

# ***Sustainability Policy Statement***

## **Introduction**

This Sustainability Policy Statement (the Policy) is a reference point for all of Ittihad International Investment LLC (III)'s key internal and external stakeholders, affirming our commitment to integrating sustainability into our strategy and business model.

In addition, this Policy Statement provides III's Board of Directors and Executive Management Team with a foundational guide for the development and evolution of III's sustainability commitments and priorities as it continues to expand its portfolio.

This document is relevant to all III subsidiaries unless otherwise stated.

## **Our Commitment to Sustainability**

III is fully committed to progressively integrating the principles of sustainability into its core business model.

As a responsible company, we acknowledge our duty to create value for all key stakeholders including, but not limited to, investors, customers, employees, suppliers, business partners, and the wider community.

By managing the impact of its operations on society and the environment, III can effectively manage Environment, Social, and Governance (ESG)-related risks and opportunities and create sustainable value for all key stakeholders while creating positive impacts for people and the planet.

As a UAE-based organization, III is fully committed to aligning its sustainability approach with local and national sustainability strategies, including the UAE Net Zero by 2050 strategic initiative, as well as global initiatives such as the 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals (SDGs).

## **Our Approach**

As part of our commitment to integrating sustainability into our strategy and business model, III is committed to defining its sustainability pillars and strategic priorities through a continuous and systematic engagement process with key stakeholders and to identifying its key sustainability material topics by conducting materiality assessments according to established global standards and practices. These assessments are reviewed periodically to ensure their continued relevance and accuracy.

We are committed to integrating sustainability into performance management by setting appropriate Key Performance Indicators (KPIs) and targets to monitor, measure and improve sustainability performance over time and to reviewing and enhancing this process annually.

In addition, III is committed to being fully transparent about its sustainability performance by disclosing progress to key stakeholders annually, in accordance with accepted global reporting standards.

We structure our approach to sustainability around four main pillars, as reflected in our ESG integration framework. We believe this approach will enable III to identify the specific ESG risks associated with each commitment and accordingly to develop appropriate controls, while identifying opportunities for sustainable growth and value creation for our key stakeholders.

#### *Responsible Corporate Citizen*

As a responsible corporate citizen, III is committed to managing the social and environmental impact of its activities at the corporate level, meeting our obligations to all key stakeholders, maintaining the highest levels of ethical business conduct, and meeting all our legal and regulatory obligations.

#### *Responsible Asset Owner*

As a responsible asset owner, III is committed to continuously engaging with all its subsidiaries and supporting them to embed sustainability into their business models, in alignment with III's approach, and providing them with all necessary tools and resources to do so.

#### *Responsible Investor*

As a responsible investor, III is committed to integrating ESG factors into its investment analysis and decision-making process.

Our four-step approach is to integrate sustainability into the following processes:

- Investment Screening
- Investment Decision
- Investment Agreements
- Engagement, monitoring and reporting

We incorporate ESG considerations when evaluating potential investees and also engage with investee companies to encourage them to adopt sustainability and foster a culture of transparency and accountability. We demonstrate our commitment to responsible investing by reporting the sustainability performance of our investment portfolio to key stakeholders.

#### *Continuous Innovation*

III is committed to placing innovation at the forefront of everything we do. This approach will enable us to not only manage the risks associated with ESG but to grasp opportunities to address environmental and social challenges. Digital transformation and the integration of advanced technologies into business operations and processes can enable III and its subsidiaries to deliver operational efficiencies, reduce costs, and increase competitiveness while reducing energy and water consumption and tackling GHG emissions, among others. In addition, by investing in innovative companies III can tackle environmental and social challenges related to health, climate change, and more.

## **Our Sustainability Priorities**

III's Sustainability priorities have been determined through a comprehensive stakeholder engagement and materiality assessment process using a bottom-up approach that reflects the material ESG topics of our subsidiaries.

### Environment

III is committed to managing the impact of its operations on the environment, including by taking action to tackle climate change and protect biodiversity.

We recognize climate change as the greatest challenge of our time and acknowledge our responsibility to make every effort to mitigate the impact of our activities, in line with national and global agendas. In particular, we align our climate change commitments with the objectives of the Paris Agreement, aiming to contribute to limiting global temperature rise to well below 2°C above pre-industrial levels, while pursuing efforts to limit the increase to 1.5°C. We are committed to the Science Based Targets initiative (SBTi) and setting both short- and long-term targets to reduce our GHG emissions by improving the energy efficiency of our operations, increasing our use of renewable energy, and engaging with our suppliers to reduce their emissions.

We will monitor and measure our consumption of energy and water and introduce efficiency measures that will enable us to reduce consumption over time, thus enabling us to reduce our GHG emissions.

We will also manage and dispose of the waste we produce, including wastewater and hazardous waste, in a responsible manner. We will strive to reduce the amount of waste we produce by using materials and resources as efficiently as possible, while making every effort to shift progressively towards a circular model and reuse and recycle waste wherever possible.

We will ensure that all our products and services are produced in an environmentally sustainable way, taking into account the product's full life cycle, according to best practices.

We are committed to looking beyond our own operation to ensure that our supply chain is sustainable and will work with our suppliers to integrate ESG into their business models in alignment with our own approach, supporting them with supplier

assessments, audits, and training.

### Social

III is committed to managing the impact of its operations on society, including key stakeholders such as employees, customers, and the wider community.

#### *Employees*

III prioritizes the physical and mental health, safety & overall well-being of all its employees, regardless of their role, and seeks to invest in their training & development. We are fully committed to the principles of equal and fair treatment for all and to having a diverse and inclusive workforce.

#### *Customers*

III is fully committed to maintaining the well-being and satisfaction of all our customers. We aim to ensure affordable access to products and services produced in accordance with the highest health & safety standards and to safeguard customer data and privacy at all times.

#### *Community*

III is committed to giving back to the local communities in which we operate through a variety of initiatives, including volunteering, charitable donations, sponsorship of community events, or others.

III prioritizes the well-being of the community by developing and strengthening local supply chains, and sourcing products and third-party services locally wherever possible.

III is committed to producing products in a responsible way, both in our own operations and within our supply chain, in accordance with applicable labor laws and with respect for human rights.

### Governance

III is committed to the highest standards of corporate governance and ethical business conduct. This commitment is underpinned by our Code of Conduct which governs the behavior we expect from our employees when representing the company. In addition, we continuously strive to develop robust policies and processes to ensure that we:

- Always fully comply with all applicable rules and regulations in the jurisdictions in which we operate;
- Assess and manage all relevant risks, including climate-related risks, in an appropriate manner; and
- Are fully transparent with respect to financial accounting practices, tax payments, and Board and senior leadership nomination and remuneration.

## **Sustainability Oversight**

The Board of Directors has ultimate responsibility for setting and approving III's sustainability commitments and creating the necessary structures and mechanisms for effective sustainability oversight, including this Policy.

In addition, III is committed to developing a comprehensive list of policies governing a wide range of business practices and to reviewing, revising, and enhancing all policies and practices on an annual basis to ensure they remain up to date and consistent with global best practices.

The Board of Directors has reviewed and approved this Sustainability Policy Statement.