

Thank you.. The annual report on the Environmental, Social And Governance Disclosures has been successfully registered and your registration code number is 35242. You are kindly requested to print the report and attach it to the annual report of the Board of Directors attached to the annual financial statements for the year 2023/2024.



الهيئة العامة للرقابة المالية
FINANCIAL REGULATORY AUTHORITY



Annual report for FY 2023/2024

on Environmental, Social and Governance Disclosures Related to Sustainability (ESG)

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

First: Introduction

This report on the disclosure of Environmental, Social and Governance (ESG) reflects the strength of the company's management to implement the principles of sustainable development and integrate sustainability practices into the company's activities and operations, which generates confidence among investors that enables them to make informed investment decision, By identifying risks and opportunities that may not be monitored by traditional financial reports, especially in light of the increasing demand by investors for **ESG** Data and how companies integrate sustainability practices into the daily operations and activates in order manage the risks and opportunities associated with the various dimensions of sustainability, and thus enhance its financial position. Based on the **FRA** responsibility towards **NBFI** including listed Companies on the Egyptian Stock Exchange, and within the framework of assisting these companies to submit annual reports to disclose ESG sustainability standards in accordance with the **FRA** decisions No. **107** and **108** of **2021**, and to facilitate them, the **FRA** has prepared this electronic form to companies to fulfill the **KPIs** for the disclosure of sustainability standards **ESG**.



Therefore, please be careful, accurate and transparent when filling out this form, and please attach the report form within the annual report prepared by the Board of Directors attached to the annual financial statements for the year 2023/2024 In case of any inquiries related to this matter, you can contact sustainable development department via email

sustainable.development@fra.gov.eg

Secand: Basic Data on The Status of Company

1. Select the company's name:Engineering Industries (ICON)
2. Select the company's sector:Contracting & Construction Engineering

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

1. Name :Tarek Mohamed Gonna
2. Job Title:Investor relation manager
3. Email:tarek.gonna@iconegypt.com

Fourth: Environmental KPIs

1.Environmental Operations & Oversight (E1)

1. Has the company developed any official Environmental and Social (E&S) or Sustainability policies?

Yes



Below is a summary of this policy:

Our core values cover sustainability, and our environmental and social responsibilities can be limited to three main areas:

Environmental sustainability: Reducing carbon emissions while supporting national sustainability initiatives.

Social participation: through supporting charitable associations, local communities, raising awareness, and national aid campaigns.

Caring for workers: by supporting all workers in our projects at all levels, preserving their rights, and providing them with a healthy work environment.

2. Is this policy originating from within the company or derived from global or national policies?

Yes

The policy stems from the company and takes into consideration national and global policies.

3. Does the company identify and assess the environmental and social risks arising from its economic activity?

No

However, discussion is underway on how to identify and evaluate the environmental and social risks arising from the company's economic activity.

4. Does the company follow specific policies concerned with waste recycling, water consumption, or energy consumption?

Yes

The company and its subsidiaries adopt a policy for waste recycling (which boils down to how to deal with and safely dispose of hazardous waste in addition to how to dispose of non-hazardous waste). The company and its subsidiaries also adopt a policy to reduce energy and water consumption.

5. Does the company set any goals related to reducing greenhouse gas (GHG) emissions?

No

Discussion is underway on setting goals related to reducing greenhouse gas emissions.

6. Does the management have any system/certification regarding the company's environmental practices (ISO 14001 certification)?

Yes

Some of our subsidiaries have ISO 14001 certification

2. Carbon Emissions / Greenhouse gases (GHG) (E2)

1. Does the company calculate the total amount of carbon emissions (Carbon Footprint) in metric tons?

No

But it is currently under discussion

3. Energy sources usage and diversification (E3)

1. Does the company calculate the total amount of energy directly consumed?

Yes

Below is a summary of the energy consumption for the company and its subsidiaries during the year 2023

- Annual electricity consumption reached 7943.9 megawatts per hour.
- Annual consumption of natural gas reached 406,000 square meters.
- Annual consumption of gasoline reached 38,636 liters.
- Annual consumption of diesel reached 111,314 liters

2. Does the company calculate the percentage of energy consumption according to the type of generation source?

Yes

The only source of consumption is through the government companies

3. Does the company calculate the percentage of annual saved energy?

Yes

Since the company and its subsidiaries track the measurements annually, it can calculate the percentage of energy savings.

The following is the change in consumption during the year 2023 at the level of the group's companies and compared to the year 2022:

Electricity consumption decreased by 18.89%, while gasoline consumption decreased by 15.78%, natural gas consumption decreased by 11.74%, and diesel consumption decreased by 8.29%.

4. Water Usage (E4)

1. Does the company calculate the total amount of water annual consumed?

Yes

The only source of consumption is through the government water company. The annual water consumption of the company and its subsidiaries reached 98,474 cubic meters during the year 2023.

2. Does the company calculate the total amount of annual water recycled and treated?

Yes

The annual amount of recycled water for the company and its subsidiaries is 3,600 cubic meters.

5. Waste Management (E5)

1. Does the company calculate the total amount of waste generated or recycled and that, which has been treated according to type and weight?

Yes

The company and its subsidiaries are contracted with a number of suppliers to dispose of hazardous materials and waste. The supplier receives these wastes according to the form approved by the Environmental Affairs Agency, specifying their type, number and weight in order to carry out the task of safe disposal, while other wastes and non-hazardous industrial waste are disposed of according to its type and the extent of the possibility of recycling it through scrap suppliers in accordance with the practice and bidding procedures.

Fifth: Social KPIs

1. Gender Diversity & Pay Ratio (S1)

1. Does the company disclose the number of male and female employees according to the type of employment (temporary or permanent)?

Yes

The number of male and female employees for the company and its subsidiaries is 1,336, with permanent employment representing 1,102 employees, while temporary employment is 234 employees.

2. Does the company disclose the percentage of total employees who are male and female?

The percentage of male employees in the company and its subsidiaries is 95.21%, while the percentage of female employees is 4.79%.

3. Does the company disclose the percentage of positions held by males and females (specifically for entry-level and mid-level jobs)?

The percentage of male employees in the company and its subsidiaries is 95.15%, while the percentage of female employees is 4.85%.

4. Does the company disclose the percentage of positions held by males and females (specifically for senior-level and executive positions)?

The percentage of male employees in the company and its subsidiaries is 100%, while the percentage of female employees is 0%.

5. Does the company disclose the average pay ratio for females compared to the males?

Wages are equal, as there is no distinction between male and female wages, as appointment procedures are based on job level without regard to the gender of the job applicant.

2.Employee Turnover rate (S2)

1. Does the company disclose the annual percentage rate of turnover for full-time employees?

The percentage rate of turnover for full-time employees in the company and its subsidiaries on an annual basis is 6.44%.

2. Does the company disclose the annual percentage rate of turnover for part-time employees?

The percentage rate of turnover for part-time employees in the company and its subsidiaries on an annual basis is 13.50%.

3. Does the company disclose the annual percentage rate of turnover for contract employees and consultants?

We do not have contract workers and/or consultants

3.Non-Discrimination (S3)

1. Does the company follow a policy condemning sexual harassment and a non-discrimination policy based on any racial, religious, or gender basis?

The company is committed, in accordance with Egyptian laws, to criminalizing sexual harassment and/or discrimination on an ethnic, religious, or gender basis, which is applicable in this regard. The company's charter of ethics and professional conduct also includes policies criminalizing sexual harassment and a non-discrimination policy.

4.Global Health & Safety Standards (S4)

1. Does the company follow an occupational health and safety (OHS) policy and/or a policy related to global health and safety standards (for example ILO's International Labor Standards on Occupational Safety and Health)?

The company adheres to health and safety standards and what is imposed by the Egyptian regulatory authorities in this regard.

2. What is the number of occupational accidents if any?

There is no accidents in 2023

3. Does the company offer trainings related to environmental, social AND Occupational Health and safety (OHS) issues for employees. If the answer is yes, please disclose the number of trainings hours?

The number of training hours related to occupational health and safety issues for employees across the company and its subsidiaries reached 4,026 training hours, while training hours related to developing employee skills reached 6,335 training hours during the year 2023.

5.Children & Forced Labor (S5)

1. Does the company follow a policy prohibiting child labor and forced labor?

The company and its subsidiaries are committed, in accordance with the provisions of Egyptian laws, to criminalizing child labor and/or forced labor.

2. Does that policy apply to the suppliers and vendors dealing with the company?

Doesn't apply

6.Labor Rights (S6)



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1. In addition to the requirements of Egyptian Labor Law, does the company follow the laws and standards of the International Labor Organization or any other international framework, standards, or laws related to labor's rights?

However, the company is committed to the requirements of the Egyptian Labor Law

2. Does that policy include the suppliers and vendors dealing with the company?

Doesn't apply

Sixth: Governance KPIs

1.Board Diversity (G1)

1. Does the company disclose the number and percentage of the board of directors occupied by males and females?

Yes

Included in the annual Board of Directors report, the governance report, and the quarterly disclosures about the shareholder structure and members of the Board of Directors.

2. Does the company disclose the number and percentage of committee chairs occupied by males and females?

Yes

Included in the annual Board of Directors report, and the governance report

2.Bribery / Anti-corruption (G2)

1. Does the company issue any decisions related to combating bribery / corruption and follow them?

Yes



The company is committed to the Egyptian laws regarding anti-corruption and bribery. The company also has an anti-fraud and whistleblowing policy that aims to encourage the company's employees or those dealing with it to report any practices that violate the rules of ethical conduct or any illegal acts.

3.Ethics and Code of Conduct (G3)

1. Does the company issue code of conduct / Ethic and follow them?

Yes

The company has an internal charter on ethics and professional conduct, which includes a set of values that work to control and regulate the rules of professional conduct and professional ethics within the company.

4.Data Privacy (G4)

1. In addition to the requirements of the Egyptian data protection law, does the company follow any other international frameworks, rules, or recommendations regarding data privacy?

No

The company is only committed to Egyptian laws in this regard.

5.Sustainability Reporting & Disclosure (G5)

1. Does the company issue sustainability report according to GRI, CDP, SASB, IIRC, UNGC, or any other type of sustainability reports frameworks?

No



The company does not issue GRI-CDP-SASB-IIRC-UNGC reports, but the company's sustainability practices are published in the annual report attached to the financial statements.

2. Is the company striving to achieve specific goals from the United Nations Sustainable Development Goals?

No

The company has not determined to achieve specific goals from the United Nations Sustainable Development Goals, and the preparation of those goals is being studied

3. Does the company identify these goals and report on the progress made within the framework of the United Nations Sustainable Development Goals (SDGs)?

No

No

4. Has the company clearly declared its commitment towards corporate social responsibility standards?

No

However, the company undertakes a number of corporate social responsibility practices

5. Does the company follow a clear and explicit policy / principle regarding community investments?

No

The activity of the company and its subsidiaries does not include small and microfinance

6. Does the company participate in public or private sector initiatives concerned with community development?

Yes

During the year 2023, the company contributed to the initiative to develop Al-Tabbin General Hospital and contributed to supporting a number of charitable organizations working in the field of community development.



6.External Assurance (G6)

1. Are the company's ESG disclosures assured by an independent third party?

No

No



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