

Beltone

Sustainability Report

2023



Investing for a Sustainable Future

SUSTAINABILITY REPORT

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REPORT PARAMETERS

BELTONE FINANCIAL HOLDING AND REFERENCES

In this report, the terms "the Holding," "the Company," "our," "BFH", and "we" refer to Beltone Financial Holding.

SCOPE OF THE REPORT AND CYCLE COVERED

This document ("the Report") serves as Beltone's first Sustainability Report, prepared "in accordance" with the 2021 New Global Reporting Initiative (GRI) guidelines.

Unless otherwise stated, the report encompasses the period from January 1, 2023, to December 31, 2023. Data that falls outside the primary scope of the Report may be included to provide a more comprehensive understanding, particularly if it offers pertinent context to activities in the reporting period.

REFERENCED REPORTING GUIDELINE

The Report adheres to international best practices and reporting guidelines. In addition to the 2021 New GRI Sustainability Reporting Standards, it incorporates selective key indicators of SASB sector-specific metrics, the United Nations (UN) sustainable development goals (SDGs), and Egypt Vision 2030.

Each provides a comprehensive framework for assessing and communicating Beltone's sustainability performance, ensuring alignment with global standards and stakeholder expectations.

MISTAKES AND TYPOGRAPHICAL ERRORS

Any errors discovered following the publication of the Report will be corrected and displayed on our website. Our reports are published on our website as downloadable PDF files.

FOR FURTHER INFORMATION:

Name: Vivianne Atef Bibawy

Title: Head of Sustainability & Internal Communication

Email: Vivian.Bibawy@beltoneholding.com

LIST OF ACRONYMS

Metrics

AML	• Anti-Money Laundering
APP	• Annual Procurement Plan
AUMs	• Assets under Management
BFH	• Beltone Financial Holding
BFI	• Beltone Fixed Income
BIB	• Beltone Investment Banking
BLFC	• Beltone Leasing and Factoring
BMM	• Beltone Market Maker
BNPL	• Buy Now, Pay Later
BoD	• Board of Directors
BSB	• Beltone Securities Brokerage
BSH	• Beltone Securities Holding
CDD	• Customer Due Diligence
CEO	• Chief Executive Officer
CFYE	• Challenge Fund for Youth Employment
CMF	• Cash for Microfinance
CPO	• Chief People Officer
CSR	• Corporate Social Responsibility
CTF	• Counter-Terrorist Financing
DCM	• Debt Capital Market
EBITDA	• Earnings before Interest, Taxes, Depreciation, and Amortization
ECA	• Export Credit Agency
EGM	• Extraordinary General Meeting
EGP	• Egyptian Pounds
EGX	• Egyptian Exchange
EKYC	• Electronic Know Your Customer
EPM	• Enterprise Performance Management
ERM	• Enterprise Risk Management
ESG	• Environmental, Social and Governance
ETF	• Exchange Traded Fund
FRA	• Financial Regulatory Authority
FTE	• Full-Time Employee
GCC	• Gulf Cooperation Council

Metrics

GRI	• Global Reporting Initiative
HCM	• Human Capital Management
HR	• Human Resources
IB	• Investment Banking
IMMMR	• Identifying, Measuring, Managing, Monitoring, and Reporting
ISO	• International Organization for Standardization
IT	• Information Technology
KPIs	• Key Performance Indicators
kWh	• Kilowatt Hour
KYC	• Know your Customer
LTD	• Limited
MCDR	• Misr for Central Clearing, Depository and Registry
MENA	• Middle East and North Africa
mtCO₂e	• Metric tons of Carbon Dioxide Equivalent
MTL	• Medium-Term Loans
MTO	• Mandatory Tender Offer
NBFIs	• Non-Banking Financial Institutions
NGOs	• Non-Governmental Organizations
NPS	• Net Promoter Score
OGM	• Ordinary General Meeting
OSHA	• Occupational Safety and Health Administration
OTC	• Over-the-Counter
PWD	• Persons with Disabilities
RCSAs	• Risk Control Self-Assessments
RoR	• Rate of Return
RPA	• Robotic Process Automation
RSC	• Revenue Sharing Contract
SAR	• Suspicious Activity Monitoring
SASB	• Sustainability Accounting Standards Board
SDGs	• Sustainable Development Goals
SMEs	• Small and Medium-Sized Enterprises
SPV	• Special Purpose Vehicle
SWOT	• Strengths, Weaknesses, Opportunities, Threats
TCFD	• Task Force on Climate-related Financial Disclosures
UN	• United Nations
WEPs	• Women's Empowerment Principles
YoY	• Year-over-Year

CEO MESSAGE

Dear Stakeholders,

In a world that is rapidly changing, the urgency for addressing climate change and advancing sustainable initiatives has never been greater. As global challenges continue to evolve, so must our efforts to build resilient, responsible businesses. In that light, I am honored to present Beltone's inaugural Sustainability Report for 2023, marking an important milestone in our journey toward embedding sustainability at the core of our business. This report reflects our progress across the Economic, Environmental, Social, and Governance (EESG) pillars and highlights our unwavering commitment to creating long-term value for all.

As a leading financial institution in Egypt, Beltone understands the critical role it plays in shaping both the economy and the sustainability landscape. Our financial performance this year—marked by our 411% leap in revenue and 237% growth in profits compared to 2022—demonstrates the significant role we play in the national economy. This success further underscores our ability to drive not only financial growth but also sustainable impact, recognizing that our influence extends far beyond numbers.

In 2022, we took a major stride by establishing a dedicated Sustainability Department, and we formalized our commitment further through the introduction of an ESG Policy in 2023.

In 2023, our diverse business landscape enabled us to make significant strides in driving social and economic development. Through our microfinance, consumer finance, SME financing, mortgage finance, and leasing and factoring arms, we have provided essential financial services that foster sustainable growth and improve the quality of life for our clients. Our microfinance initiative, in partnership with the Challenge Fund for Youth Employment, successfully created jobs for underprivileged entrepreneurs, empowering them to build better futures. Additionally, our investment bank and its subsidiaries have continued to enhance the country's economic landscape by driving profitable and sustainable investments.

In line with our commitment to environmental stewardship, we took a major step forward by calculating our carbon footprint in 2023. This report provided valuable insights into our emissions and impact, prompting us to develop initiatives aimed at reducing our environmental footprint and contributing to a more sustainable future.

Looking ahead, we are committed to deepening our focus on sustainable finance, integrating ESG considerations into our investment and funding decisions, and expanding our green and community-driven initiatives. Our aim is to ensure that Beltone's growth continues to drive positive change for society and the environment.

Thank you for your continued support as we take this next step in our sustainability journey. Together, we will build a stronger, more sustainable future for all.

Sincerely,
Dalia Khorshid
Group CEO and Managing Director



CHIEF PEOPLE AND CORPORATE SUSTAINABILITY OFFICER MESSAGE



Dear Stakeholders,

I am proud to introduce Beltone's first Sustainability Report for the year 2023. Throughout the report, you will explore our efforts and achievements toward building a thriving organization that invests in a sustainable, more resilient future. In this report, we are pleased to showcase our significant progress and accomplishments, demonstrating our unwavering dedication to integrating ESG principles across all operations and subsidiaries.

Beltone's Vision for a Sustainable Future

This year, Beltone has demonstrated its dedication to integrating sustainability into its core operations. We have made substantial strides in aligning our strategies with the United Nations Sustainable Development Goals (SDGs), focusing on SDG 8 for advancing economic growth, SDG 13 for climate action, and SDG 17 to foster partnerships for the future. Our dedication to these principles is reflected in our newly established Sustainability Department and comprehensive ESG Policy, ensuring that our operations and investments adhere to the highest standards of sustainability.

At the heart of our strategy is a focus on business resilience. By leveraging a strong risk management framework, we ensure that Beltone can adapt and grow while addressing the challenges of an evolving market. This resilience enables us to maintain stable and sustainable operations.

Additionally, our commitment to sustainable finance is evidenced through notable investments that serve both green and social purposes across our subsidiaries. As we expand our portfolio of sustainable financial products, ESG considerations are embedded into the investment and lending decisions we make, a testament to our deep-rooted commitment to sustainability.

Commitment to a Thriving Work Environment

A cornerstone of our approach is promoting a thriving work environment. Our partnership with the OSHA organization in 2023 to provide health and safety training to some employees has been a key milestone in our sustainability journey, reinforcing our commitment to the well-being of our people. We have cultivated a healthy, safe, and inclusive work environment where employees can grow and thrive. This focus on nurturing talent and fostering a supportive workplace is essential to Beltone's long-term success. Alongside this, we have implemented numerous initiatives to foster diversity, equity, and inclusion, which are integral to our corporate culture.

Our partnership with the UN Women's Empowerment Principles (WEPs) further underscores our dedication to human rights and creating an inclusive, empowering workplace for all our team members.

Future Outlook and Strategic Focus

Looking ahead, Beltone is poised to deepen its focus on sustainable finance by expanding our portfolio of green financial products and embedding ESG considerations into all investment and funding decisions. We are also committed to addressing climate risks by launching impactful environmental initiatives across our premises, aimed at reducing our carbon footprint. Partnerships for waste management and recycling reflect our proactive efforts in tackling GHG emissions.

While our journey has seen considerable progress, we recognize that community investments and development remain areas for improvement. Moving forward, we aim to allocate significant resources to community-focused projects, ensuring that our financial success translates into meaningful social impact.

Conclusion

As we embark on the next chapter of our sustainability journey, I am confident that Beltone will continue to lead by example, balancing our pursuit of financial success with our responsibility to create a better, more sustainable future for all. Thank you for your continued trust and support as we work toward building a resilient, sustainable Beltone.

Sincerely,

Sherry Bishara

Chief People & Corporate Sustainability Officer & Magnet CEO

HEAD OF SUSTAINABILITY & INTERNAL COMMUNICATION MESSAGE



Dear Stakeholders,

It is with great enthusiasm that we present Beltone's first Sustainability Report.

At the Sustainability Department, we are proud to spearhead initiatives that drive positive environmental and social impacts while embedding sustainability into the core of Beltone's operations. Our efforts reflect our dedication to responsible business practices and creating shared value for all our stakeholders.

One of our key programs is the Go Green Project with Bekia, where we've partnered with Bekia Waste Management for the purchase of our wastepaper and plastics. Under this agreement, the profits generated are donated to charitable causes. In fact, our first batch, totaling 103.5 kg of wastepaper, has already made a meaningful contribution. The details of this partnership, including pricing and quality standards, are clearly outlined in our legal agreement with Bekia.

We also manage the Trash Track Project, a waste management program with Ertekaa, which provides us with monthly reports on the waste we generate and recycle. Impressively, our first report showed that over 70% of our waste was recycled. To support this initiative, we've placed segregated recycling bins on every floor, and our staff has been trained to ensure proper waste separation into categories like organic, plastic, cans, and paper.

On the social front, our Train to Sustain Initiative exemplifies our commitment to diversity and inclusion. In collaboration with the Wayana Foundation, we've trained and employed nine individuals with Down syndrome, making Beltone the first Egyptian company to launch such an initiative. These individuals are valued members of our team, enjoying the same rights and privileges as all our employees.

Through these programs, Beltone is not only reducing its environmental footprint but also fostering a more inclusive and responsible workplace. Together, we are building a sustainable future for our company and the communities we serve.

Warm regards,

Vivianne A. Bibawy

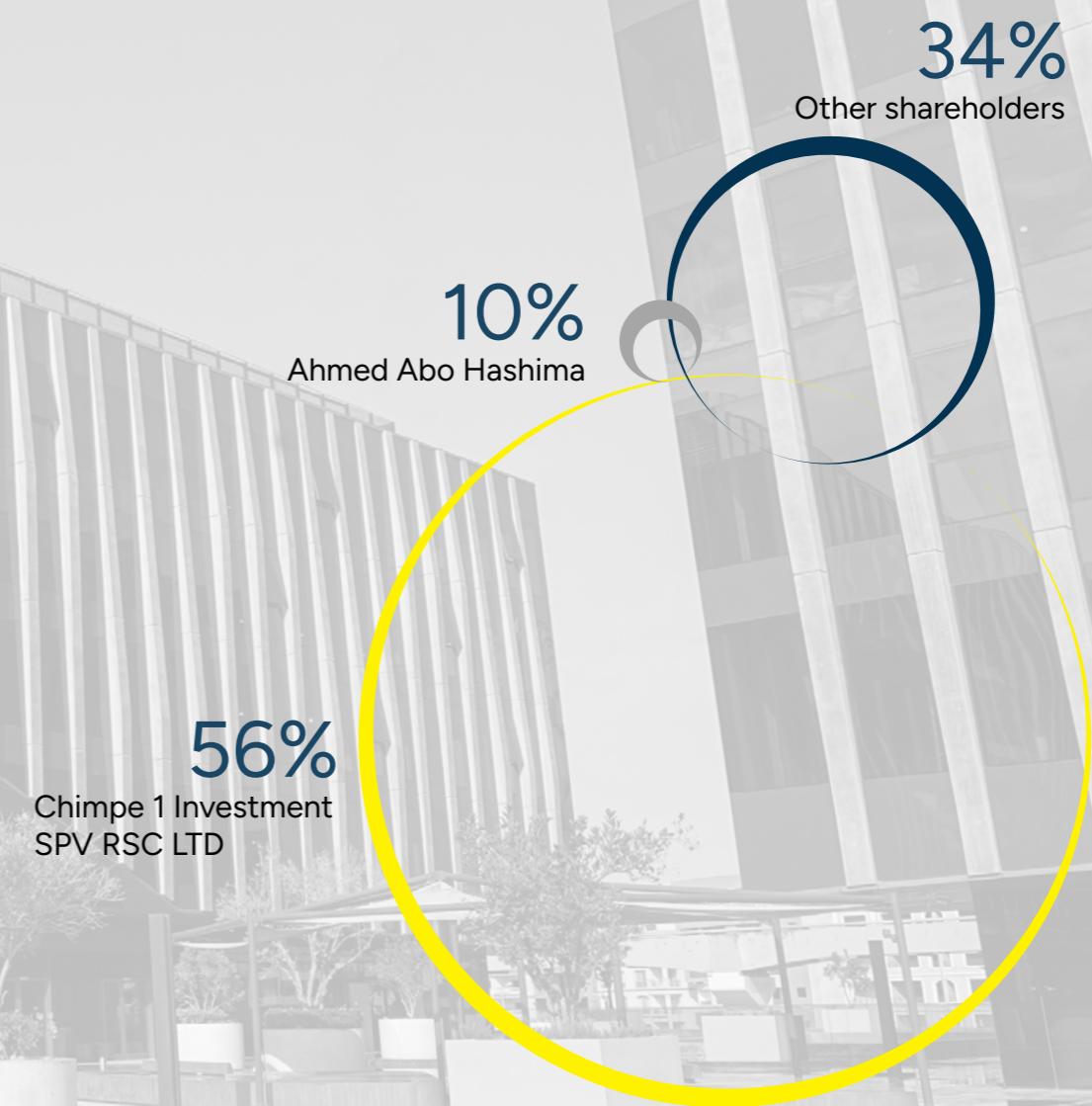
Head of Sustainability & Internal Communication

OWNERSHIP STRUCTURE

Beltone AT A GLANCE

Beltone Financial Holding is a leading financial services provider with a multi-decade track record of success in the MENA region. The Company offers a comprehensive and growing set of financial solutions throughout its subsidiaries such as brokerage, investment banking, asset management, and equity research. In addition, it offers end-to-end non-banking financial institutions (NBFIs), including private equity, direct investments, leasing, factoring, consumer finance, venture capital, mortgage finance, SMEs, and microfinance. Other ventures at Beltone include Beltone Real Estate, Magnet, Data Science, Credit Rating and Beltone Academy. Please refer to "Our Business landscape" for more information about our subsidiaries.

The Company is driven by a vision to redefine the financial ecosystem in the region by capitalizing on its global expertise, knowledge, and disruptive, value-accretive solutions to unlock opportunities for clients, drive market value, and achieve impactful results. The Company is listed on the Egyptian Stock Exchange under the ticker symbol BTFH.CA.



As of December 31, 2023, Beltone's ownership structure is as shown in the figure above. The majority of Beltone's ownership belongs to investment fund Chimpe 1 Investment SPV RSC LTD, a subsidiary of the US-based Chimera Investment Company.

MISSION

To deliver bold solutions that move markets and drive long-term value for people, businesses, communities, and the economy.

VISION

To disrupt the market with dynamic products and consultative solutions that hinge on innovative, data-driven insights and unmatched expertise.

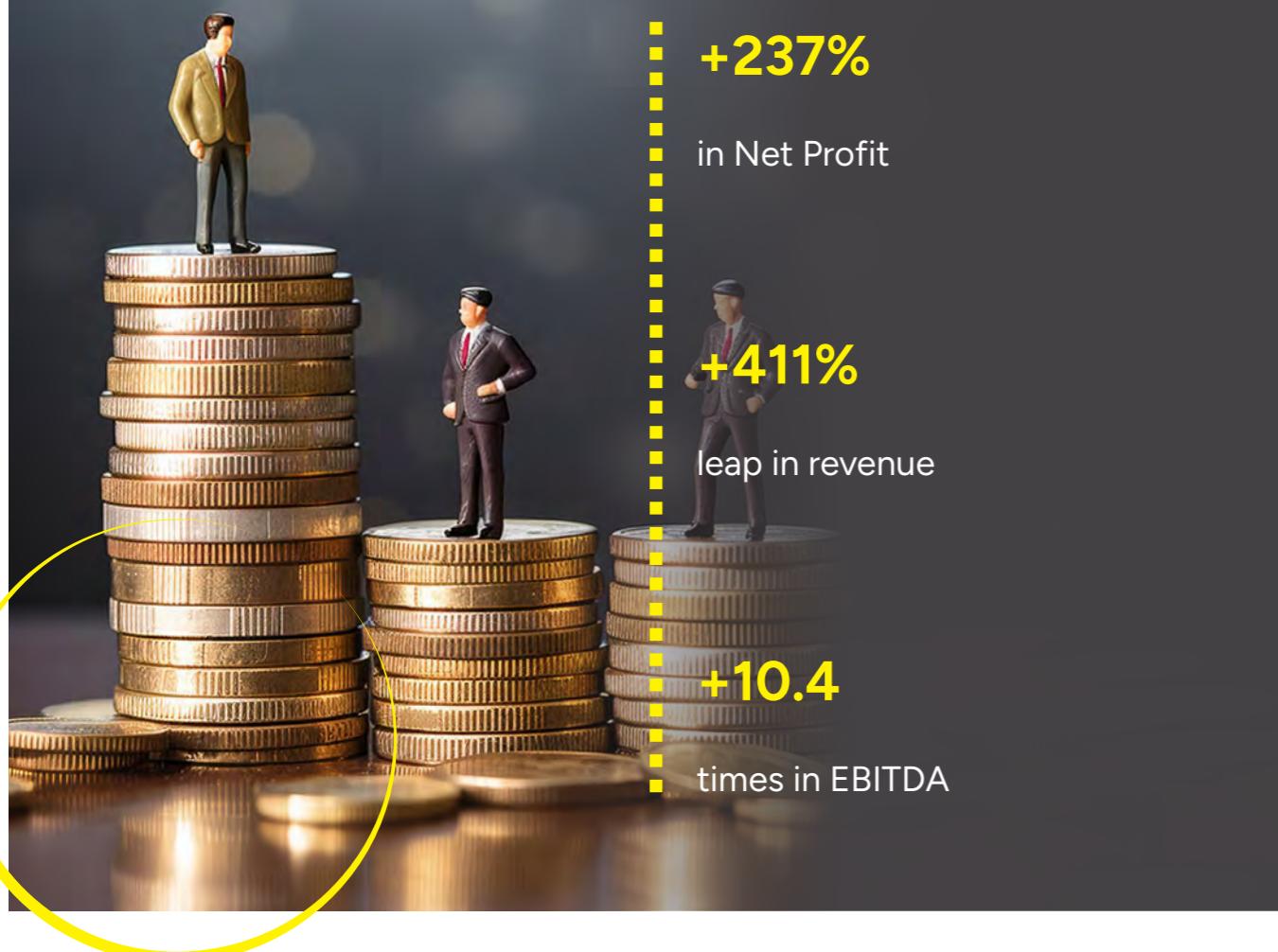


VALUES

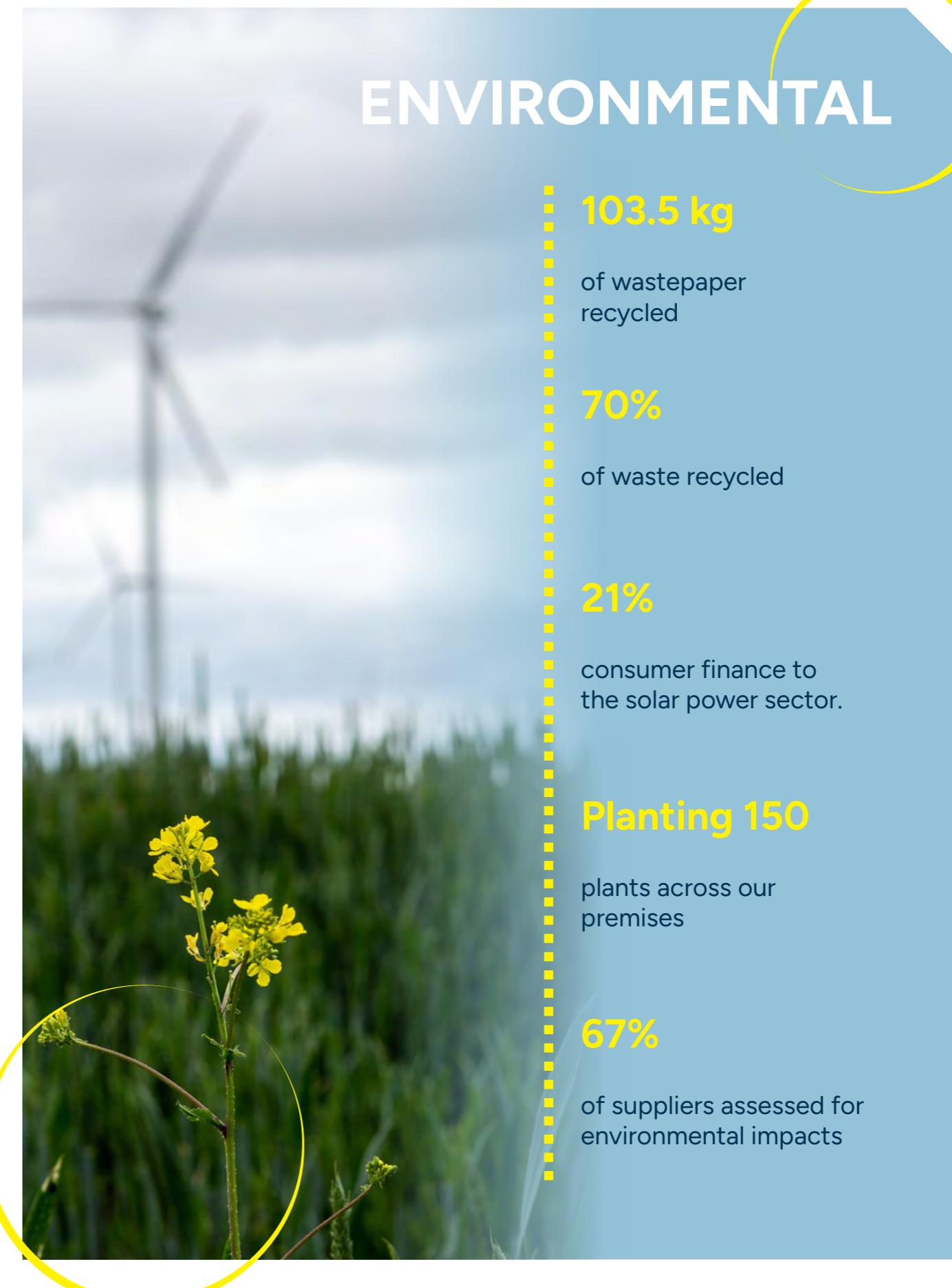
- Passion
- Purpose
- Speed
- Agility
- Community care
- Giving 110%

SUSTAINABILITY HIGHLIGHTS

ECONOMIC

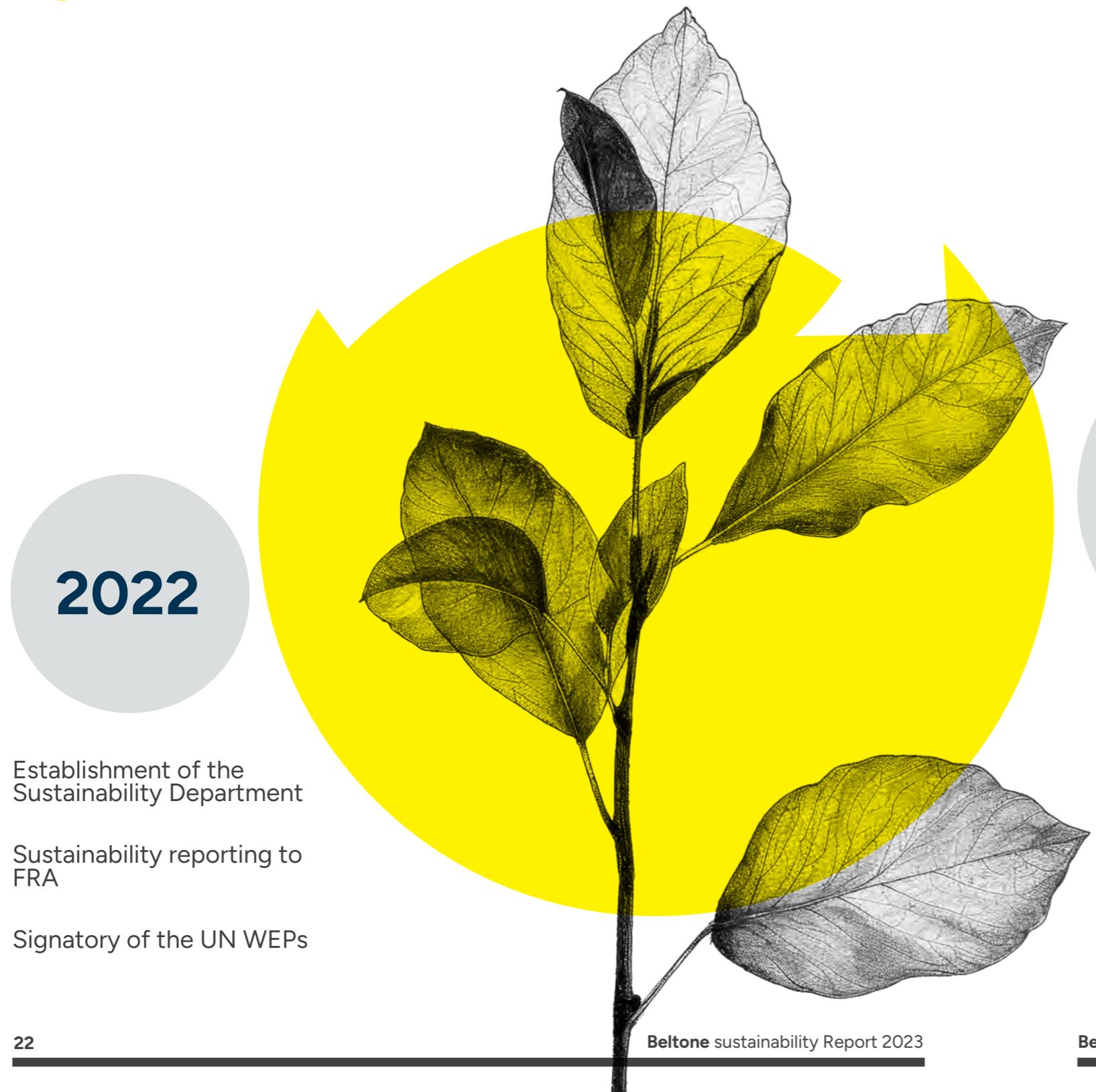


ENVIRONMENTAL





OUR APPROACH TO SUSTAINABILITY



2022

Establishment of the Sustainability Department

Sustainability reporting to FRA

Signatory of the UN WEPs

2023

Issuance of the sustainability policy and strategy

Provision of Health and Safety training with OSHA organization

The Sustainability Department was established in 2022, marking Beltone's steadfast dedication to formulating a system to cater to sustainability requirements in the Holding. The department serves as the central hub for improvements and initiatives toward sustainability and combating climate change.

The Sustainability Department's establishment piloted several sustainability-related achievements. In 2022, Beltone began ESG reporting to the FRA, followed by becoming a signatory of the UN Women's Empowerment Principles (WEPs).

2023 was a pivotal year in Beltone's journey toward sustainability as it marked the formulation of a robust sustainability policy. This policy serves as our guiding compass, outlining our dedication to achieving sustainability across all facets of our operations. Through this policy, we aim to uphold the highest ethical standards, mitigate environmental impacts, promote social welfare, and contribute positively to the communities we serve. By integrating sustainability into our core business strategies, we aspire to create enduring value for our stakeholders while safeguarding the planet for future generations.

UN WEPs

Beltone is deeply committed to upholding the seven principles of WEPs, which encompass crucial aspects of corporate responsibility. The principles are as follows:

- High-level corporate leadership
- Employee health, well-being, and safety
- Education and training for career advancement
- Enterprise development
- Supply chain and marketing practices
- Community initiatives and advocacy
- Measurement and reporting.

A SPOTLIGHT ON OUR SUSTAINABILITY DEPARTMENT

VISION

Disrupting for sustainability, as a financial corporation that aims to leave an impact on society, we envision a future of innovative, disruptive change that fosters lasting positive impact, economic viability, social equity, and environmental responsibility.

We lead the way in challenging norms, embracing technology, and creating new paradigms to create a harmonious world where businesses, communities, and ecosystems thrive together.

GOALS

Since the establishment of Beltone's Sustainability Department, our aim has been to remain committed to the UN sustainable development goals (SDGs), with a focus on three goals:

- **GOAL 8:** Our focus lies in promoting decent work and economic growth as we recognize the influential role these play in enhancing our reputation and fostering employee loyalty. To achieve this, we provide greater flexibility to our workforce, acknowledging the direct impact it has on productivity and, consequently, economic growth.
- **GOAL 13:** Recognizing the urgency of climate change, we embrace our responsibility in addressing it. Our strategic emphasis lies in fostering sustainability awareness internally and implementing initiatives that generate a positive impact on the environment and climate.
- **GOAL 17:** We firmly believe in collaborative efforts to surpass expectations, driving us to actively seek partnerships with organizations that share our vision for a more sustainable future.

MAIN ROLES

- Developing Beltone's sustainability strategy
- Regular ESG and sustainability reporting
- Developing KPIs to measure progress toward set ESG targets
- Developing an action plan aligned with all relevant parties on an annual basis to be approved by the Group CPO and the Board of Directors
- Proposing initiatives and activities for improvements in ESG-related areas, such as CSR and environmental goals.

SUSTAINABILITY POLICY

Our policy covers two layers: internal ESG considerations and external investment and client ESG-related aspects.

SUSTAINABILITY POLICY



INTERNAL



EXTERNAL

Beltone Financial Holding operations

Investments across subsidiaries

KPIS FOR EXTERNAL SUSTAINABILITY

KPI	Subsidiary	Rationale
At least 10% of transactions with companies that endorse ESG-positive practices.	<ul style="list-style-type: none"> Beltone Fixed Income (BFI) Beltone Securities Holding (BSH) Beltone Market Maker (BMM) 	Demonstrate dedication to supporting environmentally and socially responsible businesses, aligning with the Company's sustainability goals and promoting ESG principles throughout its operations.
ESG risk considerations prior to the approval of a fund.	<ul style="list-style-type: none"> Beltone Asset Management 	Ensure that investment decisions are made with a comprehensive understanding of potential environmental, social, and governance risks, mitigating potential negative impacts on both financial performance and broader sustainability objectives.
Dealing with merchants that engage in ESG-positive and equal opportunity practices, for example, by engaging with women-owned businesses.	<ul style="list-style-type: none"> Beltone Consumer Finance (seven) 	In line with the UN women empowerment principles, we Engage with merchants that prioritize ESG practices and promote sustainability and social equity in the consumer finance sector, aligning with Beltone's commitment to responsible lending and supporting businesses with strong ESG credentials.

KPI	Subsidiary	Rationale
ESG risk assessment for potential partnerships with clients.	<ul style="list-style-type: none"> BLFC 	Help identify and mitigate risks associated with business relationships, ensuring that partnerships align with sustainability objectives and minimize adverse impacts on the environment and society.

ESG screening to maximize deals with companies with demonstrated ESG performance.	<ul style="list-style-type: none"> Beltone Investment Banking (BIB) 	Contribute to sustainable finance and support businesses committed to environmental and social responsibility, thereby enhancing Beltone's reputation as a leader in sustainable investment banking.
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Producing research papers on the green economy and/or the carbon market quarterly.	<ul style="list-style-type: none"> Beltone Research 	Demonstrate thought leadership and commitment to sustainability by conducting and sharing research on key topics related to environmental sustainability, contributing to knowledge dissemination and informed decision-making.
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Submitting a report to the FRA annually.	<ul style="list-style-type: none"> Beltone Financial Holding (BFH) Beltone Consumer Finance (seven) Beltone Securities Brokerage (BSB) Beltone Leasing & Factoring (BLFC) Beltone Mortgage Finance (BMF) 	Ensure transparency and compliance with regulatory requirements by providing detailed information on the Company's sustainability practices and performance to relevant authorities, fostering accountability and trust.
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Giving priority to clients scoring higher on ESG compliance when two affiliates or clients have the same returns on investment.	<ul style="list-style-type: none"> All subsidiaries 	Align investment decisions with sustainability objectives by giving preference to clients that demonstrate a strong commitment to ESG principles, maximizing positive environmental and social impacts alongside financial returns.
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FLAGSHIP INITIATIVES

TRAIN TO SUSTAIN INITIATIVE WAYANA FOUNDATION

In 2023, Beltone partnered with the Wayana International Foundation to support individuals with Down syndrome in the corporate world and promote inclusivity within its workforce.

Our main objective is to empower individuals with Down Syndrome to succeed in their careers, sustain their lives, and contribute to the community's sustainability.

We have provided financial support for a tailored training program and hired nine individuals with Down Syndrome, ensuring their successful integration into roles suited to their strengths. Ongoing on-the-job and external training from providers like the 360 Clinics, Quest Corporate Training, and Btech Academy ensures continuous development. The program's significant tasks have been broken down into subtasks, allowing employees to gradually build their skills and confidence. Additionally, Beltone has conducted workshops to educate its employees on fostering inclusion and is organizing a job fair to promote equal opportunities for individuals with disabilities, reinforcing workforce diversity and social sustainability.

Dr. Hala Abd El Khalik, Founder of Wayana, expressed her enthusiasm for the partnership, emphasizing its positive impact on promoting the capabilities of individuals with Down Syndrome and supporting their inclusion in the workforce.

“

“Beltone is dedicated to implementing sustainability initiatives that aim to empower individuals and foster community development. As part of this commitment, we have partnered with Wayana to create a program focused on training individuals with Down Syndrome.”



Sherry Bishara

Chief People & Corporate Sustainability Officer & Magnet CEO



TRASH TRACK PROJECT ERTEKAA

In partnership with "Ertekaa", we have taken the initiative to recycle and manage our waste.

This initiative stems from our dedication to responsible operations and to reducing our negative impacts on the environment.

The partnership involved monthly reports on our waste production, recycling of some of our waste, and positioning segregated recycling bins on every floor to foster responsible waste management. Employees were encouraged to separate their waste into categories such as organic, plastic, cans, and paper. A milestone was achieved with 70% of our waste being recycled upon our first monthly report.



GO GREEN PROJECT BEKIA WASTE MANAGEMENT

This initiative contributes to our social responsibility while preserving our efforts to reduce and manage our waste production.

Under it, we commit to sell our paper and plastic waste to Bekia for recycling and use the proceeds to donate to charities. We have recycled a notable 103.5 Kg of wastepaper in our first batch.



SDG MAPPING AND DOMESTIC VISION

Beltone Initiatives	SDGs	Egypt Vision 2030
Employees: Champions of Sustainability		
Fostering employee well-being	 	 <p>Improve Egyptians' Quality of Life and Raise their Living Standards</p>
Supporting employee self-development and capacity building	 	 <p>Diversified, Knowledge-based, and Competitive Economy</p>
Inclusivity and Equity		
Gender equality		 <p>Social Justice and Equality</p>
Beltone partnerships	   	 <p>Diversified, Knowledge-based, and Competitive Economy</p>  <p>Improve Egyptians' Quality of Life and Raise their Living Standards</p>  <p>Governance and Partnerships</p>

Beltone Initiatives

SDGs

Egypt Vision 2030

Inclusivity and Equity

Promoting diversity in the workplace

1) Beltone's age population pyramid sheds light on a crucial aspect of our workforce composition, illustrating the diverse range of ages that contribute to the vibrancy and effectiveness of our organization:

- 67% of employees aged 30–50
- 26% of employees below 30
- 7% of employees above 50.

This large age distribution underscores Beltone's commitment to harnessing the strengths of employees across generations, fostering a workplace culture that values inclusivity, diversity, collaboration, and continuous learning.

2) As a testament to Beltone's dedication to diversity and inclusivity, 5% of our workforce comprises individuals with disabilities (PWD).



Digitalization Efforts

Digital transformation and technology innovation

At Beltone Financial Holding, we are committed to pushing the boundaries of technological advancement to enhance our services, streamline our operations, and provide unparalleled value to our clients and stakeholders. Our recent innovations underscore our dedication to excellence and our leadership in the financial services sector. Here are some of our notable technological achievements:

- seven app
- Development of Beltone Trade app
- Oracle Payroll, making Beltone the first company in Egypt to fully embrace this innovative cloud-based solution
- Corporate website upgrades
- Mortgage Core system, Beltone's central hub for managing mortgage loans.
- E-card Initiative



Beltone Initiatives

SDGs

Egypt Vision 2030

Community Empowerment

Beltone CSR

- Beltone Investment Banking plays a vital role in supporting the sports, healthcare, and education sectors through our diversified portfolio of advisory services. These transactions not only contribute to enhancing the financial performance of these sectors but also have a positive impact on the general health and productivity of the Egyptian population. This is achieved through BIB advising on greenfield projects, debt advisory projects and financial restructuring mandates.
- Beltone Asset Management manages Egypt's first and only sports fund launched by Banque Misr. All profits and revenues generated from the Fund's investments until their expiration are directed to social and charitable purposes.



Reducing disparities and promoting local development

- In 2023, Beltone launched the Underprivileged Entrepreneurs Reach Project with a total investment of EGP 60 million. Cash for Microfinance, a wholly owned subsidiary of Beltone Financial Holding, has signed an agreement with the Challenge Fund for Youth Employment for the launch of this project. The project aims to provide financing to entrepreneurs with a special focus on women and youth in Upper Egypt, empowering the next generation of business leaders and fostering economic growth.



Beltone Initiatives	SDGs	Egypt Vision 2030
Economic Development		
Economic advisory <ul style="list-style-type: none"> In 2023, Beltone Investment Banking achieved two significant milestones: Successful closure of the Dice Mandatory Tender Offer (MTO). This transaction highlights Beltone's capability in managing large-scale mergers and takeovers. Successful debt raising for the Giza Zoo, demonstrating its commitment to financing impactful public interest projects. This accomplishment underscores the Company's ability to secure funding for large-scale initiatives that benefit the community and enhance public infrastructure. 		 <p>Diversified, Knowledge-based, and Competitive Economy</p>
Contributing to national economic growth <ul style="list-style-type: none"> The 2023 year marks a remarkable milestone for Beltone Financial Holding with revenue soaring to EGP 1,877,210,100, reflecting an impressive 411% leap compared to the previous period. This substantial growth underscores the successful expansion of operations and significant performance improvements in revenue streams across the company's portfolio. In 2023, Beltone Financial Holding witnessed a significant increase in expenditure on employees' wages and benefits compared to the previous year. The allocation for wages and benefits reached EGP 523,179,719, doubling compared to 2022. This rise indicates a substantial investment in human capital and reflects the Company's commitment to rewarding and retaining its workforce. 	 	 <p>Improve Egyptians' Quality of Life and Raise their Living Standards</p>  <p>Diversified, Knowledge-based, and Competitive Economy</p>
Environmental Stewardship		
Sustainable environmental impact <ul style="list-style-type: none"> Beltone strives to reduce its energy consumption, water usage, and waste. In line with our waste reduction initiatives, we generated 1,640 kg of waste from October to December 2023 and achieved a waste recycling rate of 70%. No hazardous waste was produced during this period. Beltone Financial Holding has successfully onboarded two business opportunities in the leasing activity for companies supporting the circular economy and environment-friendly operations, constituting 0.5% of its entire portfolio. 	  	 <p>Integrated and Sustainable Environmental System</p>  <p>Well-Developed Infrastructure</p>

1.

GOVERNANCE

Governance Structure
Our Board of Directors
Board Committees
Integrity in Our Conduct
Stakeholder Identification and Management
Risk Management Framework

1. GOVERNANCE

Beltone upholds a steadfast commitment to upholding the highest standards of corporate governance and ethical behavior, safeguarding the interests of its shareholders, clients, employees, and other stakeholders.

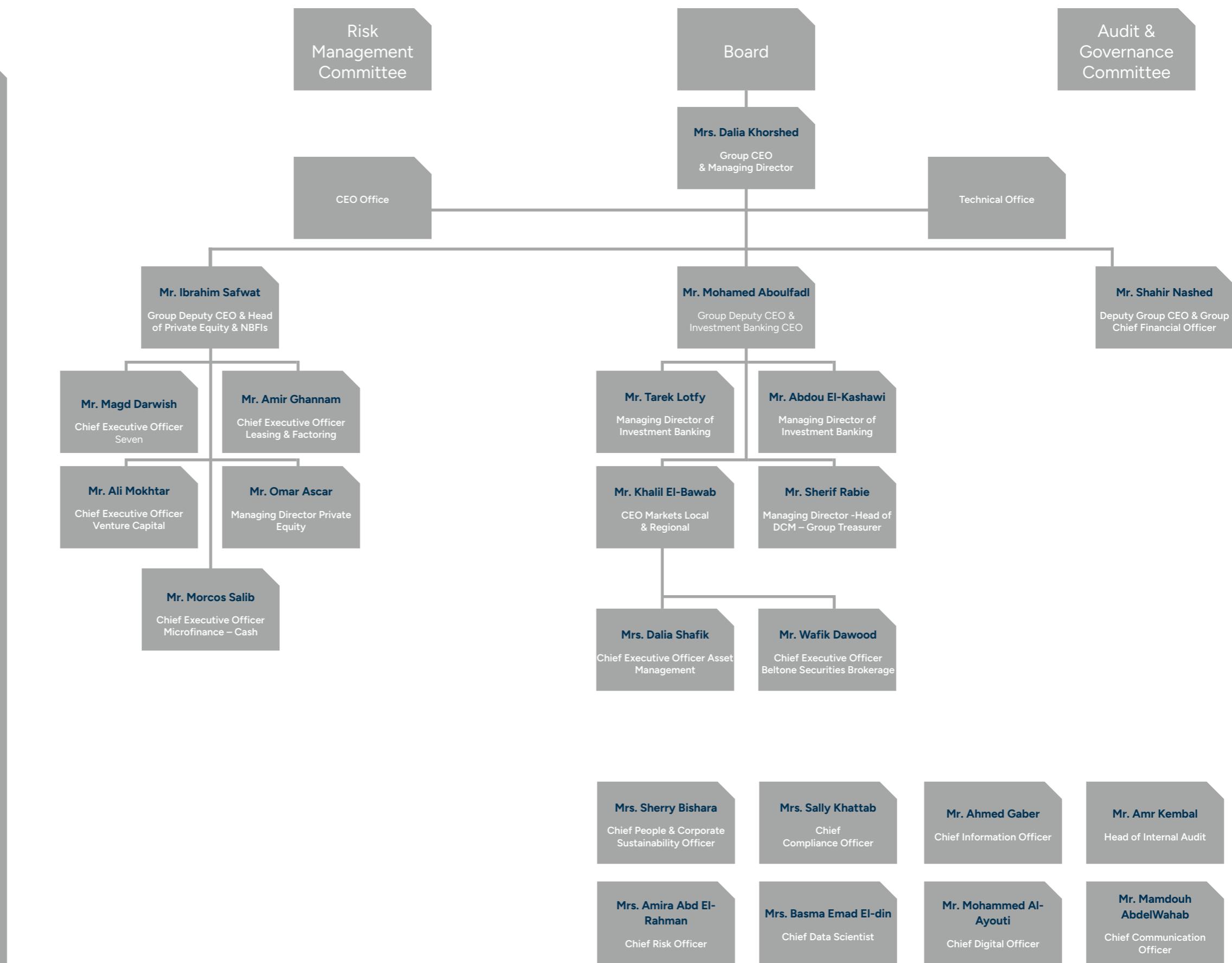
Central to its mission, "delivering bold solutions that move markets, and drive long-term value for people, businesses, communities, and the economy," Beltone recognizes that strong corporate governance is indispensable for realizing its strategic goals, optimizing performance, and ensuring enduring viability.

The foundation of our corporate governance framework rests upon adherence to the principles and mandates outlined by the Egyptian Financial Regulatory Authority (FRA), the Egyptian Exchange (EGX), and global benchmarks for corporate governance.

This framework outlines the distinct roles and obligations of the Board of Directors, the Executive Committee, as well as the various supporting committees and functions.

Furthermore, it articulates the policies and protocols governing Beltone's operational processes, risk mitigation strategies, internal control mechanisms, compliance protocols, and standards for transparent disclosure and reporting.

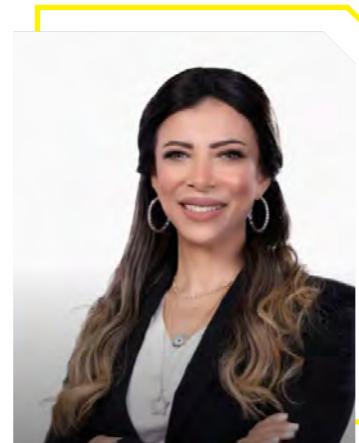
GOVERNANCE STRUCTURE



OUR BOARD OF DIRECTORS



Sayed Basar Shueb Syed
Chairman Non-Executive
10/09/2022



Dalia Khorshid
Executive & Group CEO
10/09/2022



Mirian Khalef
Non-Executive
10/09/2022



Andrea Mollica
Non-Executive
10/09/2022



Wael Mostafa
Independent Non-Executive
12/20/2022



Marwa Abbas
Independent Non-Executive
12/20/2022



The Board of Directors is the highest governing body at Beltone. It is entrusted with steering the Holding toward success through oversight of its direction, strategy, performance, and governance. Upholding the interests of Beltone and its shareholders, the Board remains attentive to the diverse expectations and requirements of clients, employees, regulators, and other stakeholders. Compliance with all pertinent laws, regulations, and ethical precepts, alongside the maintenance of a robust risk management framework and internal control system, all fall under the purview of the Board's oversight.

BOARD COMPOSITION

Our Board consists of six members, including the Chairman and CEO, and 50% of the Board is female, highlighting diversity as one of our core values. There are five non-executive members and one executive member. Two independent members are present on the Board.

50%
Board Female
Representation



2023 BOARD DECISION HIGHLIGHTS

The Board convened six times in the reporting year. The attending members for all six meetings and the most important outcomes are as follows.

Meeting Date	BoD Attendees	Outcomes
02/19/2023	6	<ul style="list-style-type: none"> Ratified the reports of the Audit and Governance Committee Ratified the Risk Committee's report Ratified the Internal Auditor's report concerning AML. Appointment of Tarek Yehia as Head of Investor relations for the company
05/02/2023	6	<ul style="list-style-type: none"> Ratified the following reports by the Audit and Governance and Risk Committees: <ul style="list-style-type: none"> The standalone and consolidated financial statements Auditor's report Governance report. Called for OGM and EGM
06/14/2023	6	<ul style="list-style-type: none"> Ratified the following quarterly reports by the Audit and Governance and Risk Committees: <ul style="list-style-type: none"> The standalone and consolidated financial statements Auditor's report Governance report.
07/18/2023	6	<ul style="list-style-type: none"> Unanimously approved the increase of the issued share capital from EGP 926,957,496 to 109,269,574.96 Approved the update of the Company's ownership structure. (Modification of Article 6 and 7)
09/05/2023	6	<ul style="list-style-type: none"> Ratified the Company's sustainability policy Ratified the group compliance manual, the Risk Committee's charter, the group's risk management policies, and the procedures guide. Ratified the F.S of the company till 30/6/2024. Ratified the reports of the Audit and Governance Committee Ratified the Risk Committee's report Ratified the Internal Auditor's report concerning AML. Appointment of Mamdouh Abdelwahab as Head of Investor relations instead of Tarek Yehia. Submitted a proposal to the EGM concerning changing the name of the company.

Meeting Date	BoD Attendees	Outcomes
11/26/2023	6	<ul style="list-style-type: none"> Ratified the AML and CTF procedures manual for Beltone and its subsidiaries. Ratified the F.S of the company till 30/6/2024. Ratified the reports of the Audit and Governance Committee Ratified the Risk Committee's report Ratified the evaluation report of Elite's company concerning the new building in Sodic East town. Appointment of Eman Sadek as Head of Investor relations. Renewal of the appointment of the independent BOD members.

CHAIRMAN'S ROLE

- Extending invitations to convene the Board of Directors, set meeting schedules, and manage BoD sessions
- Extending an invitation for the ordinary and extraordinary general assembly meetings to review the working agenda proposed by the Board of Directors
- Setting a mechanism to ensure the implementation and monitoring of the Board of Directors' decisions
- Receiving reports and recommendations from BoD committees and presenting them to the Board regularly to make the appropriate decisions
- Ensuring that the Board accomplishes its duties in the best interests of Beltone and avoiding any conflicts of interest
- Ensuring the effectiveness of the governance system and the performance of the Board committees.

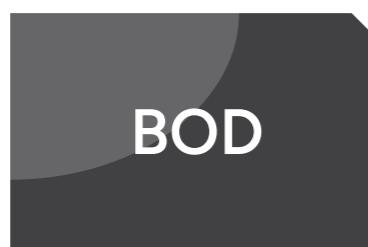
CEO'S ROLE

- Implementing the approved annual strategy and plan
- Heading the executive functions in Beltone and ensuring the functioning of all departments and units as well as monitoring the performance of all activities, taking all necessary decisions for the organization of work and achievement of set goals
- Working on the implementation of Beltone's regulations, policies, and internal controls that have been approved by the BoD
- Overseeing the formulation of Beltone's financial, non-financial, and governance reports
- Identifying the roles and responsibilities of all Beltone employees in accordance with labor laws and BoD decisions.

BOARD RESPONSIBILITIES

1. Strategic planning
2. Monitoring management performance
3. Acquisition and disposal of assets
4. Investment policies
5. Capital expenditure
6. Risk management policies
7. Appointment of auditors and the approval of financial statements
8. Financing and borrowing activities
9. Approval of the annual plan and budget
10. Approval of ESG reported information

BOARD COMMITTEES



There are two Board committees at Beltone, formed to streamline decision-making and facilitate business operations without undue obstacles.

	Date of Formulation	Members	Meetings in 2023
Audit and Governance Committee	11/10/2022	<ul style="list-style-type: none"> • Mr. Wael Mostafa • Mrs. Marwa Abbas • Mr. Andrea Mollica 	4
Risk Committee	11/10/2022	<ul style="list-style-type: none"> • Mrs. Marwa Abbas • Mr. Wael Mostafa • Mrs. Mirian Khalef 	4

RESPONSIBILITIES OF THE AUDIT AND GOVERNANCE COMMITTEE

- Reviewing and enhancing the internal control system for effectiveness.
- Ensuring compliance with laws, regulations, and regulatory instructions.
- Overseeing internal audit reports and implementing corrective actions.
- Recommending and overseeing the appointment and independence of auditors.
- Monitoring compliance with governance rules and reviewing regulatory feedback for action.

RESPONSIBILITIES OF THE RISK COMMITTEE

- Developing organizational frameworks, procedures, and necessary rules to address the risks encountered by the Company, including non-strategic risks such as market, operational, liquidity, credit, information systems, reputation, and sustainability risks.
- Assisting the Board of Directors in identifying and evaluating the Company's risk appetite, ensuring the Company does not exceed these risk thresholds.
- Supervising and verifying the effectiveness of risk management in executing delegated tasks, ensuring it operates within its designated authority, and confirming the independence of risk management from the Company's executive management.
- Compiling regular reports on its activities and recommendations for action for presentation to the Board of Directors.

INTEGRITY IN OUR CONDUCT

Our governing objective is to grow as a multi-regional, vertically integrated financial service, combining an entrepreneurial spirit and operational excellence with respect for people, society, and the environment. To realize this objective, our Compliance Department ensures Beltone's adherence to a set of principles and values, guiding our daily operations and interactions and ensuring our organizational integrity and resilience.

We believe it is essential for all Beltone employees to have a clear understanding of the expected business conduct and the consequences of non-compliance. Our comprehensive Code of Conduct provides clear policies and guidelines for conduct at Beltone.

CODE OF CONDUCT

Beltone's Code of Conduct is our statement of core operating practices and establishes clear guidelines for our daily business conduct and ethical behavior.

It is the responsibility of the HR Department and the Compliance Department to develop it and ensure its implementation.

The code outlines key policies and integral issues related to Beltone's integrity and its regulatory compliance, including:

- Confidentiality
- Human rights
- Health and safety
- Harassment
- Violations
- Gifts and hospitality.

There have been zero cases against Beltone in relation to business ethics controversies and violations of ethical standards.

Beltone's Code of Conduct can be found [Here](#)

CONFLICTS OF INTEREST

Maintaining integrity in all our relationships is paramount. If any employee encounters a conflict of interest, whether direct or indirect, they are encouraged to disclose it to their line manager or relevant operational manager immediately. We believe in transparency and open communication, ensuring that potential conflicts are addressed promptly and ethically.

Our policy prohibits employees from engaging in transactions with the Company or its suppliers and customers where personal interests could compromise loyalty to Beltone. Moreover, employees are expected to refrain from involvement in enterprises similar to Beltone without formal approval.

This commitment extends to associates as well, including relatives, household members, and those with whom employees share personal relationships. We recognize that maintaining trust and safeguarding the integrity of our operations and relationships require vigilance. To further avoid potential conflicts of interest, a disclosure form has been implemented by the Compliance Department to gather all employee data that may reveal conflicts.

ANTI-DISCRIMINATION **ANTI-MONEY LAUNDERING**

At Beltone, inclusivity is not just a policy—it is woven into the fabric of our culture. Regardless of race, sex, age, religion, sexual orientation, or political opinion, discrimination has no place in the Holding. It is a core value that unites every member of our team and guides our every interaction, both internally and in our business dealings.

As an equal opportunity employer, Beltone evaluates employees and job applicants solely on merit, valuing their skills and experience above all else. Should anyone ever feel these commitments are not being upheld, we have clear channels for them to voice their concerns, ensuring that Beltone remains a safe and equitable environment for all.

- There have been **zero** legal actions taken against Beltone in relation to disputes over discrimination or harassment of any kind at the workplace.

Under the regulations stipulated by the Egyptian Money Laundering Combating Unit and operating under the auspices of the Central Bank of Egypt, Beltone employees must adhere to anti-money laundering (AML) procedures. The responsibility falls on AML specialists to ensure both Beltone and its employees comprehend the consequences of non-compliance. Furthermore, employees must promptly report any suspicious activities to the Compliance Officer. Suspicious activities include:

- Transactions involving third parties using different identities for orders and payments
- Transactions initiated by foreign buyers without genuine justification, such as foreign bank transfers
- Irregular back-and-forth transfers between accounts.

Anti-money laundering training has been conducted for **113 employees** in the reporting period, ensuring Beltone and its employees are well-equipped to identify AML incidents and take appropriate actions. The training was conducted in partnership with the Egyptian Institute of Directors, which is the FRA's training arm.

PROCEDURES AND MEASURES TO COMBAT AML

Customer due diligence (CDD): verify customer identities and beneficial ownership

Know your customer (KYC): understand each customer's business activities, risk profile, and expected transaction patterns

Transaction monitoring: use the World Check System for clients' screening

- Suspicious activity reporting (SAR)
- Employee training
- Screening
- Record keeping

WHISTLEBLOWING

INTERNAL AUDIT

As Beltone believes in fostering a culture of transparency and accountability, we encourage our employees to voice their concerns upon witnessing any misconduct or unethical behavior through our whistleblowing policy. Whether it is through direct communication with our HR and Compliance departments or anonymously via our electronic whistleblowing form, we ensure that concerns are addressed promptly and without fear of reprisal.

Issues that fall under this policy range from general malpractices and safety hazards to violations of our Code of Conduct and Egyptian law. We take seriously any breach of Company policies and unethical conduct, including manipulation of targets, financial irregularities, and conflicts of interest. By empowering our employees to report such incidents, we uphold our commitment to integrity and protect the interests of the Company and its stakeholders.

At Beltone, ensuring regulatory adherence and organizational integrity is a cornerstone of our governance framework. The Internal Audit Department assesses risks across departments and functions, determining the audit scope and frequency based on various factors like regulatory requirements and financial exposure. Following the standards set by the Institute of Internal Auditors, the Department's methodology involves understanding the business, assessing risks, executing fieldwork procedures, and reporting findings to the Executive Committee and the Audit and Governance Committee of the Board.

Despite challenges posed by regulatory changes, the Department remains prepared by conducting risk assessments regularly and minimizing impacts on audit activities. The internal audit, compliance, and risk management department collaborate on projects to enhance operational effectiveness. Additionally, the Internal Audit Department provides the necessary documentation for external audits and ensures alignment with the requirements of regulatory bodies.

STAKEHOLDER IDENTIFICATION AND MANAGEMENT

Identifying and managing stakeholders is a critical component of our operations. Our stakeholders encompass a wide range of groups that we have grouped into two categories: internal and external stakeholders. By systematically identifying the key stakeholders and understanding their needs and expectations, we can tailor our engagement efforts to foster positive relationships.

Effective stakeholder management ensures that we address concerns proactively, leverage opportunities for collaboration, and align our business practices with the interests of those impacted by our operations, ultimately driving sustainable success for our organization.

INTERNAL

Employees
Board of Directors
Shareholders

EXTERNAL

Investors
Regulatory authorities
Merchants
Clients and customers
Community
Industry peers
Suppliers



Stakeholder	Channels of Engagement	Objective of Engagement	Material Topic
Board of Directors	<ul style="list-style-type: none"> BoD meetings Emails Direct calls Reports 	Ensure strategic alignment and oversight	<ul style="list-style-type: none"> Effective governance, transparency and accountability Business Resilience Sustainable Finance
Employees	<ul style="list-style-type: none"> Training sessions Internal meetings Surveys 	Communicate company goals, deliver updates, and gather input	<ul style="list-style-type: none"> Employee welfare and development Diversity, Equity, and Inclusion
Shareholders	<ul style="list-style-type: none"> General assembly meetings (ordinary and extraordinary) 	Inform about company performance and dividend policies	<ul style="list-style-type: none"> Business Resilience Risk Management Integrating ESG in Investment and Lending Decisions
Regulatory authorities	<ul style="list-style-type: none"> Annual report ESG and TCFD reports 	Ensure compliance with financial regulations	<ul style="list-style-type: none"> Regulatory Compliance & Ethical Business Practices Human Rights
Merchants	<ul style="list-style-type: none"> Meetings Surveys 	Improve service offerings and gather feedback	<ul style="list-style-type: none"> Human Rights Integrating ESG in Investment and Lending Decisions
Clients and customers	<ul style="list-style-type: none"> Press releases Social media Website Emails Surveys 	Ensure satisfaction and gather feedback on services	<ul style="list-style-type: none"> Customer Privacy and Data Security Customer Satisfaction Digital Transformation Sustainable Finance
Community	<ul style="list-style-type: none"> Press releases Social media Outreach programs 	Demonstrate corporate social responsibility	<ul style="list-style-type: none"> Community Development
Industry peers	<ul style="list-style-type: none"> Market research Joint events 	Share industry insights and best practices	<ul style="list-style-type: none"> Business Resilience Risk Management
Investors	<ul style="list-style-type: none"> Annual report Earnings release Company website Presentations Roadshows Social media Emails Press releases 	Provide strategy and financial performance updates as well as future outlooks	<ul style="list-style-type: none"> Business Resilience Sustainable Finance Climate Risks GHG Emissions
Suppliers	<ul style="list-style-type: none"> Meetings Performance reviews 	Maintain strong relationships and ensure quality services	<ul style="list-style-type: none"> Responsible Procurement

RISK MANAGEMENT FRAMEWORK



An integral factor contributing to Beltone's continued success is its implementation of a thorough risk management framework that allows us to identify, manage, and mitigate risks across all aspects of our operations. We apply the Basel risk management process IMMMR to our enterprise risk management framework (ERM).

The figure above portrays our risk management process, which is ongoing as risk assessments are continuously conducted. Different methodologies are employed depending on the business activity and nature, including risk control self-assessments (RCSAs), workshops, individual meetings, and regular and ad-hoc risk reporting.

Our risk management mechanisms encompass a comprehensive array of strategies designed to safeguard our operations and objectives. Our risk mitigation strategies

involve the development and implementation of proactive measures tailored to mitigate the potential impact of each identified risk. Through contingency planning, we formulate comprehensive plans to outline response protocols and alternative courses of action in the event of unforeseen disruptions or crises.

Our continuous monitoring involves the use of sophisticated tools and processes to assess and track changes in risk profiles, enabling timely adjustments to risk management strategies.

The following table outlines the most common risk types we encounter at Beltone and our approaches to mitigating them.

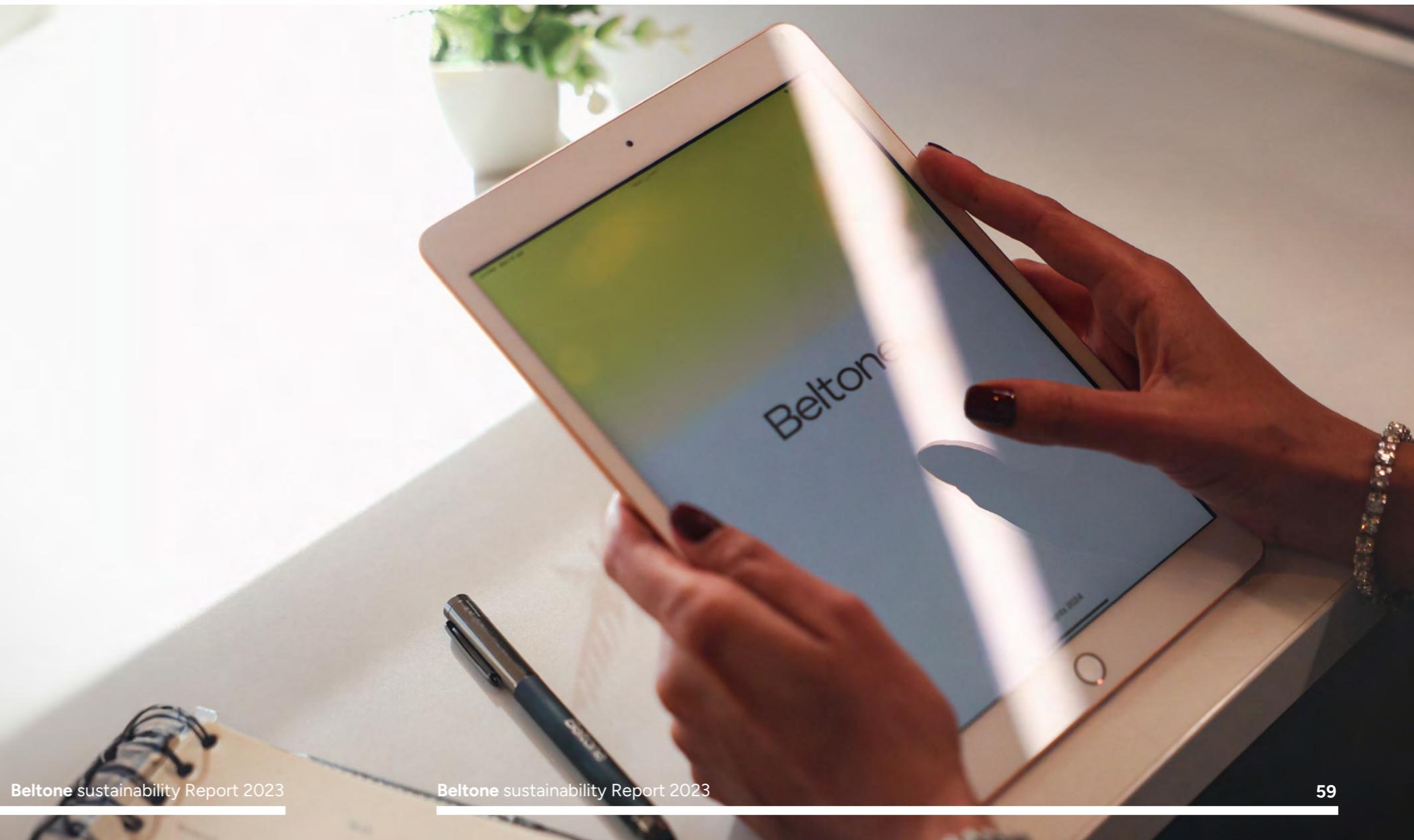
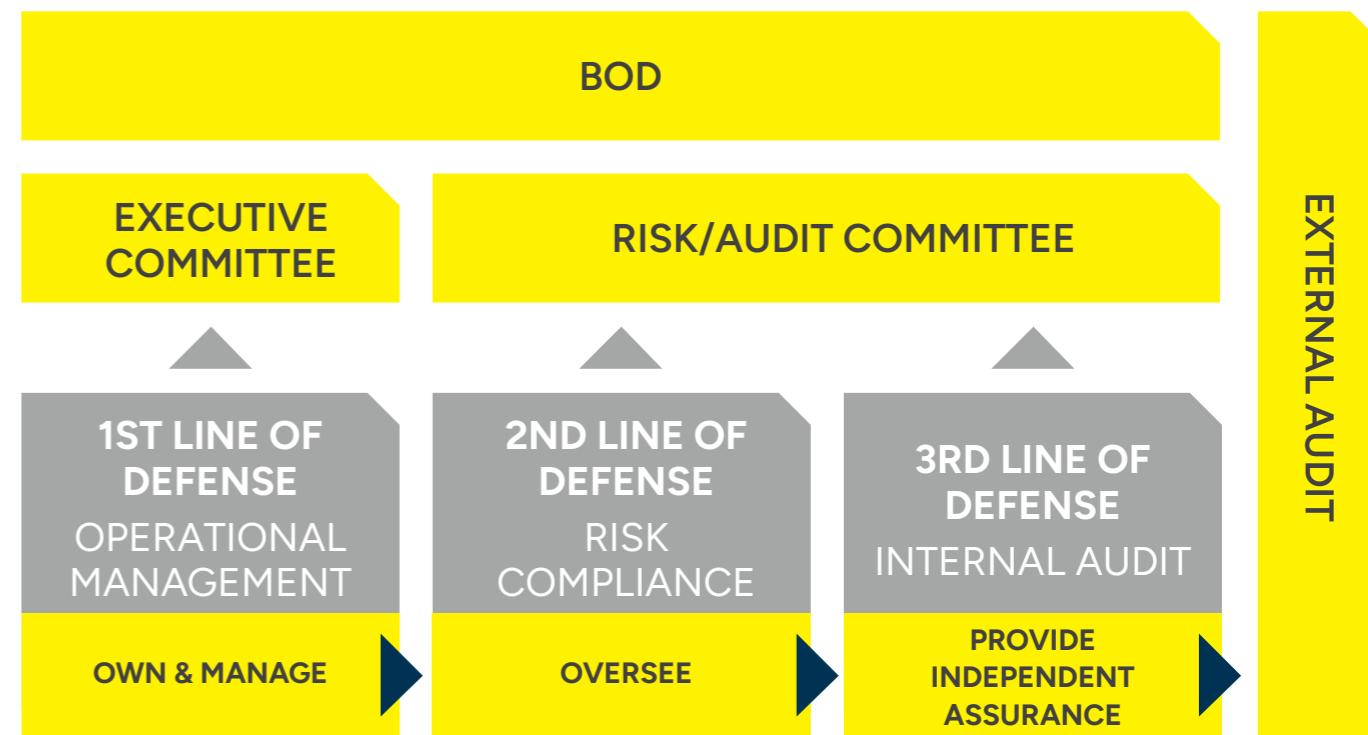
Risk Type	Examples	Management Approach
Credit	<ul style="list-style-type: none"> Customer defaults, non-payment, or counterparty failures. 	<ul style="list-style-type: none"> Assessing borrower creditworthiness and field inquiries Establishing clear credit policies Spreading credit exposure across sectors Regularly monitoring and reviewing our credit portfolio.
Compliance	<ul style="list-style-type: none"> Non-compliance with legal and regulatory requirements, specific regulations, environmental regulations, labor laws, or data privacy regulations Failure to adhere to ethical standards, corporate governance guidelines, or internal policies and procedures. 	<ul style="list-style-type: none"> Maintaining regulatory awareness Developing and enforcing compliance policies and procedures Enforcing a strong code of ethics Regularly training employees on anti-corruption and conflict-of-interest policies Conducting regular internal and external audits.
Market	<ul style="list-style-type: none"> Market volatility, fluctuations in interest rates, or currency exchange rate fluctuations impacting revenue, profitability, and cash flows. 	<ul style="list-style-type: none"> Conducting regular analysis of market trends and conditions Diversifying investments to spread risk Using financial instruments to hedge against market fluctuations Developing scenarios and response strategies for market volatility.
Strategic	<ul style="list-style-type: none"> Changes in market dynamics, competition, or technological advancements that may affect our long-term viability and competitiveness Failure to execute strategic initiatives or adapt to changing customer preferences and industry trends. 	<ul style="list-style-type: none"> Conducting thorough market and competitive analysis Regularly performing SWOT analysis Diversifying products, services, and markets Building flexibility into strategic plans to adapt to changes.

Risk Type	Examples	Management Approach
Operational	<ul style="list-style-type: none"> IT system failures or data breaches that could compromise sensitive information and disrupt business operations Human errors, workforce disruptions, or inadequate processes leading to operational inefficiencies or compliance failures. 	<ul style="list-style-type: none"> Regularly reviewing and optimizing business processes Implementing robust controls to detect and prevent errors Utilizing technology for automation and monitoring.
Liquidity	<ul style="list-style-type: none"> Inadequate access to capital or funding sources leading to financial constraints. 	<ul style="list-style-type: none"> Regularly monitoring and maintaining a cash reserve Securing multiple funding sources and credit lines Monitoring and targeting key liquidity ratios Conducting stress tests and preparing contingency plans.
Reputational	<ul style="list-style-type: none"> Negative publicity, backlash, or public perception issues that damage our reputation and brand value Ethical lapses, misconduct, or controversies involving key stakeholders, employees, or business partners. 	<ul style="list-style-type: none"> Ensuring consistent, positive messaging Developing and training for rapid response plans Enforcing our Code of Conduct Communicating transparently with stakeholders Using tools to track public perception and media Regularly training employees on our organization's ethical standards.
Country	<ul style="list-style-type: none"> Geopolitical events that may impact the Company's prospects. 	<ul style="list-style-type: none"> Conducting thorough political, economic, and regulatory analysis Diversifying by spreading operations across multiple countries Collaborating with local firms and stakeholders.
E&S	<ul style="list-style-type: none"> Climate change and extreme weather events Property damage and regulatory changes Social inequalities and lack of inclusivity Resource scarcity Lack of diversity and inclusion in the workplace results in talent attrition and lower employee morale. 	<ul style="list-style-type: none"> Aligning sustainability challenges and opportunities with the organization's business strategy, goals, and objectives Training employees on health and safety and social aspects, such as how to effectively collaborate with employees with Down syndrome Conducting employee training on sustainability-related issues

OUR THREE LINES OF DEFENSE

The three lines of defense model:

This model clarifies the responsibilities and difference between Operational management, risk & compliance and Internal audit.



2.

OUR IMPACT COMPASS

2. OUR IMPACT COMPASS

We have undertaken a thorough materiality assessment to advance our commitment to being a financial services organization that excels in its industry while positively contributing to the economy, society, and the environment. This evaluation, aligned with the GRI 3: Material Topics 2021 standard, was designed to pinpoint the issues of greatest significance and impact on our operations. Through this process, we ensure that our strategic decisions and services reflect both our business priorities and our dedication to broader societal and environmental well-being.

This assessment is designed to serve and guide our organization's strategy, stirring it towards more sustainable operations and portfolios.

Our materiality assessment employed the double materiality approach, a method that enabled us to identify and prioritize the most critical topics for Beltone. This approach considers two key dimensions of impact, as illustrated in the accompanying figure.

The first dimension, **Financial Materiality**, examines how ESG (Environmental, Social, and Governance) material topics influence Beltone's financial performance and operations. This analysis helps us understand the potential risks and opportunities that these topics present to our business.

The second dimension, **Impact or ESG Materiality**, focuses on Beltone's influence on the broader economy, society, and environment through these identified topics. By considering both dimensions, we ensure that our strategy safeguards our financial health and contributes meaningfully to societal and environmental well-being.

Our analysis relied on stakeholder engagement in the identification and prioritization of the material topics.

ASSESSMENT PROCESS

1. Study of organization, industry, peers, and country relevant topics to define potential material topics to Beltone

A thorough analysis of our organization's strategy and direction, the financial services sector, our peers, and our country-context informed the identification of some topics that are presumed material for Beltone.

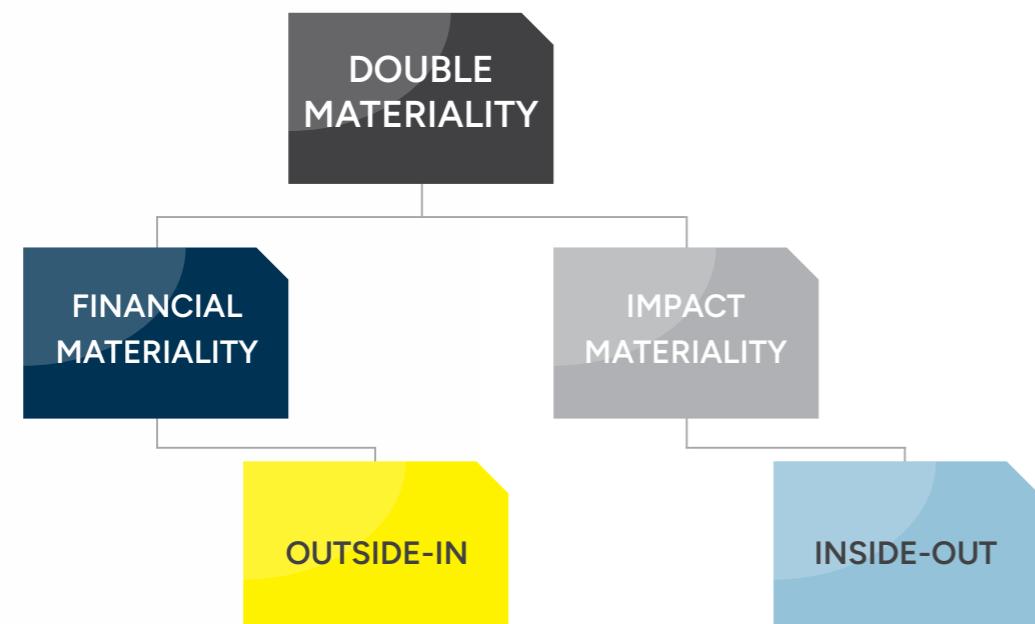
2. Stakeholder Engagement (internal and external) to identify Beltone's material topics

To identify the most significant material topics, we engaged with a diverse range of stakeholders, including employees, clients, suppliers, and investors.

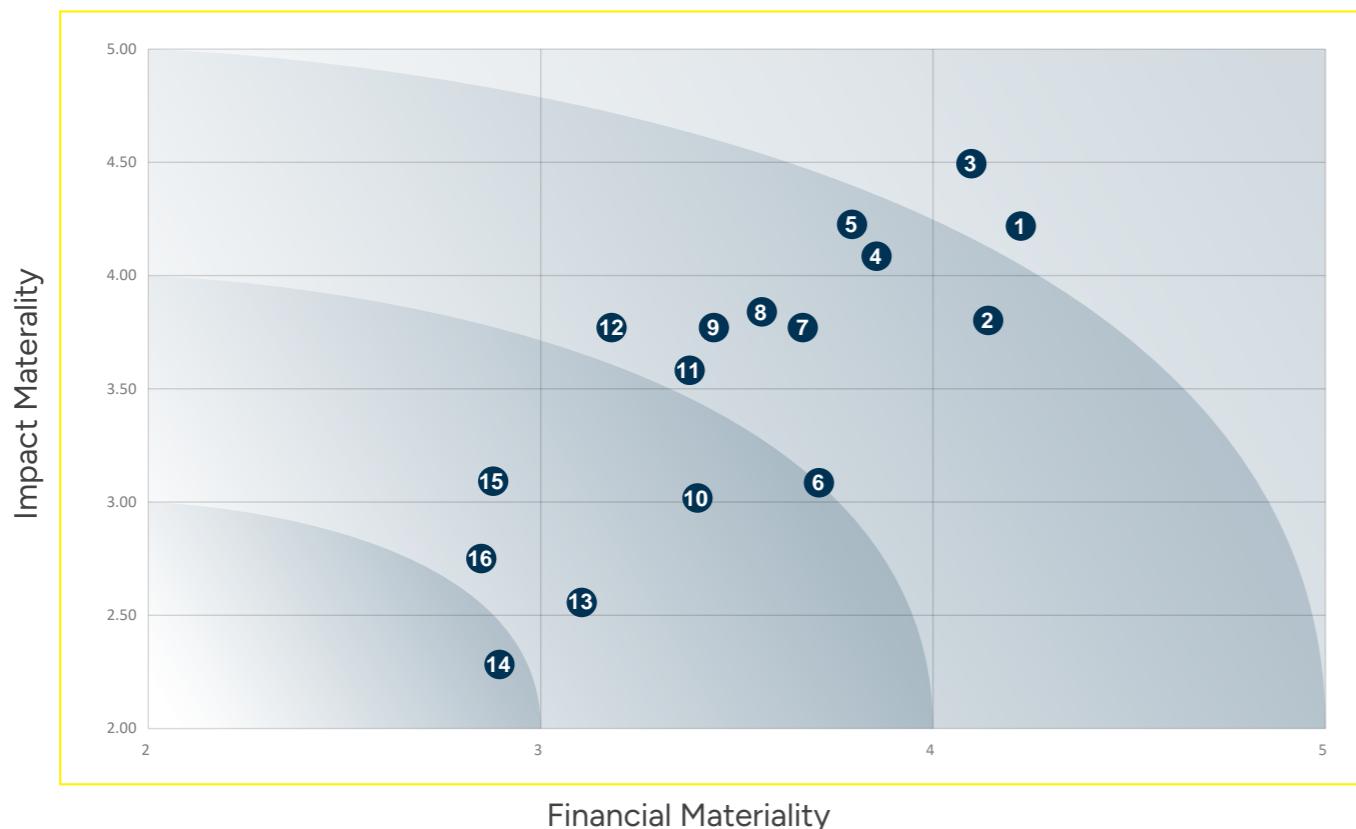


3. Materiality scoring tool and finalization of Matrix

The prioritization of topics was conducted using a scoring system that evaluates the **severity** and **likelihood** of each material issue. To determine a topic's severity, we assessed it across three critical factors: scope, scale, and remendability of its impact. This comprehensive evaluation ensures that we focus on the most pressing issues, addressing them to reflect their potential impact on both Beltone and the broader community. The likelihood of the topic refers to the chance that the material topic occurs in our sector, which was determined through expert matter. By considering these dimensions, we can strategically direct our efforts toward the areas with the highest need and greatest potential impact.



The following matrix was generated, portraying Beltone's material topics.



ANALYSIS OF THE MATERIAL TOPICS

CLIMATE RISKS

Potential Positive Impact	<ul style="list-style-type: none"> Sustainable investments Renewable energy usage Implementing the climate policy 	Potential Negative Impacts	<ul style="list-style-type: none"> Contribution to high-emission industries and projects Resource-intensive operations
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Beltone's Stance

Actual Positive Impacts	<ul style="list-style-type: none"> Affirming commitment to Goal 13 of the SDGs Developing our ESG policy with environmental criteria for investments and finance 	Our Path to Improvement	<ul style="list-style-type: none"> Begin an assessment of financed emissions "Cash for Microfinance" is looking to direct finance to: <ul style="list-style-type: none"> Offering loans for energy-efficient appliances and technologies Promoting climate-resilient housing practices Supporting green businesses and sustainable farming methods.
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Severity and Likelihood	<ul style="list-style-type: none"> Severity: Medium-High Likelihood: High
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GHG EMISSIONS

Potential Positive Impact	<ul style="list-style-type: none"> Energy Efficiency Improvements Renewable energy usage Waste management and recycling 	Potential Negative Impacts	<ul style="list-style-type: none"> High Energy Consumption Lack of Green Investments Investing in high-emissions industries and projects
Beltone's Stance			
Actual Positive Impacts	<ul style="list-style-type: none"> Paper waste recycling with "Bekia" Waste Management with "Ertekaa" Switch to e-cards seven partnerships with Eco-solar 	Our Path to Improvement	<ul style="list-style-type: none"> Switch to energy-efficient LED lighting Acquire RECs to match the electricity consumption with renewable energy generation, thereby reducing the carbon footprint associated with our energy use
Severity and Likelihood		<ul style="list-style-type: none"> Severity: Medium-High Likelihood: Medium-High 	

CUSTOMER PRIVACY AND DATA SECURITY

Potential Positive Impact	<ul style="list-style-type: none"> Implementing Robust Security Measures Investing in Advanced Technologies Employee Training and Awareness 	Potential Negative Impacts	<ul style="list-style-type: none"> Data Breaches Insider Threats Inadequate Security Infrastructure
Beltone's Stance			
Actual Positive Impacts	<ul style="list-style-type: none"> Establishing rigorous security protocols 	Our Path to Improvement	<ul style="list-style-type: none"> Implement Content Management System and Digital Archiving Implement ISO 27001 standards
Severity and Likelihood		<ul style="list-style-type: none"> Severity: High Likelihood: High 	

CUSTOMER SATISFACTION

Potential Positive Impact	<ul style="list-style-type: none"> Enhanced Digital Experience Transparency and Trust Value-Added Services Feedback and Improvement 	Potential Negative Impacts	<ul style="list-style-type: none"> Complex Processes Limited Accessibility Unresolved Issues
Beltone's Stance			
Actual Positive Impacts	<ul style="list-style-type: none"> Embedding complaint resolution systems Implementing Customer satisfaction surveys 	Our Path to Improvement	<ul style="list-style-type: none"> Embed Digital Onboarding
Severity and Likelihood		<ul style="list-style-type: none"> Severity: Medium-High Likelihood: High 	

DIGITAL TRANSFORMATION

Potential Positive Impact	<ul style="list-style-type: none"> Adopting Cutting-Edge Technologies Strengthening Data Management and Analytics Streamlining Operations 	Potential Negative Impacts	<ul style="list-style-type: none"> Skill Gaps Untacked cybersecurity Threats
Beltone's Stance			
Actual Positive Impacts	<ul style="list-style-type: none"> Formulation of the digital innovation and transformation unit that launched several key projects Launch of seven apps and development of Beltone trade app Establishing Oracle Payroll 	Our Path to Improvement	<ul style="list-style-type: none"> Implement robust technology innovation at new HQ in Sodic Partner with organizations to foster digital transformation and customer experience through knowledge transfer and the launch of new digital solutions. Ramp up the digital factory, streamline architecture, and implement agile methodologies Launch Beltone Trade app
Severity and Likelihood		<ul style="list-style-type: none"> Severity: Medium-High Likelihood: High 	

EMPLOYEE WELFARE AND DEVELOPMENT

Potential Positive Impact	<ul style="list-style-type: none"> Comprehensive Benefits Packages Professional Development and Training Employee Engagement and Recognition Inclusive and Supportive Work Environment Safe and Healthy Work Environment Employee Participation and Empowerment 	Potential Negative Impacts	<ul style="list-style-type: none"> Inadequate work-life balance Lack of career development opportunities Inadequate compensation and benefits Health and safety concerns
	Beltone's Stance		

Actual Positive Impacts	Our Path to Improvement	<ul style="list-style-type: none"> Embedding of Oracle payroll Provision of a Grievance Mechanism Formulation of a Health and Safety Management System Providing training programs covering health and safety, AML, and PWDs engagement Zero layoffs in the past 3 years 	<ul style="list-style-type: none"> Diversify training programs Increase employee benefits Include more employees in health and safety training
		Severity and Likelihood	

Severity and Likelihood	<ul style="list-style-type: none"> Severity: Medium-High Likelihood: High

DIVERSITY, EQUITY, AND INCLUSION

Potential Positive Impact	<ul style="list-style-type: none"> Supportive Policies and Practices Inclusive Recruitment Practices 	Potential Negative Impacts	<ul style="list-style-type: none"> Bias in Hiring and Promotion Inequitable Pay Practices Discrimination and Harassment Lack of Representation
Beltone's Stance			
Actual Positive Impacts	<ul style="list-style-type: none"> 50% Female board representation 5% of workforce PWDs Train to sustain program for PWDs Equal opportunity/pay to employees Partner to UN WEPs 	Our Path to Improvement	<ul style="list-style-type: none"> Increase inclusion of marginalized individuals or PWDs
Severity and Likelihood		<ul style="list-style-type: none"> Severity: Medium-High Likelihood: High 	



COMMUNITY DEVELOPMENT

Potential Positive Impact	<ul style="list-style-type: none"> Philanthropic Initiatives, such as housing, healthcare, and education initiatives Infrastructure Investments Offering microloans or grants to individuals or small businesses 	Potential Negative Impacts	<ul style="list-style-type: none"> Lack of local investments Projects with negative social impacts on individuals, such as displacement
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Beltone's Stance

Actual Positive Impacts	<ul style="list-style-type: none"> Providing advisory services to the sports, healthcare, and education sectors Providing meals for those in need and offering paid internships to college students to foster their professional development and contribute to job creation in the community Launching the Underprivileged Entrepreneurs Reach Project Sponsoring Mohamed El Hussey to compete in the PWDs open water swimming contest 	Our Path to Improvement	<ul style="list-style-type: none"> Allocate funds to community investments Providing awareness programs to schools
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Severity and Likelihood

- Severity:** Medium-High
- Likelihood:** Medium-High



HUMAN RIGHTS

Potential Positive Impact	<ul style="list-style-type: none"> Presence of human rights protection policy Economic Empowerment Inclusive Finance Transparency and Accountability Community Development 	Potential Negative Impacts	<ul style="list-style-type: none"> Presence of discriminatory practices Client and employee privacy violations Neglect of Human Rights in Supply Chains Lack of Transparency and Accountability
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Beltone's Stance

Actual Positive Impacts	<ul style="list-style-type: none"> Embedding human rights policy within our Code of conduct Providing microfinance through our subsidiary Cash Launching Underprivileged entrepreneur reach project Providing employees with comprehensive benefit packages 	Our Path to Improvement	<ul style="list-style-type: none"> Engage with community groups, human rights organizations, and other stakeholders to understand their concerns and collaborate on solutions.
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Severity and Likelihood

- Severity:** Medium-High
- Likelihood:** Medium-High

SUSTAINABLE FINANCE

Potential Positive Impact	<ul style="list-style-type: none"> Purposeful lending to Environmental and Social related projects Promotion of Green Investments Incorporating ESG Criteria Advisory Services 	Potential Negative Impacts	<ul style="list-style-type: none"> Funding environmentally or socially harmful projects Greenwashing Lack of integration of ESG factors into risk management
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Beltone's Stance

Actual Positive Impacts	<ul style="list-style-type: none"> Funding companies that support circular economy and environmentally-friendly operations Funding projects in the healthcare industry Providing educational loans and medical insurance 	Our Path to Improvement	<ul style="list-style-type: none"> Monitor the implementation of our newly established ESG policy, specifically its sustainable finance targets Partner with organizations and governmental bodies that focus on sustainability to enhance the impact and effectiveness of sustainable finance initiatives Develop innovative sustainable finance products Conduct employee training on sustainable finance
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Severity and Likelihood	<ul style="list-style-type: none"> Severity: Medium-High Likelihood: High
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INTEGRATING ESG IN INVESTMENT AND LENDING DECISIONS

Potential Positive Impact	<ul style="list-style-type: none"> Formulating an ESG strategy that is incorporated within the organization's strategy Conducting ESG due diligence 	Potential Negative Impacts	<ul style="list-style-type: none"> Lack of standardization of ESG criteria and standards Failing to adequately assess and manage ESG risks in investments and loans Lack of employee capacity building
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Beltone's Stance

Actual Positive Impacts	<ul style="list-style-type: none"> Incorporating ESG criteria into investment and lending decisions within our ESG policy 	Our Path to Improvement	<ul style="list-style-type: none"> Develop an ESG strategy Include ESG factors in risk management Conduct employee training
Severity and Likelihood	<ul style="list-style-type: none"> Severity: Medium-High Likelihood: High 		

RESPONSIBLE PROCUREMENT

Potential Positive Impact	<ul style="list-style-type: none"> Employing local suppliers Environmental and social screening of suppliers Ensuring ethical practices in the supply chain 	Potential Negative Impacts	<ul style="list-style-type: none"> Lack of local suppliers in the supply chain Failure to screen suppliers socially and environmentally Maintaining partnerships with suppliers that demonstrate negative effects on environmental and social factors
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Beltone's Stance

Actual Positive Impacts	<ul style="list-style-type: none"> Presence of a stringent supplier selection process driven by ethical standards, environmental awareness, and respect for human rights 70% local suppliers 200 suppliers assessed for environmental impacts 	Our Path to Improvement	<ul style="list-style-type: none"> Enhance supplier screening processes by strengthening and broadening the criteria used Increase the percentage of environmentally-screened suppliers
Severity and Likelihood	<ul style="list-style-type: none"> Severity: Medium-High Likelihood: Medium-High 		

EFFECTIVE GOVERNANCE, TRANSPARENCY AND ACCOUNTABILITY

Potential Positive Impact	<ul style="list-style-type: none"> Implement strong governance frameworks Enhance Transparency in Reporting Adopt Ethical Business Practices Facilitate Whistleblower Protections 	Potential Negative Impacts	<ul style="list-style-type: none"> Weak oversight and Governance Structures Lack of Transparency Inadequate Stakeholder Engagement 	
	Beltone's Stance			
Actual Positive Impacts	<ul style="list-style-type: none"> Annual ESG reporting to the FRA Presence of a strong internal control system 	Our Path to Improvement	<ul style="list-style-type: none"> Enhance stakeholder engagement channels Provide training to employees on implementing the code of conduct 	
Severity and Likelihood		<ul style="list-style-type: none"> Severity: High Likelihood: High 		

REGULATORY COMPLIANCE AND ETHICAL BUSINESS PRACTICES

Potential Positive Impact	<ul style="list-style-type: none"> Creating a Clear Code of Conduct Strong Internal Audit Promoting Ethical Leadership 	Potential Negative Impacts	<ul style="list-style-type: none"> Unethical business practices Presence of conflicts of interest Poor internal controls Presence of regulatory fines 	
	Beltone's Stance			
Actual Positive Impacts	<ul style="list-style-type: none"> Presence of a strong and well communicated code of conduct Strong compliance and internal audit functions Implementing a whistleblowing policy Implementing a conflict-of-interest policy 	Our Path to Improvement	<ul style="list-style-type: none"> Conducting training on our code of conduct 	
Severity and Likelihood		<ul style="list-style-type: none"> Severity: High Likelihood: High 		

RISK MANAGEMENT

Potential Positive Impact	<ul style="list-style-type: none"> Implementation of a strong risk management framework Incorporating environmental and social aspects into risk management 	Potential Negative Impacts	<ul style="list-style-type: none"> Poor risk management framework
Beltone's Stance			
Actual Positive Impacts	<ul style="list-style-type: none"> Applying the Basel risk management process IMMMR to our enterprise risk management framework (ERM). 	Our Path to Improvement	<ul style="list-style-type: none"> Implement Oracle Risk Management Conduct risk management trainings for employees Implement environmental and social considerations in risk management (ESRM)
Severity and Likelihood		<ul style="list-style-type: none"> Severity: High Likelihood: High 	

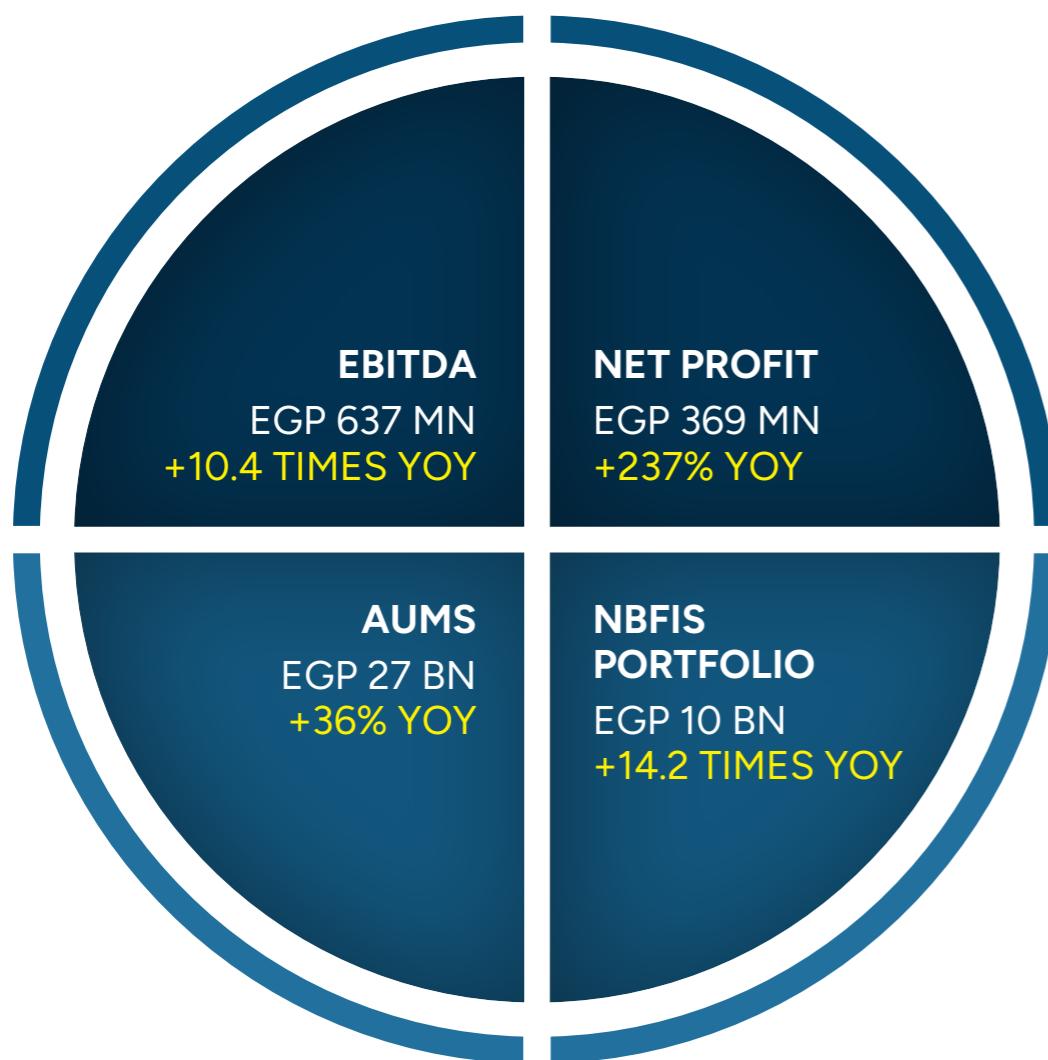
BUSINESS RESILIENCE

Potential Positive Impact	<ul style="list-style-type: none"> Strong business continuity planning Diversification of investments Adaptability and flexibility in business practices Regular employee training 	Potential Negative Impacts	<ul style="list-style-type: none"> Outdated processes Poor planning Weak cybersecurity measures Resistance to change
Beltone's Stance			
Actual Positive Impacts	<ul style="list-style-type: none"> Diverse business lines serving a large number of sectors Employee training on soft skills 	Our Path to Improvement	<ul style="list-style-type: none"> Regional expansion Addition of new business lines, such as SMEs Contingency planning
Severity and Likelihood		<ul style="list-style-type: none"> Severity: High Likelihood: High 	

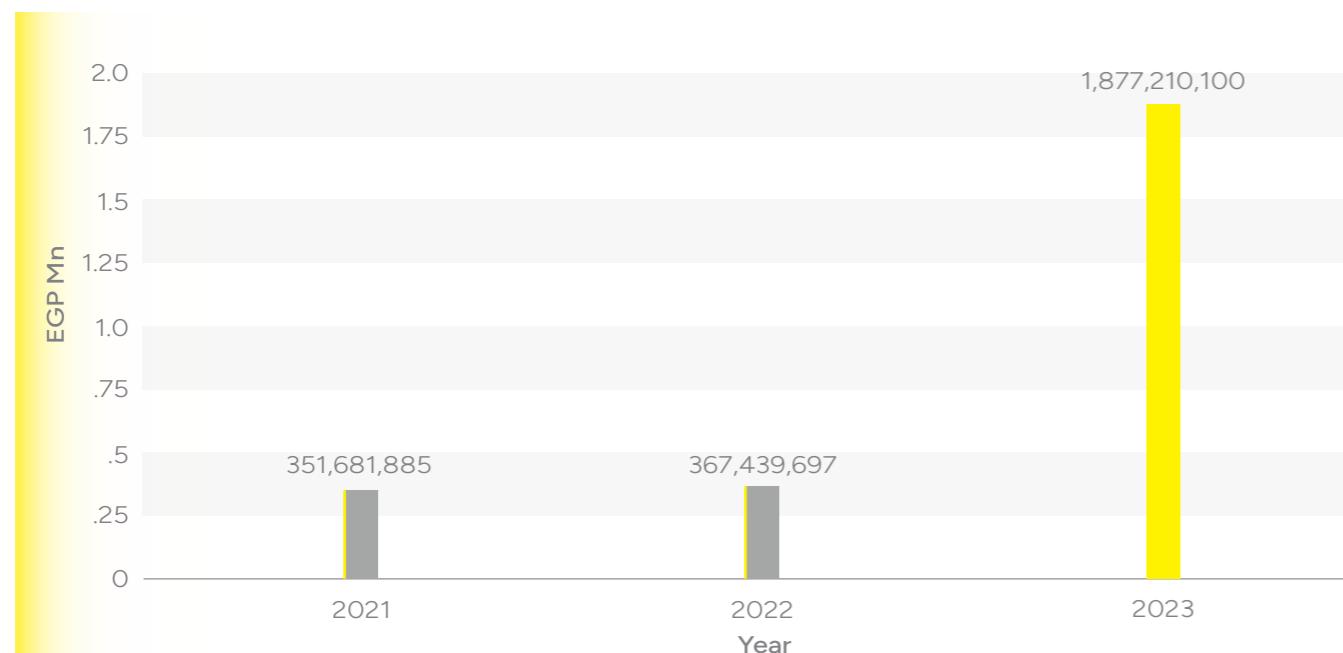
3.

OUR ECONOMIC PERFORMANCE

HIGHLIGHTS

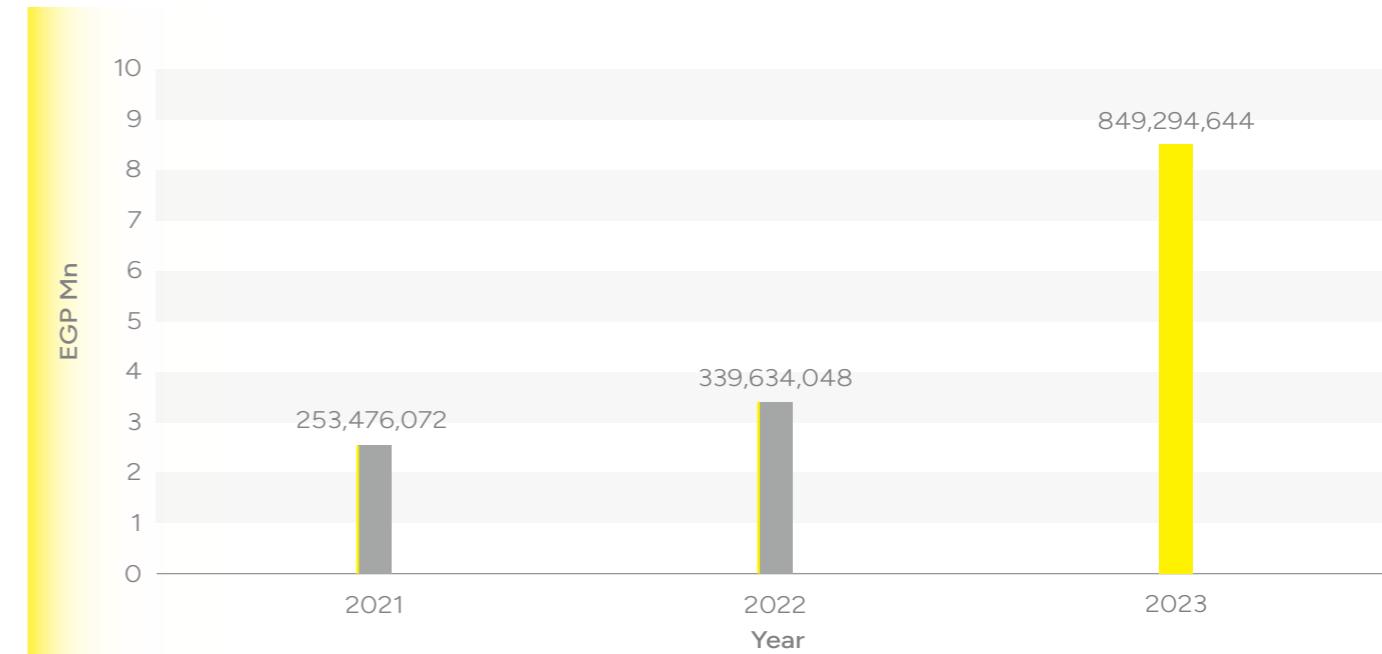


GRAPH 01 | REVENUE BY YEAR



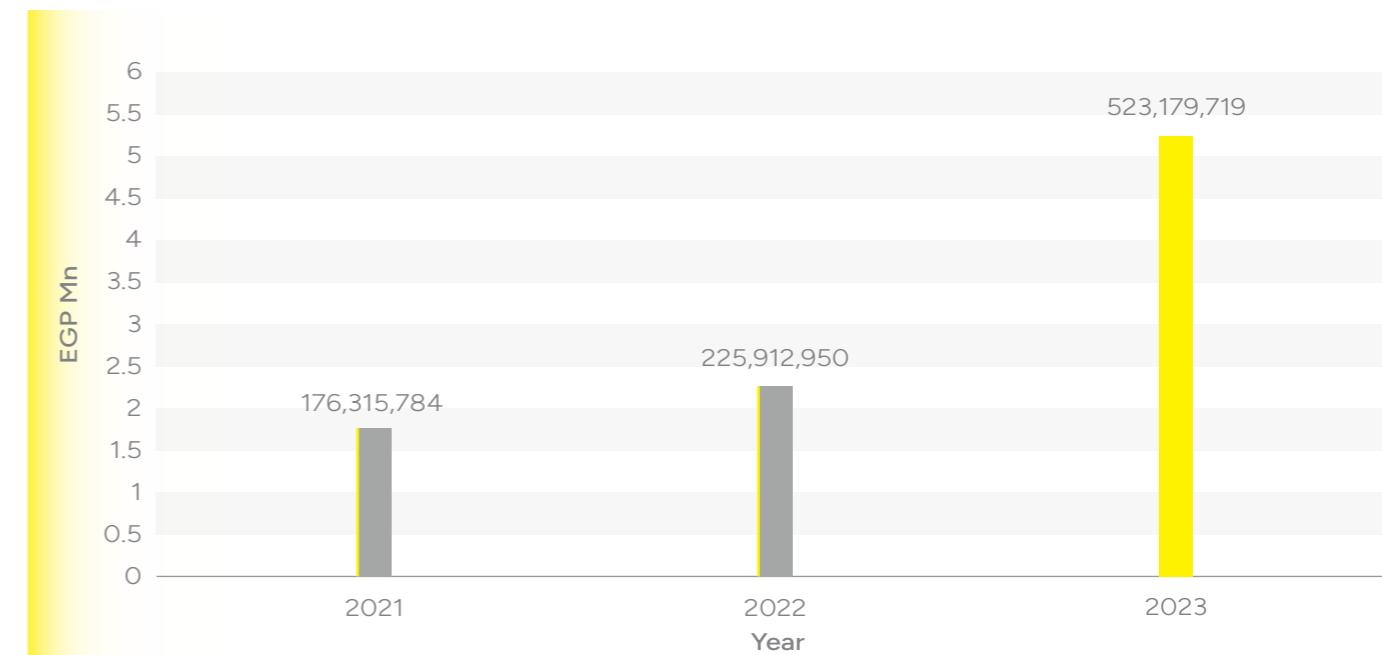
Over the past three years, Beltone Financial Holding has grown due to its turnaround and restructuring strategy. In 2021, the company generated EGP 351 mn which increased marginally to EGP 367 mn in 2022. However, 2023 marked a significant 411% leap, with revenue soaring to EGP 1.87 bn. This growth indicates the successful expansion of operations and performance improvement in revenue streams across the Company.

GRAPH 02 | OPERATING COST BY YEAR



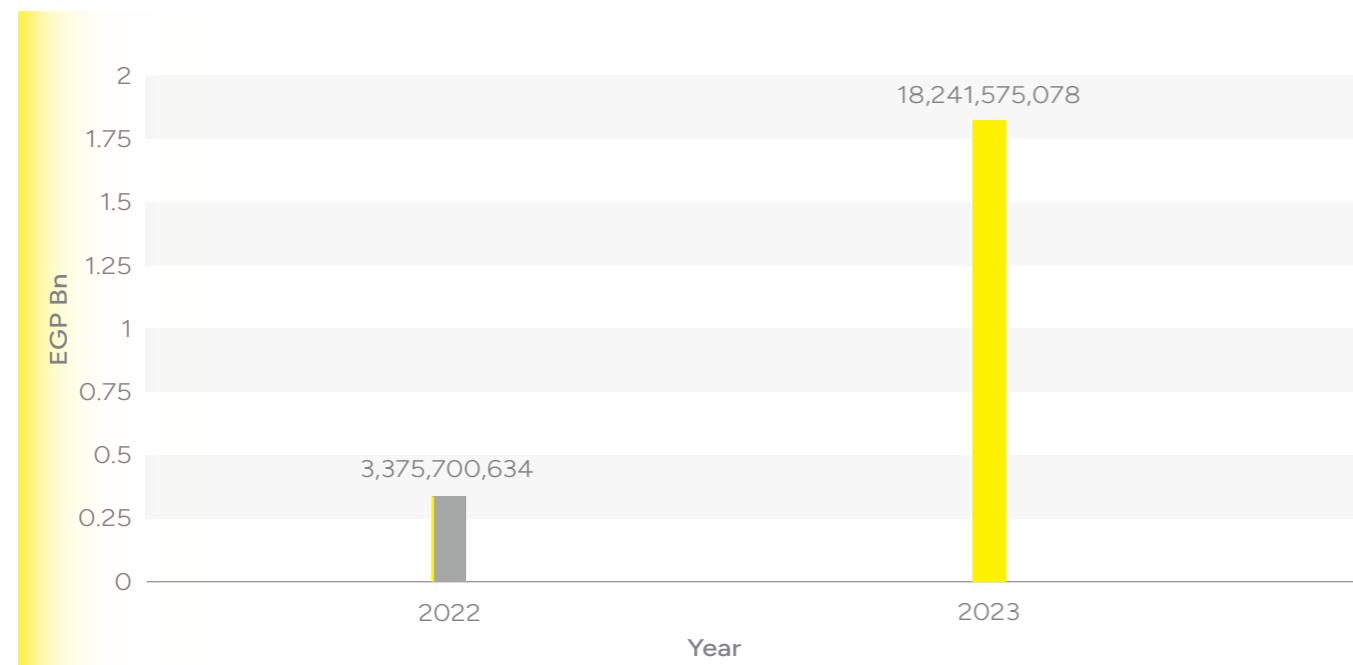
Our operational costs also followed a rising trend, starting at EGP 253 mn in 2021 and growing to EGP 339 mn in 2022. The year 2023 saw a substantial increase in operational costs to EGP 849 mn. Despite the increase in costs, the revenue growth suggests effective scaling of operations.

GRAPH 03 | EMPLOYEE WAGES AND BENEFITS

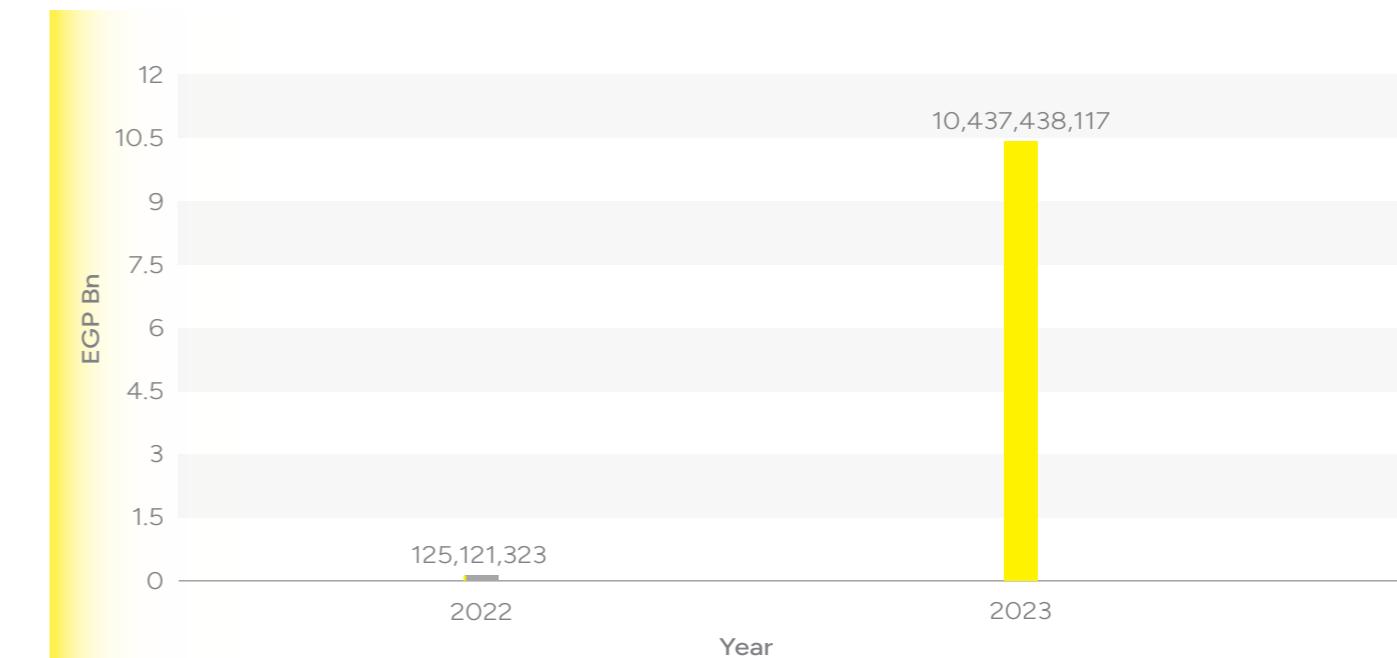


Employee wages and benefits have seen a considerable rise, reflecting the Holding's growth and commitment to our workforce. In 2021, the expenditure was EGP 176 mn, increasing to EGP 225 mn in 2022. In 2023, the figure more than double to EGP 523 mn. This increase is indicative of our expanding workforce and improved compensation packages, which are essential for attracting and retaining talent.

GRAPH 04 | TOTAL ASSETS BY YEAR



GRAPH 05 | SHAREHOLDERS' EQUITY



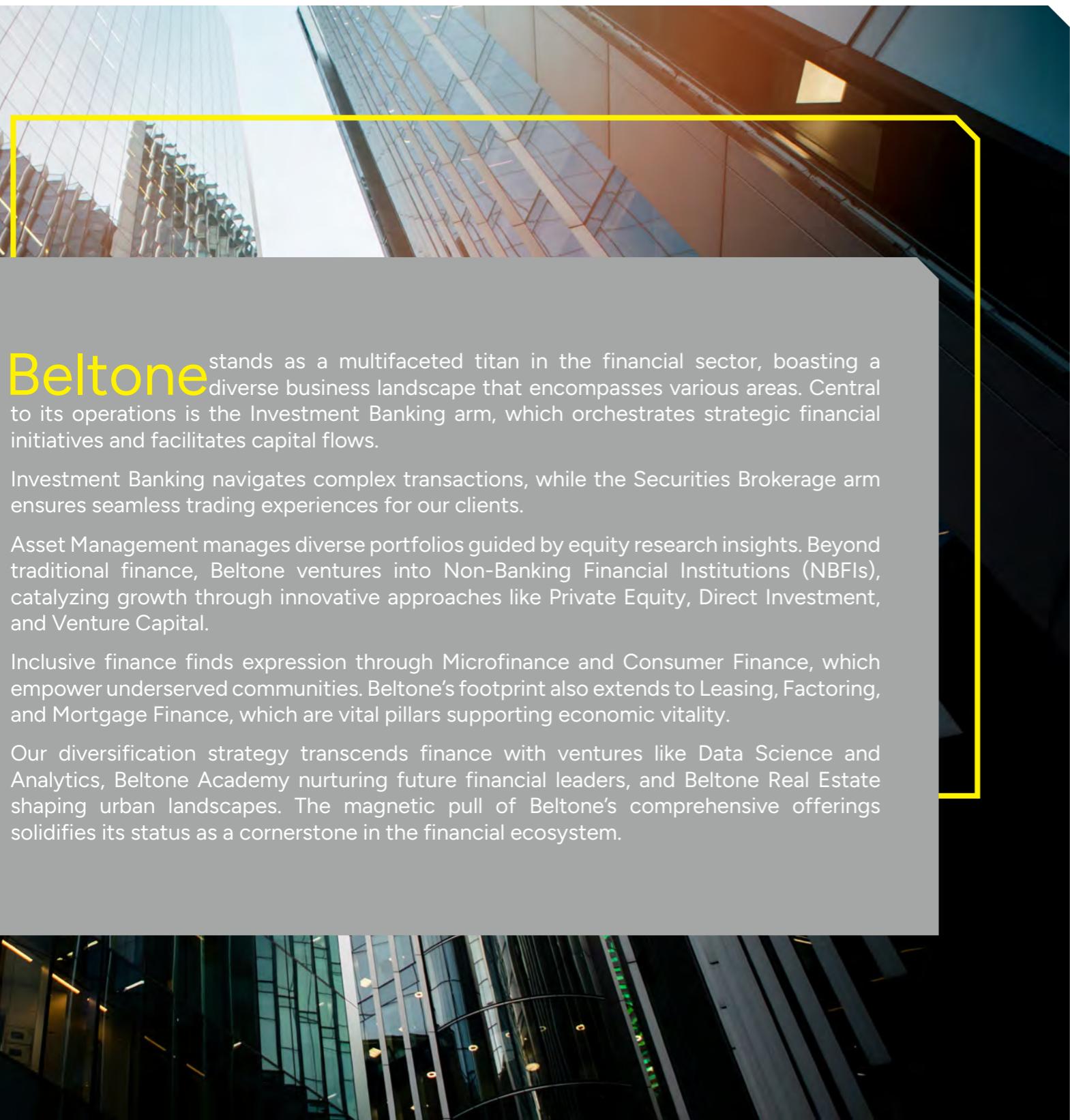
Beltone Financial Holding's asset base has expanded significantly from EGP 3.37 bn in 2022 to EGP 18.24 bn in 2023. This increase highlights our investments and growth in line with Beltone's expansion plans. On the equity front, shareholders' equity surged from EGP 125 mn in 2022 to EGP 10.43 bn in 2023.



4.

OUR BUSINESS LANDSCAPE

4. OUR BUSINESS LANDSCAPE



Beltone stands as a multifaceted titan in the financial sector, boasting a diverse business landscape that encompasses various areas. Central to its operations is the Investment Banking arm, which orchestrates strategic financial initiatives and facilitates capital flows.

Investment Banking navigates complex transactions, while the Securities Brokerage arm ensures seamless trading experiences for our clients.

Asset Management manages diverse portfolios guided by equity research insights. Beyond traditional finance, Beltone ventures into Non-Banking Financial Institutions (NBFI), catalyzing growth through innovative approaches like Private Equity, Direct Investment, and Venture Capital.

Inclusive finance finds expression through Microfinance and Consumer Finance, which empower underserved communities. Beltone's footprint also extends to Leasing, Factoring, and Mortgage Finance, which are vital pillars supporting economic vitality.

Our diversification strategy transcends finance with ventures like Data Science and Analytics, Beltone Academy nurturing future financial leaders, and Beltone Real Estate shaping urban landscapes. The magnetic pull of Beltone's comprehensive offerings solidifies its status as a cornerstone in the financial ecosystem.

Beltone
Financial
Holding

The Investment
Bank

NBFI

Investment
Banking

Securities
Brokerage

Asset
Management

Leasing and
Factoring

Private Equity and
Direct Investment

Consumer
Finance

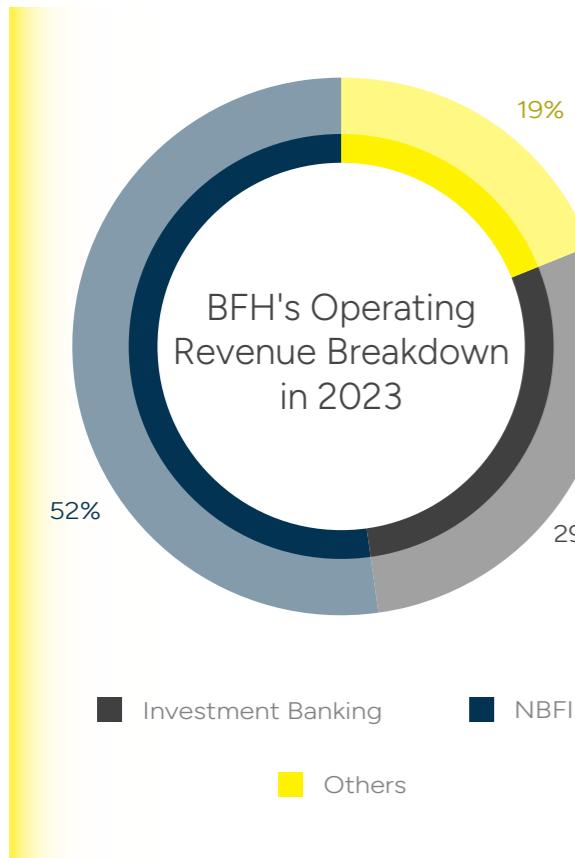
Microfinance

Mortgage
Finance

Venture Capital

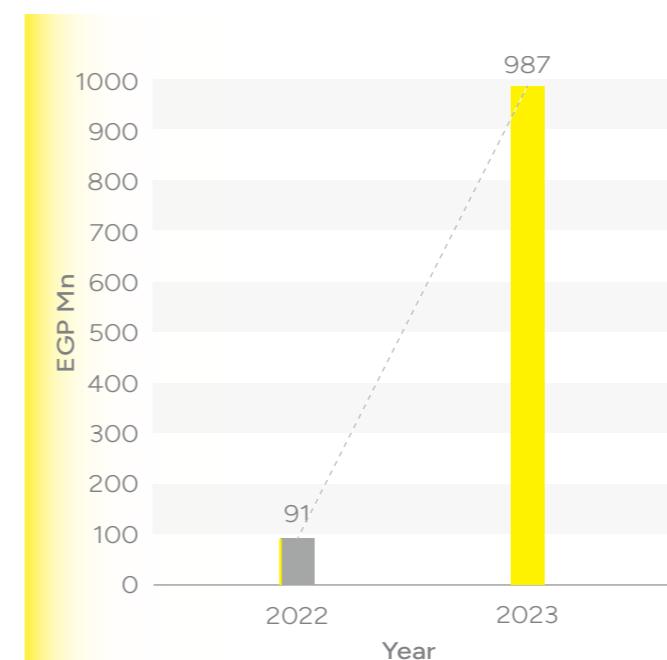
SMEs

Our business has shown unprecedented success during the reporting period. Both the Investment Banking arm and the NBFI have contributed remarkable financial growth to BFH. In addition to these financial achievements, 2023 was a year of new opportunities for Beltone, marked by the establishment of our SME finance arm and our mortgage finance subsidiary, as well as the granting of a factoring license to our BLFC subsidiary. These achievements have taken BFH to new heights and solidified its stance as a powerhouse for financial services in the region.

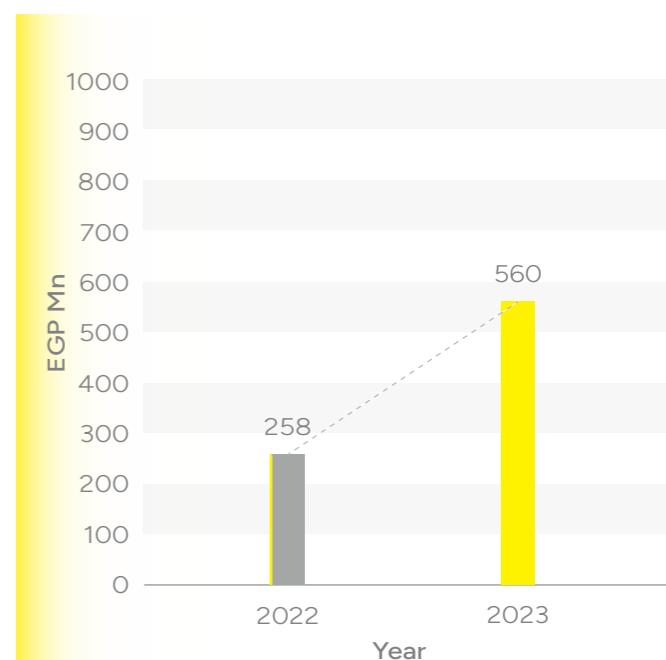


As shown in this figure, NBFIs were the greatest contributors to BFH's operating revenue in 2023, providing 52% of it at EGP 987 mn.

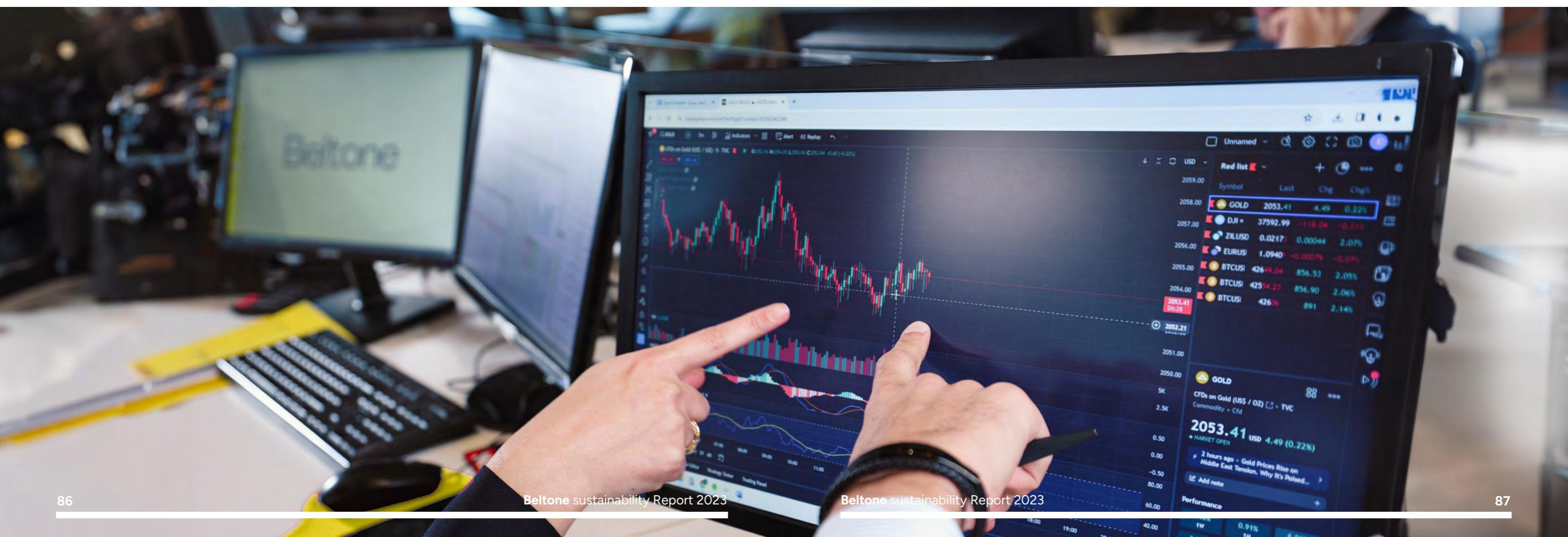
GRAPH 06 | OPERATING REVENUE FROM NBFIS



GRAPH 07 | OPERATING REVENUE FROM INVESTMENT BANKING



As shown in the figures above, both Investment Banking and NBFIs have recorded remarkable growth in 2023, with their operating revenues growing by 117% and 989%, respectively.



THE INVESTMENT BANK

INVESTMENT BANKING ARM

Beltone Investment Banking

OUR STORY:

Beltone Investment Banking, a leading player in the financial sector, prides itself on having a team of skilled professionals with extensive experience garnered from working with top regional and international investment banks. This expertise has enabled us to successfully execute numerous transactions across local and regional markets, focusing on high-growth sectors. Our comprehensive advisory services are designed to cater to a wide range of client needs, providing strategic financial solutions that drive growth and enhance value.

Our advisory services include the following.

Service	Description
Equity Capital Markets	<ul style="list-style-type: none"> Facilitating the issuance of equity to help companies raise capital and expand their operations.
Debt Capital Markets	<ul style="list-style-type: none"> Assisting clients in raising funds through the issuance of debt securities.
Mergers and Acquisitions	<ul style="list-style-type: none"> Providing expert guidance on mergers and acquisitions to optimize strategic outcomes.
Financial Advisory	<ul style="list-style-type: none"> Offering tailored financial advice to support corporate strategy and decision-making.
ECA Financing Advisory	<ul style="list-style-type: none"> Advising on export credit agency financing to support international trade and investment.

OUR IMPACT:

Our achievements in 2023 include the successful closure of the Dice MTO. This major transaction highlights our capability in managing large-scale mergers and takeovers. We also completed debt raising for the Giza Zoo. This is a notable example of our interest in securing funding for large public projects. Our achievements have profound and far-reaching impacts, driving economic growth and business continuity.

The establishment of a Debt Capital Markets (DCM) desk enables us to provide valuable advice to our clients on various debt-related transactions. These transactions not only enhance the efficiency and activity of Egypt's capital markets but also contribute to the creation of job opportunities, economic growth, and the attraction of foreign investors.

MAIN ACHIEVEMENTS IN 2023:



In our pursuit of excellence, Beltone Investment Banking has set and achieved several key performance indicators (KPIs):

KPI	Description
Establish the Debt Capital Markets (DCM) Desk	<ul style="list-style-type: none"> Initiated in 2022, this milestone has been successfully achieved, laying the foundation for robust debt capital market operations.
Include Securitization as Part of Our Service Portfolio	<ul style="list-style-type: none"> We are in the process of acquiring a securitization license, marking a significant expansion of our services.
Expand Geographical Service Provision to Regional Clients	<ul style="list-style-type: none"> Initiated in 2022, this goal reflects our strategic intent to achieve regional expansion through the awarding of mandates in areas such as the GCC.
Establish an Egyptian Credit Fund	<ul style="list-style-type: none"> We completed three transactions, demonstrating our expertise in credit fund management.
Establish a USD Credit Fund	<ul style="list-style-type: none"> Currently underway to further diversify our financial offerings.

SECURITIES BROKERAGE

Beltone Securities Brokerage

OUR STORY:

Beltone Securities Brokerage (BSB) is one of Egypt's top fully-fledged brokerage firms, offering comprehensive brokerage services to both individuals and institutional investors. We specialize in multiple asset classes, including equities and fixed income. Our equity sales services cater to institutions and retail clients alike, ensuring comprehensive support for all investment needs. Our research team delivers in-depth macroeconomic and financial analysis of companies listed on the stock market, helping clients make informed investment decisions.

Customer service and operations are integral to our business. Our onboarding team supervises the opening of all client accounts, whether custody or brokerage accounts, ensuring a seamless start for our clients. Our custody services, performed under the MCDR Agency License, include share registration, depository services, security bookkeeping, security trading services, corporate actions, dividend collection, share pledging, general assembly, proxy voting processing, and standard custody reporting.

We also facilitate over-the-counter (OTC) trading, allowing market participants to trade stocks, commodities, currencies, and other instruments directly between parties without a central exchange. In the fixed-income market, we trade various securities, including euro bonds, and engage in trading treasury securities. Additionally, we pride ourselves on being the issuer of Egypt's first ETF that tracks the performance of the EGX30 index.

OUR IMPACT:

By providing access to capital and facilitating informed investment decisions, we play a significant role in advancing both economic and societal well-being.

Our brokerage services facilitate investment and trading activities, driving growth by supporting both individual and institutional investors. This enhances market liquidity and efficiency; moreover, our involvement in fixed-income securities aids in funding infrastructural and economic development.

Our detailed macroeconomic and financial analysis further promotes a stable and transparent financial market.

BSB ensures financial accessibility and inclusivity by onboarding a diverse range of clients and empowering more people to participate in financial markets. Our commitment to strict regulatory compliance protects investors' interests and builds trust in the financial system.

MAIN ACHIEVEMENTS IN 2023:



ASSET MANAGEMENT

Beltone Asset Management

OUR STORY:

Beltone Asset Management, the asset management arm of Beltone Financial Holding, is a leading firm in the MENA region that provides integrated financial solutions through a team of professionals who collectively hold over 300 years of experience in asset management.

Beltone Asset Management is driven by a mission to become the asset manager of choice in the MENA region. Our goals are to:

- Offer the highest quality value-adding products and services while keeping clients' interests at heart
- Consistently rank among the top quartile asset managers in the Egyptian market in all asset classes under management
- Continuously restructure and offer investment products to meet the ever-changing needs of investors.

These goals are to be achieved through the following:

- Institutional setup backed by one of the fastest growing full-fledged investment banks with its various departments (brokerage, research, investment banking, and non-banking financial services)
- Our strong emphasis on corporate governance and risk management to align business practices with the best interests of stakeholders while maximizing transparency through timely information disclosure
- A strong, specialized, world-class IT system enabling onboarding, management, and reporting of different asset classes in different markets along with customization to meet clients' reporting needs.

We offer a diverse portfolio of investment options, including:

- Conventional and Shariah-compliant fixed-income funds and portfolios
- Conventional and Shariah-compliant equity funds and portfolios
- Commodity funds, including innovative offerings like Egypt's first daily gold fund
- Balanced funds and portfolios tailored to meet various investment profiles and objectives

OUR IMPACT:

Beltone Asset Management has managed to differentiate its products from traditional, price-competitive products currently available in the local market. We have become a pioneer in providing clients with innovative investment vehicles such as Egypt's first money market fund, employee pension products, Egypt's first exchange-traded fund (EGX30ETF), and the first dedicated sports fund.

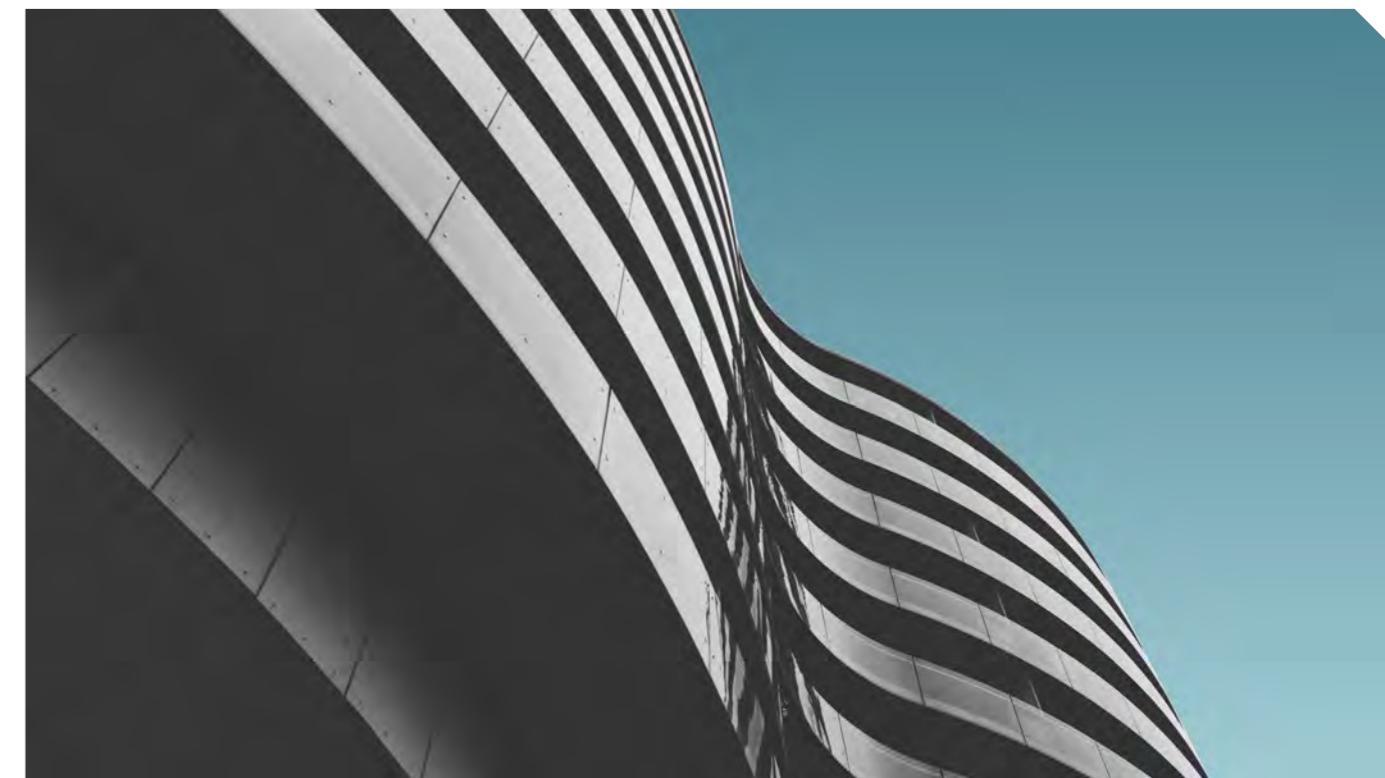
MAIN ACHIEVEMENTS IN 2023:



Our relentless pursuit of excellence has not gone unnoticed, as evidenced by numerous awards received in the past two years.

In 2022, we received the following awards:

- Most Innovative Asset Manager by Global Brands Magazine
- Best Performing Asset Manager by Finance Derivative Magazine
- Best Money Market Fund by Global Business Magazine
- Best Asset Management in Egypt by World Business Outlook
- Fastest Growing Asset Manager in Egypt by Global Business Outlook
- Best Equity Fund – Beltone Gems Fund by Global Business Outlook.



In 2023, we received the following awards:

- Fastest Growing Asset Manager in Egypt by International Finance Awards
- The Next 100 Global Awards by Global Banking & Finance Awards
- Most Innovative New Fixed-Income Fund – B-Secure – Egypt by Global Business Outlook
- Fastest Growing Asset Manager in Egypt by International Business Magazine
- Best Fund Management Company in Egypt by International Business Magazine
- Equities Manager of the Year in Egypt by International Business Magazine
- Best Asset Manager Egypt by World Economic Magazine
- Best Equity Fund Management Egypt by Finance Derivative Magazine.

NON-BANKING FINANCIAL INSTITUTIONS

LEASING AND FACTORING

Beltone Leasing & Factoring

OUR STORY:

Beltone Leasing and Factoring (BLFC) is a prominent player in the alternative finance sector in Egypt that offers both leasing and factoring services. Established in 2020, it is committed to creating the opportunity for businesses to manage their cash flows and secure the latest assets and technologies to remain competitive.

BLFC empowers businesses to access essential capital for growth and expedite cash flows through customized, convenient solutions and advisory services. With a focus on building long-term relationships, BLFC provides the confidence and support businesses need to thrive and achieve sustained success.

Upon establishment, Beltone Leasing and Factoring was an all-leasing services provider. It was awarded a factoring license from the Financial Regulatory Authority in September 2023, which positioned it to offer structured finance solutions alongside leasing. By overcoming initial challenges, BLFC demonstrated resilience and strategic prowess that propelled it toward a remarkable path of success and achievements.

Beltone's acquisition by Chimera Investment sparked a remarkable turnaround. Under new management and a revitalized vision, BLFC achieved a significant milestone by the end of 2022, breaking even and recording a net profit of EGP 1.2 million after incurring a net loss of EGP 5.5 million in its inaugural year of operations.

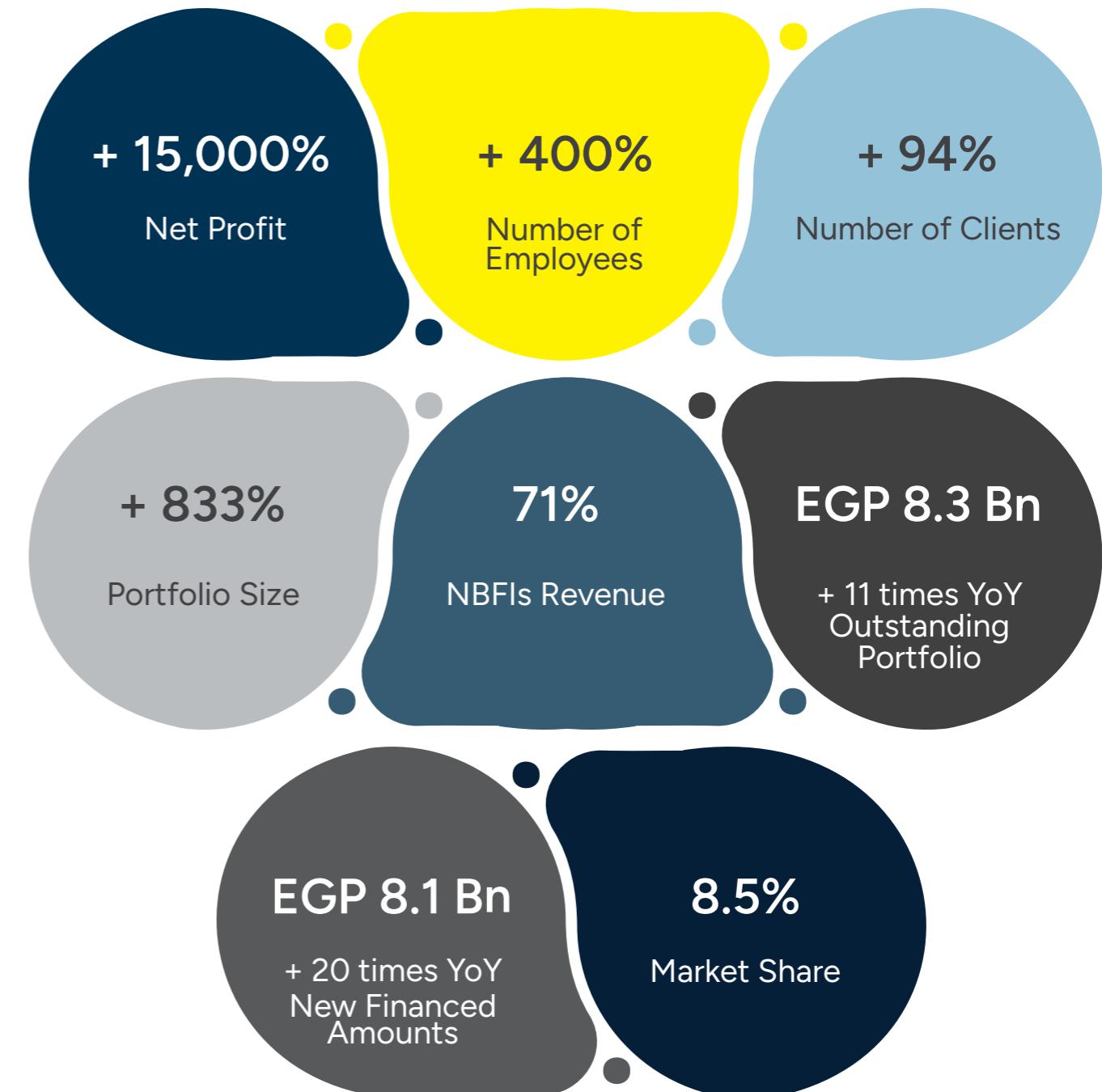
SECTORS IN FOCUS

- Healthcare
- Education
- Real Estate
- Manufacturing
- Contracting
- Industrial
- Logistics & Transportation

OUR IMPACT:

By allowing businesses to acquire capital assets without large upfront costs, BLFC enables them to invest in equipment and technology that enhance productivity and competitiveness, thereby increasing the overall productive capacity of the economy. BLFC's economic impact is also evident in its financing of SMEs, which often struggle to access traditional financing solutions. Wider impacts on society are also realized as the funded SME and corporate clients' increased financial stability allows them to create more job opportunities and foster development. Moreover, factoring improves cash flows for businesses by converting accounts receivable- money owed by customers for goods or services already delivered but not yet paid for- into immediate cash. This liquidity helps businesses meet their financial obligations, reducing the risk of insolvency and contributing to financial stability in the economy. BLFC also contributes to environmental well-being through its financing of green projects in the circular economy sector.

MAIN ACHIEVEMENTS IN 2023:



Rankings and Awards

- Ranked 3rd in the Egyptian leasing market as per FRA Ranking
- Ranked 1st in the factoring market in December 2023

PRIVATE EQUITY AND DIRECT INVESTMENT**OUR STORY:**

Also known as Beltone Capital, it serves as the investment platform for Beltone Financial Holding, structured to manage three distinct investment platforms focused on agriculture and food processing, industrial manufacturing, and oil & gas infrastructure.

Positioned to potentially operate as a General Partner, Beltone Capital oversees various fund structures across regional markets. Additionally, we own 100% of NEPIT, the investment arm for agribusiness.

The Private Equity arm targets key sectors, seeking minority/majority stakes, with an emphasis on export-based revenues, import substitution, regional growth potential and reliable exit strategies.

The Direct Investments arm focuses on establishing and integrating the NBFI platform, taking a comprehensive investment approach to finance businesses across diverse sectors and verticals.

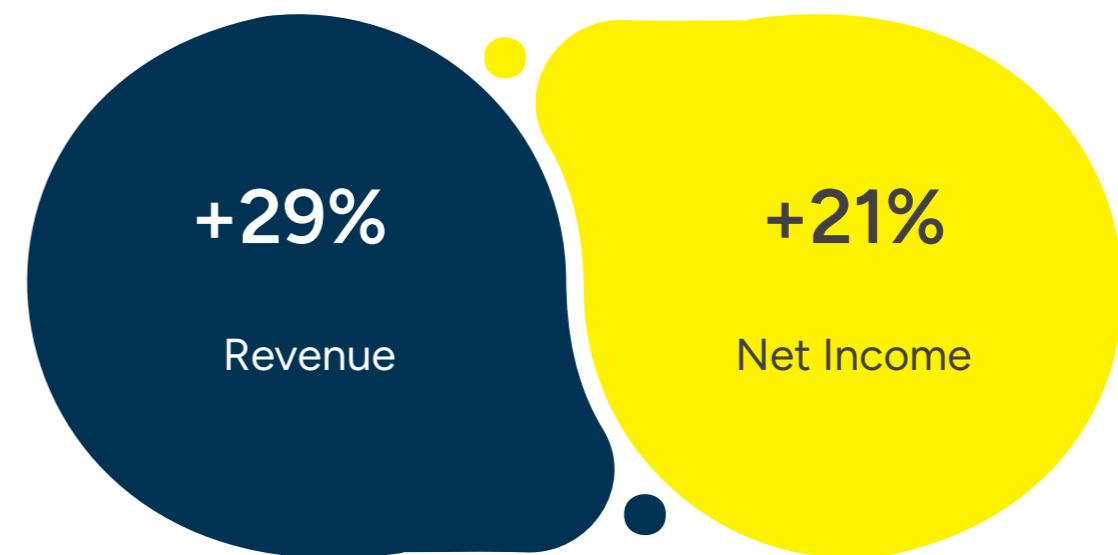
OUR IMPACT

Beltone Capital is founded to draw capital from international private investors and foster strategic investments in Egypt. We serve as a vehicle for investments in Egypt, targeting pivotal sectors, such as agriculture and Energy. This capital injection allows businesses to expand, innovate, and improve their operations, leading to job creation and increased economic activity.

Through our investments aimed at boosting export-oriented businesses, we contribute to enhancing the country's trade balance by increasing foreign revenue. Similarly, supporting businesses that substitute imports with locally produced goods strengthens domestic industries and reduces reliance on foreign products.

SECTORS IN FOCUS

- Agriculture
- Energy
- Financial Services
- Real Estate
- Industrials
- Manufacturing

MAIN ACHIEVEMENTS IN 2023:**CONSUMER FINANCE****OUR STORY:**

seven is Beltone's fully owned consumer finance subsidiary under Beltone's NBFI. It is the new identity for Beltone's Consumer Finance arm founded in 2020 in accordance with Consumer Finance Law No. 18 and FRA regulations, and it was rebranded from BelCash in the third quarter of 2023.

seven's approach focuses on meeting the needs of individual consumers by offering innovative, diverse, and tailored products with flexible payment plans of 6–60 months and covering a wide range of sectors. Our mission is "bring people in our community not just one step closer to their dreams, but straight to them."

We offer two types of financing services: one-time tickets to finance one-time purchases and revolving services such as buy now, pay later (BNPL) offered directly through merchant networks like fashion or electronics.

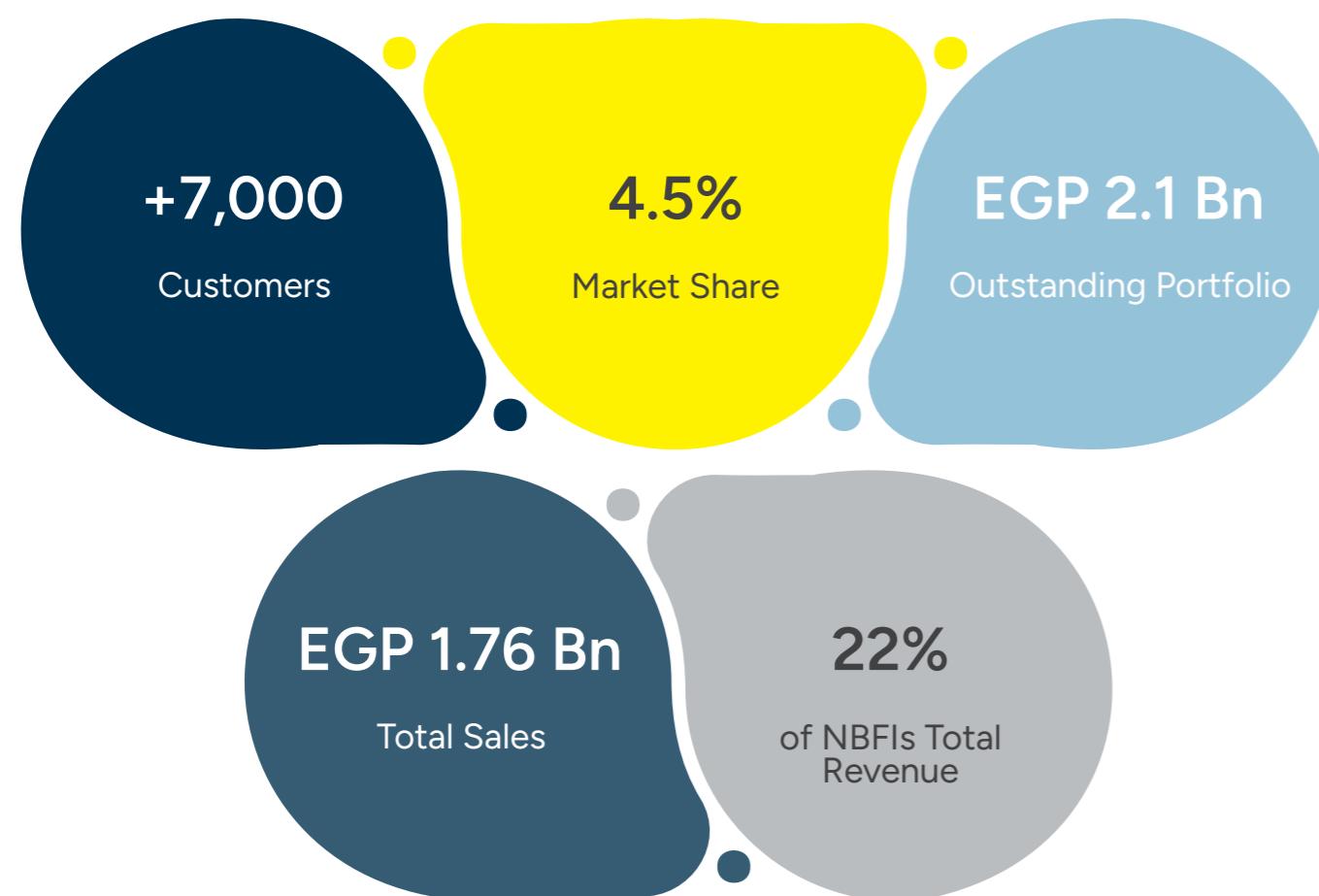
SECTORS IN FOCUS

- Education
- Automotive
- Home furniture
- Healthcare
- Electronics
- Home appliances
- Solar energy
- Goods and services
- Travel and tourism
- Fashion
- Club membership
- Jewelry
- Yakht

OUR IMPACT:

seven's impact extends beyond merely financing individual needs: we actively contribute to the economy, the environment, and society at large. By facilitating connections between merchants and consumers, we propel economic growth and employment opportunities. Our dedication to sustainability is exemplified by our financing options for electric cars and solar panels. Additionally, through offering education and medical insurance financing solutions, seven plays an important role in community development and societal advancement, fostering progress and success.

MAIN ACHIEVEMENTS IN 2023:



MICROFINANCE



OUR STORY:

In September 2023, Beltone Financial Holding acquired 100% of Cash for Microfinance, a leading microfinance provider in Upper Egypt licensed by the FRA. Cash for Microfinance focuses on providing capital financing to unbanked, low-income projects. Our financing products help microbusinesses expand, contributing to the socio-economic development of underprivileged communities.

We use a conventional lending model, establishing local branches and hiring local youth as loan officers to stay deeply rooted in these communities.

Cash for Microfinance offers two main services: micro-loans to fund small-scale projects and generating job opportunities, particularly for women, youth, and the underprivileged. This approach drives economic growth and job creation, empowering the communities served.

OUR IMPACT:

Through financial inclusion and entrepreneurship, Cash for Microfinance helps unbanked entrepreneurs access financing, leading to economic growth and job creation. We also provide training and knowledge transfer programs, equipping individuals with entrepreneurial skills to manage successful businesses. This work reduces poverty, promotes gender equality, and nurtures entrepreneurship, leading to a more prosperous and inclusive society.

In 2023, we partnered with the Challenge Fund for Youth Employment (CFYE) to advance societal development. The program aligns with our shared goals of creating and improving job opportunities, particularly for young women.

CHALLENGE
FUND
FYR
YOUTH
EMPLOYMENT



CASH FOR MICROFINANCE AND CHALLENGE FUND FOR YOUTH EMPLOYMENT (CFYE) LAUNCH

UNDERPRIVILEGED ENTREPRENEURS REACH PROJECT WITH A FUND OF EGP 60,000

This initiative is designed to provide financing to first-time entrepreneurs, with a special focus on women and the youth, resulting in a significant impact on the employment market in Egypt.

PROJECT OBJECTIVES

Objective 1: Enable entrepreneurs

- Create employment opportunities for new entrepreneurs
- Improve the business prospects for existing ones.

TARGET

- Create 1,500 jobs, 75% of which are targeting women
- Improve 600 jobs, 75% of which are targeting women.

ACTION PLAN

- Customize mobile trucks and deploy female loan agents who will act as mobile branches to provide loans to home-based projects, enabling women to remain in their villages while generating income for their households
- Offer a commission to loan officers for every first-time entrepreneur loan.

Objective 2: Influence recruitment norms in the microfinance industry by hiring young women

TARGET

Train and find jobs for a total of 350 youths, of which 50% are women. CMF will directly hire 200 trainees. Another 150 trainees will be hired by NGOs with the cooperation of the Egyptian Microfinance Federation.

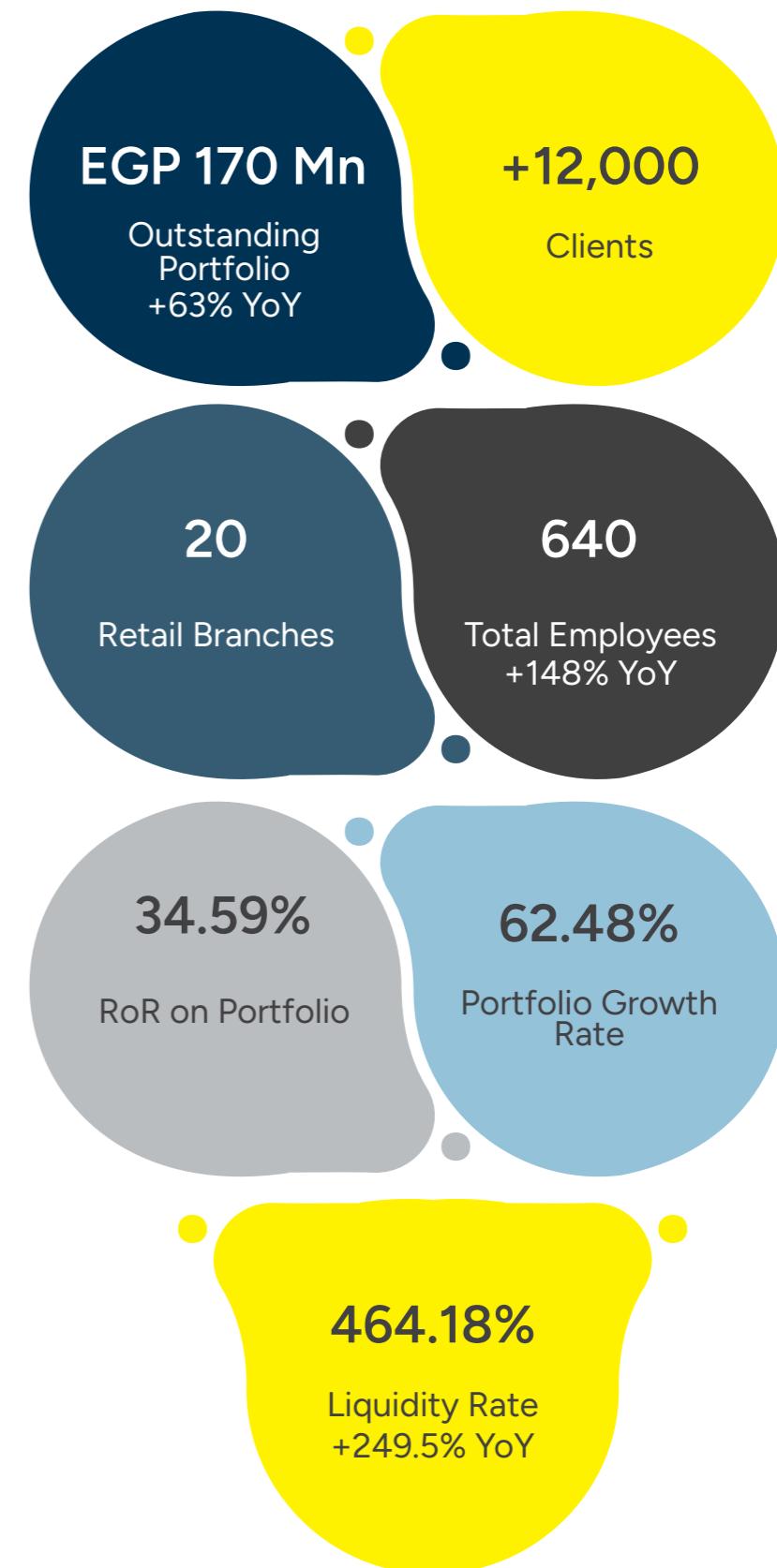
ACTION PLAN

Set up a training academy to upskill the youth and enable them to join the microfinance industry, conducting training for loan agents, loan officers, and auditors in the Minia, Bani Suef, Asuit, and Sohag governorates. This will help meet CMF's recruitment and growth needs and enable the achievement of **Objective 1**.

CMF'S ROLES:

- Select the candidates (50% young women)
- Organize and deliver training
- Provide three months of hands-on coaching for CMF hires
- Conduct bi-monthly field coaching visits for three months for candidates hired by NGOs.

MAIN ACHIEVEMENTS IN 2023:



VENTURE CAPITAL

Beltone

Venture Capital

OUR STORY:

Beltone Venture Capital, established in 2023, is dedicated to growing the technology and tech-enabled startup ecosystem in Egypt.

Our core mission is to invest in fast-growing startups and strategically exit these investments to maximize returns. We focus on financial investments and providing substantial support to our portfolio companies.

We aid them in scaling operations and securing additional funding to propel their growth.

Our business model is strategically focused on deploying investments in startups with the intent of exiting within 3–5 years at profitable multiples.

In addition to direct investment activities, we provide consulting and management services to external funds, generating additional revenue through service fees.

We offer a range of services to support early-stage companies, providing essential capital that allows startups to bootstrap their

operations during critical early stages. Beyond financial backing, we extend technological and managerial expertise to our portfolio companies, helping them refine their strategies and operations for sustained growth.

OUR IMPACT:

Currently, we have active investments in eight companies, involving both debt and equity stakes. These investments span various industries, with each company playing a role in revolutionizing their sectors through technological innovations.

Our investments fuel innovation and drive economic growth, enabling the development of new technologies and industries.

Ultimately, this leads to job creation, increased productivity, and enhanced competitiveness in the global market.

By supporting high-potential ventures, we help stimulate economic activity and dynamism.



MORTGAGE FINANCE

Beltone

Mortgage

OUR STORY:

Launched in the fourth quarter of 2023, Beltone Mortgage Finance is our subsidiary for mortgage solutions in Egypt. Despite its recent launch, Beltone Mortgage Finance has achieved notable financial successes, penetrating the mortgage finance sector and gaining adequate market share.

With a strong emphasis on delivering exceptional value and adopting a trusted financial consultant approach, we assist our clients in making optimal investments aligned with their cash flows and financial goals. This is achieved by providing personalized guidance and expert advice, empowering clients to make informed decisions regarding their real estate financing needs. Our services cater to both residential and commercial properties, ensuring tailored solutions for every client.

OUR IMPACT:

By offering tailored solutions for residential and commercial properties, we facilitate informed decision-making and promote financial well-being. This approach supports individual financial success and contributes to broader economic stability and growth through increased real estate investment and development.

MAIN ACHIEVEMENTS IN 2023:



BMF's forward looking goals include:

- at least doubling our market share
- streamlining our processes through developing our own online website
- developing our own mobile application to enhance our customers' experience

SMES

OUR STORY:

Established in late 2023 as a new startup in the Fintech market, Beltone SMEs is a trusted partner in financing SMEs in Egypt. We are expecting to receive our license in early 2024.

With a deep understanding of the local market and a commitment to fostering economic growth, Beltone SMEs provides tailored financial solutions to support the growth and expansion of SMEs in various industries.

Our team of experienced financial experts will work closely with entrepreneurs and business owners to assess their unique needs and develop customized financing packages that help fuel their success. These packages include working capital, equipment financing, and expansion loans.

We provide short- and medium-term financing. Short-term financing meets a company's asset conversion cycle and capital investment needs for up to 12 months.

The short-term loans offered include:

- Overdraft for commercial papers
- Overdraft for the company's operation proceeds to be routed to our side
- Overdraft for export proceeds to be routed to our side
- Overdraft for the company's investment needs
- Short-term loans against commercial papers
- Short-term loans against the company's operations
- Short-term loans against export proceeds
- Short-term loans to finance the company's working investments.

Medium-term loans entail financing fixed assets, capital expansion, and working investment needs for a period from 12 months up to 60 months.

The medium-term loans offered include:

- MTL to finance the purchase of fixed assets
- MTL to finance capital expansion
- MTL to finance the company's investment needs.



5.

INTEGRATING SUSTAINABILITY ACROSS INITIATIVES

5. INTEGRATING SUSTAINABILITY ACROSS INITIATIVES

A SUSTAINABLE PORTFOLIO

At Beltone Financial Holding, we realize the impact we have on sustaining a better world and steering industries toward sustainable practices. Our impact extends beyond ourselves as we fund projects that impact the environment and society at large. Therefore, across all our business functions, we have directed significant investments toward sustainable projects with positive environmental and social impacts, and we anticipate further improvements on this front in the coming years in line with our sustainability policy.



The following are some of our sustainable projects from the reporting period.

1. BLFC onboarded two business opportunities in leasing for companies that support the circular economy and environment-friendly operations, constituting 0.5% of its portfolio:

- E Solar Renewable Energy, which works on generating electricity from solar energy
- The Egyptian Company for Solid Waste Recycling, which specializes in solid waste management and recycling.

2. BLFC provided hybrid financing constituting 2.5% of its total portfolio in 2023 for one of the leaders in the healthcare industry, increasing social well-being and the affordability of medical immunization in Egypt:

- EGMED was financed using both leasing and factoring to meet the current urgent need for medical devices and supplies.

3. In 2023, seven partnered with Eco-solar to provide solar power to clients for diverse needs. Notably, 21% of all our financed tickets belong to the solar power sector.

This marks our impact as a consumer finance company in helping consumers turn to more environmentally sustainable purchases and sources of energy.

4. Beltone's impact has extended to the social dimension with seven's finance of educational loans and medical insurance.

By providing essential funding for these areas, seven enables individuals to access higher education and necessary medical care, thereby fostering personal development and well-being.

This support not only alleviates the financial burden on families but also contributes to the broader goals of societal advancement and improved public health.

5. Beltone Asset Management manages Egypt's first and only sports fund launched by Banque Misr.

All profits and revenues generated from the fund's investments until their expiration are directed to social and charitable purposes.

6. Beltone Investment Banking acts as the sole financial advisor to Hadayiq Zoos and Recreational Facilities Management on an EGP 832 mn financing facility granted by the National Bank of Egypt and China Development Bank.

This will be dedicated to the revamp and transformative development of Giza Zoo and the Orman Botanical Garden in line with international standards.

Recognizing the profound historical importance of these landmarks in Egypt, BIB played a pivotal role in planning the transaction, expertly structuring and arranging the financing on behalf of Hadayiq.

ENVIRONMENTAL INITIATIVES

E-business Cards

- We have switched from traditional printed business cards (over 750 boxes a year) to electronic business cards. This transition highlights our commitment to reducing paper waste and plays a crucial role in minimizing our carbon footprint as it eliminates the environmental impacts of the production and transportation of physical business cards.

Go Green Project with Bekia

- Beltone has an agreement with Bekia Waste Management for the purchase of Beltone's wastepaper and plastics. As part of the arrangement, Beltone commits to donating the profit generated from this transaction to charities. The first batch was 103.5 kg of wastepaper.

Trash Track Project

- Our waste management program with Ertekaa provides us with a monthly report on waste generated and recycled. The first waste management report revealed that over 70% of our waste was recycled, marking a significant success for our initiative. We have strategically positioned segregated recycling bins on every floor to foster responsible waste management and educated the office staff and cleaners about the crucial role of these bins.

Sustainability Newsletter

- We have taken a proactive step toward promoting sustainability at Beltone by preparing a sustainability newsletter that started in January 2024. The response to this initiative has been incredibly positive, reflecting the enthusiasm and engagement of our stakeholders.

Greener Movement

- We have launched the 150 Plants initiative. This ambitious endeavor aims to transform our work environment into a greener, more eco-friendly space and reduce emissions. By strategically placing 150 plants across our premises, we enhance air quality and embrace a more sustainable workplace.

SOCIAL INITIATIVES

Recycling Initiative with Graphene

- In 2022, we partnered with Graphene to launch a recycling initiative for Beltone's old advertising material. Under this collaboration, Graphene recycles these materials and transforms them into upcycled cardholders and folders. This project incorporates a training program for marginalized women, empowering them with the skills to create these upcycled products. The upcycled items are distributed among our employees, promoting sustainability and supporting social empowerment initiatives in our organization.

UN Women and WEPs

- We partnered with UN Women to conduct a comprehensive assessment of our gender equality performance across the seven UN WEPs: leadership commitment, equal opportunity, health, safety, training, supply chain, and community engagement and transparency.

Train to Sustain Initiative

- In line with our dedication to diversity and inclusion, Beltone has collaborated with the Wayana Foundation to train and employ nine individuals with Down syndrome. We are the first Egyptian company to undertake such an initiative.

Cash for Microfinance

- A wholly owned subsidiary of Beltone Financial Holding has signed an agreement with the Challenge Fund for Youth Employment, a program that aims to empower the youth through private sector support, to launch the Underprivileged Entrepreneurs Reach Project for EGP 60 million. The project aims to provide financing to entrepreneurs, with a special focus on women and the youth.

6.

UNLOCKING BELTONE'S DIGITAL POTENTIAL

6. UNLOCKING BELTONE'S DIGITAL POTENTIAL

As the digital age continues to redefine the boundaries of business, Beltone has embarked on a transformative journey, leveraging the latest advancements in technology to unlock new possibilities and drive innovation across every facet of its operations. This section offers an in-depth exploration of Beltone's digital evolution, highlighting the strategic initiatives, technological investments, and organizational shifts that drive the Holding forward into a future defined by efficiency and customer value.

THE DIGITAL INNOVATION AND TRANSFORMATION UNIT

Beltone's digital transformation journey commenced in 2023 with the establishment of our Digital Innovation and Transformation unit.

The unit is tasked with implementing Beltone's digitalization strategy by building and enhancing digital products, channels, and systems for the Holding and all subsidiaries. It implements enabler systems and robotic process automation (RPA) and streamlines digitized workflows and customer journeys.

The Digital unit works closely with each business area to understand its needs, then it designs tailored solutions.

Once the solutions are approved, it oversees implementation using internal and external resources. Across the organization, the unit is driving initiatives like integrating systems, improving digital processes, and managing risks.

DIGITAL TRANSFORMATION & TECHNOLOGY INNOVATION PROJECTS

The year 2023 marks significant strides in Beltone's digital transformation journey.

During this year, Beltone launched several transformative projects and initiatives, underscoring our commitment to innovation and excellence in the financial services sector.

Among the key projects was:

1. Launch of **seven App** and development of **Beltone Trade App**. **seven App** offers a seamless and intuitive interface for consumer finance clients, featuring advanced security and real-time updates. **Beltone Trade App** will provide a robust platform for users to trade a wide range of financial instruments with ease, equipped with advanced trading tools, real-time market data, and personalized insights.
2. Another notable achievement is Beltone's implementation of **Oracle Fusion Payroll System**. This makes Beltone the first company in Egypt to fully embrace this innovative cloud-based solution.
3. **Oracle Fusion Learning and Development, Oracle Fusion Performance management and Oracle Recruitment (Career Portal implementation)**, as part of Oracle Fusion Cloud Human Capital Management (HCM). We aim to streamline our HR processes, enhancing employee development, and ensuring compliance with the latest regulations.
4. Additionally, Beltone has undertaken significant corporate website upgrades to enhance user experience, accessibility, and functionality. The new design reflects our brand's modern and dynamic nature, while the improved navigation and content management system ensure that visitors can easily find the information they need.
5. The launch of **Mortgage Core System** stands out as Beltone's central hub for managing mortgage loans. This innovative system integrates all aspects of mortgage loan management, from application processing to loan servicing, into a single, user-friendly platform.

SEVEN APP

Our consumer finance subsidiary, seven, launched an app to facilitate consumer purchases of products and services. The seven app represents a shift in consumer convenience, offering customized solutions and adaptable payment options right at the fingertips of users. It serves as a beacon of reliability, speed, and efficiency, empowering consumers to make purchases with ease and confidence.

The seven app embodies the ethos of personalized service, catering to the unique needs and preferences of each customer. By leveraging cutting-edge technology and intuitive design, it seamlessly guides users toward tailored solutions that align perfectly with their lifestyle and financial objectives.

Since its launch, the app has attracted a notable **34,000 registered customers**. Downloads have surged, with an increase of 17,730 from iOS users and a remarkable 42,800 from Google users, reflecting the growing popularity and reach of the application.



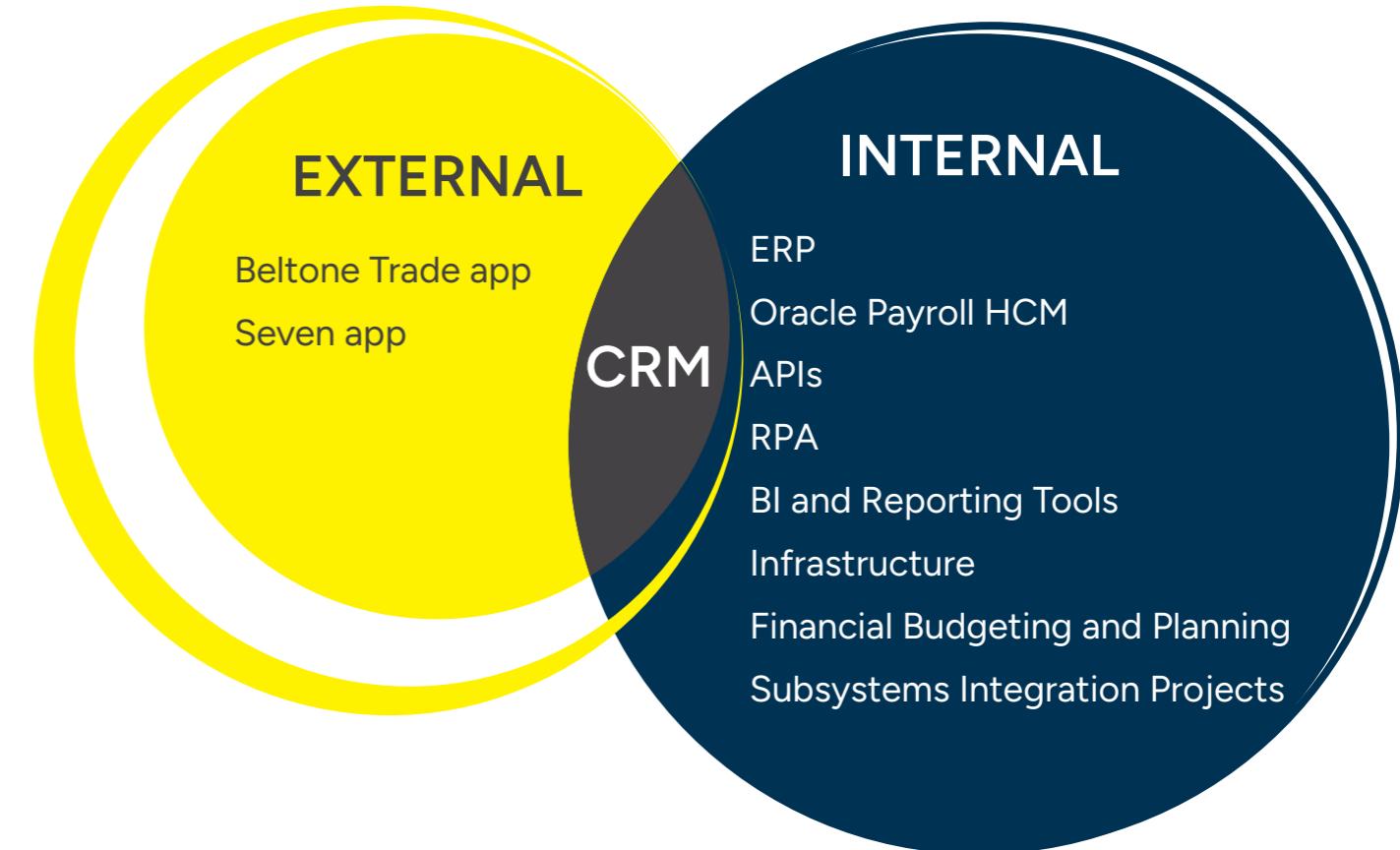
ORACLE PAYROLL

Beltone is proud to announce a significant achievement: the successful implementation of Oracle Payroll, an integral part of Oracle Fusion Cloud HCM. This milestone solidifies Beltone's position as a trailblazer in Egypt, embracing cutting-edge cloud-based solutions ahead of the curve. It reflects Beltone's steadfast dedication to integrating data-driven solutions throughout the organization and enhancing its payroll management and operational efficiency.

By adopting Oracle Payroll, Beltone ensures uninterrupted system availability, enabling smooth and efficient payroll processing while minimizing downtime and ensuring accurate and timely employee payments.

A standout feature of Oracle Payroll is its robust reporting capabilities, which empower the Beltone team with customizable, real-time reporting dashboards that provide valuable insights into payroll data. This equips us with the tools needed to make informed decisions and further optimize payroll operations.

Furthermore, Oracle Payroll seamlessly integrates with other core modules in Beltone's ecosystem, including procurement and finance, creating a centralized data hub that facilitates seamless information flow across departments. This integration enhances data accuracy, reduces manual data entry, and fosters collaboration among teams, strengthening Beltone's organizational cohesion and efficiency.



ROADMAP FOR 2024: TECHNOLOGY INNOVATION AT BELTONE FINANCIAL HOLDING

As we chart our course for 2024, Beltone Financial Holding is committed to advancing our technological capabilities through a series of transformative projects. Our roadmap reflects a strategic focus on enhancing security, operational efficiency, and customer experience.

Here are the key initiatives we are excited to introduce:

1. ISO 27001

We are prioritizing the implementation of ISO 27001 standards to fortify our information security management system. Achieving ISO 27001 certification will affirm our commitment to maintaining the highest standards of data security and integrity, while compliance with FRA 139 will ensure we meet stringent regulatory requirements, reinforcing our reputation as a trusted financial services provider.

2. TECHNOLOGY INNOVATION AT NEW HQ

Our new Sodic HQ will be a beacon of technological innovation. This project encompasses the deployment of advanced IT infrastructure, state-of-the-art communication systems, and cutting-edge workplace technologies. These enhancements will foster a modern, efficient, and collaborative working environment, supporting our growth and enabling us to deliver exceptional services to our clients.

3. ORACLE EPM CONSOLIDATION & BUDGETING

The implementation of Oracle Enterprise Performance Management (EPM) for consolidation and budgeting is a pivotal step in streamlining our financial processes. Oracle EPM will enhance data accuracy, provide valuable insights, and enable more efficient consolidation of financial information. This tool will significantly improve our budgeting process and strategic financial planning.

4. ORACLE RISK MANAGEMENT

Implementing Oracle Risk Management is central to our strategy for enhanced risk mitigation and compliance. This solution will equip us with the capabilities to identify, assess, and manage risks more effectively, ensuring agility and resilience in a dynamic market environment. Oracle Risk Management will strengthen our internal controls, compliance monitoring, and asset protection.

5. BELTONE SME SYSTEM IMPLEMENTATION

We are launching a comprehensive SME system tailored to support the specific needs of small and medium enterprises. This system will streamline operations, enhance service delivery, and provide SMEs with robust tools for growth and development, reflecting our commitment to fostering economic growth and supporting entrepreneurship.

6. BELTONE MORTGAGE SYSTEM IMPLEMENTATION

The Beltone Mortgage System will serve as a central hub for managing mortgage loans. This innovative platform will integrate all aspects of mortgage loan management, from application processing to loan servicing, enhancing efficiency, reducing processing times, and providing clients with a superior mortgage experience.

7. DIGITAL ONBOARDING

Implementing Electronic Know Your Customer (EKYC) processes will revolutionize our customer onboarding and verification procedures. EKYC will enhance security, reduce fraud, and expedite the onboarding process, providing a seamless and efficient experience for our clients.

8. CONTENT MANAGEMENT SYSTEM AND DIGITAL ARCHIVING

We are introducing a sophisticated contract management system coupled with digital archiving capabilities. This initiative will streamline contract lifecycle management, enhance compliance, and ensure secure, easily accessible digital records, driving operational efficiency and reducing administrative overhead.



DATA SCIENCE

The Data Science and Analytics Department at Beltone operates at the holding level, delivering vital services and support to Beltone's subsidiaries, executive stakeholders, and external clients. This department is crucial in helping Beltone's subsidiaries maximize their data assets by developing robust data pipelines, creating advanced analytical visualizations, implementing AI-powered solutions, and providing timely decision support. Additionally, the department offers data science consulting services to external clients.

Key Achievements:

TEAM FORMATION:

Within a year, a top-tier data science team that gathers the market's best talent has been built.

2023 INITIATIVES:

- Launched summer and graduate internship programs, training a total of 105 interns
- Developed sustainable data pipelines for subsidiaries
- Initiated external client engagements
- Enhanced decision-making with AI-driven analytics

FUTURE GOAL

- Implement a new core system to improve operational effectiveness for subsidiaries.

CLIENT PRIVACY

At Beltone, we recognize that client privacy is paramount to building and maintaining trust.

Our commitment to safeguarding client information is reflected across all our subsidiaries, each of which has implemented comprehensive measures to protect data and ensure transparent, fair, and equitable client treatment.

Through rigorous security protocols, transparent communication, and efficient complaint resolution systems, Beltone strives to provide a secure and trustworthy environment for all our clients.

In 2023, none of our subsidiaries identified any leaks, thefts, or losses of client data.



7.

INNOVATIVE MARKETING APPROACHES



7. INNOVATIVE MARKETING APPROACHES

Our marketing and communication strategy is tailored to position Beltone as a disruptive force in the financial sector. Our initiatives focus on strategic brand positioning and targeted communication efforts, with an emphasis on conveying a unique value proposition and providing superior customer experience.

The objectives of our marketing strategy are to reinvigorate our brand to reflect our innovative approach and distinct marketing position and to raise awareness about our services. We are doing this by introducing and highlighting our services through a mix of traditional and digital media channels.

Social Channels

Social media

- Engaging with audiences through platforms that facilitate direct communication and feedback.

Activations and Events

- Creating memorable experiences that bring our brand closer to the public.

Mainstream Media

- Leveraging both print and broadcast mediums to reach a wider audience.

In 2023, we relaunched our brand with a fresh corporate identity. We enhanced our social media presence by incorporating updates on achievements, news, and announcements. Additionally, we onboarded new agencies and developed a comprehensive communications and marketing plan to align with our organizational objectives.

We also participated in internal and external conferences during this past year. Our internal conferences aimed to foster better inter-departmental understanding and collaboration. The external events we attended included the sponsorship of a roundtable discussion and an employment fair. These events align with our strategic objectives of industry leadership and community engagement.

Beltone Financial Holding adheres to internationally recognized standards for ethical marketing and communication, focusing on transparency and respect for consumer rights. Our internal policies, currently under development, will further define the standards and procedures for all marketing and communication activities.

The role of marketing and communications at Beltone consists of the following:

Strategic Messaging

- Developing key messages that support our strategic objectives and conveying them effectively across selected channels.

Brand Perception Management

- Ensuring consistent and positive brand perception and positioning in the public eye.

Since its establishment of Marketing and Communications Department in 2023, this department has worked on laying the groundwork for a comprehensive strategic plan. While significant achievements are yet to be realized, the ongoing efforts in strategic planning and campaign development are setting the stage for future successes. We aim to exceed the expectations of our customers and other stakeholders.

CLIENT SATISFACTION

At Beltone Financial Holding, client satisfaction is a cornerstone of our operations. We are committed to delivering exceptional service and fostering strong, long-lasting relationships with our clients across all subsidiaries. To measure and enhance client satisfaction, we employ a range of metrics and continuously refine our strategies to ensure we meet and exceed client expectations.

We use a comprehensive set of metrics to measure client satisfaction, including:

Metrics	
Referrals and Client Retention	<ul style="list-style-type: none"> We monitor the rate of client referrals and retention, which helps us gauge the loyalty and satisfaction of our clients. High referral rates and client retention are indicators of trust and satisfaction with our services.
Net Promoter Score (NPS)	<ul style="list-style-type: none"> After every client interaction, whether through calls or other means, we conduct NPS surveys to gauge client satisfaction with the service provided and their overall satisfaction level. This feedback helps us identify areas for improvement and maintain high standards of client service.
First Response Time	<ul style="list-style-type: none"> This metric measures how long it takes for our team to respond to a customer's issue or request. By monitoring response times, we ensure that our clients receive timely and efficient support.
Complaint Resolution	<ul style="list-style-type: none"> The number and nature of client complaints, along with the effectiveness and speed of their resolution, are crucial indicators of client satisfaction. We strive to resolve complaints promptly and effectively, ensuring client concerns are addressed and resolved to their satisfaction.
Customer Retention Rate	<ul style="list-style-type: none"> High retention rates are indicative of client satisfaction and trust in our services. We track these rates to ensure we meet the needs and expectations of our clients.
Collection Ratio for Clients' Dues	<ul style="list-style-type: none"> This metric helps us understand the efficiency and reliability of our financial operations. A high collection ratio indicates that clients are satisfied with the financial terms and conditions provided.
Communication Effectiveness	<ul style="list-style-type: none"> Effective communication with clients is vital for building trust and satisfaction. We measure communication effectiveness through feedback and surveys to ensure our clients feel informed and supported.
Portfolio Performance	<ul style="list-style-type: none"> In our Asset Management arm, the performance of client portfolios is a key indicator of satisfaction. We aim to deliver strong, consistent performance that meets the financial goals and expectations of our clients.

To maintain and improve client satisfaction, Beltone Financial Holding employs several key strategies:

Key strategies	
Comprehensive Information Provision	<ul style="list-style-type: none"> We strive to provide our clients with comprehensive information to minimize the need for repeated contact and ensure they are well-informed.
Training and Development	<ul style="list-style-type: none"> Our staff undergo continuous training and development to enhance their skills and knowledge, ensuring they can provide high-quality service and support to our clients.
Feedback Mechanisms	<ul style="list-style-type: none"> We actively seek client feedback through surveys, direct communication, and other channels. This feedback is used to identify areas for improvement and make necessary adjustments to our services and processes.
Transparency and Disclosure	<ul style="list-style-type: none"> We maintain clear and transparent communication with our clients about our products and services, including pricing, terms, and conditions. This transparency helps build trust and ensures clients can make informed decisions.
Data Protection and Privacy	<ul style="list-style-type: none"> Protecting client data and ensuring confidentiality are paramount to our operations. We adhere to standard industry data protection regulations and implement robust security measures to safeguard client information.

SURVEY METHODOLOGY

We start by creating clear objectives for our surveys, identifying specific aspects of the customer experience we want to measure. We then design a well-structured questionnaire that is easy to understand and answer, enabling us to gather valuable insights.

Surveys are distributed through multiple channels, such as emails, our website, and in-person interactions, to ensure we reach a diverse customer base. The survey data is meticulously analyzed to identify patterns, trends, and areas for improvement. Based on our findings, we implement changes to enhance customer satisfaction and improve service quality.

STAFF TRAINING & COMPLAINT RESOLUTION

We equip our staff with the necessary skills to handle complaints empathetically and efficiently through comprehensive training programs. A standardized process for logging and resolving complaints is in place to ensure consistency and effectiveness.

The resolution method for any complaint must be determined and communicated to our customers within 72 hours. Complaints labeled as urgent/high priority are promptly escalated to the executives; repeating complaints and those highlighting similar issues are also treated with high priority.

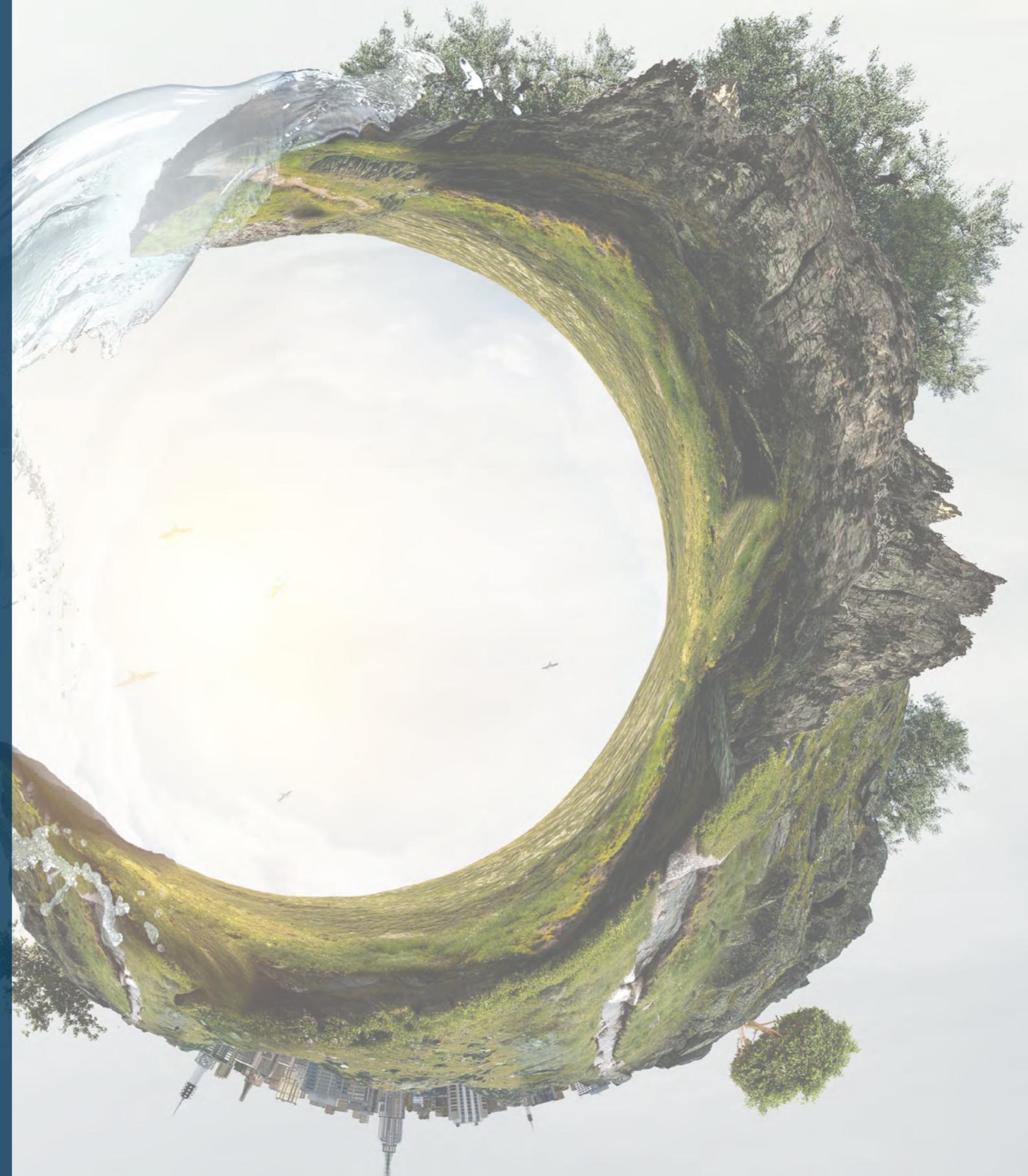
PROACTIVE FEEDBACK HANDLING

We prioritize the prompt handling of complaints and view client feedback as an opportunity for growth and enhancing our services. Our compliance team collaborates with customer service and other teams to identify and rectify any operational pitfalls that may negatively affect our clients, ensuring a seamless client experience.



8.

SUSTAINING NATURE



8. SUSTAINING NATURE



OUR ENVIRONMENTAL PERFORMANCE

ENERGY, WATER, AND WASTE

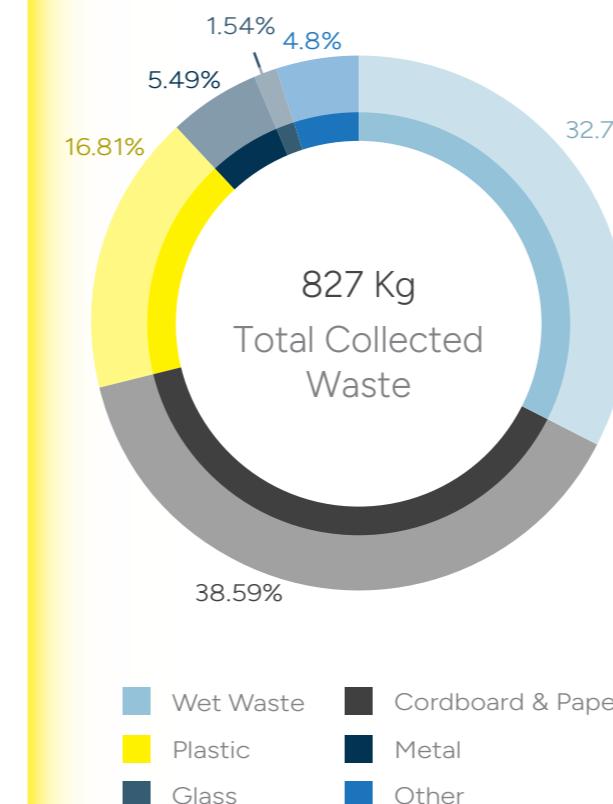
In 2023, our total energy consumption, derived exclusively from non-renewable energy sources, amounted to 285,517 kWh, while the total water usage was 3,178 m³.

We initiated an environmental awareness campaign in late 2023. We distributed posters in toilets and dining areas to promote water conservation, responsible tissue usage, and waste recycling.

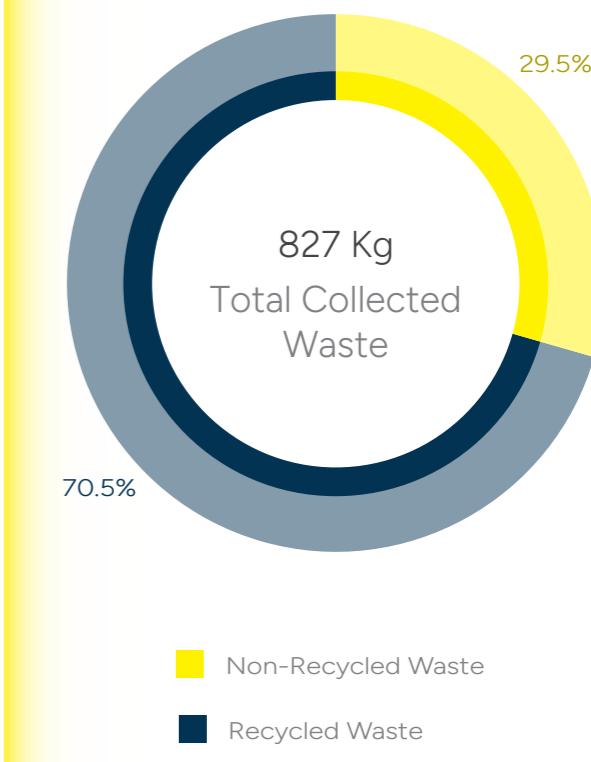
In line with our waste reduction initiatives, we generated 1,640 kg of waste from October to December 2023 and achieved a waste recycling rate of 70%. No hazardous waste was produced during this period.

Throughout October and November 2023, 827 kg of waste were collected, mostly comprising wet waste. Of the total waste, 70.5% (583 kg) was recycled, while the remaining 29.5% (244 kg) was not recycled. The charts below visualize the waste composition and recycling efforts of the Company.

Types of Collected Wastes -
Mid Oct & Nov 2023



Recycled and Non-Recycled Waste -
Mid Oct & Nov 2023



GREENHOUSE GAS EMISSIONS

Our greenhouse gas emissions data is a critical component of our environmental performance evaluation, which is conducted using the consolidation approach. We report our carbon footprint for 2023 in the table below.

Scope 1 Emissions	
Mobile combustion	• 49 mtCo2e
Total Scope 1 emissions	• 49 mtCo2e
Scope 2 Emissions	
Purchased electricity	• 227 mtCo2e
Total Scope 2 emissions	• 227 mtCo2e

Scope 3 Emissions	
Purchased goods and services	• 531 mtCo2e
Capital goods	• 323 mtCo2e
Fuel and energy-related activities not included in Scopes 1 and 2	• 29 mtCo2e
Waste generated in operations	• 6 mtCo2e
Employee commuting + WTT	• 854 mtCo2e
Business travel	• 172 mtCo2e
Total Scope 3 emissions	• 1,914 mtCo2e
Total emissions (Scopes 1, 2, and 3)	• 2,190 mtCo2e

To contextualize these figures in relation to our operational scale, we measured the emissions intensity per full-time employee (FTE) and per square meter of company space. The emissions intensity was 0.57 mtCO2e per FTE and 0.05 mtCO2e per square meter.

These values provide a benchmark for our continued efforts to reduce our carbon footprint and improve our energy efficiency and space utilization. Our aim is to achieve a 42% reduction in Scopes 1 and 2 emissions by 2030.



9.

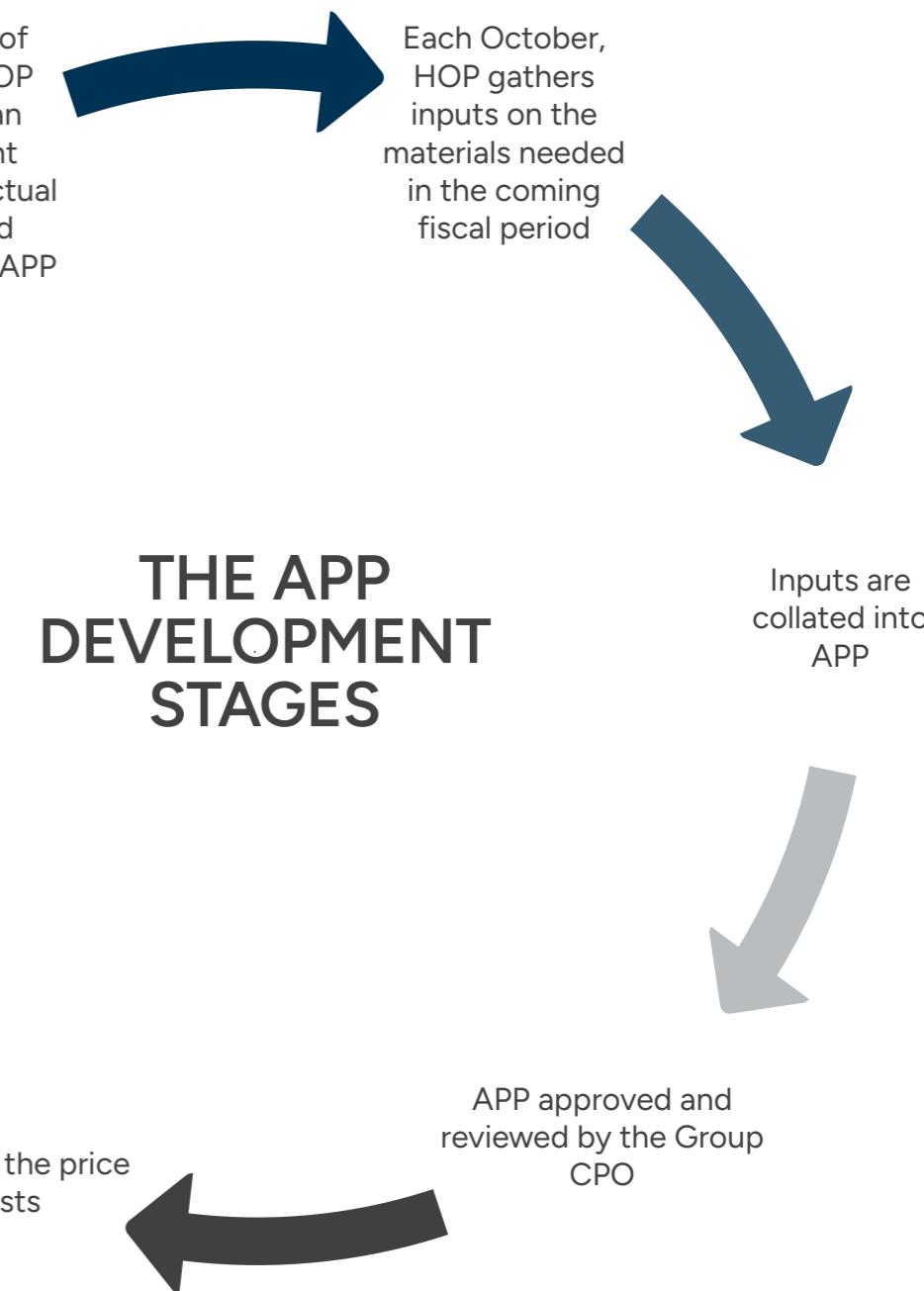
PROCUREMENT DYNAMICS

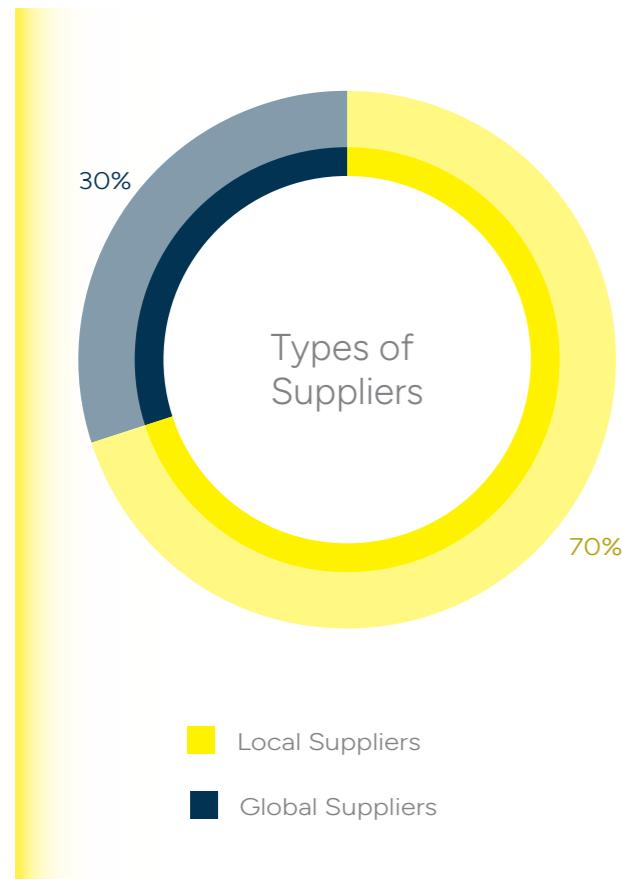
9. PROCUREMENT DYNAMICS

At Beltone Financial Holding, we prioritize supply chain management as an essential strategy for mitigating ESG risks. Our stringent supplier selection process is driven by ethical standards, environmental awareness, and respect for human rights. We require our suppliers to be certified by reputable auditing organizations relevant to their business line. This proactive stance protects us from external supplier-related impacts, promoting a sustainable and responsible supply chain that reflects our core values. We are dedicated to ensuring fair working conditions, prioritizing the well-being of workers, and upholding accountability and transparency.

OUR POLICY

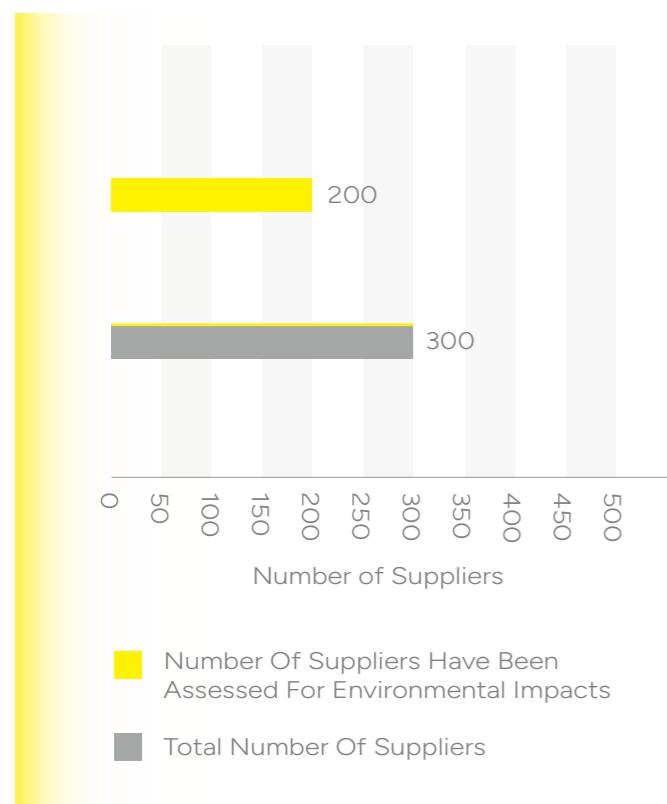
Our procurement team is tasked with completing an annual procurement plan (APP) that outlines Beltone's expected procurement requirements for the year. This formal planning exercise is coordinated by the procurement team in conjunction with the annual budgeting process.





The graph above illustrates the distribution of our suppliers in 2023. Local suppliers constituted 70% of our total supplier base, while global suppliers made up the remaining 30%.

GRAPH 08 | TOTAL SUPPLIERS



This graph indicates that in 2023 we had 300 suppliers, encompassing local and global suppliers. Out of these, only 200 suppliers have been assessed for environmental impacts. Our goal is to increase this percentage significantly in the coming years.



10.

DRIVING SUCCESS
THROUGH OUR
PEOPLE

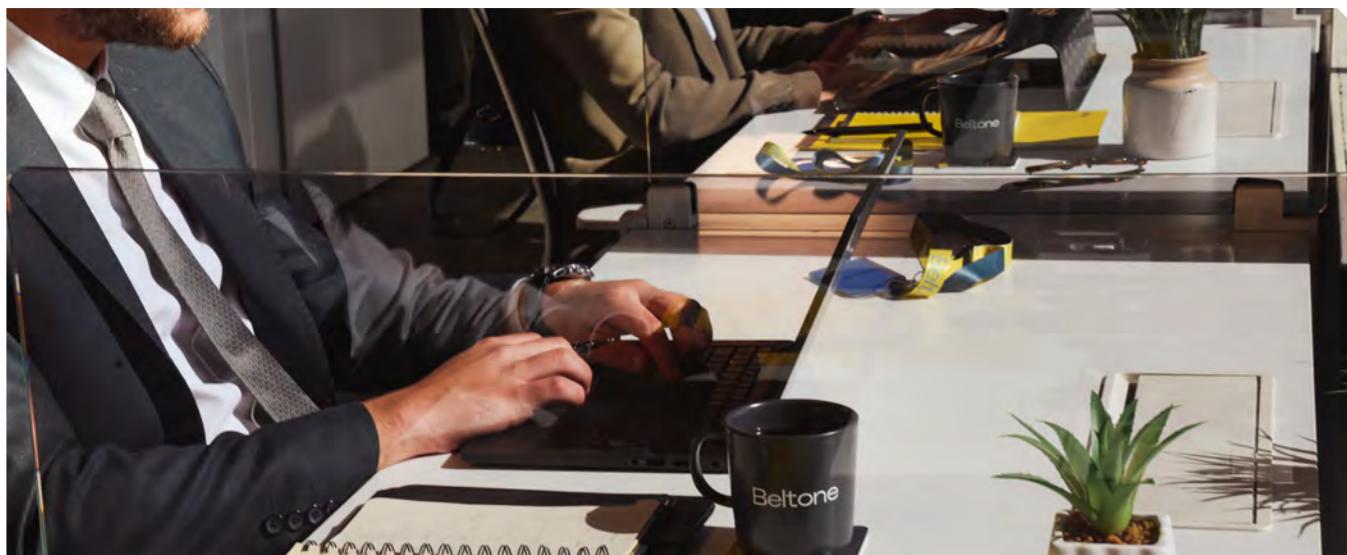
10. DRIVING SUCCESS THROUGH OUR PEOPLE

This section explores Beltone's greatest asset—our human capital. Our employees form the cornerstone of Beltone's success and resilience: they are the fuel that pushes the Holding to new heights and ensures that Beltone remains at the forefront of financial services organizations in Egypt.

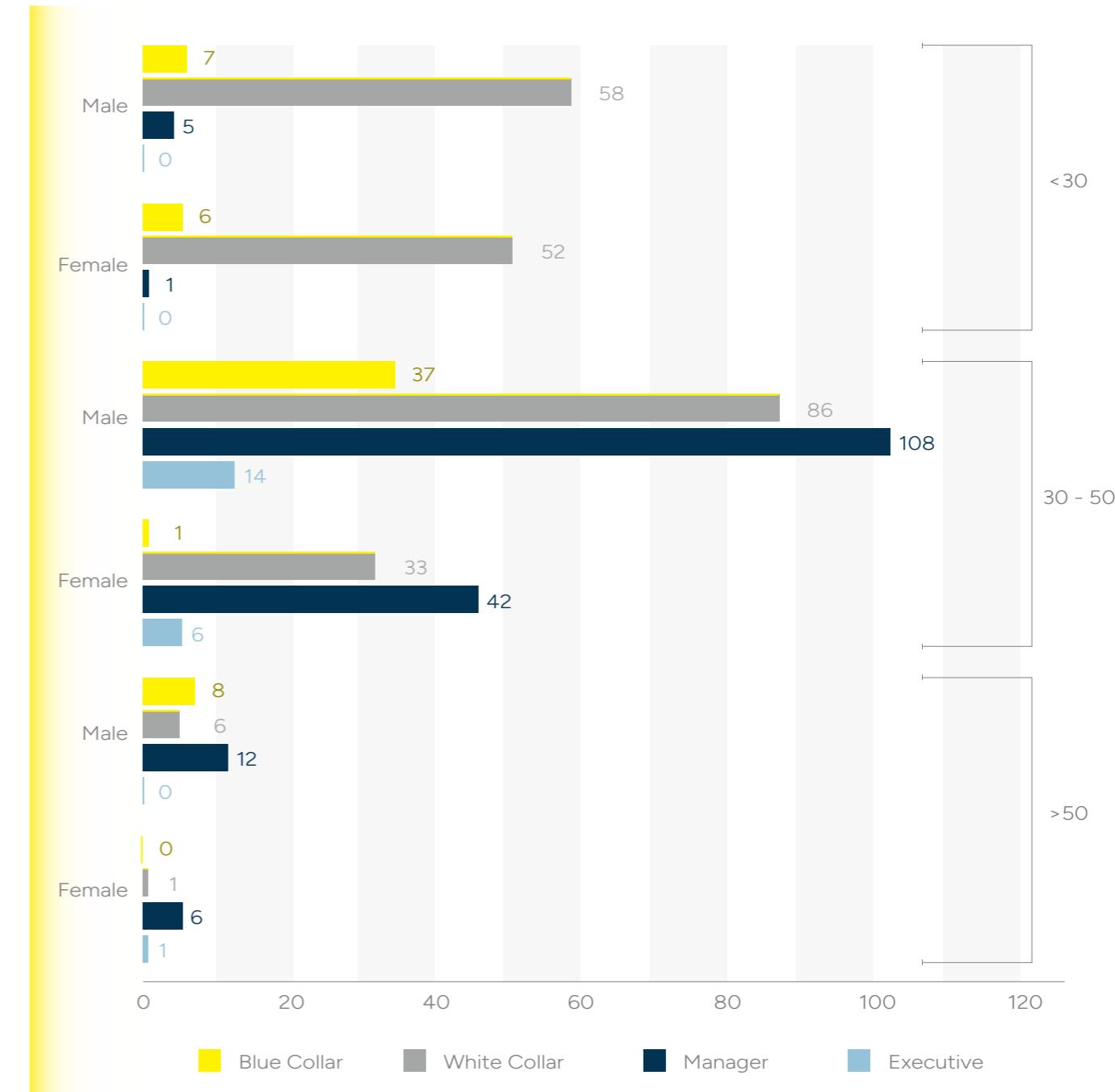
OUR WORKFORCE DEMOGRAPHICS

Beltone upholds diversity and inclusion as core values. Accordingly, the Holding boasts a diverse array of employees, spanning various age groups and encompassing both genders.

490
Full-time
Employees in 2023



GRAPH 09 | EMPLOYEE CATEGORY DEMOGRAPHICS



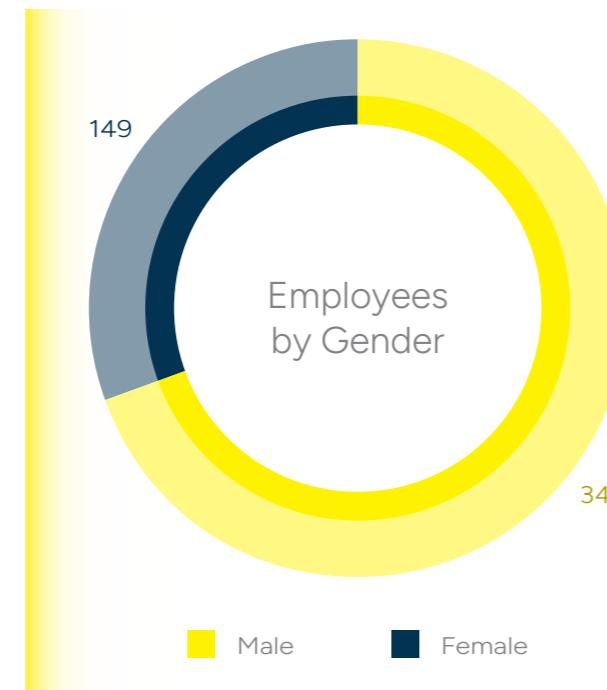
The figure above shows Beltone's workforce distribution across employee categories. Most employees (236) are white-collar workers. We also have 174 managers and 21 executives. Additionally, there were 17 temporary or contracted employees in the reporting period.

Beltone is an equal opportunity employer: we employ personnel without regard to race, ancestry, nationality, ethnicity, language, religion, gender, marital status, or physical or mental disabilities

GENDER DIVERSITY

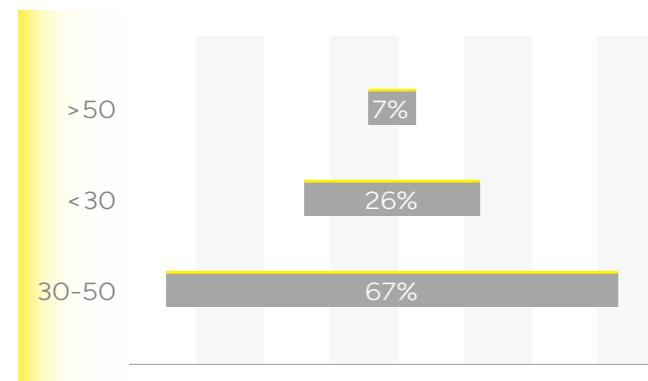
The female representation at Beltone is 30%, with 149 of our 490 employees being women. It is crucial to emphasize that Beltone's recruitment practices prioritize merit and skills above all else, without any form of discrimination based on gender or any other characteristic. Therefore, the gender distribution in our workforce is purely reflective of the talent pool available in the market and current societal dynamics, which are influenced by several systemic factors outside our organization.

Moving forward, Beltone remains dedicated to fostering an inclusive environment where all individuals have equal opportunities for growth and advancement. This includes addressing any barriers that may disproportionately affect certain groups.



AGE DIVERSITY

GRAPH 10 | AGE POPULATION PYRAMID

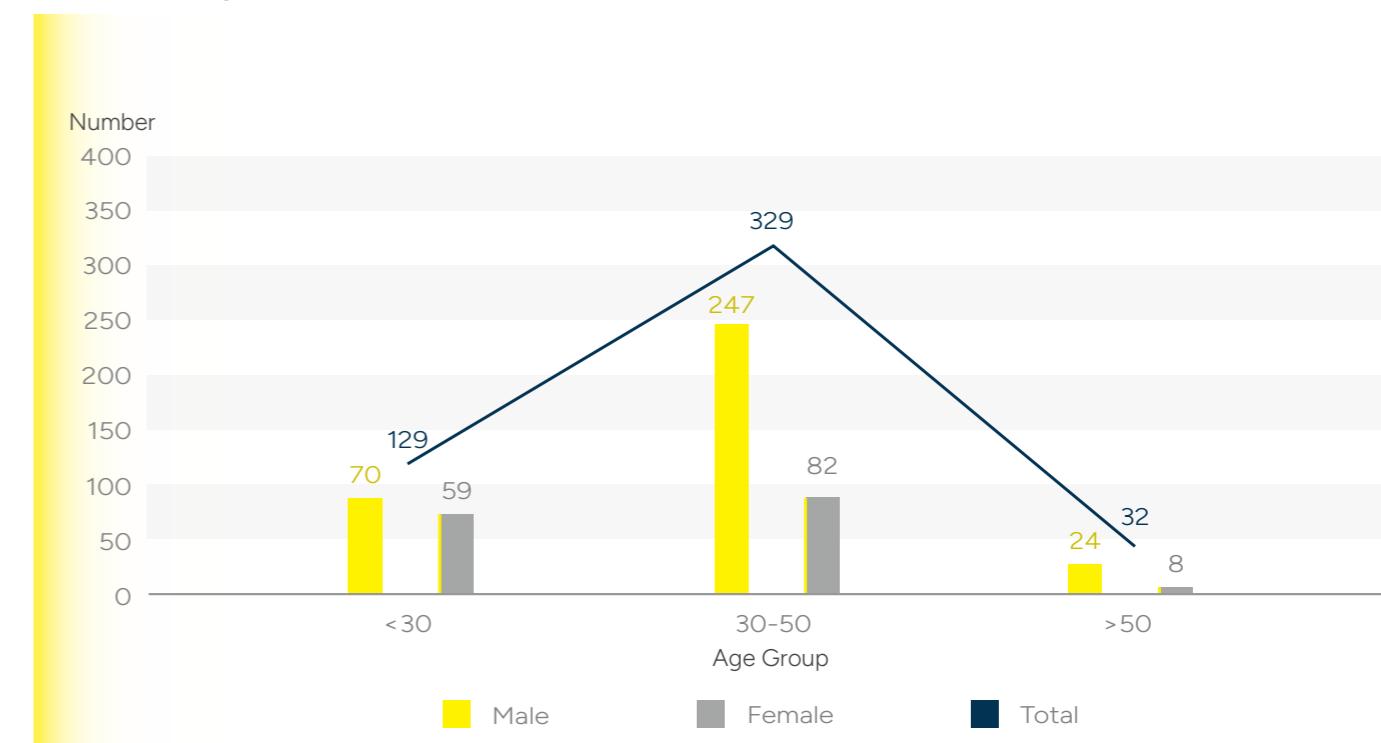


As depicted in the figure above, 67% of our workforce falls in the age bracket of 30–50 years. This demographic segment forms the foundation of our workforce, bringing with it a wealth of experience, dedication, and innovative thinking that are crucial to the Holding's success.

Furthermore, 26% of our workforce is below the age of 30. This youthful cohort brings fresh perspectives, energy, and cutting-edge ideas, ensuring that Beltone remains agile and competitive in the dynamic market landscape.

Beltone also acknowledges the invaluable contributions of individuals aged above 50 years, who constitute 7% of our workforce. Their wealth of experience, wisdom, and institutional knowledge fortify our resilience and ensure continuity amidst changing circumstances. Their mentorship and guidance play an integral role in shaping the next generation of leaders at Beltone.

GRAPH 11 | EMPLOYEES BY AGE BRACKET



As shown in the graph above, employees aged 30–50 constitute the greatest share of female and male employees at Beltone. There is little gender disparity in employees under 30 as 46% of them are women. This parity decreases as the age increases: women form 25% of employees aged 30–50 as well as those aged above 50.

These figures reveal a larger picture that is shaped by historical and cultural factors, particularly in Egypt.

Through higher access to education and evolving cultural attitudes, young women in Egypt are participating in the workforce at higher rates than their predecessors. As a result, gender parity at Beltone is more pronounced in younger age groups.

By embracing age diversity in our workforce and recognizing the unique strengths each demographic brings, Beltone cultivates a rich tapestry of talent, fostering innovation, adaptability, and sustained growth.



INCLUSIVITY AT BELTONE

Beltone provides its employees with an inclusive environment that encourages communication and acceptance, striving to accommodate all employees' needs. As a testament to this dedication, 5% of our workforce are people with disabilities (PWDs).

In partnership with the Wayana Foundation, Beltone proudly launched the Train to Sustain initiative, a transformative program designed to train and employ nine individuals with Down syndrome. As part of our commitment

to empowering people of all abilities in the workplace, this initiative equips candidates with the necessary tools to succeed in the corporate world.

5%
of our workforce
are PWDs



To further bolster this program and extend support to individuals with disabilities, we are planning to organize an employment fair. This event will provide trained individuals with disabilities an opportunity to showcase their abilities to various companies. By promoting equal opportunities for professional success, the employment fair not only benefits individuals but also fosters workforce diversity, enhancing the skills of the labor force.

Our hired PWDs have the same rights as other employees, such as life insurance, medical insurance, and social insurance. To further solidify their inclusion and accommodate their needs, Beltone is providing comprehensive training to all employees on effectively engaging and collaborating with our new colleagues with Down syndrome. This training aims to foster inclusivity and tailor job roles in each department to fit their capabilities.

The following table shows the distribution of our hired PWDs across our subsidiaries.

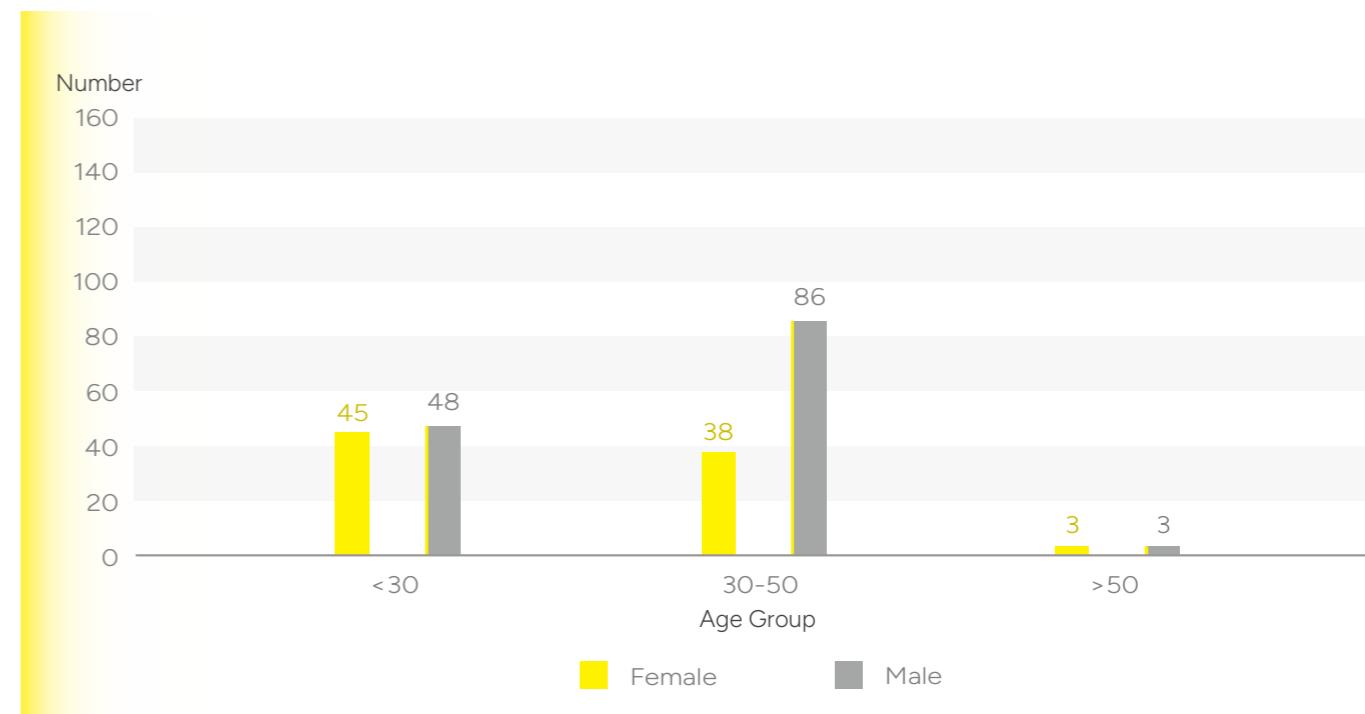
Number of PWDs	Subsidiary
4	Beltone Financial Holding
3	Beltone Consumer Finance
1	Beltone Securities Brokerage
1	Beltone Securities Holding

TURNOVER AND NEW HIRES

New hires form an integral part of the Holding's journey by bringing talent, new perspectives, and boundless potential. As Beltone continues to grow and evolve, the recruitment of new employees plays a pivotal role in shaping the Company's future trajectory.

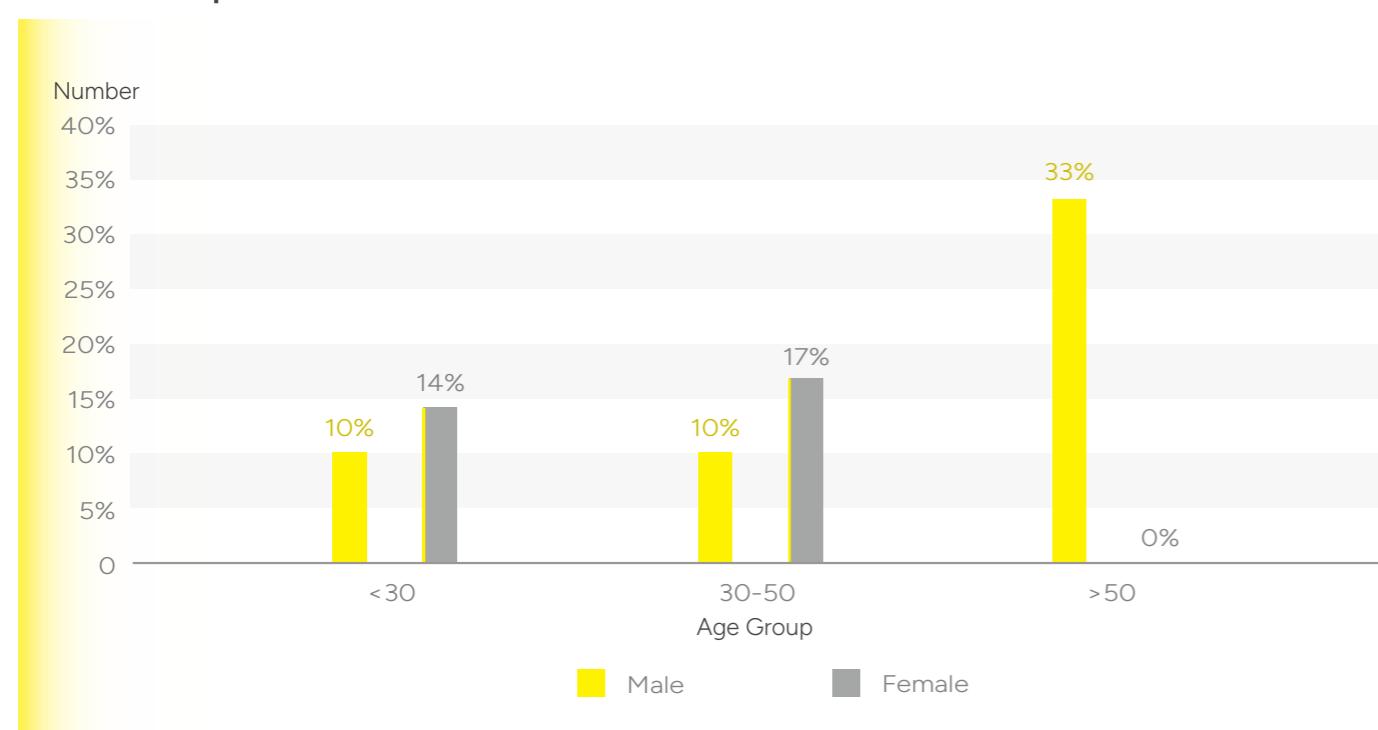
It also embodies our dedication to providing employment opportunities and opening doors to employees from diverse walks of life to take part in our journey toward success and growing knowledge. In line with our strategy and dedication to the economy, all senior management at Beltone are hired from the local community.

GRAPH 12 | NEW HIRES IN 2023



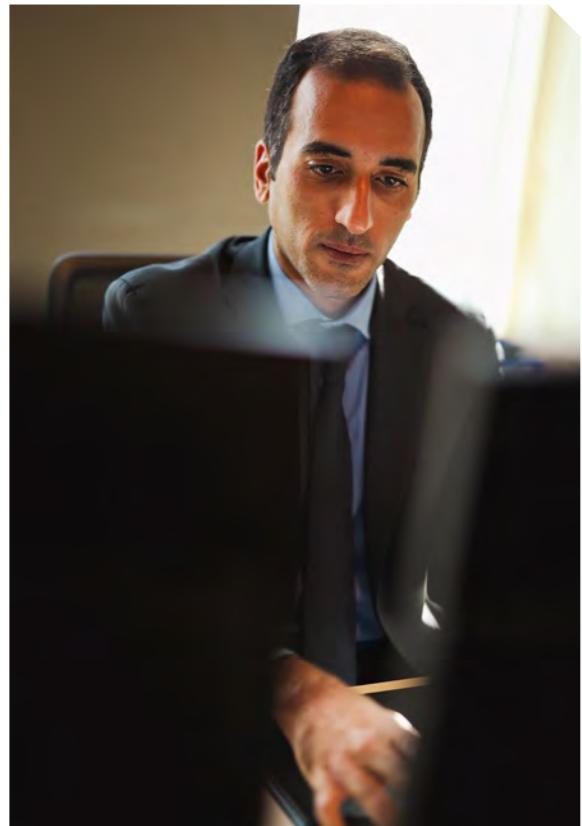
In 2023, 223 new employees were hired, expanding Beltone's human capital and talent pool. As portrayed in the figure above, most new hires were men aged 30–50, although a notable number of new hires were aged below 30. Approximately half of Beltone's new hires below 30 were women, highlighting the fact that gender discrimination is not present in our recruitment process.

GRAPH 12 | PERCENTAGE OF EMPLOYEE TURNOVER



Employee turnover at Beltone is most pronounced for males aged above 50, who recorded a 33% turnover rate. This can be due to several factors, including technological advancements rendering certain skills obsolete, a desire for retirement or reduced working hours, and age-related health concerns impacting productivity and job performance.

Additionally, evolving workplace dynamics and preferences for younger leadership may contribute to a perceived lack of opportunities for career advancement among older employees.



Beltone has had
zero layoffs
in the past three years.

INVESTING IN OUR WORKFORCE

At Beltone, our culture is one of continued success and knowledge gain. We believe our resilience and success are a result of our efforts to expand our workforce's knowledge and remain competitive with novel ideas and innovations in financial services.

We also understand the importance of spreading our values among all our employees to form a cohesive and shared culture. Therefore, we conducted several training programs in the reporting period, covering a wide range of topics that are crucial for Beltone's continued success and integrity.

A total of 12,068 training hours were conducted for 318 employees in 2023. Under the scope of sustainability trainings, health and safety training was conducted for 15 employees. Programs to update employee skills were also provided, including a program enhancing 118 employees' soft skills.



Average Training Hours

Employee	Average Training Hours
Male	• 37.83
Female	• 38.18

In 2023, we achieved an average of 37.95 training hours per employee, reflecting a strong commitment to professional development across the workforce. Notably, the average training hours for male and female employees were nearly identical, at 37.83 and 38.18 hours respectively, demonstrating a consistent investment in training and development regardless of gender.

Upon completion of a training program, all trainees are required to provide an evaluation of the training material, training provider, and instructor. Additionally, direct managers are required to evaluate employees' performance three months after the completion of training.

These requirements allow Beltone to ensure the value and strength of its training programs and their impact on employee performance for training appraisal and future development.

EMPLOYEE BENEFITS AND WELL-BEING

Ensuring the well-being of our employees is essential in fostering a healthy and thriving work environment. Employee benefits play a crucial role in this endeavor, serving as a cornerstone of support and motivation at Beltone.

MEDICAL INSURANCE



LIFE INSURANCE



PARENTAL LEAVE



PENSION



MOBILE LINES AND SETS



CARS



PILGRIMAGE LEAVE



COMPASSIONATE LEAVE



Beltone provides various medical coverage programs to its employees based on their job grade. Life insurance is provided by a service provider under its terms and conditions, with the maximum eligible age of 65. In its valuation of employees' work-life balance, Beltone ensures that all female employees are entitled to parental leave.

Only one female employee took parental leave in the reporting period and returned to work after it ended. Beltone also provides an optional pension plan that is financed by a separate fund. Employees contribute 3% of their income to the fund, while the fund covers 6% of the liabilities.

For all employees whose job responsibilities necessitate the regular use of mobile phones and the Internet, a mobile line and handset are provided as essential tools to facilitate daily tasks.

Every three years, employees receive a new mobile handset, and ownership of the previous handset is transferred to them. Employees can select their preferred mobile handset from the options outlined in the Mobile Set Eligibility Table in the HR policies and procedures manual.

Furthermore, Beltone encourages career mobility and development. Our employees have access to the Global Transfer Form for transferring between Beltone subsidiaries and the Internal Transfer Form for transferring within the same department or different departments in the same subsidiary.

In recognition of the importance of compassion and in alignment with our values, two additional days of annual leave are added to employees' annual leave balance in the event of the death of a first-degree relative. Employees are also entitled to book up to one month of paid annual leave to perform pilgrimage to Mecca or Jerusalem after completing a minimum of five years of continuous service.

GRIEVANCE MECHANISM

It is vital for the Holding that employees voice their concerns and grievances freely through our specialized channels. Grievances provide room for improvement and ensure employee satisfaction.



Grievance
communicated to the
direct manager

Direct manager
refers the grievance
to the next level of
management

Grievance raised to
the HR senior manager
and/or CPO for final
determination

Our grievance mechanism follows three stages as outlined in the figure above. In stage one, employees take up grievances informally with their direct manager and arrangements are made to discuss the grievance.

If the complaint is against the employee's direct manager, the employee should take up the complaint with the HR business partner in their subsidiary. Stage two occurs when a solution is not reached within five working days of the grievance being raised.

The grievance is referred by the employee's direct manager to the next level of management, and an appropriate member of the HR Department may be invited to attend by either party. If the grievance is still unresolved within five working days of presentation to the higher management level, stage three takes place and the matter is raised to the head of HR and/or Chief People Officer (CPO) for final determination.

REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

Regular performance and career development reviews are essential components of nurturing a motivated and engaged workforce.

These reviews serve as pivotal moments for employees to reflect on their progress, receive constructive feedback, and outline their career aspirations. In the reporting period, 40% of female employees and 60% of male employees have received regular performance and career development reviews.

EXIT INTERVIEW

Exit interviews are conducted for all employees leaving Beltone. This allows us to gain valuable insights into the reasons behind departures and inform change and improvement.

At Beltone, these interviews have prompted the re-evaluation of financial factors influencing exits as we recognize the importance of addressing such concerns to enhance employee retention. Exit interviews also allow us to provide feedback on the employee's performance for their reference.

EMPLOYEE SATISFACTION

Our dedication to enhancing working conditions is driven by our unwavering endeavor to raise our employees' satisfaction. We firmly believe that investing in our employees not only fosters a supportive workplace culture but also directly correlates with increased employee satisfaction, ultimately leading to heightened morale and productivity.

Our comprehensive benefits packages and continuous efforts to improve working conditions are strategically designed to prioritize the well-being and satisfaction of our employees. By providing competitive benefits and fostering a positive work environment, we empower our employees to thrive professionally and personally, thereby building a prospering Holding.

HEALTH AND SAFETY

Our employees' health and safety at Beltone are of utmost importance to us; therefore, we have implemented an occupational health and safety management system. To implement the system and ensure its effectiveness, we have established a dedicated Health and Safety Committee.

Furthermore, 15 employees, representing Beltone's departments, have attended comprehensive health and safety training organized by the OSHA organization. Several actions were taken post-training to enhance safety on Beltone's premises:

- Placed well-stocked first aid tool kits on each floor to provide accessible, immediate medical assistance in case of injury or emergency
- Installed 17 fire extinguishers across all floors
- Planned evacuation training for all Beltone subsidiaries
- Created an email address for the Health and Safety Committee



11.

CONNECTING
WITH SOCIETY



11. CONNECTING WITH SOCIETY

Our commitment to connecting with society is deeply ingrained in our operations and culture. We believe in creating a positive impact on society through various initiatives that align with our core values.

UN WOMEN AND THE WOMEN'S EMPOWERMENT PRINCIPLES

We have partnered with UN Women to evaluate and enhance our performance in gender equality across seven key principles.

These principles comprise leadership commitment, equal opportunity, health, safety, training, supply chain management, and community engagement and transparency. This partnership highlights our dedication to promoting gender equality in our organization and the broader community.



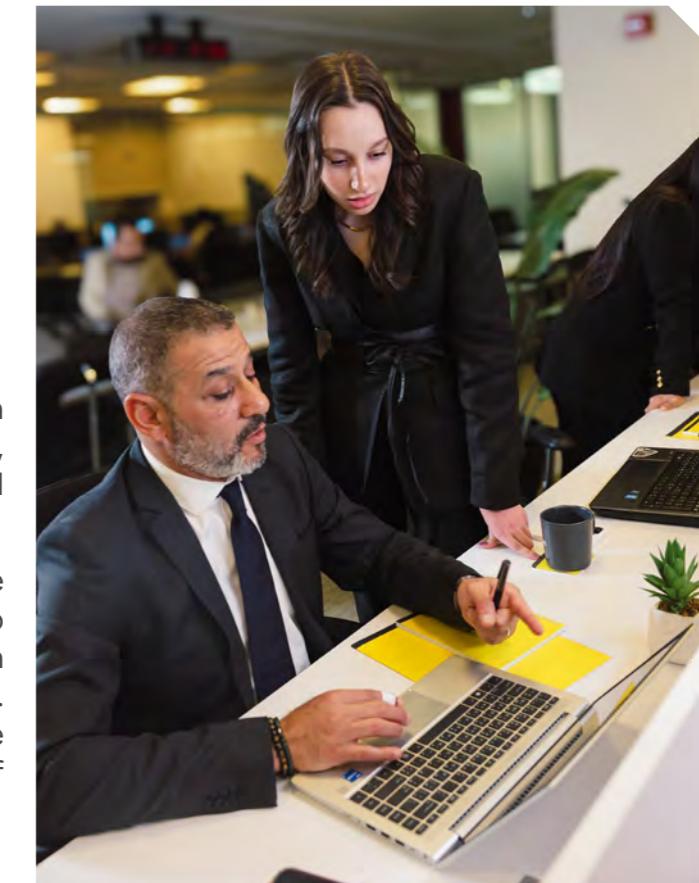
CASH FOR MICROFINANCE

A wholly owned subsidiary of Beltone Financial Holding has signed an agreement with the Challenge Fund for Youth Employment to launch the Underprivileged Entrepreneurs Reach Project with a total investment of EGP 60 million. This project aims to provide financing to entrepreneurs, particularly women and the youth, to empower the next generation of business leaders and foster economic growth.

INVESTMENT BANKING

Beltone Investment Banking has played a crucial role in supporting the sports, healthcare, and education sectors through our diversified portfolio of advisory services.

These transactions not only strengthen the financial performance of these sectors but also have a positive impact on the general health and productivity of the Egyptian population. By focusing on these vital areas, we contribute to the overall well-being and development of society.



12.

INDICES

12. INDICES

GRI INDEX

Beltone has reported the information cited in this GRI content index for the year 2023 with reference to the GRI Standards.

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
General Disclosures					
2-1 Organizational details	Beltone at a Glance	14			
2-2 Entities included in the organization's sustainability reporting	Our Business Landscape	84			
2-3 Reporting period, frequency and contact point	Report Parameters	4			
2-4 Restatements of information			Not Applicable	This is Beltone's First Sustainability Report	
2-5 External assurance	Assurance Letter	180			
2-6 Activities, value chain and other business relationships	Our Business Landscape	84			
2-7 Employees	Driving Success through Our People	144			
2-8 Workers who are not employees			Information Unavailable		
2-9 Governance structure and composition	Our Corporate Governance	42			

GRI 2: General Disclosures 2021

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	Pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
General Disclosures					
2-10 Nomination and selection of the highest governance body					Confidentiality Constraints
2-11 Chair of the highest governance body		Our Board of Directors	44		
2-12 Role of the highest governance body in overseeing the management of impacts		Board Responsibilities	48		
2-13 Delegation of responsibility for managing impacts		Our Approach to Sustainability	22		
2-14 Role of the highest governance body in sustainability reporting		Board Responsibilities	48		
2-15 Conflicts of interest		Integrity in Our Conduct	50		
2-16 Communication of critical concerns		Stakeholder Identification and Management	53		
2-17 Collective knowledge of the highest governance body		No, but we are working on conducting ESG workshop to enhance their sustainability knowledge			
2-18 Evaluation of the performance of the highest governance body				Confidentiality Constraints	
2-19 Remuneration policies		Board Nomination and remuneration		Confidentiality Constraints	
2-20 Process to determine remuneration		Board Nomination and remuneration		Confidentiality Constraints	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	Pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
General Disclosures					
2-21 Annual total compensation ratio				Confidentiality Constraints	
2-22 Statement on sustainable development strategy	CEO Message	8			
2-23 Policy commitments	Integrity in Our Conduct	50			
2-24 Embedding policy commitments	Integrity in Our Conduct	50			
2-25 Processes to remediate negative impacts	Risk Management Framework, Grievance Mechanism	55 153			
2-26 Mechanisms for seeking advice and raising concerns	Integrity in Our Conduct, Grievance Mechanism	50 153			
2-27 Compliance with laws and regulations	Integrity in Our Conduct	50			
2-28 Membership associations	Our Approach to Sustainability, Connecting with Our Society	22 158			
2-29 Approach to stakeholder engagement	Stakeholder Identification and Management	53			
2-30 Collective bargaining agreements	Not available				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	Pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
Material Topics					
GRI 3: Material Topics 2021				3-1 Process to determine material topics	Materiality Assessment
				3-2 List of material topics	Materiality Assessment
Economic Performance					
GRI 201: Economic Performance 2016				201-1 Direct economic value generated and distributed	Our Business Landscape, Economic Performance
					84 78
				A Sustainable Portfolio,	108
				201-2 Financial implications and other risks and opportunities due to climate change	Risk Management Framework,
					55
					Analysis of the Material Topics
				201-3 Defined benefit plan obligations and other retirement plans	Employee Benefits and Well-being
Market Presence					
GRI 202: Market Presence 2016				202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Above 100% for both Genders
				202-2 Proportion of senior management hired from the local community	Turnover and New Hires
					149

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	Pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
Indirect Economic Impacts					
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Our Business Landscape	84		
		A sustainable Portfolio	108		
		Procurement Dynamics	138		
Procurement Practices					
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Procurement Dynamics	138		
Anti-corruption					
GRI 205: Anti- corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-money Laundering	51		
	205-2 Communication and training about anti- corruption policies and procedures	Anti-Money laundering	51		
	205-3 Confirmed incidents of corruption and actions taken	Zero			
Anti-competitive Behavior					
GRI 206: Anti- competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	Pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
Energy					
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Sustaining Nature	132		
		Greenhouse Gas Emissions	134		
		302-3 Energy intensity		Information Un- available	
GRI 303: Water and Effluents 2018	302-4 Reduction of energy consumption			Information Un- available	This is Beltone's first year for reporting on sustainability and its carbon footprint
		302-5 Reductions in energy requirements of products and services		Information Un- available	This is Beltone's first year for reporting on sustainability and its carbon footprint
Water and Effluents					
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Sustaining Nature	132		
		303-2 Management of water discharge-related impacts	Sustaining Nature	132	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	Pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
Emissions					
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions	134		
	305-2 Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions	134		
	305-3 Other indirect (Scope 3) GHG emissions	Greenhouse Gas Emissions	134		
	305-4 GHG emissions intensity	Refer to Beltone's Carbon Footprint Report			
	305-5 Reduction of GHG emissions	Integrating Sustainability Across Initiatives	108		
	305-6 Emissions of ozone-depleting substances (ODS)			Information Unavailable	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			Information Unavailable	
Waste					
GRI 306: Waste 2020	306-1 Waste generation and significant waste- related impacts	Sustaining Nature	132		
	306-2 Management of significant waste-related impacts	Integrating Sustainability Across Initiatives	108		
	306-3 Waste generated	Sustaining Nature	132		
	306-4 Waste diverted from disposal	Sustaining Nature	132		
	306-5 Waste directed to disposal	Sustaining Nature	132		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	Pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
Supplier Environmental Assessment					
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria			Procurement Dynamics	138
	308-2 Negative environmental impacts in the supply chain and actions taken			None	
Employment					
GRI 401: Employment 2016	401-1 New employee hires and employee turnover			Turnover and New Hires	149
				Employee Benefits and Well-being	152
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees				
	401-3 Parental leave			Employee Benefits and Well-being	152
Labor/Management Relations					
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes			None	
Occupational Health and Safety					
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system			Health and Safety	155
	403-2 Hazard identification, risk assessment, and incident investigation			Not Ap- plicable	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	Pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
Occupational Health and Safety					
403-3 Occupational health services		Employee Benefits and Well-being	152		
		Health and Safety	155		
403-4 Worker participation, consultation, and communication on occupational health and safety		Health and Safety	155		
403-5 Worker training on occupational health and safety		Health and Safety	155		
403-6 Promotion of worker health		Employee Benefits and Well-being	152		
		Health and Safety	155		
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Employee Benefits and Well-being	152		
		Health and Safety	155		
403-8 Workers covered by an occupational health and safety management system		Throughout the company			
403-9 Work-related injuries		None			
403-10 Work-related ill health		None			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	Pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
Training and Education					
GRI 404: Training and Education 2016					
404-1 Average hours of training per year per employee		Investing in Our Workforce	151		
404-2 Programs for upgrading employee skills and transition assistance programs		Investing in Our Workforce	151		
404-3 Percentage of employees receiving regular performance and career development reviews		Regular Performance and Career Development Reviews	154		
Diversity and Equal Opportunity					
GRI 405: Diversity and Equal Opportunity 2016					
405-1 Diversity of governance bodies and employees		Board Composition	45		
405-2 Ratio of basic salary and remuneration of women to men		Our Workforce Demographics	144		
Non-discrimination					
GRI 406: Non-discrimination 2016					
406-1 Incidents of discrimination and corrective actions taken		Anti-Discrimination	51		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	Pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
Freedom of Association and Collective Bargaining					
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Not available		
Child Labor					
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor		Not available		
Forced or Compulsory Labor					
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		Not available		
Security Practices					
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures		No		
Rights of Indigenous Peoples					
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples		Not Applicable		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Section Name	Pg. No.	OMISSION	
				REA- SON	EXPLANA- TION
Local Communities					
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs		Microfinance	99	
Supplier Social Assessment					
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria		None		
Public Policy					
GRI 415: Public Policy 2016	415-1 Political contributions			Legal prohibitions	
Customer Privacy					
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		Zero		

SASB Content Index:

TOPIC	METRIC	Page Number	TOPIC	METRIC	Page Number
Transparent Information & Fair Advice for Customers	1) Number and (2) percentage of licensed employees and identified decision-makers with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings		Financed Emissions	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	In Progress
	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers			Total amount of assets under management (AUM) included in the financed emissions disclosure	In Progress
	Description of approach to informing customers about products and services	124		Percentage of total assets under management (AUM) included in the financed emissions calculation	In Progress
Employee Diversity & Inclusion	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) professionals, and (d) all other employees	144	Business Ethics	Description of the methodology used to calculate financed emissions	In Progress
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability-themed investing, and (3) screening			Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anticompetitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	Zero
	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment or wealth management processes and strategies	26		Description of whistleblower policies and	KPIs for External Sustainability
	Description of proxy voting and investee engagement policies and procedures				

United Nations Global Compact (UNGC) Index:

UNGC Principle	Statement	Page Number
Human Rights		
Principle -1	Businesses should support and respect the protection of internationally proclaimed human rights; and	50 138
Principle -2	Make sure that they are not complicit in human rights abuses.	50 138
Labor		
Principle -3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Not Available
Principle -4	The elimination of all forms of forced and compulsory labor;	50
Principle -5	The effective abolition of child labor; and	50
Principle -6	The elimination of discrimination in respect of employment and occupation.	50 144

UNGC Principle	Statement	Page Number
Environment		
Principle -7	Businesses should support a precautionary approach to environmental challenges;	108
Principle -8	Undertake initiatives to promote greater environmental responsibility; and	108
Principle -9	Encourage the development and diffusion of environmentally friendly technologies	108
Anti-corruption		
Principle -10	Businesses should work against corruption in all its forms, including extortion and bribery.	50



Independent Limited Assurance Statement

To the Board of Directors

Beltone Holding

Dcarbon for Environmental Consultancy (DCarbon) is a sustainability consultancy firm registered under Egyptian law no. 159 for the year 1981 and its executive regulation. Dcarbon is a certified Global Reporting Initiative (GRI) training partner and a GRI Gold Community member. Our main goal is to assist public and private organizations in understanding and addressing their economic, environmental, and social impact.

Beltone Holding (BFH) engaged Dcarbon to perform an Independent Limited Assurance review for the consolidated sustainability report covering the year starting January 1st, 2023, and ending December 31, 2023 ('the Report').

Engagement Summary

Scope of DCarbon assurance engagement: Whether the 2023 information, data, and narrative presented in the Report are fairly presented following the reporting criteria.

Reporting criteria: The GRI Sustainability Reporting Standards (GRI Standards 2021).

Assurance level: Limited assurance.

Respective responsibilities: Belton Holding Management is responsible for preparing the report content per the reporting criteria and selecting the disclosures to be verified. DCarbon, on the other hand, is responsible for providing conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgment. This clear division of tasks ensures a comprehensive and unbiased report review.

BFH management's responsibility includes selecting and applying appropriate methods for preparing the report and making plausible assumptions and estimates of non-financial disclosures under the given circumstances. The responsibility further includes the internal controls, which management has determined necessary to prepare a sustainability report free from misstatement, whether due to fraud or error.

DCarbon's engagement with BFH has revealed the active and integral role of BFH's leadership and management in governing the release of this report. Their commitment and involvement, along with the dedicated sustainability team and departmental focal persons, have significantly contributed to the quality of this report, demonstrating commitment to sustainability.

Assurance Scope, Boundary, and Limitations

The Scope covers BFH Governance, Business Strategy and Policies, Materiality Assessment, and stakeholder engagement process.

The Boundary covers data and information captured across its operational and business lines. It includes the Head Office support functions, Corporate Governance, and stakeholders' engagements as part of this assurance and as indicated in the Report.

The Limitation: the limited assurance review process was conducted with utmost thoroughness. It included sustainability data and information for operations in Egypt from 01 January 2023 to 31 December 2023, per the GRI Standards.

TRAINING PARTNER

2024

**SUSTAINABLE
DEVELOPMENT
GOALS**

Assurance scope excludes:

- Data and information in the Report outside the reporting period indicating historical data to establish the narrative for the reporting period disclosures or forward-looking statements by BFH.
- Verification statements indicating testimonials, opinions, success stories, and/or aspirations.
- Verification of claims (limited to data and information presented).

Assurance procedures

The assurance was conducted by **DCarbon's multidisciplinary independent team of experts** in auditing economic, social, and environmental information and abiding by our values of integrity, confidentiality, professional competence, objectivity, and due attention.

The nature, timing, and extent of procedures followed were based on engagement with relevant departments and senior management at BFH and the sustainability focal points delegated by the Board of Directors. Executive Management was responsible for identifying material sustainability issues, establishing and maintaining appropriate internal performance management, and developing the relevant systems for the reported data.

Mr. Mohamed Sherif, Ms. Mariam Hany, and Eng. Ali Zaki, DCarbon's Senior Sustainability analysts, supported aligning GRI standards, data mining, and verification processes.

Assurance activities included procedures to obtain evidence about the reliability of the disclosures:

- Interview the employees delegated by BFH regarding the sustainability Policy, principles, and management.
- Matching the non-financial disclosures shown in the report with the documents provided.
- Review the evidence of internal policies, procedures, and strategy documents provided by BFH.
- Review of materiality and stakeholders' engagement process deployed by BFH.
- Evaluation of data collection processing and monitoring for the GRI disclosures.
- Review of the Report narrative to ensure that there is no misrepresentation of disclosures as per the scope of assurance and our findings.

Conclusion

Our opinion has been formed based on the outcome of the activities performed outlined. Considering the risk of material error, we believe that the evidence we have obtained is sufficient and appropriate to provide the basis of our conclusion.

Based on our activities, nothing has come to our attention to indicate that the 2023 sustainability report information and data are not fairly presented in accordance with the reporting criteria. **This GRI in Accordance Report meets all the GRI Standards requirements.**

Dr. Ehab Shalaby, Ph.D.



Chairman & CEO

**SUSTAINABLE
DEVELOPMENT
GOALS**

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