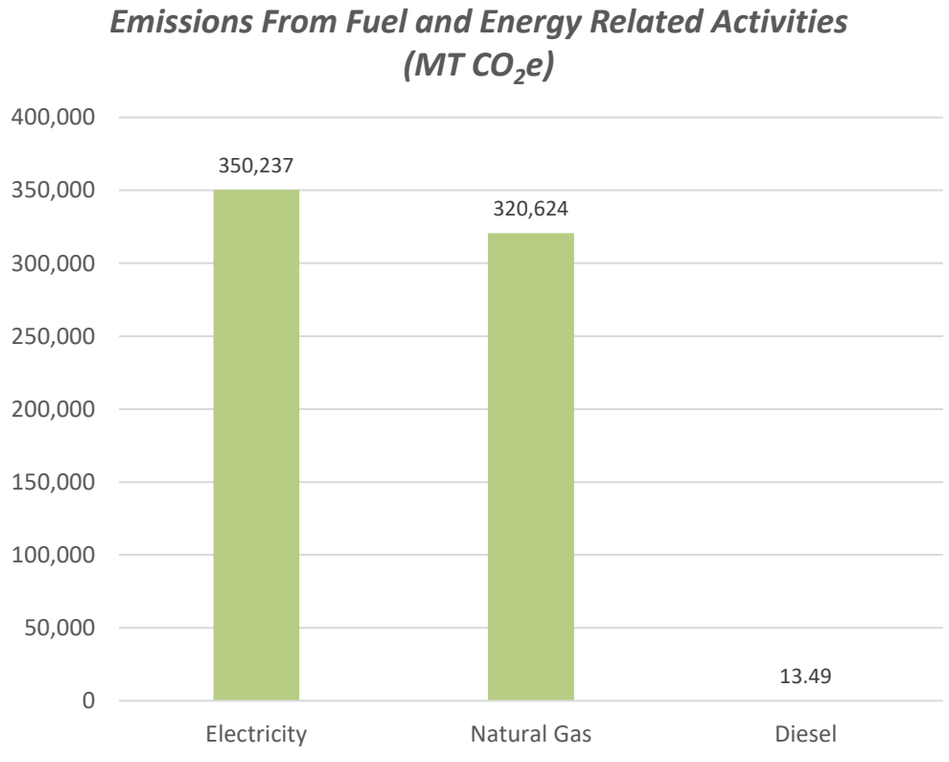
Energy consumption is a significant contributor to TCI Sanmar's greenhouse gas (GHG) emissions. This year, we closely examined the emissions generated from our primary fuel and energy sources, including electricity, natural gas, and diesel, to better understand and manage our carbon footprint.

Electricity: Our operations consumed 824,087,000 kWh of electricity, leading to emissions of 350,237 MT of CO_2e. Electricity remains our highest source of energy-related emissions, reflecting the scale and energy demands of our facilities.

Natural Gas: Consuming 150,400,794 nominal cubic meters of natural gas contributed 320,624 MT of CO_2e. Natural gas is a critical energy source for our operations, and we are continuously evaluating ways to enhance efficiency and reduce emissions.

Diesel: While a minor source in comparison, diesel consumption totaled 5,000 liters, resulting in 13.49 MT of CO_2e. Although relatively small, diesel-related emissions are part of our broader focus on minimizing fossil fuel reliance.

The chart below provides a visual representation of the emissions from each energy source, illustrating the areas where our energy-related emissions are most concentrated.



c. Emissions by Mode of Transport

At TCI Sanmar, we recognize that every raw material we source, and transport has an impact on our planet. Our commitment to sustainability drives us to look carefully at the emissions associated with each product we use, not only during its production but also in getting it to our facilities. By understanding these impacts, we're better equipped to make choices that reduce our carbon footprint and support a healthier environment.

Key Findings

Some materials have a larger carbon footprint than others, due to both the quantity we use and the distance they travel.

1. Ethylene Dichloride (EDC), sourced from several countries including the USA, Germany, and South Korea, is a significant contributor to our emissions. Given the large quantities needed and the extensive sea travel, the carbon impact of EDC is among the highest in our supply chain.
2. Limestone Powder from Egypt, though sourced locally, also has a notable footprint due to the sheer volume required and transport emissions from road travel within Egypt.
3. Sea Transport: Most of our imported materials are transported by sea. Shipping items from distant locations, like the USA, contributes a larger share to our emissions compared to shorter, local transport.
4. Local Road Transport: For materials sourced within Egypt, like Limestone Powder and Concentrated Sulphuric Acid, we rely primarily on road transport, which, while lower in emissions than sea transport, still adds to our overall impact.
5. Local Advantage: Materials sourced in Egypt, such as Concentrated Sulphuric Acid and Limestone Powder, show lower emissions per journey due to reduced travel distance. This reinforces the value of sourcing closer to home wherever possible.
6. Global Necessity: For certain specialized materials, such as 2-Ethylhexyl Chloroformate from the UAE/India, we depend on international suppliers. This necessity emphasizes the need for sustainable logistics solutions in our global supply chain.

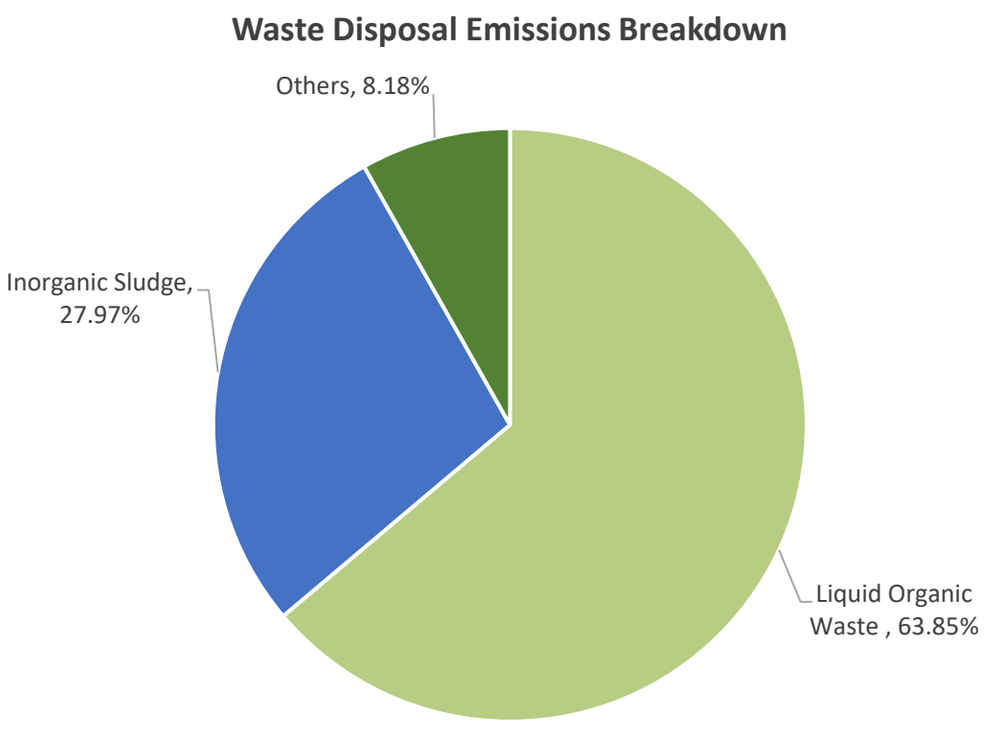
d. Waste Disposal and its Carbon Impact

GRI 305-5 GRI 305-3 GRI 305-1 GRI 305-7 GRI 305-4 GRI 305-2

Effective waste management is a vital part of TCI Sanmar's sustainability efforts. This year, we examined the carbon footprint associated with each type of waste we generate, from sludges to spent catalysts.

Key Findings

1. Liquid Organic Waste: Representing the largest share, liquid organic waste accounts for 63.85% of our total waste disposal emissions, with 14,144.75 MT of CO_2e. This high-impact waste type, primarily from production processes, highlights an area where we are actively seeking reduction and disposal alternatives.
2. Inorganic Sludge: The second-largest contributor, inorganic sludge, produces 6,195.46 MT of CO_2e, or 27.97% of our total waste emissions. Managing sludge disposal more sustainably remains a priority as we look for ways to reduce its environmental footprint.
3. Other Waste Types: Other significant waste streams include empty drums (4.52% of total emissions) and organic sludge (3.01%), contributing 1,001.44 and 666.90 MT of CO_2e respectively. Although smaller in volume, these waste types are still important to address in our overall emissions reduction strategy.
4. Lesser Contributors: Items such as empty bags, expired chemicals, used oil, and catalysts make up a minor portion of our emissions. However, every effort to manage and minimize these emissions counts toward our broader sustainability goals.



It is obvious that the liquid organic waste has the highest disposal emissions followed by inorganic sludge. This gives a clear picture of where our focus on waste reduction can have the greatest impact.

e. Emissions from Capital Goods Expenditure

Investments in capital goods, essential for maintaining and expanding our operational capabilities, also contribute to our carbon footprint. In 2024, TCI Sanmar's total annual expenditure on capital goods in the Spares and Engineering category amounted to $20,288,419.11 USD. Using emissions factors (measured in kg CO_2 per USD spent) to calculate the environmental impact of this expenditure, we determined that the total CO_2e Emissions: 15,821,065.29 kg CO_2e.

f. Travel-Related Emissions

Travel for operational needs is essential to TCI Sanmar's activities, particularly for site visits, meetings, and coordination across various locations. However, we recognize that travel generates carbon emissions, and we are committed to monitoring and minimizing these impacts wherever possible.

Our travel emissions this year account for **88,722.71 $kgCO_2e$** in total, which were primarily associated with road trips across several key routes in Egypt, as detailed below:

1. **Port Said to Cairo**: This route saw the highest emissions due to the number of trips and the total distance traveled, resulting in **83%** of travel related emissions. This is attributed to the substantial travel frequency and distance required to reach Cairo from Port Said.
2. **Port Said to Alexandria**: around **11%** of travel related emissions. Travel to Alexandria is also a significant source of emissions, albeit lower than the Cairo route due to fewer trips.
3. **Port Said to Mansoura, Ismailia, and Suez**: These shorter-distance trips generated lower emissions with a total around **6%** of travel related emissions.

The emissions per trip are influenced by both transportation and accommodation. For each trip, emissions from car travel are combined with emissions from hotel accommodations, given that overnight stays were necessary to complete these journeys.

4.6 WATER MANAGEMENT

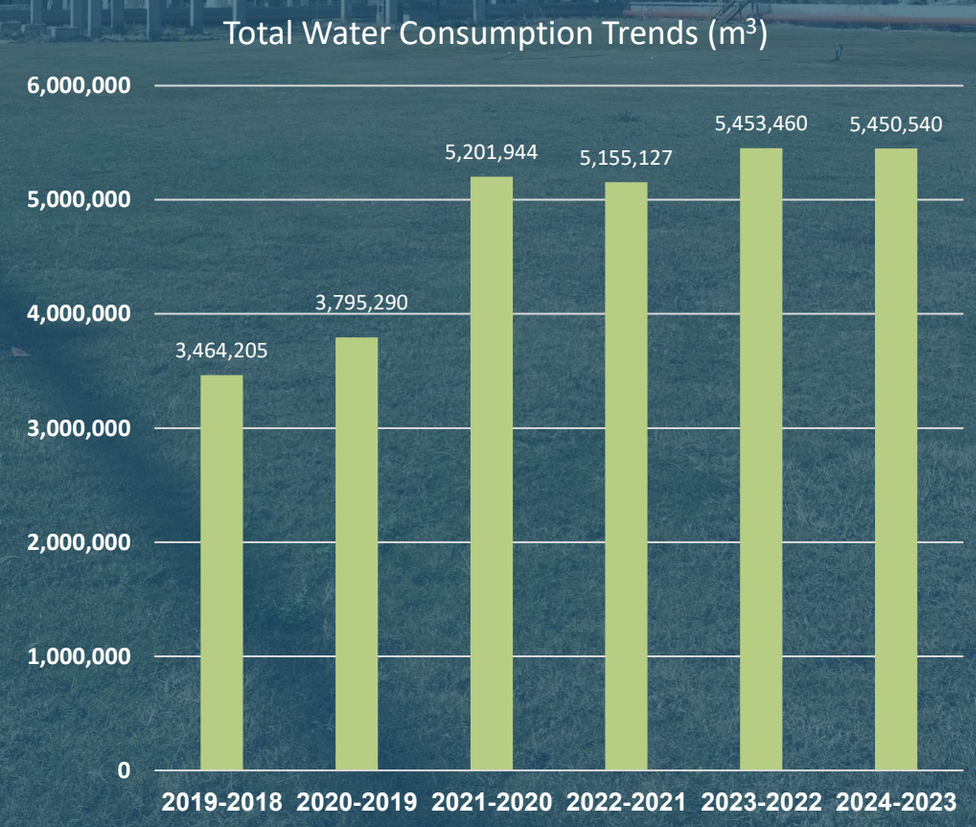
GRI 303-1
GRI 303-5

Water is a critical resource in TCI Sanmar's production processes, particularly in the manufacturing of Caustic Soda, PVC, and Calcium Chloride, which is sourced from municipal supplies, borewells, and internally treated water through Zero Liquid Discharge (ZLD) system. TCI Sanmar is committed to using water efficiently and implementing conservation strategies to minimize its impact on local water resources.

Water Sources and Consumption (2023-24)

Raw water is utilized in three primary ways, contributing to the total average water consumption of 19,030 m^3/ day. Below are the details of each water source:

- **Municipal Water (TDS<1000 mg/L):** The main source of water for TCI Sanmar, obtained directly from the local municipal water authorities contributing to an average consumption of 15,000 m^3/day (Total Municipal Water 5,450,540 m^3/year).
- **Borewell Water (TDS>1000 mg/L):** It is sourced from the groundwater, providing an additional internal supply for various operational needs of 1,030 m^3/day (Total Borewell Water 370,698 m^3/year).
- **ZLD Treated (Recycled Water):** It is internally generated from the wastewater treatment process. This water is treated through a Zero Liquid Discharge (ZLD) system, which recycles wastewater back into the process, minimizing the need for external water sources. It provides 3,000 m^3/day for reuse in production (Total Reused Water 1,077,995 m^3/year).



Total Water Consumption

Year	Total Water Consumption (m^3 / year)
2018-2019	3,464,205
2019-2020	3,795,290
2020-2021	5,201,944
2021-2022	5,155,127
2022-2023	5,453,460
2023-2024	5,450,540

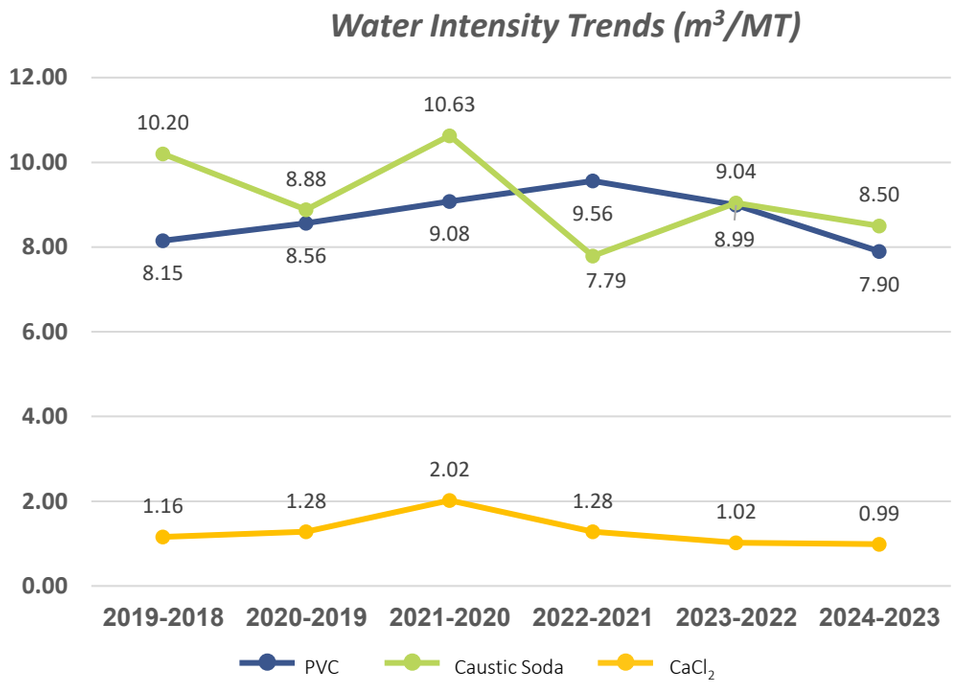
Water Consumption by Plant Operations: (April 2023 – March 2024)

- Caustic Production: 8.5 m^3/MT of product.
- PVC Production: 7.9 m^3/MT of product.
- Calcium Chloride Production: 1.0 m^3/MT of product.

The water intensity per product metric ton over the last 6 years is as presented in the below table that also shows that 2023-24 has less water intensity compared to the previous year although the increase in production. This reflects TCI Sanmar sustainable water management.

Water Intensity (m^3/MT)

Year	PVC	Caustic Soda	$CaCl_2$
2018-2019	8.15	10.20	1.16
2019-2020	8.56	8.88	1.28
2020-2021	9.08	10.63	2.02
2021-2022	9.56	7.79	1.28
2022-2023	8.99	9.04	1.02
2023-2024	7.90	8.50	0.99



Effluent Discharge Standards:

TCI Sanmar adheres to stringent internal and regulatory standards to manage its water discharge. The company complies with Egyptian environmental laws, ensuring that effluent discharge is closely monitored and treated before being released. The Zero Liquid Discharge (ZLD) system ensures that most wastewater is treated and recycled, reducing the volume of effluent released into the environment.

- **Zero Liquid Discharge (ZLD) System:** Treats up to 14,000 m³/day of wastewater, recycling it for use in production processes.
- **Effluent Treatment Plant (ETP) and Sewage Treatment Plant (STP):** These new projects aim to treat and recycle an additional 5,000 m³/day, further enhancing the company's sustainability performance.

Environmental Compliance: Regular audits and monitoring of effluent discharge are conducted to ensure compliance with environmental regulations. Effluent samples are routinely analyzed to ensure they meet or exceed legal discharge limits. The water rates are accurately measured using water meters (counters).

GRI 303-4 GRI 303-2 GRI 303-5

Water Discharge

TCI Sanmar ensures that all discharged water is treated to meet regulatory standards, with priority substances of concern (TDS, BOD, COD, and heavy metals) being regularly monitored. The company also strives to minimize the volume of effluent released by maximizing water reuse within the facility. The total water discharge in the period April 2023 to March 2024 is 2,207,900 m³/year with the following distribution illustrated in the below table.

Water Discharge

Discharge Plant	m³/year
ZLD 1 and ZLD 2	789,019
Chloro-Alkali (CA)	219,000
Borewell Reject	452,991

TCI Sanmar adopts a comprehensive approach to assess water-related impacts. This approach encompasses a systematic evaluation of water consumption, potential risks, and environmental effects, ensuring that the company maintains sustainable water management practices.

1.Scope of Assessments: The company evaluates water consumption across operations, monitors wastewater generation and treatment, including municipal water, recycled water from the ZLD plant, and borewell water, assesses environmental impacts on ecosystems, and engages stakeholders to address water use and discharge concerns.

2.Timeframe of Assessments: Regular assessments include monthly monitoring of water quality and periodic reviews in response to operational changes, regulatory updates, or environmental incidents.

3.Tools and Methodologies Used:

- Water Footprint Analysis: quantifies the total volume of water used in the company's operations, to identify areas for improvement and reduction in water use through a monthly consumption review.
- Life Cycle Assessment (LCA): employed to evaluate the environmental impacts of water use throughout the entire lifecycle of products, from raw material extraction to end-of-life disposal.
- Environmental Monitoring Systems: Advanced monitoring systems are implemented to track water quality parameters (e.g., pH, turbidity, etc) in real-time.
- Regulatory Compliance Checklists
- Stakeholder Surveys and Interviews

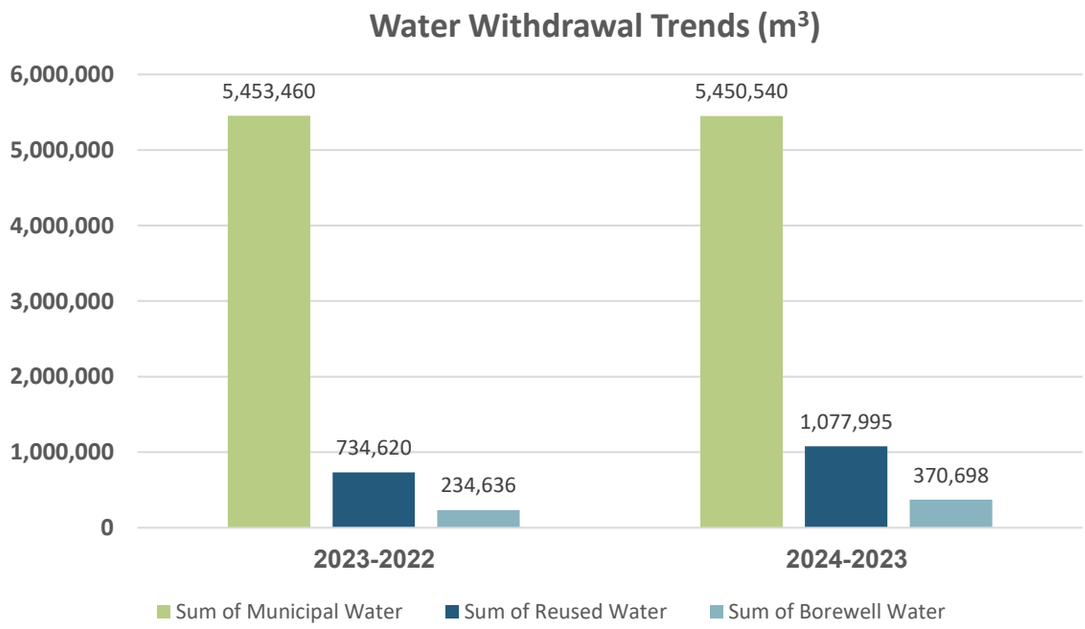
4.7 WASTEWATER TREATMENT & DISCHARGE

GRI 303-3

TCI Sanmar's approach to water utilization and management illustrates a commitment to sustainability and responsible resource management. By effectively managing diverse water sources and treating wastewater for reuse in operations, the plant not only mitigates environmental impacts but also fosters a sustainable operational framework. The specified water consumption rates for different production processes further demonstrate the importance of efficient water use in supporting the plant's overall sustainability goals. This holistic strategy promotes efficiency in water use while safeguarding the local ecosystem and community water resources. Our strategic wastewater management approach emphasizes recycling, recovery, and reuse of wastewater for industrial purposes. Additionally, we have invested 1.3 Million USD in a bore well project within our plant, which saved amount of water that would have otherwise been withdrawn from the municipal network. TCI Sanmar withdraw 5,450,540 m^3/year from municipal sources, 1,077,995 million m^3/year of recycled/reused water, and 370,698 m^3/year from bore wells. This reflects a significant increase in reused water compared to last year highlighting our continued efforts to optimize water resource management.

Water Withdrawal Breakdown

Year	Sum of Municipal Water	Sum of Reused Water	Sum of Borewell Water
2022-2023	5,453,460	734,620	234,636
2023-2024	5,450,540	1,077,995	370,698



TCI Sanmar's wastewater management system is designed to treat effluents generated during production to ensure that any discharge meets stringent environmental and regulatory standards. The company operates a state-of-the-art Zero Liquid Discharge (ZLD) system, which ensures that no untreated wastewater is discharged into the environment. This system treats wastewater to a level where it can be reused in the production process, further contributing to the company's water conservation efforts.
TCI Sanmar has implemented a robust wastewater management system to ensure effective treatment and reuse of wastewater:

Wastewater Generation:
The wastewater generated inside the plant operations is collected and directed to the wastewater treatment facility.

Treatment Process:
The wastewater undergoes preliminary treatment before being sent to the Zero Liquid Discharge (ZLD) plant. The ZLD plant treats the effluent to ensure minimal waste is discharged into the environment. To further enhance water reuse, we have made significant advancements in wastewater treatment. We constructed the ZLD 2 plant with a capacity of 6,000 m^3, alongside the existing ZLD 1 plant, which has been upgraded to recover more water, now with a capacity of 8,500 m^3. Our Reverse Osmosis (RO) system and expanded Zero Liquid Discharge (ZLD) systems, with a 90% recovery rate, ensure that wastewater is efficiently treated and reused across various operations within the plant, minimizing environmental impact and conserving precious water resources.

Compliance with Environmental Regulations:
We are committed to environmental stewardship and compliance with all relevant regulations. Effluent quality is monitored monthly by the Ministry of Health to ensure it meets regulatory standards, reflecting our dedication to transparency and public safety. Hydrocarbon-related wastes, although flammable, are safely processed on-site through methods like flare burning and incineration, with systems regularly tested for efficiency. We are proud to report zero violations of emissions standards for 2023-24, showcasing our adherence to environmental regulations and commitment to protecting the ecosystem.

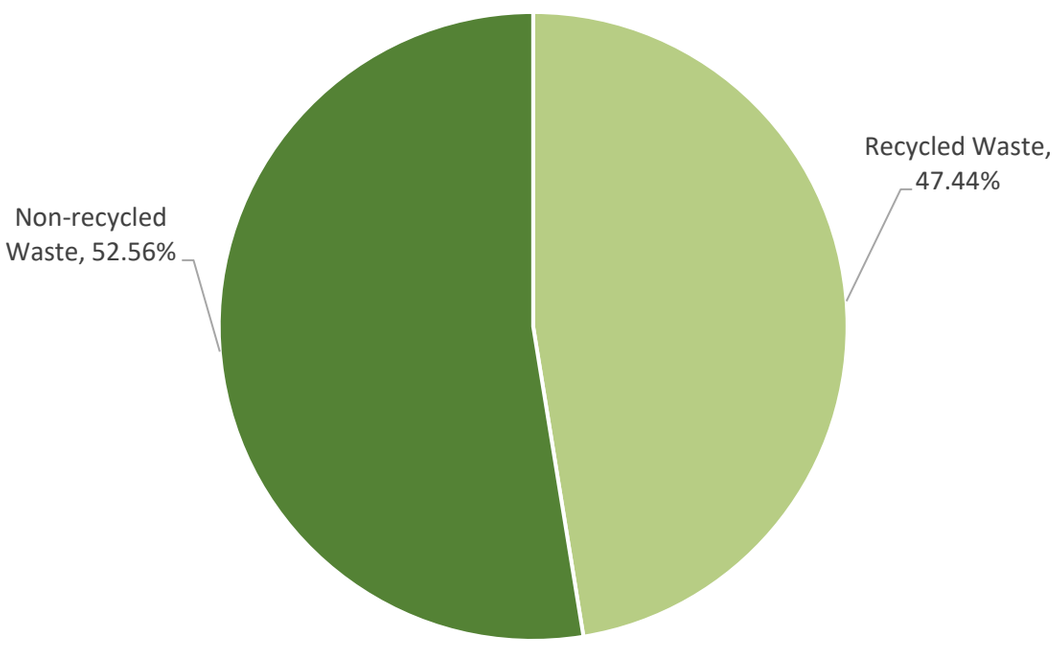
Reuse of Treated Effluent:
The treated effluent is processed, and the permeate (clean water) is recycled back into the manufacturing process. This recycling reduces overall water consumption requirements and lessens the environmental impact.

4.8 WASTE MANAGEMENT

Effective waste management is a cornerstone of TCI Sanmar's sustainability strategy. The company generated 67,690 MT of total waste in 2023-2024, consisting of 35,853 MT hazardous wastes, and 31,837 MT non-hazardous wastes. By implementing a structured waste management system, TCI Sanmar ensures that waste is reduced at the source, properly segregated, treated, and, where possible, recycled or reused. TCI Sanmar continuously evaluates its waste management practices through internal audits and monitoring, ensuring that waste streams are handled in a responsible manner that minimizes risks to the environment and human health.

More than 47% of total hazardous and non-hazardous waste quantity is recycled. Recycled types of waste include empty bags, catalyst, Stainless Steel Scrap, Aluminum Scrap, FRP/PVC Used Scrap, Used 210 Liters MS Barrel, Copper Cable Scrap, Aluminum Cable Scrap, FRP Scrap, Wood Scrap, Carbon Steel Scrap, Instrumentation Cables Scrap and Copper Valves Scrap. Total non-hazardous waste is being recycled.

Percentage of recycled waste from total hazardous and non-hazardous waste



GRI 306-5 GRI 306-3 GRI 306-1 GRI 306-4 GRI 306-2

Waste Reduction & Recycling

By optimizing processes and reusing materials, the company has significantly reduced the volume of waste directed to landfills. TCI Sanmar also places significant emphasis on recycling non-hazardous waste, including 24,200 MT of FRP/PVC scrap, 7.66 MT of stainless-steel scrap, and 3,814 used barrels, are segregated at the source and sent for recycling through authorized third-party vendors. By incorporating circular economy principles, TCI Sanmar seeks to convert waste materials back into usable resources, thus reducing its overall environmental impact.

Hazardous Waste Management

Hazardous waste management is a critical part of TCI Sanmar's commitment to environmental sustainability. In 2023-2024, the company generated 35,853 MT of hazardous waste, consisting of hydrocarbon residues, wastewater containing harmful chemicals, and contaminated process materials. Managing these waste streams in a responsible and compliant manner is essential to avoid potential risks to the environment and human health. TCI Sanmar uses a combination of advanced waste treatment systems and third-party disposal services to manage hazardous waste. The company operates a Zero Liquid Discharge (ZLD) system, which treats and recycles wastewater, ensuring that 100% of wastewater is reused within the facility, preventing the release of harmful effluents into the environment. Solid hazardous waste, including contaminated materials, is incinerated, or treated at licensed facilities to neutralize its harmful effects.

Waste Management Approach

- Segregation at Source: Waste is separated into hazardous and non-hazardous categories for proper handling and disposal.
- Recycling and Resource Recovery: Recyclable materials like scrap metals and plastics are processed to reduce landfill use and support resource recovery.
- Hazardous Waste Handling: Managed under strict protocols with safe collection, storage, and partnerships with certified disposal firms.
- Regulatory Compliance: Practices align with local and international regulations to ensure responsible disposal.
- Continuous Improvement: Regular audits, employee training, and the adoption of best practices enhance efficiency.
- Partnerships: Collaborates with specialized waste management companies for safe treatment and disposal.

Waste Data Collection

- Categorization and Documentation: Waste is categorized and documented at the source by assigned staff.
- Weighing and Tracking: Systems monitor and log waste streams for accuracy.
- Internal Databases: Data is recorded for efficient tracking and reporting.
- Third-party Audits and Certifications: Independent audits and certifications ensure data accuracy.
- Sustainability Reporting: Data contributes to environmental reporting under GRI frameworks.

5. SOCIAL RESPONSIBILITY

5.1 Employment
5.2 Training and Education
5.3 Social Responsibility & Community Development
5.4 Health & Safety
5.5 Supply Chain Responsibility
5.6 Costumer Privacy
5.7 Marketing and Labeling

5.1 EMPLOYMENT

GRI 401-1

Employment at TCI Sanmar contributes to economic stability and career growth, but challenges like high turnover, especially in the 30-50 age group, may affect productivity. Social impacts, such as employee well-being, are significant. The company promotes fairness through comprehensive policies, including health insurance, work injury protection, and bonuses for full-time employees. Notice periods of two to three months are provided based on employee level, ensuring transparency in operational changes.

While TCI Sanmar doesn't directly cause negative employment impacts, high turnover in the 30-50 age group suggests some internal processes may contribute. Of the 60 exits from April 2023 to March 2024, 45 were in this group, prompting targeted retention efforts. To reduce turnover, particularly in the 30-50 age range, we are enhancing employee engagement and career development opportunities.

During the period from April 2023 to March 2024, TCI Sanmar hired a total of 55 employees. The breakdown of new hires by age group and gender is as shown in the following table.

New Hires Breakdown

	Male	Female
Under 30 Years Old	28	0
30 – 50 Years Old	27	0
Over 50 Years Old	0	0

A total of 60 employees left the company during this period, and the turnover data is broken down by age group and gender as follows:

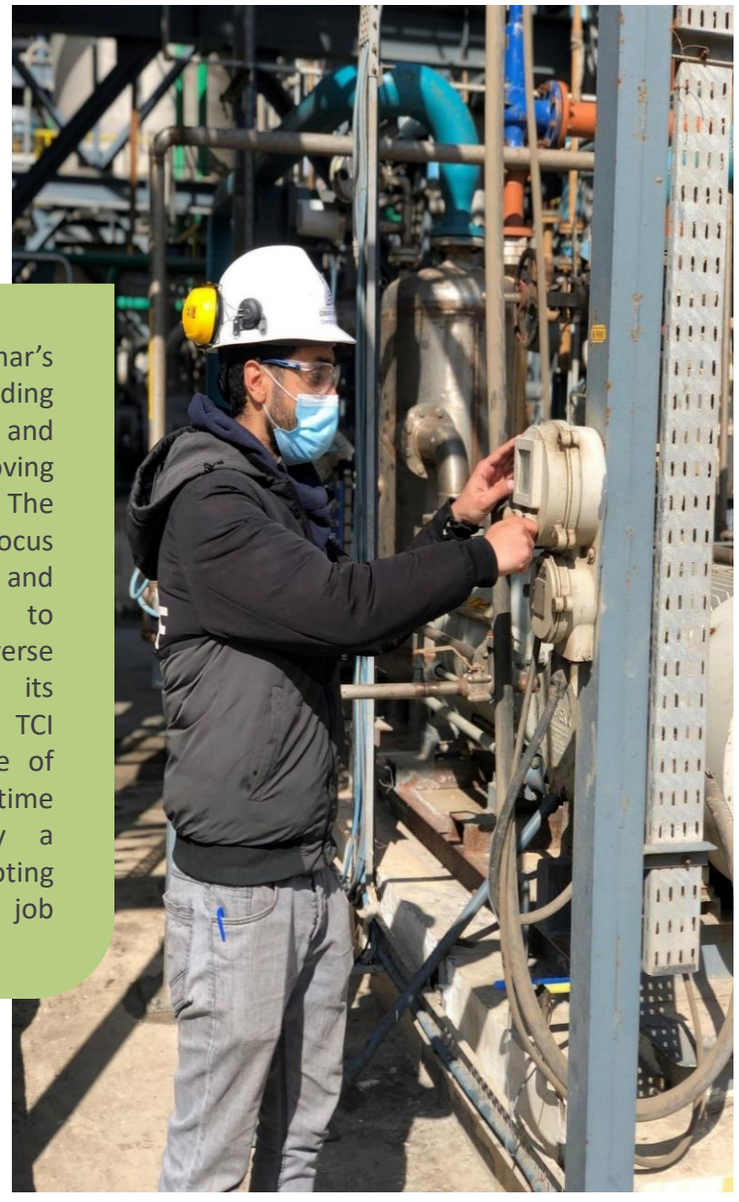
Leavers Breakdown

	Male	Female
Under 30 Years Old	14	0
30 – 50 Years Old	45	0
Over 50 Years Old	1	0

Inclusive hiring practices are also being implemented, reflecting attention to gender and age representation. TCI Sanmar tracks employment effectiveness through hiring and turnover metrics, focusing on improving retention in the 30-50 group. Employee feedback through surveys and meetings informs improvements in benefits like enhanced medical coverage and bonuses, ensuring policies meet workforce needs and boost job satisfaction.

We monitor employee hiring and turnover rates to assess workforce growth and retention. The data for this reporting period highlights hiring and turnover statistics segmented by gender and age group.

This data reflects TCI Sanmar's efforts in understanding workforce dynamics and highlights areas for improving employee retention. The company continues to focus on inclusive recruitment and retention strategies to maintain a skilled and diverse workforce aligned with its strategic objectives. TCI Sanmar provides a range of benefits to its full-time employees, which play a significant role in promoting employee well-being and job satisfaction.



5.1 EMPLOYMENT

GRI 401-1
GRI 401-2

Total Number of Employees & Gender Breakdown:

- Total Employees (Headcount): 404 Egyptian employees and 39 expatriate employees. 12 of this total number are females.
- Total number of contractors and freelance ranges around 1200.

Breakdown by Employee Category:

For all categories, including Category 1 (Senior Management), Category 2 (Middle Management), Category 3 (Technical Staff), Category 4 (Administrative Staff) and Category 5 (Production Staff), 100% of employees received a regular review.

Performance Review:

- Percentage of Female Employees who received regular performance and career development reviews: 100%.
- Percentage of Male Employees who received regular performance and career development reviews: 100%.

Benefits Exclusive to Full-Time Employees:

- **Social Insurance:** Comprehensive social insurance is provided to all full-time employees.
- **Health Insurance:** Full-time employees benefit from extensive health insurance coverage.
- **Medical Care:** Full access to medical care services.
- **Work Injury Insurance:** Protection through work injury insurance is available for full-time workers.
- **Bonuses:** Full-time employees receive various bonuses, including:
  - Ramadan Bonus
  - Eid Al Fitr Bonus
  - Eid Al Adha Bonus
  - School Bonus

Additional Financial Benefits:

- Special payment
- Paid Time Off (PTO) for vacations
- Holiday Pay: Paid time off for public holidays.
- Overtime Pay: Additional compensation for hours worked beyond standard working hours.

During this reporting period, we did not have any employees, male or female, entitled to parental leave. Additionally, there were no employees who took parental leave and subsequently returned to work or remained employed 12 months after returning. Although no employees used parental leave during this period, it remains an indicator for future monitoring.

At TCI Sanmar, the organization provides employees with a minimum notice period before significant operational changes occur, ensuring transparency and time for adjustments. The notice period varies based on the level of employees within the organization, where two months are provided for Junior/non-management employees, while three months are provided for Executive/Management Employees. While TCI Sanmar does not operate under any collective bargaining agreements, the organization has established clear internal policies to guide the relationship between management and employees. These include Internal Regulations and Workplace Safety Policies.

5.2 TRAINING AND EDUCATION

GRI 2-7 GRI 404-1 GRI 2-8 GRI 404-3

TCI Sanmar's training efforts positively impact workforce efficiency, providing **4914 hours of training to 344 technical employees**, resulting in an average of 14.5 training hours per technical employee. These programs covered critical topics such as Plant Process Operations, SOPs, Equipment Handling, and Advanced Control Systems, ensuring employees were prepared to meet operational demands and uphold safety standards. However, gaps in training data for gender and non-technical staff may affect inclusivity in workforce development. While TCI Sanmar's training initiatives have positive outcomes, the lack of data on gender and non-technical staff training could lead to unequal opportunities.

The company aims to address these gaps to ensure equal access to development opportunities. TCI Sanmar focuses on continuous learning, emphasizing technical training for engineers and technicians. Programs like the Graduate Engineer Trainee (GET) initiative and the use of Computer-Based Training (CBT) highlight the company's commitment to innovation and skill development.

In the reporting period, TCI Sanmar expanded training programs, offering 4914 hours of technical training and enhancing its GET program with 19 trainees. External partnerships, such as with Elswedey Technical Academy and DuPont Sustainable Solutions (dss+) , ensure long-term workforce competency and safety. Training effectiveness is measured by total hours, average hours per employee, and performance reviews.

PVC Plant Process control and DCS Training

Stakeholder feedback, including input from employees and training partners, helps shape TCI Sanmar’s training programs. Partnerships with educational institutions and consultants further support the company’s commitment to continuous learning and workforce development.

TCI Plant operators taking 3-days course about process control and DCS

The technical training breakdown included:

- 140 Field Engineers and Technicians who received 4 hours of training each on Plant Process, Operations, and SOPs, totaling 560 hours.
- 100 Field Engineers and Panel Engineers, who began training in November 2023, received 12.5 hours each of Computer-Based Training on Plant Equipment, contributing a total of 1250 hours.
- 90 Panel Engineers participated in 32 hours of training on DCS Basics and Advanced DCS, totaling 2880 hours.
- 14 Panel Engineers, starting in March 2024, participated in 16 hours of DCS Simulator training, contributing 224 hours.

5.2 TRAINING AND EDUCATION

TCI Sanmar has implemented several initiatives focused on employee development and skill enhancement during the reporting period (April 2023 to March 2024). These initiatives include both internal and external training programs, demonstrating the company's commitment to fostering a culture of continuous learning and development.

One key initiative is the Graduate Engineer Trainee (GET) Program, which was successfully replicated in Egypt after its initial implementation in India. The first round, completed in December 2020, saw the selection of 8 Graduate Engineer Trainees (GETs), representing a diverse group of engineering divisions. In the second round (2022), 12 additional engineers were selected for a one-year internship that provided both classroom and on-the-job training. These trainees had access to various parts of the plant, furthering their understanding and expertise.

The GET program continued to grow, with 19 GETs selected for the third round in 2023-2024. This iteration of the program included 160 hours of classroom training covering around 68 topics such as Technical Training, Health, Safety, Environment (HSE), Organizational, Financial, Logistics, Legal, Corporate Social Responsibility (CSR), and Environmental, Social, and Governance (ESG) subjects. This comprehensive program aims to equip participants with a broad range of skills beyond just technical knowledge.

Additionally, TCI Sanmar introduced Computer-Based Training (CBT) modules and DCS Simulator Training for DCS engineers, providing more practical learning opportunities. The Mechanical Integrity and Quality Assurance (MIQA) awareness program was also launched for maintenance engineers, ensuring the long-term safety and effectiveness of equipment.

DCS Training

GRI 404-2

The company's partnership with Elswedey Technical Academy was another major initiative. Scheduled to start in July 2023, this partnership will provide employees with technical and soft skills training, including certifications from Cambridge University. The program also includes Arabic training for expatriates to improve communication within the organization. In terms of safety training, TCI Sanmar partnered with dss+ Project, which delivered safety training tailored to the petrochemical industry. These training efforts are part of TCI Sanmar's broader goal to enhance safety practices across the company.

University Visit Winter 2024

While TCI Sanmar demonstrates a strong focus on skill development through these programs, there were no paid educational leave programs, sabbatical programs, pre-retirement services, or retraining programs offered during this period. The company also did not provide severance pay, job placement services, or counseling support for transitioning employees. Therefore, no employees participated in these types of services during the reporting period. TCI Sanmar has demonstrated a comprehensive and inclusive performance review system during the reporting period (April 2023 to March 2024). The company ensures that all employees, regardless of gender or job category, receive regular performance and career development reviews.

TCI Sanmar applies a headcount-based approach to reporting employee numbers. The company confirmed that this approach has been applied consistently throughout the reporting period, ensuring accuracy and transparency in its reporting process. The consistency of this approach between reporting periods also contributes to the reliability of the data. The regular review system highlights TCI Sanmar's commitment to ensuring that all employees, regardless of their position or job type, are provided with continuous feedback and opportunities for career development. This system supports employee growth, aligns individual performance with organizational goals, and fosters a culture of continuous improvement.

5.2 TRAINING AND EDUCATION

GRI 404-1

Training engineering students from Suez Canal University at TCI Sanmar in Port Said plays a vital role in bridging the gap between academic knowledge and real-world industrial applications.

This collaboration equips students with practical experience, exposing them to cutting-edge technologies, modern manufacturing processes, and sustainable industrial practices. By engaging with industry professionals, students enhance their technical skills, problem-solving abilities, and teamwork, preparing them for future careers in engineering and contributing to the local workforce.

> Such initiatives not only foster innovation but also strengthen the relationship between academia and industry, promoting economic growth and sustainable development in the region.

5.3 SOCIAL RESPONSIBILITY & COMMUNITY DEVELOPMENT

GRI 2-6 GRI 413-1 GRI 2-29

At TCI Sanmar Chemicals, our commitment to Corporate Social Responsibility (CSR) is at the heart of our business strategy. We aim to operate with integrity, sustainability, and responsibility toward the communities we serve. Our CSR policy reflects this dedication by focusing on environmental sustainability, community development, employee welfare, and ethical business practices, aligning with national goals like Egypt Vision 2030 and global standards like the UN Sustainable Development Goals (SDGs). Through initiatives in education, healthcare, environmental protection, and skill development, we contribute to the well-being of society while minimizing our environmental impact. Our approach involves regular monitoring, transparent reporting, and continuous improvement, ensuring that our efforts make a lasting, positive difference for our stakeholders and the environment.

Empowering Women, Embracing Sustainability: The "Adaha W Odoud" Initiative

Adaha W Odoud

- **Empowering Women**
- **Developing Entrepreneurs**
- **Circular Economy**
- **Market Access**

In line with TCI Sanmar's commitment to Corporate Social Responsibility (CSR) and the principles of sustainable community impact, the "**Adaha W Odoud**" initiative is a testament to the power of public-private partnerships in transforming lives. Working alongside the National Council for Women (NCW), TCI Sanmar has developed this program to empower women in Port Said both financially and socially, creating pathways toward independence and a sustainable livelihood.

Launched in July 2023 at the El Kabouty Youth Center, "Adaha W Odoud" provided over 135 women—representing diverse ages, backgrounds, and abilities—with hands-on training in valuable handicrafts, including loom beadwork, burlap bag design, leather crafting, and stained-glass work. Beyond equipping them with technical skills, TCI Sanmar's comprehensive financial backing enabled these women to learn without cost, ensuring inclusivity and access for those who otherwise may have faced barriers.

This initiative does more than teach new skills; it integrates lessons on sustainable practices, encouraging the adoption of a circular economic mindset. Participants were taught to upcycle materials, transforming used glass into stained glass creations and incorporating recycled textiles into bag designs. By instilling a culture of recycling and resourcefulness, TCI Sanmar is promoting sustainable business models and reducing material waste, paving the way for these new entrepreneurs to establish eco-friendly businesses that align with the broader environmental goals of Egypt's Vision 2030.

Developing Entrepreneurs: TCI Sanmar and the NCW have worked to develop not just artisans but also entrepreneurs. These women received training on setting prices, managing product costs, and understanding market dynamics, equipping them to independently manage and scale their businesses.

Circular Economy: The emphasis on recycled materials fosters an eco-conscious approach, where participants learn to repurpose everyday items into marketable goods promotes circular economy. This sustainable framework enables cost savings and creates a socially responsible narrative around their crafts, supporting the local community and the environment simultaneously.

Market Access: As part of its long-term commitment, TCI Sanmar has collaborated with the NCW to facilitate market access for these new businesses. Their handmade products will be featured in NCW exhibitions and distributed as gifts at conferences, introducing these women's work to a wider audience and supporting their journey towards economic independence.

Products made from recycled materials by Adaha W Odoud participants

5.3 SOCIAL RESPONSIBILITY & COMMUNITY DEVELOPMENT

GRI 413-1

The “Adaha W Odoud” initiative is a cornerstone of TCI Sanmar’s CSR and sustainability strategy, directly benefiting the local community and empowering women to lead independent, dignified lives. Through targeted training, financial support, and a commitment to sustainability, TCI Sanmar is helping to build a resilient, environmentally responsible economy that uplifts families and reinforces the company’s dedication to social impact and sustainable development.

In alignment with TCI Sanmar’s commitment to sustainability and its broader environmental goals, the “Adaha W Odoud” initiative incorporates the principles of a circular economy as a core element of its training program. This approach not only empowers participants with entrepreneurial skills but also instills the values of waste minimization, resource efficiency, and environmental stewardship, all of which are central to TCI Sanmar’s vision.

Adaha W Odoud Initiative’s participants

Participants are trained to repurpose non-value materials into high-value goods, such as transforming discarded glass into stained-glass products and using recycled textiles to create marketable burlap bag designs.

These efforts directly support TCI Sanmar’s aim to reduce waste, promote recycling, and encourage resource optimization, echoing the company’s dedication to embedding the three Rs concept—Reduce, Reuse, Recycle—across its initiatives.

By integrating these practices, the program not only reduces the environmental footprint of its participants’ crafts but also fosters a culture of sustainability within the community. This sustainable framework enables cost savings, supports eco-friendly business models, and contributes to a socially responsible narrative around the women’s products, aligning with TCI Sanmar’s role in driving Egypt’s Vision 2030 for sustainable development.

5.3 SOCIAL RESPONSIBILITY & COMMUNITY DEVELOPMENT

GRI 2-6
GRI 413-1

Empowering Youth through Vocational Training with the Arab Academy for Science, Technology, and Maritime Transport

TCI Sanmar's commitment to community development and sustainable industry is powerfully reflected in its ongoing partnership with the Arab Academy for Science, Technology, and Maritime Transport (AASTMT) through the vocational training program. This program is crafted to empower youth with skills that meet evolving labor market demands, helping to bridge the gap between education and employment. Now in its fourth phase, it is addressing Egypt's Vision 2030 by investing in human capital, thus contributing to economic growth and societal well-being in Port Said and surrounding canal cities.

With a focus on technical school graduates, the vocational training program directly benefits the community around TCI Sanmar's complex, where 30% of the 90 participating students reside. These students receive training in high-demand industrial skills, such as welding with both electricity and argon gas, air conditioning, and programmable logic controllers (PLC). TCI Sanmar's financial support ensures that participants gain these essential skills without incurring any cost, promoting accessibility and inclusivity.

Since its inception, TCI Sanmar has invested over EGP 2 million in this vocational training program, reflecting its long-term commitment to the development of local talent. Over the course of three previous rounds from 2018 to 2022, more than 300 students have successfully completed this training across Port Said, Suez, and Ismailia, building a robust pipeline of skilled labor that not only supports TCI Sanmar's operations but also enriches Egypt's broader industrial landscape.

Training Certification Distribution Event with TCI Sanmar Chairman

A significant highlight of this training initiative is the introduction of solar photovoltaic (PV) technology to the curriculum, showcasing TCI Sanmar's commitment to renewable energy and sustainable development. By equipping students with knowledge in solar PV technology, TCI Sanmar not only provides these young professionals with a foothold in the emerging renewable energy sector but also contributes to the creation of a workforce that supports Egypt's national objectives in clean energy.

Additionally, the program goes beyond technical skills by offering courses in English language proficiency and computer skills, addressing any educational gaps and enabling students to fully leverage their technical training. Recognizing the importance of soft skills, TCI Sanmar integrates life skills training into the program, fostering well-rounded individuals prepared for the workforce.

The partnership with AASTMT exemplifies how public-private cooperation can make a profound impact. TCI Sanmar provides funding, resources, and access to its facilities, while AASTMT contributes with training environments, workshops, specialized instructors from its engineering faculties, and all necessary equipment. Together, these efforts ensure that trainees receive a comprehensive, hands-on education in a real-world industrial setting.

Women Vocational Training

TCI Sanmar's vocational training program is a model for sustainable community engagement. By equipping youth with critical skills and knowledge, particularly in renewable energy, the company not only empowers individuals but also strengthens the resilience and competitiveness of the Egyptian labor market. This program reaffirms TCI Sanmar's dedication to Egypt's Vision 2030 and sustainable development, building a foundation for an industrial workforce that will drive economic progress and social equity in the years to come.

5.4 HEALTH AND SAFETY

GRI 403-2

GRI 403-7

TCI Sanmar has developed comprehensive processes to identify and address significant negative occupational health and safety (OHS) impacts, designed to protect the health of workers across all categories, including full-time employees, contractors, and temporary worker, where non-routine hazard identification processes are triggered by incidents, operational changes, and non-routine operations. Hazards are identified and risks are assessed using the HIRA (Hazard Identification and Risk Assessment) process. In critical cases, more detailed assessments such as QRA and HAZOP are applied.

Contractors and outsourced manpower are identified as key groups at risk of OHS impacts, facing similar hazards to TCI Sanmar employees, such as chemical exposure, electrical risks, pressure, and fire-related hazards. To prevent such risks, TCI Sanmar has implemented safety standards, including detailed control measures within its HIRA system. These controls are supported by procedures, training, inspections, and audits designed to minimize risks.

To ensure the quality and effectiveness of these processes, TCI Sanmar is developing a Health and Safety (H&S) competence management system as part of its five-year safety plan. Employees receive both internal and external safety training annually. Contractors are inducted into safety procedures through a contractor management process. TCI Sanmar has a comprehensive reporting system that allows workers to report unsafe acts, conditions, and near misses through a software-based incident reporting system. A "stop work authority" policy is planned for 2026, but the company currently enforces an "open door policy," allowing employees and contractors to report hazards without fear of retaliation. Workers can remove themselves from hazardous work by reporting the issue to their supervisor and logging unsafe conditions in the “MySetu” application. All work-related incidents are investigated by a cross-functional team under the SANSAFE program's incident management subcommittee. The lead investigator is selected based on the nature of the incident, following a structured investigation procedure. The outcome of these investigations is used not only to resolve immediate issues but also to prevent similar incidents across other areas of the organization.

5.4 HEALTH AND SAFETY

GRI 403-1
GRI 403-2

TCI Sanmar's commitment to health and safety is reflected in its adherence to standards like ISO 45001:2018 and its proactive policies for risk assessment and employee training. We implemented several safety measures, including advanced risk assessments (HAZOP, QRA) and safety training programs, such as the SANSAFE initiative. The company also introduced new reporting tools, like the Mysetu software, to improve hazard identification and incident tracking. TCI Sanmar tracks the effectiveness of its safety measures through metrics such as injury rates, safety perception surveys, and KPI monitoring.

These assessments help the company evaluate the success of its safety initiatives, though areas like hazard identification and response to incidents continue to be refined for better performance. Regular safety committee meetings and worker involvement in risk assessments ensure that safety measures align with both operational goals and employee well-being. Partnerships with external experts further reinforce the company's focus on achieving "zero incidents".

The company acknowledges the safety incidents of four high-consequence injuries during the reporting period. We actively address those incidents through incident investigations and corrective actions, ensuring continuous safety improvements. Our Occupational Health and Safety Management System (OHSMS) was voluntarily implemented as a productive commitment to ensure a safe and secure work environment. It adheres to relevant legal and regulatory requirements, including Law 12 of the year 2003, its executive appendix, the Egyptian fire code, and other standards such as boiler operations and testing standards like Egyptian standard ES 2794. The system is based on recognized standards, most notably ISO 45001:2018, ensuring compliance with international best practices. Additionally, the Management of Change (MOC) system ensures that non-routine activities are assessed for any new or modified risks before changes are implemented.

TCI Sanmar employs a structured approach for hazard identification and risk assessment through processes such as FMEA (Failure Mode and Effects Analysis) and a risk matrix to assess the severity and probability of risks. This matrix helps categorize risks, allowing appropriate controls to be implemented for higher-risk activities while monitoring lower-severity risks.

The company's risk assessment methodologies include an annual medical examination program specifically designed for employees exposed to health risks. The on-site clinic, which operates 24/7, is staffed by qualified professionals, including a doctor during the day shift, as well as nurses and ambulance services that are available across all shifts. The medical screenings during employment ensures that all employees undergo an initial health assessment upon joining the company, covering 100% of personnel. The occupational health services are provided by outsourced medical personnel under the organization's control. These services comply with Egyptian laws, particularly Law 12 of 2003 (5th book), and follow the normal medical code of practice applicable in Egypt. All clinic activities and medical checks are provided free of charge to employees, in addition to a private medical insurance policy offered to all full-time employees.

No health data is collected or stored by the company; all medical records and data related to employees' health conditions are managed privately by the external medical insurance provider. This ensures that workers' health-related information is kept confidential and no risk of workers' health data being used for favorable/unfavorable treatment. Hence, there are no procedures related to the prevention of discrimination or bias based on health-related information.

Participation in OHSMS includes safety committee meetings and the APEX committee, which includes sub-committees with cross-functional team members. Workers actively participate in risk assessments, incident investigations, and safety committee meetings, ensuring their involvement in critical safety decisions. Blue-collar workers are represented as per labor law, ensuring all relevant workers, including vulnerable groups, are included in the process.

The scope of the Occupational Health and Safety Management System (OHSMS) covers all activities (both internal and those influenced by the organization) and all the workers categories, which include full-time employees, contractors, manpower-supplied employees, and temporary workers without exception.
Key professionals responsible for managing the OHSMS, employed directly by the organization, include Mr. S Vadivel (Chief Operating Officer), Mr. Mohamed Abd El Razik El Sherif (Location Manager), and Mr. Yasser Osman (Safety General Manager), supported by the H&S team.

Ensuring the continuous improvement of the OHSMS, the company employs several methods, including a cross-audit system, management reviews, corrective and preventive actions, subcommittees established under the SANSAFE program, and periodical safety reviews. SANSAFE is a key initiative at TCI Sanmar to transform our organizational culture towards safety and operational excellence, with the ultimate aim of achieving "Zero Incidents."

Since April 2022, SANSAFE has promoted Risk-Based Thinking in daily work at the plant. Partnering with dss+, TCI Sanmar has focused on implementing both Process Safety Management (PSM) and Behavior-Based Safety (BBS). Through training and safety assessments, employees and contractors are learning to prioritize safety and believe in the certainty of zero incidents.

5.4 HEALTH AND SAFETY

GRI 403-5 GRI 403-6 GRI 403-3 GRI 403-8 GRI 403-7 GRI 403-4

The OHSMS is internally and externally audited, and all employees and non-employee workers are included in this audit process. This includes 370 employees and 1611 non-employee workers, with both groups representing 100% coverage in internal audits. The audits assess processes within the organization, ensuring that all relevant personnel, including contractors, are accounted for, even if the audits do not focus on individual personnel directly. External audits are based on ISO 45001:2018, certified by a third-party accredited by the International Accreditation Forum (IAF), while internal audits follow ISO standards, including ISO 9001, ISO 14001, ISO 45001, and ISO 19011 for auditing guidelines.

TCI Sanmar Health and Safety Achievement

Achievement	Details
1. Improved Safety Culture	Safety Perception Survey conducted with 1,000 personnel. Results show shift from reactive to dependent mindset, moving towards an independent culture.
2. Innovative Reporting System	Development of Mysetu software for hazard and incident reporting, with full implementation expected by 2024-25.
3. Revitalization of Process Safety Barriers	89% reduction in overridden interlocks and 70% improvement in restoring Basic Process Control System to automatic mode.
4. Leadership Engagement (FELT)	Leadership team visiting shop floors twice weekly, enhancing safety culture at the field level.
5. Cyclic Hazop Initiative	Launched across all plants, with 15 trained Hazop Leaders. Initial focus on VCM units with Pragna consultants.
6. Comprehensive Risk Register Development	86 risk items identified, with a Bow Tie-based Barrier Health Management program implemented for top 5 scenarios. Budgeting $2.75 million for recommendations.
7. Mechanical Integrity and Quality Assurance	892 critical items identified, leading to the development of a dedicated maintenance program for reliable equipment operation.

We established a contractor management program overseen by the APEX subcommittee responsible for contractor oversight. This allows TCI Sanmar to promote safe practices among its partners, setting clear expectations for OHS performance. In cases where negative impacts are identified, a hierarchy of controls is followed, starting with eliminating hazards, substituting processes or materials, applying engineering controls, administrative controls, and finally, using personal protective equipment (PPE). In situations where TCI Sanmar lacks direct control over the work or workplace, such as in partnerships or contractor-led operations, the company still exerts influence by embedding OHS requirements in contracts and agreements. If there is any deviation from these contractual obligations, a consequence management system is in place to enforce compliance.

TCI Sanmar ensures communication is in the relevant languages (Arabic for locals, English for expats), and provides training to committee members and workers. The APEX Capability and Communication sub-committee was created to improve communication within the plant. Formal joint management-worker health and safety committees meet monthly, with the authority to implement changes based on worker feedback. These committees handle tasks such as hazard identification, risk assessment, and incident reporting. All workers are represented by these committees.

At TCI Sanmar, worker training on occupational health and safety (OHS) is comprehensive, ensuring the safety of all employees and contractors. The training programs offered include induction training, procedure-specific training, risk and hazards training, safety awareness, and emergency response training. Training covers specific work-related hazards, hazardous activities, and hazardous situations, including but not limited to electrical safety, LOTO(TO) - Lock Out, Tagout And Try Out, hot work activities, confined spaces, and other types of high-risk operations. The training needs are identified using a competence matrix assessment, which evaluates the required competence for different roles and identifies any gaps. This helps to pinpoint the specific training needs for various workers and roles. It is implemented uniformly across the organization, provided onboarding and annually, through classroom sessions during paid working hours. The effectiveness of the training is assessed through post-training tests, where workers' feedback is analyzed and used to make continuous improvements to the training content and delivery methods.

Certain roles, such as committee members, require both basic and advanced safety training as per Decree 34 from Law 12 of 2003. Moreover, comprehensive non-mandatory training and awareness-level programs are available for personnel. For workers involved in high-risk activities, specialized training is provided. At present, TCI Sanmar does not offer voluntary health promotion services such as smoking cessation or dietary advice programs. TCI Sanmar's OHSMS covers 100% of its workforce, including both employees and non-employee workers. This system is compliant with legal requirements and recognized standards. All 443 employees at TCI Sanmar are covered by the OHSMS, representing 100% of the employee workforce. Additionally, 1611 non-employee workers, whose work and/or workplace is controlled by the organization, are also covered by the OHSMS, representing 100% of non-employee workers.

5.4 HEALTH AND SAFETY

GRI 403-9
GRI 403-10

During this reporting period, no fatality occurred as a result of work-related injury, while four high-consequence work-related injuries occurred. The rates of injuries and fatalities were calculated per 1,000,000 hours worked. For recordable work-related injuries, TCI Sanmar also recorded four injuries. The main types of injuries among non-employee workers include fractures and burns, primarily caused by machinery accidents and chemical exposure. The total number of hours worked by non-employee workers during the reporting period amounted to 2080 hours per worker and a collective total of 3,350,880 hours for 1611 non-employee workers.

Hazard identification methodologies used by TCI Sanmar include rigorous risk assessments and incident investigations. In response, TCI Sanmar has formed Root Cause Analysis (RCA) teams, aiming to implement corrective action plans across the complex to prevent similar incidents in the future. Non-high-consequence injuries and incidents with low probability of causing serious harm were addressed similarly, with RCA teams identifying root causes and implementing action plans. These incidents also undergo Fault Tree Analysis (FTA) and RCA techniques to ensure appropriate follow-up actions. No workers were excluded from these statistics.

Additionally, demographic data shows that all workers involved in recordable incidents were male, with 1 Restricted-Lost Time Injury (RLTI) and 1 FAC for TCI employees, and 3 RLTI, 1 NLTI, and 7 FAC for contractors. Incident types include machinery accidents (forklift), chemical exposure (hot brine), and heat exposure. Lastly, 91 near misses, 11 fire cases, 4 RLTI, and 3 process safety events (PSE) were identified as high-potential incidents during this period.

For the reporting period of April 2023 to March 2024, TCI Sanmar has not reported any fatalities or recordable cases of work-related ill health for both employees and workers whose work or workplace is controlled by the organization. The absence of such cases highlights the organization's focus on preventing work-related ill health through robust health and safety measures. There were no specific hazards identified as contributing to work-related ill health during the reporting period. There were no specific actions required or underway to address work-related ill health hazards, as none were reported. No workers were excluded from this disclosure. No chemical hazards were reported as contributing to work-related ill health.

Safety Performance Indicator

Description of safety performance indicator	Regular Employees	Contract Employees
No. of Fatalities (work-related)	0	0
Rate of fatalities related to work-related injury (per 1,000,000 hours worked)	0.0003	0
No. of High Consequence Injuries (work-related)	4	0
Rate of High Consequence Injuries (per 1,000,000 hours worked)	0.0013	0
No. of Recordable Injuries (work-related)	4	0
Rate of Recordable Injuries (per 1,000,000 hours worked)	0.0013	0
Man-days Lost due to Recordable Injuries	8	5
No. of Fatalities (work-related ill health)	0	0
No. of Recordable Work-Related Ill Health Cases	0	0
Man-days Lost due to Recordable Work-Related Ill Health	0	0
Total Hours Worked (Regular Employees)	1,248,160	
Total Hours Worked (Contract Employees)		3,350,880

5.5 SUPPLY CHAIN RESPONSIBILITY

GRI 2-6 GRI 308-1 GRI 308-2

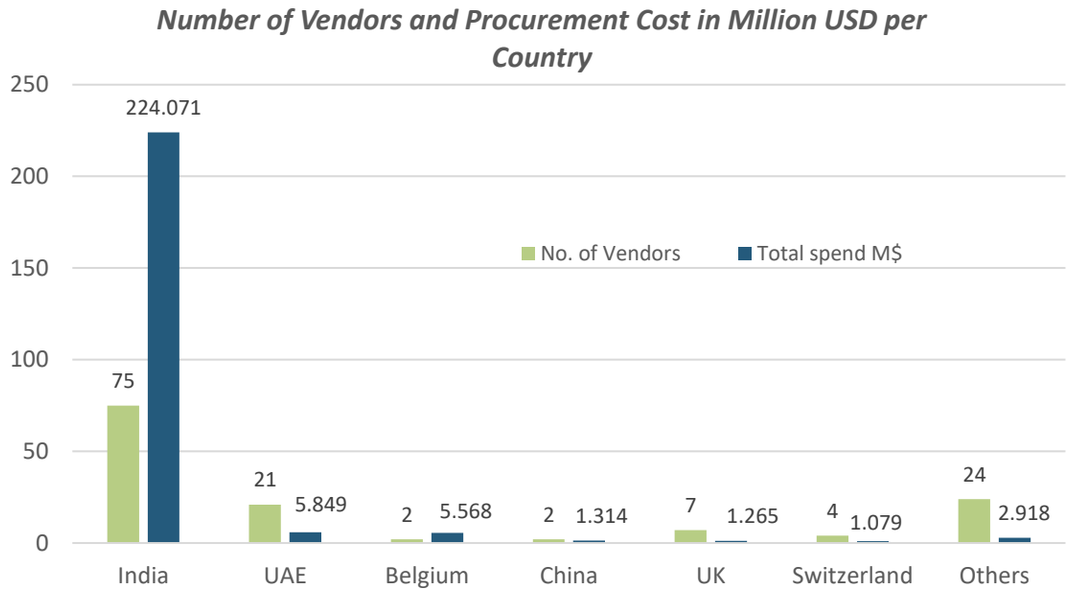
TCI Sanmar operates in the global petrochemical sector, producing essential chemicals such as PVC and caustic soda that support industries including construction, manufacturing, and agriculture. Our operations span Egypt markets and across Europe, Africa, Asia, and the Americas. From our facilities in Port Said, we produce high-quality chemicals essential to infrastructure and industrial processes. Domestically, we serve Egypt's major industrial hubs, while internationally, our reach extends to over 50 countries, aligning with global sustainability and operational standards. The suppliers' spend and categorization provide insights into the company's procurement strategy, highlighting its emphasis on raw materials and packaging, which consistently represents the largest proportion of spending.

TCI Sanmar Chemicals implemented environmental screening processes, primarily focusing on waste disposal contractors and existing contractors working within its complex, highlighting our commitment to managing environmental risks within operations. However, this was not applied to new suppliers during the reporting period. As a result, no new suppliers were screened using environmental criteria, and no outcomes, such as acceptance, conditional acceptance, rejection, or breakdown by location or type of impact were recorded based on environmental performance. Additionally, no specific methodology, tools or challenge were used or encountered for screening new suppliers.

This limits the company's capacity to prevent environmental risks before they materialize. Implementing a tracking system for new suppliers would allow the company to monitor and address environmental risks more comprehensively across its supply chain. Our policies effectively manage environmental risks associated with waste disposal contractors. The company could enhance its environmental oversight by extending these policies to new business partnerships.

Suppliers' Expenditures

Description	2021-2022			
	Number of Suppliers	%	Spend USD	%
Raw Material & Packing	55	8%	309,219,544.27	56%
Spares & Engineering	282	43%	15,496,047.32	3%
Services, Contracts & Logistics	306	47%	69,502,449.71	13%
Utilities & Energy	7	1%	111,274,506.53	20%
Taxes & Duties	8	1%	42,733,878.40	8%
Total	**603**	**100%**	**548,226,426.23**	**100%**

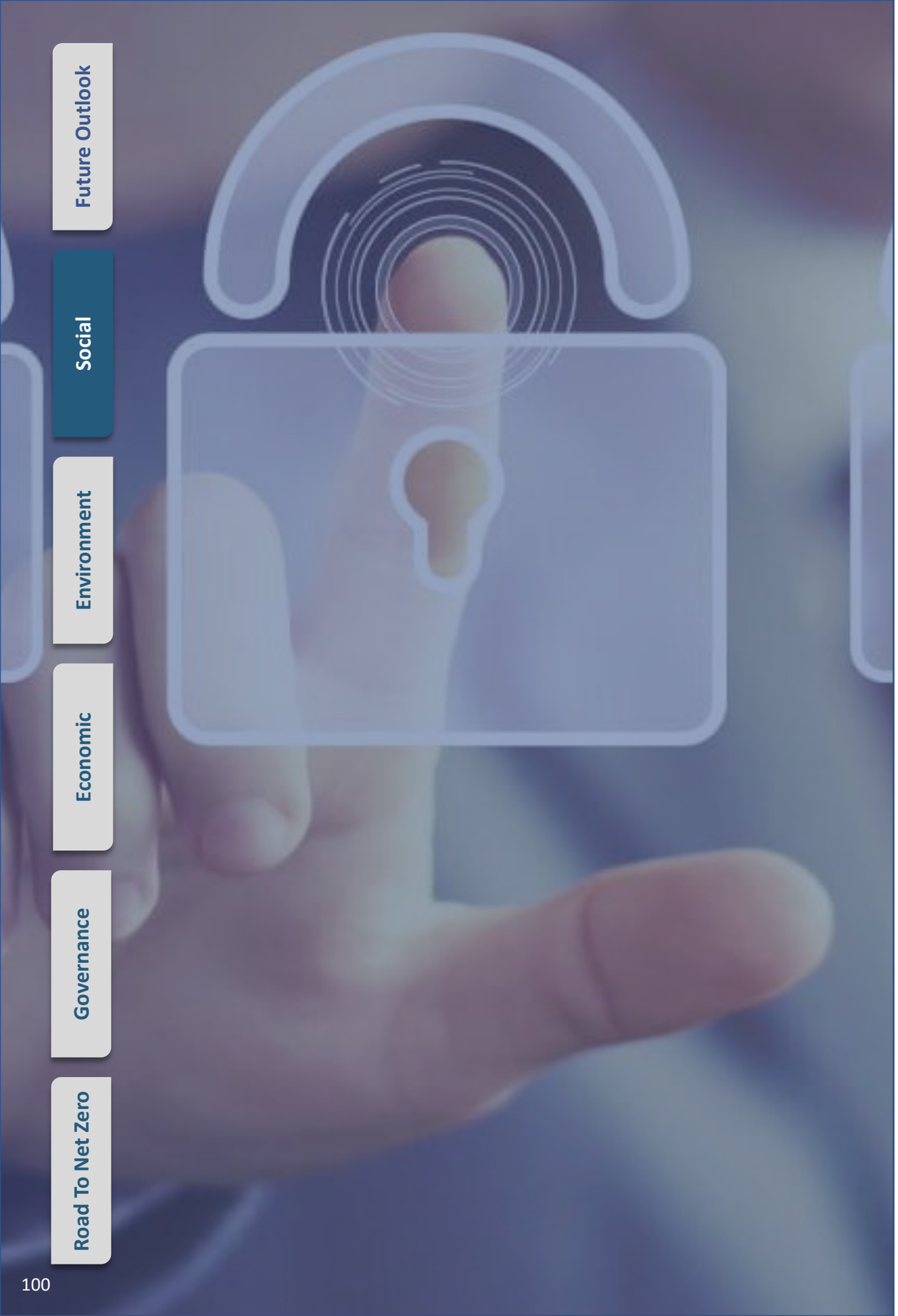


With 655 suppliers contributing raw materials, engineering spares, and services, our supply chain underpins operational success. In 2023-2024:

- **66% of spend** was allocated to raw materials.
- Local suppliers were prioritized to support the economy and reduce carbon footprints.

We embed environmental and safety standards into supplier relationships, ensuring alignment with both local and global practices. Our products contribute to sustainable infrastructure and renewable energy solutions. By collaborating with distributors and end-users, we maximize our positive impact towards sustainability goals. This year, we streamlined our supplier network from 697 to 655, enhanced renewable energy training programs, and implemented robust equipment inspection strategies to strengthen safety and sustainability.

2022-2023				2023-2024			
Number of Suppliers	%	Spend USD	%	Number of Suppliers	%	Spend USD	%
68	10%	394,382,177.62	56%	56	9%	293,981,237.18	66%
231	33%	18,366,713.86	3%	261	40%	20,288,419.11	5%
384	55%	65,262,957.86	13%	325	50%	57,280,172.31	13%
7	1%	99,286,187.90	20%	6	1%	59,481,076.94	13%
7	1%	22,724,567.80	8%	7	1%	14,348,339.73	3%
697	**100%**	**600,022,605.00**	**100%**	**655**	**100%**	**445,379,245.00**	**100%**



5.6 CUSTOMER PRIVACY

GRI 418-1

During the reporting period of 2023-2024, TCI Sanmar experienced no substantiated complaints regarding breaches of customer privacy or losses of customer data. Specifically, there were zero complaints from external parties, such as customers or individuals, or from regulatory bodies, avoiding any negative privacy impacts, and maintaining vigilant through robust data protection measures, ensuring customer data is securely managed. Additionally, there were no identified leaks, thefts, or losses of customer data during this period. The company adheres to strict data protection protocols, ensuring that no breaches of customer data occurred. TCI Sanmar's internal systems provide full privacy for customer data and do not allow the handling of any documentation related to mutual business with customers, ensuring high-level protection against data breaches. TCI Sanmar’s commitment to data security is evident through continuous monitoring of its systems, which effectively prevented any data-related incidents during the reporting period. The company tracks the effectiveness of its data protection measures by monitoring customer privacy incidents, with no breaches reported in the current or previous periods. TCI Sanmar engages with stakeholders through its strong data privacy policies, ensuring transparency and commitment to protecting customer information.

5.7 MARKETING AND LABELING

GRI 417-3 GRI 417-1 GRI 417-2

TCI Sanmar follows ISO 9001 marketing standards for ethical communication but lacks formal policies on sourcing disclosure and disposal instructions, which may need future attention. Product categories are regularly assessed for compliance, and no non-compliance incidents occurred. Expanding labels with more environmental details could improve transparency. Labeling compliance is monitored, and no incidents were reported. Expanding environmental data collection could improve future labeling practices. Stakeholder engagement helps shape TCI Sanmar's marketing. Adding environmental feedback in labeling practices would align with evolving customer expectations.

At TCI Sanmar, our marketing communication strategy is guided by three primary objectives: to communicate, to compete, and to persuade. We are committed to ensuring that all information conveyed through our communications is clear, accurate, truthful, and beneficial to our stakeholders. This approach is not only vital for maintaining transparency but also reinforces our reputation as a trusted provider of high-quality chemical products and services. To achieve these objectives, TCI Sanmar employs four key communication strategies:

Focus on Developing Relationships – We prioritize fostering strong, long-lasting relationships with our stakeholders, which forms the foundation of our marketing efforts.

Alter Your Promotional Medium – Adapting our promotional methods to stay relevant and innovative is key to reaching and engaging with our audience.

Be Open and Honest – Transparency is at the heart of our communications, ensuring stakeholders receive truthful and accurate information.

Prioritize Customer Needs – The needs of our customers take precedence in every aspect of our communication strategy. Additionally, we ensure our sales representatives are skilled and equipped to maintain high standards in their interactions.

TCI Sanmar ensures clear and accurate product information through data sheets, emphasizing product composition and safety. However, labeling gaps, such as component sourcing and disposal guidance, could limit environmental transparency. Though no negative impacts have been identified, the absence of comprehensive environmental labeling may present future risks as sustainability concerns rise.

The Marketing and Communications Department plays a crucial role in aligning with TCI Sanmar’s vision and strategic objectives. Effective communication has been shown to contribute to the company’s success by building employee morale, enhancing satisfaction, and fostering engagement. It also helps employees fully understand their terms and conditions of employment, which, in turn, drives their commitment and loyalty to the organization.

In support of financial inclusion and digital solutions, TCI Sanmar’s marketing and communications department has implemented the Invoicing Mirror System, now fully aligned with the tax authority system. This digitalization ensures that all invoicing processes are traceable, effectively eliminating human errors and minimizing the potential for mistakes. This technological integration reinforces TCI Sanmar's commitment to modernization and operational excellence.

Brand Value and Positioning is an integral part of our marketing communication strategy. Externally, TCI Sanmar conveys a key message to “Trust our chemical products and services”—positioning itself as a reliable partner to stakeholders. Internally, the focus is on cultivating loyalty among employees, promoting a unified and committed workforce that aligns with the company's values and objectives.

TCI Sanmar also upholds international standards in ethical marketing and communication, in line with ISO 9001. Our ethical pillars are centered on several principles: being truthful and honest, active listening, non-judgmental communication, speaking from experience, considering the preferred communication channels of recipients, striving for understanding, avoiding negative tones, and maintaining respect by not interrupting others. These principles guide our interactions with all stakeholders, ensuring that we maintain the highest ethical standards in our marketing efforts.

Internally, QHSE policies (Quality, Health, Safety, and Environment) are the cornerstone of our commitment to ethical marketing and communication. These policies ensure that customer satisfaction remains a priority through consistent surveys, a robust customer complaint follow-up scheme, and detailed procedures to maintain high-quality product delivery. Our approach to Customer Satisfaction (CS) is proactive, aiming to solicit and understand customer needs and expectations. We confirm these expectations through the development, packaging, delivery, and support of our products.

5.7 MARKETING AND LABELING

GRI 417-3 GRI 417-1 GRI 417-2

Furthermore, we consistently measure the extent to which these expectations are met, ensuring continuous improvement in our product offerings and service quality. In the 2023-24 reporting period, TCI Sanmar continued its commitment to providing clear and comprehensive product information to customers.

While TCI Sanmar does not currently include information on the sourcing of components in its product labeling, the company places strong emphasis on transparency through other key areas of product communication. We ensure that product content, particularly any substances that may have environmental or social impacts, is clearly communicated. For example, the ppm of Vinyl Chloride Monomer (VCM) is prominently displayed in the technical data sheets (TDS) for each product, providing customers with crucial details about product composition.

We also ensure that comprehensive safe use information is provided for all products. Every product is accompanied by a Material Safety Data Sheet (MSDS), which outlines handling, usage, and safety precautions. This ensures that customers and end-users have all the necessary information to use the products responsibly and safely.

While specific guidance on the disposal of products is not currently required by the company's labeling procedures, TCI Sanmar ensures that products destined for international markets include necessary environmental certifications. For example, products for export come with REACH certification, ensuring they comply with international environmental and safety standards.

TCI Sanmar takes a robust approach to ensuring compliance across all its product categories. 100% of significant product categories are subject to rigorous assessments to ensure they meet all product labeling requirements. We verify compliance through REACH LAW Ltd., which provides certification for exported products, ensuring alignment with EU regulations. During the 2023-24 reporting period, TCI Sanmar maintained full compliance with all regulations and voluntary codes related to product and service information and labeling. In line with the requirements of GRI 417-2, the company is pleased to report that there were no incidents of non-compliance identified in any of the following areas:

- There were no incidents of non-compliance with regulations that resulted in fines or penalties.
- No incidents of non-compliance with regulations resulted in warnings during the reporting period.
- The company reports no breaches of voluntary codes related to product and service information and labeling.

5.7 MARKETING AND LABELING

GRI 417-3 GRI 417-1 GRI 417-2

TCI Sanmar affirms that it has not identified any non-compliance with regulations or voluntary codes during the reporting period. As such, no incidents were reported or carried over from previous periods.

During the 2023-24 reporting period, TCI Sanmar adhered to all regulations and voluntary codes concerning marketing communications, which include advertising, promotion, and sponsorship activities. The company reports that there were no incidents of non-compliance in the following areas:

- No incidents of non-compliance with regulations resulting in fines or penalties were identified during the reporting period.
- No incidents of non-compliance with regulations resulting in warnings were reported.
- TCI Sanmar did not have any incidents of non-compliance with voluntary codes governing marketing communications.

We confirm that there were no incidents of non-compliance with any regulations or voluntary codes related to marketing communications during this period. This commitment reflects TCI Sanmar’s adherence to ethical marketing practices and its dedication to providing accurate, transparent, and responsible communication in all marketing efforts.

The Sales and Marketing department of TCI Sanmar has made significant strides in both product development and market expansion, demonstrating their commitment to excellence in operational efficiency and customer satisfaction during the 2023-24 reporting period. This has been exemplified through multiple initiatives and success stories that have resulted in process optimization, market leadership, and innovative solutions.

One of the most inspiring success stories involves Calcium Chloride, where the department completely overhauled the administrative order flow, from customer orders to the generation of Proforma invoices. This transformation introduced smart solutions across all departments within the supply chain, starting with ensuring quality at the production stage and continuing through to logistics. As a result, the department was able to enhance transparency, reduce risk, and significantly optimize processes. Scheduling and ordering processes were streamlined, reducing administrative effort to a minimum, while simultaneously boosting supply security for all stakeholders. These improvements contributed to the company achieving the highest sales price for Calcium Chloride since the plant began operations.

Furthermore, TCI Sanmar was able to maintain close to zero stock in the warehouse for nearly 12 consecutive months, showcasing the strength of its inventory and supply chain management.

In the PVC sector, TCI Sanmar achieved consistent quality across all PVC types and grades, establishing the company as a leader in the market. The development of new products, such as PVC k70 and PVC k57, with global standard quality, opened up new market applications, including cables, profiles, and compounding. This product innovation not only allowed the company to enter new export markets, such as Europe and Africa, but also expanded its presence in the domestic market, resulting in a substantial increase in the number of customers and distribution networks. Impressively, the company captured a lion's share of the domestic market, accounting for between 50% and 60% of PVC sales. In line with their efficient supply chain management, TCI Sanmar once again managed 12 months of nearly zero stock.

TCI Sanmar's export success is underscored by its growing international reach. The company now exports to a wide array of countries, including but not limited to: Turkey, Morocco, Italy, Romania, Spain, India, Slovenia, Greece, Belgium, Algeria, Portugal, the Netherlands, Pakistan, Tunisia, Finland, Croatia, Libya, Cyprus, Lebanon, Bulgaria, Oman, Jordan, Brazil, Djibouti, Georgia, Tanzania, England, Syria, France, Togo, South Africa, Nigeria, the USA, Canada, the UAE, Kuwait, KSA, Hungary, Cote d'Ivoire, and Ghana.

By consistently focusing on quality and operational excellence, TCI Sanmar has proven its ability to deliver on both product innovation and market expansion. This approach has not only strengthened the company’s presence in both domestic and international markets but has also reinforced its commitment to responsible, efficient, and customer-centric practices.

6. FUTURE OUTLOOK AND GOALS

6.1 Long-term Sustainability Goals
6.2 Strategic Partnerships and Collaborations
6.3 Planned Initiatives and Projects

6.1 LONG-TERM SUSTAINABILITY GOALS

Achieving Carbon Neutrality: TCI Sanmar aims to achieve carbon-neutral operations across all its facilities

Reducing our carbon footprint is a key priority for TCI Sanmar. We recognize our responsibility to the environment and are committed to transitioning to cleaner energy sources and reducing emissions. Through investments in energy-efficient technologies, renewable energy sources like solar, we are taking tangible steps toward a more sustainable future for the planet and our stakeholders. We are actively investing in renewable energy sources such as solar power, targeting to power 50% of our operations with renewable energy.

Zero Waste to Landfill: Eliminate all waste sent to landfills through comprehensive recycling, composting, and waste management strategies

We take pride in minimizing our environmental impact, and our goal is to turn waste into resources. By implementing circular economy principles, enhancing our waste management processes, and ensuring that all materials are recycled or repurposed, TCI Sanmar is committed to achieving zero waste to landfill within the next decades. We believe that responsible resource management is not just good for business but essential for future generations.

Empowering Local Communities by Creating Jobs : Support local economies by creating new job opportunities through our community-based initiatives

At TCI Sanmar, we believe that our success is intertwined with the prosperity of the communities around us. Our vocational training programs, community partnerships, and small business support initiatives are designed to create meaningful employment opportunities. We are proud to be a part of local growth, empowering individuals and providing them with the skills needed to thrive in the evolving job market.

100% Sustainable Supply Chain: Ensure that all suppliers meet TCI Sanmar's sustainability and ethical standards

Sustainability doesn't end at our doorstep—it extends throughout our supply chain. We are integrating sustainability criteria into our supplier selection process, focusing on ethical practices, environmental impact, and human rights. By working closely with our suppliers, we aim to build a responsible and sustainable supply chain that contributes to long-term success and positive environmental and social outcomes.

30% Reduction in Water Consumption by 2028: Reduce water consumption across all operations by 30% by 2028

Our Commitment as a company that operates in regions where water scarcity is a growing concern, we understand the importance of water conservation. Through water recycling technologies, improved process efficiency, and sustainable water management practices, we are committed to safeguarding this precious resource. Our goal is to reduce water use while maintaining operational excellence.

Improving Community Health

Enhance healthcare access for our community members by 2030 through partnerships with healthcare providers and community programs. From supporting local hospitals to running health awareness campaigns, TCI Sanmar is dedicated to improving access to healthcare services. We aim to create healthier communities, where everyone has access to the care they need when they need it.

Tree Planting Initiative

Continuing the project to plant 1,500 new trees, especially around the TCI Sanmar plant in the Emirati Housing residential area, to contribute to carbon reduction and create green spaces. The initiative reached 6,000 trees in 4 years.

Cybersecurity Enhancements

Strengthening cybersecurity systems to protect TCI Sanmar's operations from potential technological disruptions or cyber-attacks.

Strengthening Human Rights and Ethical Practices Achieve full alignment with international human rights and anti-corruption standards, aiming for zero violations across our operations and supply chain by 2030.

Ethical conduct and human rights are core to our values. Our zero-tolerance policy on corruption and our commitment to respecting human rights extend across all aspects of our business. By implementing rigorous compliance programs and strengthening our whistle-blower mechanisms, we will ensure that TCI Sanmar continues to operate with integrity and transparency.

Annual Sustainability Reporting and Continuous Improvement: Provide transparent, detailed sustainability reports annually, to track our progress and engage stakeholders.

Transparency is key to our sustainability journey. We believe in holding ourselves accountable to our stakeholders, and we will continue to enhance our reporting mechanisms to provide clear, accurate, and comprehensive insights into our sustainability performance. Regular feedback and continuous improvement are at the heart of our operations, ensuring that we stay on track to meet our long-term goals.
These long-term sustainability goals reflect TCI Sanmar's deep-rooted commitment to creating positive environmental, social, and economic impacts. By embedding sustainability into every aspect of our operations, we are ensuring a future where business success and responsible stewardship go hand in hand.

6.2 STRATEGIC PARTNERSHIPS AND COLLABORATIONS

TCI Sanmar has cultivated several key partnerships and collaborations that significantly contribute to its sustainability journey. One of the most impactful is its collaboration with the National Council for Women (NCW) on the "Adaha W Odoud" initiative, aimed at empowering women in Port Said. Through this partnership, TCI Sanmar has helped over 135 women learn valuable handicraft skills such as beadwork, leatherwork, and stained glass crafting.

These skills not only provide an opportunity for financial independence but also foster entrepreneurship. This collaboration reflects the company's commitment to gender equality, aligning with the United Nations' Sustainable Development Goals (SDGs).

Another important collaboration is with the Arab Academy for Science, Technology, and Maritime Transport (AASTMT), where TCI Sanmar is working to upskill technical school students in Port Said. The program focuses on vocational training in key areas such as welding, air conditioning systems, and renewable energy technologies like photovoltaic cells. By focusing on education and skill development, TCI Sanmar aims to enhance local employment opportunities while contributing to Egypt's Vision 2030. This partnership not only benefits the company but strengthens the industrial workforce in the region.

Looking ahead, there are several strategic partnerships TCI Sanmar could develop to enhance its sustainability goals. Partnering with renewable energy companies could accelerate their transition to green energy, particularly by expanding their use of photovoltaic cells, pushing toward their goal of carbon neutrality. Another potential area for future collaboration lies in water conservation. By working with local governments and environmental NGOs, TCI Sanmar could implement advanced water recycling and wastewater treatment systems to combat water scarcity, which is increasingly becoming a pressing issue in Egypt.

Faculty Of Science Students EMS Training – TCI Sanmar Partnership & Collaboration

6.3 PLANNED INITIATIVES AND PROJECTS

Governance & Ethical Business Practices

Corporate Governance Framework Enhancement: Strengthening the existing governance structures, such as the Occupational Health and Safety Council, with more transparency and accountability mechanisms.
Whistle-blower and Anti-corruption Initiatives: Expanding the whistle-blower system, ensuring continued zero incidents of corruption and reinforcing ethical business practices.
Human Rights and Ethical Conduct Policies: Further strengthening human rights policies and ensuring full compliance with international human rights frameworks by 2030.

Stakeholder Engagement & Supply Chain Sustainability

Sustainable Supply Chain Initiatives: Integrating sustainability into the supplier and contractor selection process. This includes making environmental and social responsibility criteria key factors in supplier decisions.
Collaboration with NGOs and Local Authorities: Continuing partnerships with civil society organizations, such as the NCW, and engaging with government agencies to enhance social and environmental projects.

Appendix A – GRI Index

Statement of use	TCI Sanmar has reported in accordance with the GRI Standards for the period [1st of April 2023 to 31st of March 2024].
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not Applicable

DISCLOSURE	LOCATION (Section/Page)	OMISSION	
		REASON	EXPLANATION
GRI 2: General Disclosures 2021			
2-1 Organizational details	Section 2.1, P. 18, 19		
2-2 Entities included in the organization's sustainability reporting	Section 2.1, P. 18, 19		
2-3 Reporting period, frequency and contact point	Section 2.1, P. 18, 19		
2-4 Restatements of information	Section 2.1, P. 18, 19		
2-5 External assurance	Appendix B		
2-6 Activities, value chain and other business relationships	Section 2.1, P. 18 Section 3.9, P.42-45 Section 5.3, P. 84, 85, 88, 89 & Section 6.2, P. 112		
2-7 Employees	Section 5.1, P. 78		
2-8 Workers who are not employees	Section 5.1, P. 78		
2-9 Governance structure and composition	Section 2.4, P. 24, 25		
2-10 Nomination and selection of the highest governance body	Section 2.3, P. 23		
2-11 Chair of the highest governance body	Section 2.2, P. 20		
2-12 Role of the highest governance body in overseeing the management of impacts	Section 2.2, P. 20		
2-13 Delegation of responsibility for managing impacts	Section 2.2, P. 20		
2-14 Role of the highest governance body in sustainability reporting	Section 2.2, P. 20		
2-15 Conflicts of interest		Information unavailable	
2-16 Communication of critical concerns	Section 2.3, P. 22, 23		
2-17 Collective knowledge of the highest governance body	Section 2.3, P. 22, 23		
2-18 Evaluation of the performance of the highest governance body		Information unavailable/ incomplete	
2-19 Remuneration policies	Section 2.2, P. 22, 23		TCI Sanmar ensures fairness among workers, promotes gender equality, and values employees based on their skills and contributions, not their identity
2-20 Process to determine remuneration		Confidentiality constraints	
2-21 Annual total compensation ratio		Confidentiality constraints	
2-22 Statement on sustainable development strategy	Section 2.3, P. 22, 23		
2-23 Policy commitments	Section 2.3, P. 22, 23		
2-24 Embedding policy commitments	Section 2.3, P. 22, 23		
2-25 Processes to remediate negative impacts	Section 2.3, P. 22, 23		
2-26 Mechanisms for seeking advice and raising concerns	Section 2.3, P. 22, 23		
2-27 Compliance with laws and regulations	Section 2.3, P. 22, 23		
2-28 Membership associations	Section 2.3, P. 22, 23		
2-29 Approach to stakeholder engagement	Section 5.3, P. 84, 85		
2-30 Collective bargaining agreements		Not applicable	
GRI 3: Material Topics 2021			
3-1 Process to determine material topics	Section 1.3, P. 12,13		
3-2 List of material topics	Section 1.3, P. 12,13		
GRI 201: Economic Performance 2016			
3-3 Management of material topics	Section 1.3, P. 12,13		
201-1 Direct economic value generated and distributed	Section 3.1-3.3 , P. 30-37		
201-2 Financial implications and other risks and opportunities due to climate change	Section 3.4, P. 36 Section 6.1, P. 110, 111		
201-3 Defined benefit plan obligations and other retirement plans	Section 3.4,3.5, P. 36, 37		
201-4 Financial assistance received from government	Section 3.4,3.5, P. 36, 37		
GRI 202: Market Presence 2016			
3-3 Management of material topics		Information unavailable/ incomplete	
202-1 Ratios of standard entry level wage by gender compared to local minimum wage		Information unavailable/ incomplete	This disclosure has been omitted as it is not deemed material to the organization's operations, impacts, or stakeholders based on the materiality assessment conducted.

Appendix A – GRI Index

DISCLOSURE	LOCATION (Section/Page)	OMISSION	
		REASON	EXPLANATION
202-2 Proportion of senior management hired from the local community		Information unavailable/ incomplete	This disclosure has been omitted as it is not deemed material to the organization's operations, impacts, or stakeholders based on the materiality assessment conducted.
GRI 203: Indirect Economic Impacts 2016			
3-3 Management of material topics	Section 1.3, P. 12,13		
203-1 Infrastructure investments and services supported	Section 3.6-3.8, P. 38-41		
203-2 Significant indirect economic impacts	Section 3.6-3.8, P. 38-41		
GRI 204: Procurement Practices 2016			
3-3 Management of material topics		Information unavailable/ incomplete	
204-1 Proportion of spending on local suppliers		Information unavailable/ incomplete	
GRI 205: Anti-corruption 2016			
3-3 Management of material topics		Information unavailable/ incomplete	
205-1 Operations assessed for risks related to corruption		Information unavailable/ incomplete	This disclosure has been omitted as it is not deemed material to the organization's operations, impacts, or stakeholders based on the materiality assessment conducted.
205-2 Communication and training about anti-corruption policies and procedures		Information unavailable/ incomplete	This disclosure has been omitted as it is not deemed material to the organization's operations, impacts, or stakeholders based on the materiality assessment conducted.
205-3 Confirmed incidents of corruption and actions taken		Information unavailable/ incomplete	This disclosure has been omitted as it is not deemed material to the organization's operations, impacts, or stakeholders based on the materiality assessment conducted.

DISCLOSURE	LOCATION (Section/Page)	OMISSION	
		REASON	EXPLANATION
GRI 206: Anti-competitive Behavior 2016			
3-3 Management of material topics		Not applicable	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		Not applicable	However, TCI Sanmar has reflected on this action in Chapter 6: Future Outlook and Goals/Page # 114
GRI 207: Tax 2019			
3-3 Management of material topics	Section 1.3, P. 12,13		
207-1 Approach to tax	Section 3.4, 3.5, P. 36,37		
207-2 Tax governance, control, and risk management	Section 3.4, 3.5, P. 36,37		
207-3 Stakeholder engagement and management of concerns related to tax	Section 3.4, 3.5, P. 36,37		
207-4 Country-by-country reporting		Not applicable	
GRI 301: Materials 2016			
3-3 Management of material topics	Section 1.3, P. 12,13		
301-1 Materials used by weight or volume	Section 4.1, P. 48, 49		
301-2 Recycled input materials used	Section 4.1, P. 50, 51		
301-3 Reclaimed products and their packaging materials	Section 4.1, P. 50, 51		
GRI 302: Energy 2016			
3-3 Management of material topics	Section 1.3, P. 12,13		
302-1 Energy consumption within the organization	Section 4.2, P. 52-55		
302-2 Energy consumption outside of the organization		Information unavailable/ incomplete	
302-3 Energy intensity	Section 4.2, P. 54		
302-4 Reduction of energy consumption	Section 4.2, P. 52-55		
302-5 Reductions in energy requirements of products and services		Information unavailable/ incomplete	
GRI 303: Water and Effluents 2018			
3-3 Management of material topics	Section 1.3, P. 12,13		
303-1 Interactions with water as a shared resource	Section 4.6, P. 64, 65		
303-2 Management of water discharge-related impacts	Section 4.6, P. 66, 67		

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DISCLOSURE	LOCATION (Section/Page)	OMISSION	
		REASON	EXPLANATION
303-3 Water withdrawal	Section 4.7, P. 68, 69		
303-4 Water discharge	Section 4.6, P. 66, 67		
303-5 Water consumption	Section 4.6, P. 64-67		
GRI 304: Biodiversity 2016			
3-3 Management of material topics		Not applicable	
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.		Not applicable	
304-2 Significant impacts of activities, products and services on biodiversity		Not applicable	
304-3 Habitats protected or restored		Not applicable	
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		Not applicable	
GRI 305: Emissions 2016			
3-3 Management of material topics	Section 1.3, P. 12,13		
305-1 Direct (Scope 1) GHG emissions	Section 4.3, P. 56, 57 Section 4.4, 4.5, P. 58-63		
305-2 Energy indirect (Scope 2) GHG emissions	Section 4.3, P. 56, 57 Section 4.4, 4.5, P. 58-63		
305-3 Other indirect (Scope 3) GHG emissions	Section 4.4, 4.5, P. 58-63		
305-4 GHG emissions intensity	Section 4.3, P. 56, 57 Section 4.4, 4.5, P. 58-63		
305-5 Reduction of GHG emissions	Section 4.3, P. 56, 57 Section 4.4, 4.5, P. 58-63		
305-6 Emissions of ozone-depleting substances (ODS)		Not applicable	
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Section 4.3, P. 56, 57 Section 4.4, 4.5, P. 58-63		
GRI 306: Waste 2020			
3-3 Management of material topics	Section 1.3, P. 12,13		
306-1 Waste generation and significant waste-related impacts	Section 4.8, P. 70, 71		
306-2 Management of significant waste-related impacts	Section 4.8, P. 70, 71		
306-3 Waste generated	Section 4.8, P. 70, 71		
306-4 Waste diverted from disposal	Section 4.8, P. 70, 71		
306-5 Waste directed to disposal	Section 4.8, P. 70, 71		
GRI 308: Supplier Environmental Assessment 2016			
3-3 Management of material topics	Section 1.3, P. 12,13		
308-1 New suppliers that were screened using environmental criteria	Section 5.5, P. 98, 99		
308-2 Negative environmental impacts in the supply chain and actions taken	Section 5.5, P. 98, 99		
GRI 401: Employment 2016			
3-3 Management of material topics	Section 1.3, P. 12,13		
401-1 New employee hires and employee turnover	Section 5.1, P. 74-77		
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Section 5.1, P. 76, 77		
401-3 Parental leave		Information unavailable/ incomplete	TCI Sanmar is applying the Egyptian Labor Law in that regards
GRI 402: Labor/Management Relations 2016			
3-3 Management of material topics		Not applicable	
402-1 Minimum notice periods regarding operational changes		Information unavailable/ incomplete	
GRI 403: Occupational Health and Safety 2018			
3-3 Management of material topics	Section 1.3, P. 12,13		
403-1 Occupational health and safety management system	Section 5.4, P. 92, 93		
403-2 Hazard identification, risk assessment, and incident investigation	Section 5.3, P. 84-87 Section 5.4, P. 90-93		
403-3 Occupational health services	Section 5.4, P. 94, 95		
403-4 Worker participation, consultation, and communication on occupational health and safety	Section 5.4, P. 94, 95		
403-5 Worker training on occupational health and safety	Section 5.4, P. 94, 95		
403-6 Promotion of worker health	Section 5.4, P. 94, 95		

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DISCLOSURE	LOCATION (Section/Page)	OMISSION	
		REASON	EXPLANATION
403-6 Promotion of worker health	Section 5.4, P. 94, 95		
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Section 5.4, P. 94, 95		
403-8 Workers covered by an occupational health and safety management system	Section 5.4, P. 94, 95		
403-9 Work-related injuries	Section 5.4, P. 96, 97		
403-10 Work-related ill health	Section 5.4, P. 96, 97		
GRI 404: Training and Education 2016			
3-3 Management of material topics	Section 1.3, P. 12,13		
404-1 Average hours of training per year per employee	Section 5.2, P. 80,81		
404-2 Programs for upgrading employee skills and transition assistance programs	Section 5.2, P. 82, 83		
404-3 Percentage of employees receiving regular performance and career development reviews	Section 5.1, P. 78, 79		
GRI 405: Diversity and Equal Opportunity 2016			
3-3 Management of material topics		Information unavailable/ incomplete	
405-1 Diversity of governance bodies and employees		Information unavailable/ incomplete	
405-2 Ratio of basic salary and remuneration of women to men		Information unavailable/ incomplete	However, Sanmar ensures fairness among employees and gender equality
GRI 406: Non-discrimination 2016			
3-3 Management of material topics		Not applicable	
406-1 Incidents of discrimination and corrective actions taken		Not applicable	There is not any incident of discrimination as Sanmar ensures fairness among all employees regarding identity/gender/religion/nationality in alignment with the national labor low and Human Rights Articles

DISCLOSURE	LOCATION (Section/Page)	OMISSION	
		REASON	EXPLANATION
GRI 407: Freedom of Association and Collective Bargaining 2016			
3-3 Management of material topics		Information unavailable/ incomplete	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Information unavailable/ incomplete	
GRI 408: Child Labor 2016			
3-3 Management of material topics		Not applicable	
408-1 Operations and suppliers at significant risk for incidents of child labor		Not applicable	No Child Labor in Sanmar as it is banned by the Egyptian Law
GRI 409: Forced or Compulsory Labor 2016			
3-3 Management of material topics		Information unavailable/ incomplete	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		Information unavailable/ incomplete	However, long term sustainability goals (Human Rights) page # 116
GRI 410: Security Practices 2016			
3-3 Management of material topics		Not applicable	
410-1 Security personnel trained in human rights policies or procedures		Not applicable	
GRI 411: Rights of Indigenous Peoples 2016			
3-3 Management of material topics		Not applicable	
411-1 Incidents of violations involving rights of indigenous peoples		Not applicable	
GRI 413: Local Communities 2016			
3-3 Management of material topics	Section 1.3, P. 12,13		
413-1 Operations with local community engagement, impact assessments, and development programs	Section 5.3, P. 84-89		
413-2 Operations with significant actual and potential negative impacts on local communities	Section 5.2, P. 82, 83		
GRI 414: Supplier Social Assessment 2016			
3-3 Management of material topics		Not applicable	
414-1 New suppliers that were screened using social criteria		Not applicable	
414-2 Negative social impacts in the supply chain and actions taken		Not applicable	However, Sanmar has considered it in its Long Term Goals/Page #116

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DISCLOSURE	LOCATION (Section/Page)	OMISSION	
		REASON	EXPLANATION
414-2 Negative social impacts in the supply chain and actions taken		Not applicable	However, Sanmar has considered it in its Long Term Goals/Page #116
GRI 415: Public Policy 2016			
3-3 Management of material topics		Not applicable	
415-1 Political contributions		Not applicable	Not deemed a material from the materiality assessment
GRI 416: Customer Health and Safety 2016			
3-3 Management of material topics		Not applicable	
416-1 Assessment of the health and safety impacts of product and service categories		Not applicable	
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		Not applicable	
GRI 417: Marketing and Labeling 2016			
3-3 Management of material topics	Section 1.3, P. 12,13		
417-1 Requirements for product and service information and labeling	Section 5.7, P. 102-107		
417-2 Incidents of non-compliance concerning	Section 5.7, P. 102-107		
417-3 Incidents of non-compliance concerning marketing communications	Section 5.7, P. 102-107		
GRI 418: Customer Privacy 2016			
3-3 Management of material topics	Section 1.3, P. 12,13		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Section 5.6, P. 101		

Appendix B – TCFD Recommendations

Enhancing Climate Resilience: TCFD Implementation at TCI Sanmar

TCI Sanmar recognizes the growing importance of climate-related financial disclosures and is committed to aligning with the Task Force on Climate-related Financial Disclosures (TCFD) framework. As climate change increasingly impacts global industries, TCI Sanmar aims to ensure transparency, resilience, and accountability in its approach to mitigating climate risks and seizing opportunities.

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Thematic Area	Description	TCFD – Enhancing Climate-Related Disclosures at TCI Sanmar
Governance	Disclose the organization's governance around climate-related risks and opportunities.	• TCI Sanmar's Board of Directors actively oversees climate-related risks and opportunities, aligning sustainability goals with operational strategies. • The company integrates climate considerations into its decision-making processes and risk management frameworks.
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	• TCI Sanmar is committed to achieving Net Zero by 2050, leveraging renewable energy solutions, hydrogen integration, and emission capture technologies. • The roadmap prioritizes decarbonization across Scope 1, 2, and 3 emissions, driving innovation and operational efficiency.
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.	• The company identifies and assesses climate risks through comprehensive risk mapping. Strategies include operational resilience, supply chain sustainability, and energy efficiency programs. • Mitigation plans address energy price volatility, regulatory shifts, and resource scarcity.
Metrics & Targets	Disclose the metrics and targets used to assess and manage relevant climate related risks and opportunities where such information is material.	• 13% increase in CaCl2 production (2023-24) • 14% reduction in operating costs through energy optimization • 23% increase in environmental expenditure • Targeting a 20% reduction in waste and water consumption by 2025

TCI Sanmar's adoption of the TCFD framework signifies a transformative step towards climate resilience and sustainable growth. By integrating climate-related considerations into governance, strategy, risk management, and performance metrics, the company strengthens its capacity to navigate climate challenges while creating long-term value for stakeholders. As TCI Sanmar progresses on its Net Zero journey, its commitment to TCFD ensures that sustainability remains at the core of its operational and strategic decisions.

This strategic alignment with TCFD is a critical component of the company's long-term sustainability vision, contributing to operational excellence and reinforcing stakeholder confidence.

TCI Sanmar's alignment with TCFD reinforces its role as a sustainability leader, driving climate resilience and long-term growth.

Appendix C – SDGs Mapping

Linking TCI Sanmar's Sustainability Initiatives to UN Sustainable Development Goals (SDGs)

TCI Sanmar's 2023-24 Sustainability Report aligns with Egypt's Vision 2030 and the United Nations Sustainable Development Goals (SDGs), showcasing the company's comprehensive efforts toward sustainable development. By integrating ESG principles into its operations, TCI Sanmar is driving positive environmental, social, and economic impacts across multiple SDGs.

CSR donations and programs supporting low-income communities, such as “Adaha w Odoud” initiative. This helps on alleviating poverty through economic support and job creation. This in addition to the employment benefits that ensure social protection systems.

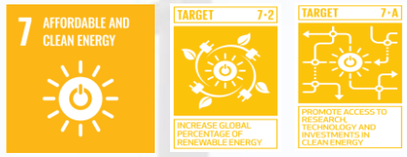
Stringent Health & Safety program improving employee well-being and reduces exposure to hazardous substances and workplace incidents. Hazardous control, emissions monitoring, and health screening programs help in reducing chemical exposure and improving air quality.

Provides STEM education initiatives and vocational training. 1,000 youth trained annually, improving employability and career readiness. Enhanced workforce capabilities and community educational is one of the main initiatives.

Empowers women through leadership programs aiming at increasing female leadership roles, fostering diversity and inclusivity. Inclusive hiring practices and leadership development programs and training for women are exist.

ZLD technology and advanced wastewater treatment plants have a significant positive impacts on water recycling processes, freshwater usage reduction, and marine pollution prevention.

SUSTAINABLE DEVELOPMENT GOALS



Transition to renewable energy solutions, including hydrogen boilers and microturbines promotes affordable and clean energy. The company is actively reducing its reliance on fossil fuels, with renewable energy projects underway to support clean energy adoption across its facilities.

Expansion of the SANSAFE program, employee training, and rigorous safety protocols improve the work environment and sustainable economic growth. The company also strengthens safety culture, empowered workforce, efficient consumption & production, youth employment, and diversity.

Invests in low-carbon technologies, and operational efficiency programs.

Equal opportunity policies and promotes diversity & inclusion across operations.

Initiates community engagement through waste management and contributes to cleaner environment.

Circular economy practices, Zero Liquid Discharge (ZLD) systems, and by-product re-utilization that result in minimizing its environmental footprint.

Initiated a comprehensive Road to Net Zero strategy addressing Scope 1, 2, and 3 emissions. The company is on track to reduce emissions by adopting energy-efficient technologies and scaling carbon reduction initiatives.

Promotes ethical practices , governance, transparency policies, and anti-corruption measures. It also has a sustainable institutional collaboration with different national and international parties.

Appendix D – Assurance Statement

INDEPENDENT EXTERNAL ASSURANCE REPORT

To: Management of TCI Sanmar Chemicals S.A.E.

1. Scope of the External Assurance project of the Sustainability Report

TCI Sanmar Chemicals S.A.E. (hereafter TCI Sanmar) has assigned TÜV HELLAS (TÜV NORD) SA (hereinafter referred to as **TÜV HELLAS**) the limited external assurance of the Sustainability Report, which covers the period **1/4/2023-31/3/2024.** The information in the Sustainability Report concerns the company **TCI Sanmar** and more specifically the company's premises in Egypt. The scope of the project consists of the following:

A. The external assurance of the information disclosed in order to confirm that the Sustainability Report of **TCI Sanmar** for 1/4/2023-31/3/2024 has been prepared **"In Accordance"** with the **GRI Universal Standards 2021.**
B. The provision of external assurance service about the accuracy of the claims mentioned for the total of the numerical indicators (except financial data indicators) that **TCI Sanmar** reported at the Sustainability Report Chapters, based on the **GRI Topic Standards** (hereafter **Total Reporting Indicators**).

The limited external assurance as it is defined by the above project scope, refers to the Sustainability Report of **TCI Sanmar** for 1/4/2023-31/3/2024 and it was conducted based on the corresponding correlation table of **GRI Standards** Indicators stated by **TCI Sanmar**, in order to confirm that the Sustainability Report has been prepared **"In Accordance"** with the **GRI Universal Standards 2021.**

2. Project Criteria

The external assurance was based on the evaluation of conformity with the requirements of the following guiding standards:

A. GRI Universal Standards 2021
B. GRI Topic Standards

3. Project methodology

Based on the conformance criteria of paragraph 2 and in order to draw conclusions, the external assurance team of **TÜV HELLAS** conducted the following (indicative and not restrictive) methodology:

- Reviewed the coverage of the **"In Accordance"** requirements as they are mentioned within the **GRI 1: Foundation 2021.**
- Reviewed the procedures followed by **TCI Sanmar** to identify and determine the material issues in order to include them within the Sustainability Report.
- Interviews were conducted with selected executives of **TCI Sanmar** having operational role in Sustainability issues in order to understand the current state of sustainability development activities and progress achieved during the period under reference.
- Reviewed the **TCI Sanmar** consultation approach with their stakeholders through interviews with executives responsible for communication with the interested parties at company level and review of selected documents.
- Reviewed the claims mentioned to the Total Reporting Indicators, based on the **GRI Topic Standards** (referred in paragraph 1) in connection with the findings of the above steps. In addition, the methodologies and practices for extracting the results were reviewed and crosschecks were performed, **on a sample basis of limited range**, on the reliability and quality of the indicators reported in the report. These checks consist (not restrictively) of the following:
  - Understanding of the quality management and results collection processes related to the indicators under consideration
  - Review of the design of processes, systems and controls for managing reliability and quality of specified information
  - Sampling of management practices and operation control, as well as evidence gathering in order to sufficiently ensure the completeness and accuracy of the claims
  - Maintain of the appropriate documentation for all the aforementioned controls.

4. Review limitations

The range of the review was exclusively limited to the activities of **TCI Sanmar** in Egypt. No visits and interviews in stakeholders of the **TCI Sanmar** have been conducted.

5. Responsibilities of the Reporting Organization and Assurance Provider

The team for Sustainability of **TCI Sanmar** carried out the Sustainability Report, thus, is exclusively responsible for the information and statements contained therein. The external assurance conducted, as it is defined in the project scope (paragraph 1), do not represent **TÜV HELLAS**' opinion related to the quality of the Sustainability Report and its contents. The external assurance was conducted on a sample basis of limited range. **TÜV HELLAS** is not responsible for any misstatements included into the sustainability report due to **TCI Sanmar** responsibility. The only responsibility of **TÜV HELLAS** is to express the independent conclusions on the issues as defined in the project scope and in accordance to the relevant contract. The project was conducted in such a way so that **TÜV HELLAS** can quote to **TCI Sanmar** administration the issues mentioned in this report and for no other purpose.

6. Conclusions

Based on the project scope (paragraph 1) and in the context of the external assurance procedure followed by **TÜV HELLAS**, the conclusions are as follows:

A. External assurance of the information disclosed in order to confirm that the Sustainability Report of TCI Sanmar for 1/4/2023-31/3/2024 has been prepared "In Accordance" with the GRI Universal Standards 2021.

- During the external assurance project carried out, nothing came to the attention of **TÜV HELLAS** which would lead to the conclusion that the Report does not meet to the "In Accordance" requirements of the **GRI Universal Standards 2021**, as reflected on the corresponding correlation GRI content index.

B. Control of accuracy of the claims mentioned for the Total Reporting Indicators (except financial data indicators) that TCI Sanmar reported at the Sustainability Report Chapters, based on the GRI Topic Standards

- According to the sample audit of limited range that was conducted, nothing has come to the attention of **TÜV HELLAS** that would lead to the conclusion of the incorrect gathering or transferring of data concerning the claims mentioned to the disclosures (indicators) of the GRI Topic Standards referred in paragraph 1, point B of this report.

7. Impartiality and independence of the external assurance team

TÜV HELLAS states its impartiality and independence in relation to the project of **TCI Sanmar's** Sustainability Report external assurance. **TÜV HELLAS** has not undertaken work with **TCI Sanmar** and does not have any cooperation with the interested parties that could compromise the independence or impartiality of the findings, conclusions, or recommendations. **TÜV HELLAS** was not involved in the preparation of the text and data presented in the Sustainability Report of **TCI Sanmar.**

Athens, December 27, 2024
For **TÜV HELLAS (TÜV NORD)**

Nestor Paparoupas
Project manager