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Independent Limited Assurance Report
on the Board of Directors report of Orascom Development Egypt "S.A.E"
on Compliance with the Corporate Governance Guidelines
issued by the Financial Regulatory Authority
Board of Directors Resolution No. (84) of July 26, 2016

To the Board of Directors of Orascom Development Egypt "S.A.E".

Introduction

We have performed an independent limited assurance engagement on the preparation and presentation of the attached report on compliance with corporate governance rules ("the Report") prepared by Orascom Development Egypt S.A.E.'s Board of Directors ("the Board") for the year ended December 31, 2023, in accordance with the Indicative Report Format ("IRF") issued by the Egyptian Stock Exchange as addressed in a letter to the Chairman of the Board of the Company dated December 25, 2018.

Management's responsibility

The Board of Directors of the Company is responsible for the preparation and presentation of the Report and for ensuring compliance with the Corporate Governance rules in accordance with the Indicative Report Format ("IRF") issued by the Egyptian Stock Exchange as addressed in a letter to the Chairman of the Board of the Company dated December 25, 2018. As it is responsible to ensure of adherence of the Corporate Governance Rules according to the instructions issued by the Financial Regulatory Authority, and the Egyptian Corporate Governance code issued by the Financial Regulatory Authority's board of directors' resolution No (84) dated July 26, 2016. The Board's responsibility includes the identification, disclosure and explanation of instances of non-compliance thereto.

Our responsibility

Our responsibility is to express a limited assurance conclusion on whether any matters has come to our attention that cause us to believe that the attached Board of Directors report has not been prepared and presented, in all material respects, in accordance with the Indicative Report Format ("IRF") issued by the Egyptian Stock Exchange as addressed in a letter to the Chairman of the Board of the Company dated December 25, 2018, based on the limited assurance procedures we performed.

We conducted our work in accordance with Egyptian Standard on Assurance Engagements no. (3000) Assurance Engagements other than Audits or Reviews of Historical Financial Information. This standard requires that we comply with the applicable professional standards including independence requirements, and that we plan and perform our work to obtain limited assurance whether any matters have come to our attention that cause us to believe that the Board of Directors' report on compliance with corporate governance rules has not been prepared & presented, in all material respects, in accordance with the Indicative Report Format ("IRF") issued by the Egyptian Stock Exchange as addressed in a letter to the Chairman of the Board of the Company dated December 25, 2018, based on the limited assurance procedures we performed.

The extent of the procedures performed for evidence gathering in a limited assurance engagement are different in nature & timing and are less than those performed for a reasonable assurance engagement, and therefore a lower level of assurance is provided.

The procedures performed were based on our own judgement, evidence was primarily obtained through enquiries of management, observations of certain procedures performed by management, reviewing selection of supporting documentations and, where applicable, matching with the Company's records.

And according to the nature of our scope, when performing the above procedures included the following:

- Enquiries of management to gain an understanding of management's processes, to prepare and present the Report in accordance with the issued guidance, in addition to the procedures performed by management to ensure compliance with corporate governance requirements and management processes to evaluate compliance with issued guidance.
- Matching the Report's structure and content as prepared and presented by the Board of Directors with the indicative report format included in the IFR issued by the Egyptian Stock Exchange as addressed in a letter to the Chairman of the Board of the Company dated December 25, 2018.
- Where applicable, matching the information included in the Report with the Company's records and supporting documentation.
- Review a sample of documentation supporting measurable information, where necessary, in the board of directors' report.

According to paragraph 49(d) of ESAE (3000), our procedures were limited to measurable matters that are capable of being assessed reliably. Such procedures did not cover non-quantitative matters nor the effectiveness, validity or completeness of matters such as management's procedures and processes to comply with Corporate Governance. It also does not cover evaluation of the performance of the Board of Directors, its committees' or the management, nor the evaluation of instances of non-compliance, violations or rulings. Our procedures also did not cover evaluating the effectiveness of the Company's internal control systems, compliance and the effectiveness of its corporate governance. This report is solely prepared for the purpose of fulfilling our responsibility under the requirements of article (40) of the Egyptian Listing Rules and not for any other purpose. Accordingly, this report cannot be used except for the purpose it was prepared for.



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Inherent limitations

Procedures performed by entities to comply with administrative and legal rules, in most cases, rely on the individuals performing them, their understanding of the procedures' objectives, and their evaluation of the effectiveness of performed procedures. In some instances, they cannot be evidenced. The absence of a significant body of established practice on which to draw allows for selection of different but acceptable compliance procedures that are not comparable.

Non-financial information, such as those included in the Report, are subject to more inherent limitations than financial information, given the more qualitative characteristics of the Board of Directors' report on the compliance with corporate governance and the methods used for preparing the Report.

Conclusion

Based on the limited assurance procedures performed, as described above, nothing has come to our attention that would lead us to believe that the attached Board of Directors' report of Orascom Development Egypt S.A.E on compliance with corporate governance rules for the year ended December 31, 2023 has not been prepared and presented in accordance with the Indicative Report Format ("IFR") issued by the Egyptian Stock Exchange as addressed in a letter to the Chairman of the Board of the Company dated December 25, 2018.

Cairo, April 08, 2024

Kamel Magdy Saleh FCA,

FESAA (R.A.A. 8510)

FRA Register No. "69"

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Introduction

We are honored to inform you that our organization is registered with the Egyptian Stock Exchange. We will now be governed by the Exchange's regulations and obligations, which we believe will positively and substantially impact our company.

Given the Egyptian Stock Exchange's (EGX) significance in the financial and investment sectors, we are committed to observing all its requirements and obligations. We are confident that operating under its umbrella will enable us to strengthen our standing in the market and enhance our performance.

This introduction confirms the company's commitment to abide by all the rules and provisions of listing and delisting securities on the Egyptian Stock Exchange. The company will also comply with the executive procedures that complement these rules and any amendments made. Additionally, the company will apply and activate the highest levels of governance by adhering to all the laws and corporate governance rules issued under the decision of the Board of Directors of the General Authority for Supervision Finance No. 84 of 2016.

The company is dedicated to producing a report by its board of directors, which will be presented at the Ordinary General Assembly. This report will include all data that is listed in Appendix No. (1) of the executive regulations of Law No. 159 of 1981. The company is also committed to preparing and disclosing any data the Egyptian Stock Exchange requires. Additionally, the company will always abide by the provisions of Article 66 of Law No. 159 of 1981 and Article 220 of the Executive Regulations. It will apply governance rules following the Guide issued by the Authority's Board of Directors No. 84 of 2016.

Orascom Development Egypt (S.A.E.) is also committed to applying the highest levels of governance through the company's application and commitment to all laws and corporate governance rules regulated by the Financial Supervision Authority and the Egyptian Stock Exchange. Corporate governance is an integral part of the culture of Orascom Development Egypt (S.A.E.).

Data about the company:

Company Name: Orascom Development Egypt (S.A.E.)

Company Name	Orascom Development Egypt (S.A.E.)
Purpose of the company	<p>As specified in the commercial registry, the company's purpose aligns with the latest amendment to its bylaws. Working in the Arab Republic of Egypt or abroad in the following fields:</p> <ul style="list-style-type: none"> • Establishing cities, tourist villages, fixed hotels, and land development, including providing them with public facilities and the necessary infrastructure (land division - creating roads and parks - establishing water, lighting, sewage networks, public transportation, telecommunications, hospitals, schools, health, cultural and recreational centers, and places of worship). • Building and constructing low-cost housing (cooperative housing). • Establishing, preparing, and equipping industrial facilities. • Reclaiming and equipping lands with basic facilities that make them suitable for cultivation. • Cultivation of reclaimed lands. In these two cases, the lands must be allocated for reclamation and agriculture and used with modern irrigation methods rather than flood irrigation, considering Prime Minister's Decision No. 350 of 2007 and President of the Republic's Decision No. 356 of 2008.

	The company may also undertake other projects or modify its activity within the framework of the provisions of the Investment Law. It may also contribute or participate in any way in sub-projects outside Investment Law No. 8 of 1997, provided that the approval of the General Authority for Investment and taking into account the provisions of Law No. 95 of 1992, and the company must obtain It has all the necessary licenses to carry out its activity.
The specified period for the company	50 years, starting from 2/3/2020 to 2/3/2070
Date of registration on the Egyptian Stock Exchange	<ul style="list-style-type: none"> • Date of registration on the Egyptian Stock Exchange—On 6/18/1998, the listing committee approved the company's registration as Orascom for Tourism Projects and Development. • On April 20, 2005, the Securities Registration Committee approved changing the company's name from Orascom for Tourism Projects and Development to Orascom for Hotels and Development. • On 1/3/2010, trading in the company's shares was suspended until it committed to completing the offering procedures to reconcile its situation by the rules of listing on the Egyptian Stock Exchange. • On 1/6/2015, the company's shares were re-traded after the completion of the offering procedures to reconcile their conditions by the rules of listing on the Egyptian Stock Exchange.
The law to which the company is subject	Investment Law No. 230 of 1989
Nominal value per share	EGP 1.0
Last authorized capital	EGP 5,000,000,000
Last issued and paid-up capital.	EGP 1,130,473,523
Number and date of registration in the commercial register	106342 Commercial Register Cairo Investment
Date of registration in the commercial register	on 8/30/1996 and renewed on 8/18/2016 and renewed again 3/8/2021.
Contact Person Name	Mr. Ahmed Abou El-Ella
Head Office	160 July 26th Street - Mohandiseen - Agouza - Giza
Address of correspondence and company branch:	2005A Nile Corniche Street - Ramlet Boulak - Nile City Towers - South Tower - Ninth Floor - Cairo.
Phone numbers	002024617259 Fax numbers 0020224619240
Website	www.orascomde.com
Email	ir@orascomdh.com

Corporate Governance Framework

ODE is fully committed to adhering to the highest levels of governance and achieving compliance with all corporate governance laws and regulations under the jurisdiction of the Egyptian Financial Regulatory Authority and the Egyptian Stock Exchange. Corporate governance refers to the foundational structure of the relations among the key parties of the company, which includes the members of the Board of Directors, executive management, and shareholders. The objective is to distribute rights and responsibilities among the various stakeholders, promote transparency, justice, and accountability, protect shareholders' rights and other interests, and ensure that the company is managed to serve its

stakeholders. Corporate governance is an essential aspect of the culture of ODE and its subsidiaries and aims to achieve the following:

- ✓ Transparency refers to being transparent and open in all operational and investment processes, avoiding ambiguity, confidentiality, and misinformation, and making all matters verifiable and confirmable.
- ✓ Accountability refers to the right of shareholders to hold the executive management responsible for their performance. This right is guaranteed by the law and the company's articles of association. Additionally, it ensures that the executive management is responsible to the board, and the board is responsible to the shareholders.
- ✓ Equality: Equality between small and large investors, both domestic and foreign, and the Company's articles of association guarantee this principle regarding equal voting rights, accountability, candidacy, and access to information.
- ✓ Responsibility: The Company's responsibility is to recognize the rights of stakeholders granted by law and to encourage communication and participation between the company and stakeholders in creating opportunities, jobs, and sustainability.

General Assembly and Board of Directors:

- ✓ The ordinary general assembly of the company's shareholders is held by the Chairman of the Board of Directors using the authority delegated to him by the law and the company's bylaws by inviting the shareholders and determining the items to be discussed at the meeting, in addition to specifying the place and time for the assembly to be held and taking all necessary legal measures towards the validity of the assembly's convening in a manner consistent with the provisions of the law, the company's articles of association, and the rules of registration and delisting.
- ✓ The company's bylaws also stipulate that the annual ordinary general assembly shall be held within three months following the end of the company's fiscal year. The company's joint general assembly shall also be held in any other case in which it is necessary to convene to consider any matter related to its powers guaranteed to it and follow the laws' correct provisions.

Registration rules and corporate governance.

- ✓ If the company desires to hold an extraordinary general assembly, the competent authority represented by the company's Board of Directors shall invite the members to convene to discuss the proposal that is supposed to be presented to the extraordinary general assembly. The Board of Directors shall also authorize the Board or its Chairman to extend an invitation to the shareholders to convene to decide on the proposal. The company's board of directors submitted it.
- ✓ The company takes all necessary legal measures to announce the association's shareholders, and the Egyptian Stock Exchange is provided with the association's invitation before publishing it in the newspapers. The Egyptian Stock Exchange, in turn, publishes that invitation on the trading screens.
- ✓ The meeting invitation shall also be published in two widely circulated daily newspapers at least 21 days before the scheduled date and seven days before the date of the second meeting if the quorum specified in the statute is not reached at the first meeting by the amended decision of the Minister of Investment and the text of Article 203 of the Executive Regulations—law 159 of 1981.
- ✓ Article 39 of the company's bylaws stipulates that the company's general assembly represents all shareholders and may only be held in Cairo or Giza governorates. Based on the decision of the company's board of directors, it may also be stored in Hurghada.
- ✓ The invitation for the company's meeting must include the following information: the company's name, legal form, principal office address, licensed and issued capital value, registration number in the commercial registry, date, time, and location of the meeting, whether it's an ordinary or extraordinary assembly, the meeting's agenda, and the date and time for a second meeting location in case a quorum is not reached. Shareholders who wish to attend the assembly must freeze their shares.
- ✓ The invitation items and agenda attachments are also notified to the company's auditors and the regulatory authorities represented by the Financial Supervision Authority and the General Authority for Investment.

- ✓ The company publishes its financial statements, and the Board of Directors reports to the regulations provided by the regulatory authorities. The full text of the auditor's report is published in two daily newspapers at least twenty-one days before the General Assembly meeting. These documents are also made available for review at the company's headquarters. Shareholders who attend the General Assembly meeting have the right to discuss the agenda items and submit any questions raised at least three days before the meeting.
- ✓ Each shareholder has the right to attend the General Assembly of Shareholders in person or through a proxy to facilitate the shareholders. The validity of the proxy must be confirmed in writing.
- ✓ Every company shareholder can ask about any of the assembly's terms. This is stated in the invitations to the general assembly (both ordinary and extraordinary). Suppose a shareholder has inquiries or needs clarification regarding what is said in the assembly's terms. In that case, they can address the company with their inquiries or observations via a registered letter acknowledging receipt at its headquarters. During the assemblies, the company will adequately respond to all shareholder inquiries, if any exist.

Shareholder structure as of 31 December 2023

Holding 5% or more of the company's shares	Number of shares	Ownership %
Orascom Development Holding AG	848,953,970	75.09%
Total	848,953,970	75.09%

Formation of the Board of Directors:

The competent authority appoints the company's Board of Directors, the Ordinary General Assembly. On April 17, 2022, the Ordinary General Assembly approved the election of the Chairman and members of the Board of Directors. The company's Board of Directors was reconstituted based on the cumulative voting system, and its final formation was approved. Additionally, the Board's term was renewed.

The role and responsibilities of the Board of Directors:

The company's Board of Directors is responsible for managing its affairs based on the mandate issued by the General Assembly. The Board is accountable to the General Assembly of Shareholders for the company's management. The company clarifies the decision-making process of the Council and its role in setting strategic objectives, approving general plans and policies, monitoring executive management performance, ensuring the effectiveness of the internal control system, managing risks, and determining the optimal method for implementing governance. The company also adopts professional policies and standards that employees must follow, reflecting these in their performance and behavior.

The company also explains how the Council carries out its responsibilities and tasks, the most prominent of which are:

- ✓ Establishing mechanisms and systems that ensure all company employees adhere to the company's laws, charters, and internal policies. He is also responsible for setting up an early warning system to detect any defect or deviation that may occur and ensuring that appropriate action is quickly taken.
- ✓ Develop a plan for the succession of authority within the company for senior administrative positions as well as members of the Board of Directors to ensure the sustainability of the company and the effective conduct of its business.
- ✓ Determine the powers it delegates to one of its members, committees, or others. The Council must also determine the duration of the delegation, the periodicity of the reports it receives from the committees and the executive management, and follow up on the results of exercising those delegated powers.
- ✓ Establishing preventive measures, tools, and mechanisms that work to secure the flow of information, control the accuracy and integrity of data within the company, and protect it from tampering and hacking, whether from inside or outside the company, such as securing the use of the Internet and mobile devices against hacking and piracy.
- ✓ General supervision of the data disclosure process and communication channels, ensuring the integrity of the company's financial and accounting reports and the independence of the internal audit activity and commitment to the company.

- ✓ Appointing a secretary to the Board of Directors with competence and understanding of all the company's work. The Board can also establish an organizational unit for the secretariat according to the size and needs of the company.

The formation of the company's board of directors, according to the indication therein in the company's commercial registry, is as follows:

Name	Position (executive/non-executive)	Number of shares	Joining date	Represented entity
Samy Saad Zaghoul	Chairman, non-executive	-	2020/2/1	Orascom Development Holding AG
Omar Mohamed Ali El Hamamsy	CEO, Executive	-	2020/9/10	Orascom Development Holding AG
Ashraf Nessim Sorial	Executive	-	2020/2/4	Orascom Development Holding AG
Reda Mohamed Mohyeldin Farahat	non-executive	-	2022/4/17	Orascom Development Holding AG
Mohamed Hisham Abaas Zazoua	non-executive	-	2017/8/23	Independent
Amr Mohamed Badr	non-executive	-	2016/1/6	Independent
Lamia El Sayed Mohamed Ahmed Kamel	non-executive	-	2023/5/14	Independent
Noura Magdi Selim	non-executive	-	2023/5/2	Independent

The company's Board of Directors may hold meetings by passing a document, provided all members sign it. Alternatively, sessions can be controlled via telephone conference call or video conference as per Article 26 of the company's bylaws.

Duties of the Chairman of the Board of Directors:

The Chairman of the Company's Board of Directors is assigned many of the tasks granted to him by the law and the articles of association, in addition to many of the following functions:

- ✓ Inviting the Board of Directors to convene, setting its agenda, and managing its sessions.
- ✓ Inviting the ordinary and extraordinary general assembly to consider the agenda the Board of Directors presented.
- ✓ Ensure that sufficient and accurate information is made available promptly to Board members and shareholders.
- ✓ Ensuring that decisions are made on a sound basis and based on comprehensive knowledge of the issues, with the need to ensure that there is an appropriate mechanism to ensure the effective implementation of those decisions promptly.
- ✓ Receive reports and recommendations from all committees and present them to the Council periodically to take the necessary action regarding them.
- ✓ Ensure that all Council members conduct a self-evaluation that shows the member's commitment to his job duties.
- ✓ Ensuring the Board's commitment to fully carrying out its duties in the company's best interest while avoiding conflicts of interest.
- ✓ Ensuring the effectiveness of the governance system applied by the company, as well as the effectiveness of the performance of the board committees.
- ✓ Ensure that the Council discusses all items on the agenda, gives them ample time for deliberation, and makes appropriate and transparent decisions about them.
- ✓ Supervising the formation of all council-related committees and submitting a recommendation to the Council to approve the names it has nominated for membership in those committees in consultation with the Remuneration and Nominations Committee.

- ✓ Verify compliance with all applicable laws and regulations issued by government and regulatory authorities and work following the company's bylaws and others.
- ✓ Applying complete transparency and being entirely concerned with the interests of all the company's shareholders.

CEO Duties:

The Chief Executive Officer of the company assumes the following tasks, roles and responsibilities:

- ✓ Led the company through advanced interim standards and administrative skills, following up on procedures and linking goals to strategies, plans, periodic evaluations, and communications.
- ✓ Implementing the policies established by the Board of Directors, implementing the decisions of the General Assembly of Shareholders, making decisions that benefit the company, and working to achieve its goals.
- ✓ Providing recommendations to the Board of Directors regarding the company's general strategy, investment plan, and financial objectives and determining the optimal model for distributing capital for the holding company, its subsidiaries, and sister companies.
- ✓ Recommending to the Board to exit or liquidate existing investments and enter into new investments outside the main activity of subsidiaries.
- ✓ Monitoring the financial performance of subsidiaries in light of the directives of the Board of Directors, the company's general policy, and the company's governance policy.
- ✓ Review the recommendations of the Internal Audit Department and ensure compliance with them.
- ✓ Evaluating risks at the level of the company, its subsidiaries, and various other investments and recommending to the Board of Directors about the optimal management of them.
- ✓ Implementing the company's strategy and annual plan developed and approved by the Board of Directors.
- ✓ Chairing the company's executive management work and conducting its daily affairs, supervising the workflow in all departments and sections of the company, following up the performance of all activities, taking decisions aimed at the continuity of work and achieving goals, as well as working to increase customer satisfaction with the company.
- ✓ Working to implement the company's internal policies, regulations, and systems approved by the Board of Directors.
- ✓ Proposing topics to be raised at the regular meetings of the Board of Directors in consultation with the Chairman of the Board.
- ✓ Supervise the preparation of periodic financial and non-financial reports on the results of the company's business, evaluate its performance and the corporate governance report, and review all responses to auditors' inquiries before preparing these reports.
- ✓ Active participation in building and developing a culture of ethical values within the company and proposing reward and motivation systems and power relay mechanisms adopted by the Council to ensure employee loyalty and maximize the company's value.
- ✓ Determine the competencies and responsibilities of all company employees by the applicable work regulations and the decisions of the Board of Directors.

Secretary of the Board of Directors:

The company is committed to appointing a secretary to its board of directors, who shall be an employee with an appropriate job level that enables him to play the role of the mover and mediator between the members of the board and the company's senior management and explain his performance of the role assigned to him.

Doctor Lobna Emad was appointed on 3/15/2021, assigning her the following tasks, roles, and responsibilities:

- ✓ Prepared and managed the logistics of Council and committee meetings, assisted the Chairman of the Council in preparing the meeting agenda, prepared information, data, and details on these topics, and sent them to members sufficient time before the meeting.
- ✓ Assisting the Chairman of the Board in setting up and preparing for the General Assembly meetings of shareholders and managing logistics.

- ✓ Follow up on the issuance and implementation of Board of Directors decisions, inform the concerned departments, and prepare follow-up reports on what was done regarding them.
- ✓ Preserving and documenting everything related to the Council's decisions and the issues presented while ensuring that the Council obtains essential information promptly.
- ✓ Coordinate with all committees of the Board to ensure effective communication between those committees and the Board of Directors.
- ✓ Coordinate with the concerned committees to provide the necessary information to support the Chairman of the Board in evaluating the Members of the Board and Members of the committees and the proposals submitted by the Board to the General Assembly regarding the selection or replacement of one of the members.

Name	Committee Name		
	Audit	Risk	Investment
Samy Saad Zaghoul	√	√	-
Omar Mohamed Ali El Hamamsy	-	-	√
Ashraf Nessim Sorial	-	-	√
Reda Mohamed Mohyeldin Farahat	-	-	-
Mohamed Hisham Abaas Zazoua	√	√	-
Amr Mohamed Badr	√	√	-
Lamia El Sayed Mohamed Ahmed Kamel	-	-	-
Noura Magdi Selim	-	-	-

Schedule of meetings of the Board of Directors and Committees:

Name	Committee Name		
	Board	Audit	General Assembly
Samy Saad Zaghoul	7/7	4/4	1/1
Omar Mohamed Ali El Hamamsy	7/7	-	1/1
Ashraf Nessim Sorial	7/7	4/4	1/1
Reda Mohamed Mohyeldin Farahat	7/7	-	1/1
Mohamed Hisham Abaas Zazoua	6/7	4/4	1/1
Amr Mohamed Badr	6/7	4/4	1/1
Lamia El Sayed Mohamed Ahmed Kamel	3/3	-	1/0
Noura Magdi Selim	3/3	-	1/0

Audit Committee:

Following the Capital Market Authority's Resolution No. (30) issued on 18/6/2002, regarding the rules for listing, trading, and delisting of securities, an Audit Committee was formed and is composed of the non-executive members of the Board of Directors, as per the decision taken on 28/10/2007. The Committee is as follows:

Name	Position
Samy Saad Zaghoul	Chairman of the Committee
Mohamed Hisham Abaas Zazoua	Member
Amr Mohamed Badr	Member

The Audit Committee met four times during 2023, every three months. It may also be held whenever necessary. The Committee consists of non-executive members, including at least two independent members.

Key terms and duties of reference of the Audit and Governance Committee:

- ✓ Study the company's internal control system and prepare a written report on its opinion and recommendations regarding it.

- ✓ Studying the financial statements before presenting them to the Board of Directors and giving its opinion and recommendations regarding them.
- ✓ Study the accounting policies used and express their opinions and recommendations.
- ✓ Recommending to the Board of Directors to appoint one or more auditors for the company, as well as their qualifications, competence, and independence. The decision to appoint them and determine their fees shall be within the jurisdiction of the company's ordinary general assembly.
- ✓ Review the auditor's audit plan and make comments on it.
- ✓ Study the auditor's observations and recommendations on the financial statements and those contained in the management letter received from the auditor and follow up on what was done regarding them.
- ✓ Ensure the company's commitment to following internal and external systems, regulations, and laws under the reports submitted by the Compliance Department or other concerned departments.
- ✓ Recommending approval for the auditor to perform additional operations other than auditing and recommending approval of what he charges for those operations in proportion to his annual fees.
- ✓ Discussed and approved the annual plan for the internal audit department, monitored its efficiency, and ensured that it included all departments and activities of the company.
- ✓ Reviewing internal audit reports, identifying the aspects and causes of deficiencies in the company, and following up on corrective measures.
- ✓ Study and evaluate the company's early warning system and suggest what is necessary to improve and implement it effectively.
- ✓ Study and evaluate security systems, information, and data and how to protect them from internal or external intrusions.
- ✓ Study the observations or violations received from the regulatory authorities and follow up on what was done regarding them.
- ✓ Invite the company's auditor, the head of the internal audit department, or whomever you see fit from inside or outside the company to attend its meetings whenever necessary.
- ✓ Implementing and following up on any other work the Board of Directors assigned.

Investment Committee members and duties:

Name	Position
Omar Mohamed Ali El Hamamsy	Chairman of the Committee
Ashraf Nessim Sorial	Member
Ahmed Tarek Ibrahim El Dessouky	Member

The committee is responsible for the following:

- ✓ Actual evaluation of the company's returns and savings.
- ✓ Assist the company's Board of Directors in identifying and employing investments under the investment policy approved by the Board.
- ✓ Studying the company's investment operations to achieve the best return and fulfill its short- and long-term obligations.
- ✓ Directing proposals to the company's Board of Directors on the best ways to achieve the highest return on investment.
- ✓ Any other tasks entrusted by the Board of Directors concerning the system.

Risk Committee Members and Duties:

Name	Position
Samy Saad Zaghoul	Chairman of the Committee
Mohamed Hisham Abaas Zazoua	Member
Amr Mohamed Badr	Member

The committee is responsible for the following:

- ✓ Establishing executive frameworks, procedures, and rules approved by the Council, necessary to deal with all types of risks that the company may face, such as strategic risks, operational risks, market risks, credit risks, reputational risks, information systems and data protection risks, and all types of risks that would affect Company activity and sustainability.
- ✓ Helping the Board of Directors determine and evaluate the level of risk that the company can accept and ensure that the company does not exceed this risk limit.
- ✓ Supervising and verifying the effectiveness of the company's risk management in carrying out the work assigned to it, ensuring that it performs its work adequately within the limits of its assigned competencies, and ensuring the independence of the risk management employees from the company's executive management.
- ✓ Preparing a periodic report on the results of its work and recommendations to be presented to the Board of Directors for necessary action.

ESOP Committee:

The extraordinary general assembly of the company had previously approved on 3/19/2018 the approval of allocating 2% of its total issued shares to implement the reward and incentive system by promising to sell some of the company's shares for the benefit of (executive members - delegated members - heads of sectors and their deputies - general managers) - First-line managers - employees of the company or its subsidiaries) who are selected by the supervisory committee and approved by the company's board of directors.

The company's Board of Directors, held on September 24, 2018, also approved the formation of a committee to supervise the reward and motivation system and determine its terms of reference and authority. However, following the decision of the General Assembly of Orascom Development Egypt, held on May 2, 2023, it was approved to stop, terminate, and cancel the company's ESOP shares program. The remaining balance of the remaining shares (15,501,283), representing 1.371% of the total shares of Orascom Development Egypt, will be converted into treasury shares. Transferring ownership of shares from the reward and incentive system to treasury shares was implemented on 6/21/2023. The sale of 15,501,283 of the company's treasury shares was carried out during the trading session on 9/25/2023, with a total value of 155,501,283 Egyptian pounds. Accordingly, the work of the company's employee reward and motivation system committee was terminated.

Auditor:

The Board of Directors, based on the recommendation of the Audit Committee, nominates and determines the fees of auditors who have sufficient competence, reputation, and experience. The auditor's knowledge, competence, and abilities must be commensurate with the size and nature of the company's activity and with those it deals with. The company's ordinary general assembly is authorized to approve the auditor's appointment and determine his fees. The company has an independent auditor registered in the auditors' register at the Financial Supervisory Authority.

The company is reviewing that the General Assembly, based on the nomination of the Board of Directors and after the recommendation of the Audit Committee, appoint one or more auditors for the company. The auditor must also be completely independent of the company and the members of its board of directors. He must not, for example, be a shareholder in it or a member of its board of directors, or He has a relative relationship with any member of its Board of Directors or senior management up to the second degree, or he may permanently perform any technical, administrative or advisory work there. He must be neutral in his opinions, and his work must be immune from interference by the Board of Directors.

The company states that it is not permissible for the Board of Directors to contract with the company's auditor to perform any additional work that is not related to his work as its auditor, directly or indirectly, except after obtaining the approval of the Audit Committee, and provided that this additional work is not among the work that the auditor is prohibited from performing. Fees for performing extra work must be proportionate to the nature and size of the work required. When considering the approval of the auditor's performance of additional work and determining his fees for it, the audit committee must assume that this does not affect his independence, with the need to disclose this in the general assembly of shareholders and the annual report.

The company clarifies the policy of rotating auditors and the possibility of appointing two auditors for its accounts if necessary.

The company is committed to having the auditor submit a copy of his report on the report prepared by the company on the extent of its compliance with the rules of governance to the administrative body following the rules of governance and disclosure in force, and this report is also submitted to the general assembly of shareholders.

The auditor personally attends the company's general assembly, whether ordinary or extraordinary. If this is not possible, someone acting on his behalf may attend, provided that he explains the reasons for his non-attendance. The auditor also verifies the company's full compliance with Egyptian accounting standards when preparing the financial statements and adheres to Egyptian auditing standards when conducting a review or limited examination of the financial statements and preparing its report.

Mr. Kamel Magdy Saleh, partner in the Grant Thornton office, was appointed as the company's auditor according to the decision of the General Assembly held on 5/2/2023.

Material information and financial and non-financial disclosure

The company is committed to what is stated in the listing rules on the Egyptian Stock Exchange regarding the necessity of immediately disclosing any fundamental unannounced events that would affect the trading prices of the company's shares on the stock exchange or the investment decisions of those dealing with it. The company immediately discloses the following for example, but not limited to:

- ✓ Internal information that includes the company's goals, vision, nature of its activity, and plans and strategy.
- ✓ Systems for raising competencies, training, rewarding, and caring for its employees.
- ✓ Ownership structures in the company's sister and subsidiary companies.
- ✓ Transactions with related parties.
- ✓ Changing investment policies.
- ✓ The availability/or lack of natural resources, raw materials, and energy that depend on them and the ability to deal with their fluctuations.
- ✓ Disclosure to its shareholders and regulatory authorities about treasury shares. If the subsidiary company purchases the shares of the holding company that owns it, all the rules of treasury shares will apply to the purchased shares. They will not be counted as a quorum of shareholders and will not participate in voting on the decisions of the General Assembly.
- ✓ Providing the Authority and the Stock Exchange with the decisions of the ordinary and extraordinary general assembly immediately after its conclusion and at the latest before the start of the first trading session following the end of the meeting. The company is also committed to providing the stock exchange with the minutes within a maximum of a week from the date of the general assembly, provided that the Chairman of the Board of Directors approves them.
- ✓ Providing the Stock Exchange with the minutes of the General Assembly meetings approved by the competent administrative authority within a period not exceeding three working days from the date of receipt.
- ✓ Providing the Authority and the Stock Exchange with a summary of the decisions containing fundamental events issued by its Board of Directors immediately upon their completion and no later than before the start of the first trading session following the end of the meeting.
- ✓ Providing the Authority and the Stock Exchange with a statement approved by the company's Board of Directors of the most important results of its business compared to the corresponding period under the form prepared for this by the Stock Exchange immediately after the Board of Directors has finished approving the annual or quarterly (periodic) financial statements in preparation for referring them to the auditor to issue his report on them. This disclosure must be made after the end of the meeting and no later than before the beginning of the trading session following the end of the meeting.
- ✓ Announcing the decision of the competent authority regarding cash distributions, free stock distributions, or both.

- ✓ Disclosure when the ownership of a shareholder and related parties exceeds or decreases 5% and multiples thereof of the number of securities representing the capital of the company listed on the stock exchange or its voting rights, including shares that have been subscribed for by purchasing subscription rights for them.
- ✓ Disclosure of the future investment plan and the shareholder's directions regarding the company's management if the percentage purchased from him and the parties associated with him reaches 25% or more of the company's capital or voting rights.
- ✓ Disclosing when any arbitration or judicial rulings are issued at any stage of litigation, those rulings that affect its financial position or the rights of its securities holders or impact trading prices or the investment decisions of dealers.
- ✓ Disclosure at the end of the fiscal year about how much the company has achieved the results in the independent financial consultant's report on fair value or the action plans approved by the sponsor for small and medium-sized companies.
- ✓ Disclosure immediately upon issuance of any judicial rulings imposing a penalty of deprivation of liberty against a member of the board of directors of the issuing entity or one of its key officials.

Violations and procedures related to the Capital Market Law and listing rules: None.

Investor Relations:

The Investor Relations Department, led by Mr. Ahmed Abou El Ella, is responsible for enhancing the quality of investor relations services. This is achieved by improving communication with the investment market, establishing effective communication channels with investors, and continuously conveying market views and investors' concerns to the Board of Directors. The department regularly engages with portfolio managers, financial analysts, brokers, and other market players to achieve this goal. The department is crucial in consolidating the relationship with current and potential investors. This is achieved by establishing and strengthening relationships through continuous communication and engagement. The department also works towards opening communication channels with investors and conveying their concerns to the Board of Directors.

The Investor Relations Department is committed to improving the quality of investor relations services by providing timely and accurate information to investors. The department is responsible for ensuring the company's communication with the investment market is of the highest standard. This is achieved through continuous engagement with market players and the dissemination of accurate information.

In conclusion, the Investor Relations Department is vital to the company's operations. The department's role in improving communication with investors, establishing effective communication channels, and conveying market views and concerns to the Board of Directors is critical to the company's success. The department's commitment to providing timely and accurate information to investors reflects the company's dedication to transparency and accountability.:

1. Attend conferences and meetings related to investment in Egypt and abroad regularly.
2. Meet with potential investors and create strategies to attract new long-term investors.
3. Improve the company's image in the financial markets and media.
4. Build a strong relationship with financial analysts through private and public meetings, conferences, forecast studies, feedback inquiries, and analysis.
5. Write and distribute periodic and annual financial reports and press releases.
6. Coordinate internal financial reporting sources and ensure accurate interpretation of data.
7. Collaborate with the company's financial department to determine matters that should be disclosed.
8. Increase participation on the company's webpage, prepare required disclosure reports, create investor relations pages on its website, and keep them updated.
9. Maintain current investors and attract new ones by educating the market about the company's business and future growth opportunities and identifying factors that affect its profitability.
10. Communicate with analysts, investors, and media representatives and provide information to dispel rumors and incorrect data that can lead to fluctuations in trading prices and volumes.

During the year 2023, the group's management and the work team at the Investor Relations Department carried out the following:

- ✓ Participated in many prominent local and international investment conferences, including several conferences via the Zoom electronic application. The Investor Relations Department also organized many bilateral meetings with local and foreign investors via the Zoom application or by phone.
- ✓ Holding four periodic telephone meetings with analysts and investors to discuss the company's financial and investment developments.
- ✓ Follow up on investment banks' reports on the company and the market and raise investor awareness.

Disclosure tools

Annual Report to the Board of Directors

In light of Companies Law No. 159 of 1981 and its executive regulations, the company issues an annual report following the disclosure form prepared for presentation to the General Assembly of shareholders and regulatory authorities along with the financial statements. It also publishes the financial statements in two widely circulated morning newspapers during the call for the Ordinary General Assembly meeting to approve the annual financial statements. The report shall be addressed by the Chairman of the Board to the shareholders and shall include at least the following:

- ✓ Vision, mission, and values.
- ✓ Company strategy.
- ✓ The company's history and the most essential milestones it has gone through.
- ✓ Ownership structure.
- ✓ Senior management and formation of the Board of Directors.
- ✓ The company's current and future projects.
- ✓ A report on the executive management's discussion of the company's financial performance.
- ✓ Auditor's report and comparative financial statements for the same previous periods.
- ✓ Discussing financial results and material issues.
- ✓ The company's main achievements during the year.
- ✓ formation of council committees and the number of times they meet.
- ✓ The average number of employees in the company during the year.
- ✓ Policies that reward and motivate the company's employees, such as offers to own shares and others.
- ✓ Compensation contracts concluded in the previous year and those offered.
- ✓ Any measures taken against the company or its board members or managers by regulatory or judicial authorities.

The company also issues an annual report in Arabic and English that includes a summary of the Board of Directors' report and the financial statements, in addition to all other information of interest to shareholders, current and prospective investors, and other stakeholders, as the most important sources of information for current and future investors about the company, its activity, and its financial position. It serves as a report from the company's management to all interested in it about the events that occurred during the past year and what the company aims to achieve during the coming year. The annual report contains at least the following:

- A speech by the Chairman of the Board of Directors and Managing Director.
- Vision and goal.
- Company strategy.
- The company's history and the most critical milestones it has gone through.
- Ownership structure.
- Senior management and formation of the board of directors.
- Analysis of the market in which the company operates.
- The company's current and future projects.
- Analysis of the company's financial position.
- A report on the company's social and environmental responsibility.
- A report on the executive management's discussion of the company's financial performance.
- The auditor's report and the comparative financial statements for the same previous periods.

Sustainability report

The company prepares a balanced report on sustainability, which includes the company's achievements in the economic, environmental, and social fields. It explains the company's values and principles. It clarifies the relationship between its strategy and its commitments to the community in which it operates in a way that supports the company's reputation, continuous improvement in its performance, compliance with legislation and regulatory instructions in the environmental and social fields, as well as how to manage the company's risks, as well as ways to motivate its employees and attract capital.

This report includes at least the following aspects:

- Governance policy and monitoring of the professional behavior of employees.
- The company's policy towards the environment in which it operates and its impact on it.
- Government relations and political involvement of the company.
- The company's employee relations, human rights, and non-discrimination policies.
- The quality of the company's products and services and the complaints handling system.
- Ensuring business continuity, risk and crisis management, and information protection.
- Anti-fraud and corruption policies.
- The company's social and environmental responsibility policy.

Company website

The company has a unique website, <https://www.orascomde.com/>, on the international information network in Arabic and English, through which financial and non-financial information is disclosed in an easy-to-use manner to the user. It is updated with the published information on an ongoing basis and makes it possible to communicate with the company quickly with a commitment to follow up on the response. On messages and inquiries that the company receives through the company's email. It includes data about the company and its various projects:

- 1- About the company
- 2- Company projects
- 3- Investor relations
- 4- Media Center
- 5- Contact us
- 6- Jobs

Codes & Policies

Code of Ethics and Professional Conduct

Every employee must perform their job duties honestly, reasonably, and objectively. They must work continuously to achieve the group's objectives, which should be done within the limits of their powers. Employee should perform their work in good faith, free from any bad intentions, negligence, or violation of the law that can cause harm to the public interest to achieve a private interest for themselves or others.

The company should carry out its business with honor and integrity, respecting the interests of business partners while adhering to the Group's policies and prevailing business principles. All members of the company should be committed to maintaining the company's good reputation and should focus on the following points of the company's policies: conflict of interest, dealing with others, maintaining the confidentiality of information, accepting and giving gifts, bribery and corruption, non-discrimination, compliance with laws and regulations, and preventing sexual harassment.

Succession planning

Succession planning is a crucial component of any organization's success. It involves creating a career ladder that values commitment and scalability at all administrative levels of the group. By preparing a system for building a succession plan, we ensure the continuation of the group's work and the successful implementation of senior management's vision. This plan provides alternatives for vital leadership positions, ensuring that our organization can thrive in any circumstance. We believe in promoting existing employees and hiring new ones to maintain our standards of excellence. With a robust Succession Plan, we can continue to impact our field positively and beyond.

Whistleblowing Policy:

Whistleblowing refers to the process of reporting any unethical practices within a company, which may include illegal activities, wrongful financial practices, or any threats to the employees or the organization. At Orascom, we are committed

to providing a policy that safeguards the individual who makes the report, thereby encouraging employees and others to take the initiative to identify and report violations. The reporting process will be based on objective documentation or information and will maintain complete confidentiality for the reporting person.

The significance of whistleblowing cannot be overstated, as it promotes accountability, transparency, and ethical behavior within organizations. In recognition of this, Orascom has established a comprehensive whistleblowing policy to protect the interests of our employees and the organization.

We strongly encourage all employees and stakeholders to report any potential violations of our policies or any other unethical practices they may encounter. The reporting process is designed to be straightforward and objective, and the reporting person's identity will always be kept confidential.

In conclusion, Orascom is committed to fostering a culture of transparency and accountability, and our whistleblowing policy is a crucial component of this. By encouraging ethical behavior and providing a safe and confidential reporting process, we can build a more vital, responsible organization.

Policy for dealing with internal parties, related parties, and related parties:

The company has a policy to regulate insider trading of its shares. Insiders, founders, and major shareholders cannot enter compensation contracts without General Assembly approval. All details must be presented beforehand. The policy defines insider trading and its regulation.

Insiders and their associates are not allowed to trade company securities one day before and after material information is published.

We prohibit the dealings of any shareholders who own 20% or more, alone or through a group associated with them unless the stock exchange is notified of this before implementation.

Prohibiting the members of the company's board of directors, regardless of their percentage contribution to the capital, and its officials or persons who have access to information that is not available to others and that impacts the price of the security from buying or selling these securities to which this information relates.

Notably, no insider transactions occurred in the company's shares during 2023.

Social and Environmental Responsibility Policy:

The company follows a clear policy towards social and environmental responsibility and its continued commitment to development through its contribution to the Sawiris Foundation for Social Development, which aims to make a significant contribution to confronting the most pressing development issues in Egypt and to create sustainable job opportunities for citizens that fulfill their aspirations for a dignified, productive life, in addition to... To alleviate the suffering of low-income people by supporting initiatives that encourage the creation of job opportunities through training, improving the quality of education, and providing access to small loans. The Foundation also supports efforts to improve health and increase local communities' access to essential services.

It is worth noting that since the company's beginnings, it has been keen to adhere to environmental responsibility. El Gouna, one of the company's most significant projects, has been officially recognized as an environmentally friendly tourist destination in Egypt. Its continued efforts as an integrated, self-sufficient, and sustainable city have made it the first destination in Africa and the Middle East to receive the Global Green City Award in August 2014, sponsored by the Green City Programme. United Nations Environment. Our commitment to social responsibility and environmental sustainability lays the foundations for managing El Gouna.

The Green Star Hotel initiative also aims to improve environmental standards in Egyptian hotel services. El Gouna worked to achieve this initiative in most of its hotels, and it serves as an eco-mark to combat the ecological risks posed by the rapidly growing tourism sector in the country.

Internal, Related Parties, and Associated Parties Dealing Policy

Insider trading policy:

The company has an insider trading policy, which aims to control the operations of insiders on the company's shares and ensure that insider information is not exploited to achieve illegal personal gains. The policy includes many controls, including obtaining the approval of the Board of Directors before trading and the blackout period during which insiders are not allowed to change. All insiders who intend to buy or sell Orascom Development shares must identify themselves to the Investor Relations Department before initiation of any activities on the stock market.

Related parties and central shareholder policy:

The company's policy complies with the rules and regulations of the concerned authorities. Major shareholders and related parties are committed to not being a party to any swap contract unless approved by the general assembly. The transaction must be presented to the assembly in advance with all details and data, including price and quantity, before the transaction. The party involved in the swap contract has no right to vote in the general assembly. The policy also ensures that all stakeholders understand the definition of insider trading and its regulatory rules. This policy includes the following:

- Insiders and related parties: Associated insiders and parties are prohibited from trading in any of the company's securities five days before and one day after releasing any material information.
- Large shareholders: Major shareholders who own 20% or more of the company's shares, either individually or through related parties, are prohibited from trading in the company's securities unless they notify the Egyptian exchange market authorities before executing the trade.
- Board members: Board members and other individuals who have access to non-public information that could affect the price of the company's securities are prohibited from buying or selling those securities.

Restricted Insiders:

The following individuals are considered restricted insiders:

- All members of the board of directors
- The group's chief executive officer
- The group's chief financial and operating officer
- Financial directors of subsidiaries in the parent company
- Investor relations staff

Trading Activity Reporting Requirements:

The Egyptian Exchange requires the investor relations department to provide a list of all restricted insiders in the organization and information related to trading activities that we provide. Restricted insiders must obtain prior approval from the investor relations department to trade before entering any transaction involving the purchase or sale of shares by completing the necessary forms and submitting them to the investor relations department for approval by the board of directors ([Form](#)).

Non-public material information:

Non-public material information is information that is not known to the public and that could reasonably be expected to affect the price of a company's securities. This information could include:

Business acquisitions, mergers, joint ventures, upcoming projects, unpublished financial results, stockholder actions, such as stock splits or shareholder redemptions, changes in the board of directors or management, and legal disputes.

Cautionary note: If a restricted insider is unsure whether the information is public, they should consult the investor relations department to clarify the matter.

Preventing Insider Trading and Disclosure of Material Non-Public Information

Prior Approval for Trading

Restricted insiders who wish to trade shares of Orascom Development must obtain prior approval from Investor Relations. The Egyptian Exchange requires this form and requires restricted persons to disclose the following information:

Company name, Employee name, Type of trade (buy or sell), Quantity of securities to be traded, Percentage of shares owned before and after executing the trade, Approved trading window, and Brokerage data by the form required by the Egyptian Exchange.

Investor Relations will review the prior approval form to determine whether the request will be approved. Insiders are prohibited from trading before obtaining approval.

Blackout Period for Orascom Development Shares:

In accordance with Article 38 of the Egyptian Exchange Regulations, the blackout period for Orascom Development shares is five days before the company releases material non-public information and one day after the release is made available to the public.

During blackout periods, all restricted insiders are prohibited from trading Orascom Development shares.

Prohibited Activities

Insider Trading

Restricted insiders are prohibited from:

- Engaging in any direct or indirect transactions related to the purchase or sale of Orascom Development shares while possessing material non-public information.
- Engaging in any direct or indirect transactions related to the purchase or sale of shares of another listed company while possessing material non-public information that they became aware of through their work with or providing services on behalf of Orascom Development.
- Engaging in direct or indirect transactions related to purchasing or selling Orascom Development shares during blackout periods announced by the Investor Relations department.
- Any insider who engages in insider trading will be subject to disciplinary action and penalties.

Disclosure of Material Non-Public Information

Restricted insiders are prohibited from:

- Disclosing material non-public information to third parties, including family members, friends, or anyone unauthorized to access material non-public information.
- If any party trades in Orascom Development shares based on material non-public information resulting from the disclosure, the trader and the discloser will be liable for legal and financial penalties.

Reporting Insider Trading Activities

The company will investigate any insider trading reports, material non-public information disclosure, or sharing. If any employee knows insider trading or discloses material non-public information, they must report this information immediately to the Investor Relations email address. ir@orascomdh.com

Penalties

Regulatory Penalties

Any insider who discloses material non-public information or is found to be involved in insider trading or the disclosure of material non-public information will be subject to disciplinary measures by Orascom Development. The company also reserves the right to take any corrective action for non-compliance with this policy by its human resources policies and local labor law.

Legal Penalties

Any insider who discloses material non-public information will be subject to penalties under the applicable Egyptian laws.

Material Information and Financial and Non-Financial Disclosure:

The company is committed to complying with the Egyptian Exchange listing rules regarding the need to disclose immediately any material undisclosed events that could affect the trading prices of the company's shares on the exchange or the investment decisions of its traders. The company discloses immediately the following, as an example, but not limited to:

- Internal information that includes the company's objectives, vision, nature of business, plans, and future strategies.
- Ownership structures in the company's sister and subsidiary companies.
- Transactions with related parties and swap contracts.

Key risks and mitigation strategies:

Orascom Development is a publicly traded company in Egypt. As such, it is subject to several disclosure requirements for its shareholders and regulatory authorities. These requirements ensure shareholders can access accurate and timely information about the company's financial performance, operations, and governance.

Specific disclosure requirements:

- Disclosure to shareholders and regulatory authorities about treasury shares. When a subsidiary company purchases shares of its parent company, all treasury share rules apply to the purchased shares, which are not counted in the quorum of shareholders and do not participate in voting on general assembly resolutions.
- Providing the authority and the exchange with resolutions of the ordinary and extraordinary general assemblies immediately after their conclusion and no later than the start of the first trading session following the end of the meeting. The company is also committed to providing the exchange with the minutes of the general assembly meeting within one week at most from the date of the public assembly meeting if the chairperson of the board of directors approves them.
- Providing the exchange with the minutes of the general assembly meetings certified by the competent administrative authority within a period not exceeding three working days from the date of receipt.
- Providing the authority and the exchange with a summary of the decisions containing material events issued by its board of directors immediately after their conclusion and no later than the start of the first trading session following the end of the meeting.
- Providing the authority and the exchange with a statement approved by the company's board of directors with its most important operating results compared to the corresponding period in accordance with the form prepared for this purpose by the exchange immediately after the board of directors approves the annual or quarterly (periodic) financial statements in preparation for referring them to the auditor to issue his report. This disclosure should be made after the meeting and no later than the start of the following trading session.
- Announcements regarding cash distributions, free share distributions, or both.
- Disclosure when the ownership of one of the shareholders and related parties exceeds or decreases by 5% and its multiples of the number of securities representing the capital of the company listed on the exchange or its voting rights, including shares that have been subscribed to through the purchase of subscription rights.
- Disclosure of the future investment plan and the shareholder's orientations regarding the company's management if the percentage purchased from him and related parties is 25% or more of the company's capital or voting rights.
- Disclosure of any arbitral awards or judicial rulings at any stage of litigation with those rulings that affect its financial position or the rights of holders of its securities or impact trading prices or the investment decision of traders.
- Disclosure at the end of the financial year on the extent to which the company has achieved the results contained in the report of the independent financial advisor on fair value or approved work plans from the sponsor for small and medium-sized enterprises, provided that the report includes a statement of the reasons and justifications in case of significant deviations from what is stated in this report or the work above plans.

- Immediate disclosure of any judicial rulings with a penalty of deprivation of liberty against a member of the board of directors of the issuing entity or one of its leading officials.

Governance Committee

The governance committee is responsible for the following tasks:

- Regularly evaluate the company's governance system and draft the internal guidelines, charters, and policies on implementing governance rules within the company.
- Prepare an annual report on the company's compliance with corporate governance rules and establish appropriate procedures to implement those rules.
- Reviewing the company's annual report and the board of directors' report, especially regarding disclosure items and other items related to corporate governance.
- Storing, documenting, and following up on reports evaluating the board's performance.
- Studying regulatory authorities' observations on the implementation of governance in the company, taking them into account, and following up on what has been done about them.

Regulatory Environment

Internal Control System

The company explains the efficiency and adequacy of its internal control system, which is a set of policies, procedures, guidelines, and regulations prepared by the relevant departments of the company. The company applies an integrated system that aims to reduce risks, protect stakeholders, prevent internal information leakage, and ensure that the company and its employees comply with the provisions of laws, regulations, and related regulatory decisions.

This system also aims to verify the establishment of accountability within the company, which is approved by the board of directors to achieve the following:

- Separate the responsibilities and authority of all employees of the company.
- Ensuring the accuracy and quality of information so that it provides correct and accurate information about the company either to the company or to others.
- Protecting the company's tangible assets from potential risks and documenting and recording those assets in the company's records.
- Increasing the company's production efficiency and achieving its goals at the lowest cost and with the same quality.
- Ensuring the accuracy of the instructions to ensure that all instructions have been implemented as they should.
- Ensuring the application of corporate governance rules by accurately implementing various governance instructions and regulations.

In addition, this system identifies the competencies and the complete separation of responsibilities and tasks, which was considered when preparing the company's organizational structure. The audit committee, in its regular meetings (at least four times a year), studies the internal control system, submits its observations and recommendations regarding it, and proposes what it sees as amendments to ensure its effectiveness to the company's board of directors. Then, the board members review the members of the audit committee appointed from among them in all observations, if any, and inform them of their recommendations.

Internal Audit Department:

The company shows the extent to which it has an internal audit activity as an independent and objective activity designed to add value and improve the performance of the company's operations to help it achieve its goals by adopting a systematic and organized approach aimed at evaluating the means and systems of internal control and risk management procedures

in the company and ensuring the soundness of the application of governance rules in it in a sound manner in terms of all departments, executive activities, financial, and legal. The company explains that the internal audit department is responsible for a full-time officer, one of the administrative leaders. His technical affiliation is with the audit committee, and he administratively follows the managing director or the company's CEO. It shows that the appointment and dismissal of the director of the internal audit department and the determination of his financial treatment is based on a recommendation from the audit committee, and the Managing Director then issues a decision to that effect. It shows the extent to which the audit committee determines the internal audit department's objectives, tasks, and powers. It raises that to the company's board of directors for approval. It also clarifies that the director of the internal audit department submits a quarterly report to the audit committee explaining the results of his work.

The company explains the tasks that the internal auditor performs during the year, which include:

- Evaluating the efficiency of the company's internal control system and submitting reports to the audit committee with the observations that have been reached.
- Evaluating the extent to which all company departments are committed to implementing their work by the work procedures and policies established without conflicting with the competencies of other relevant departments.
- Evaluating the efficiency of the procedures and policies established and their suitability with the development of work and the market.
- Following up on the amendments in the internal and external audit reports and others from the regulatory authorities.

Compliance and Governance Department:

The company has a compliance and governance officer who monitors and prepares reports on non-compliance risks with laws, regulations, and regulatory instructions issued by various regulatory authorities. He also prepares a general framework that aims to ensure disclosure, transparency, and reporting of operations and deliberations and to verify the effectiveness of controls, integrity, and responsibility in decision-making, which leads to strengthening and improving the impressions of stakeholders about the company's governance structure and providing a level of confidence and trust among those parties, which gives the company a competitive advantage among investors, suppliers, and business partners. The general frameworks for governance management also aim to:

- Protect the rights of the company's shareholders to ensure their best interests and that of the company.
- Protect the rights of all stakeholders and provide stability and job sustainability through the company's sound financial performance.
- Provide accurate and comprehensive disclosure to the company's shareholders, stakeholders, and relevant regulatory authorities within the specified timeframe.
- Identify, report, disclose, and deal with conflicts of interest between the company and stakeholders that may negatively affect the company's and its shareholders' interests.
- Regulate dealings with stakeholders, whether between the company and its employees, the company and its board members, the executive management, subsidiaries, or other stakeholders.
- Create reliable communication channels with investors to enhance the company's market position and achieve sufficient credibility to attract shareholders and new investments.
- Monitor the availability of the basic principles and elements that help develop and improve the company's performance, contributing to achieving the strategic objectives set by the board of directors.
- Monitor the implementation of the disclosure, transparency, and governance culture in all the company's work and activities.
- Improve and develop the company's general framework and working principles through the company's code of professional conduct, with the identification of its social responsibility towards employees and society as a whole.
- Monitor the implementation of the conflict-of-interest policy on all company employees.
- Work to implement the concept of transparency, clarity, and justice in dealing with all shareholders.
- Work to clarify the relationships between the board of directors and stakeholders.

- Develop the company's internal governance guidelines and formulate various internal policies that regulate the relationship between all employees. Contribute to preparing the report on the company's compliance with corporate governance.

Whistleblowing Policy:

The company implements a policy that aims to encourage employees or those dealing with it to report any practices that violate the rules of ethical behavior or any illegal acts, to implement adequate procedures about the principles of accountability, and then enhance the standards of honesty and integrity in all the company's various activities. The company also ensures that the policy protects the person who reported the violations to ensure that the company's employees and others are encouraged to disclose and report violations while ensuring the complete confidentiality of the reporting person, considering that the reporting process is based on documents or objective information.

Chairman of the Board

Dr. Samy Saad Zaghloul

Orascom Development Egypt

