

## Acknowledgments

### About this Report

This is Elsewedy Electric's first consolidated sustainability report. The report covers our social, economic and governance performance from the year of the company's inception to 2017. We intend to continue reporting annually on our progress and activities. This report has not been externally assured. During the data collection process, all data was collected by each relevant department contact person and shared on a secure platform to allow each department head to verify the information internally before it was sent to the Global Compact Network Egypt (UNGCNE) Foundation Sustainability Report Writing Team. This report was produced for Elsewedy Electric in collaboration with the GCNE Foundation.

Elsewedy Electric's mission, vision and core values were considered when identifying the reporting topics, data, boundaries and scope of the current report. This report outlines Elsewedy Electric's vision to be a global leader in the delivery of integrated energy services and solutions. This report provides an overview to our governance structure, operations, companies, industry innovations, environmental impact, corporate social responsibilities, engagement with local communities, learning and research. Additionally, the report serves as our Communication on Progress to the UN Global Compact Network in Egypt and a sustainability report for suppliers, vendors and clients across the Group. It discloses our performance in areas that are important to our stakeholders, including employees, industry, the government, community partners, and customers. Elsewedy Electric focused on the human aspect of sustainability by providing better living standards, increasing access to healthcare and education, and reducing gender inequalities. As an international conglomerate, we also consider at the economic aspects of sustainable cities and communities, job opportunities, decent work environments and economic growth.

## Message from our Group CEO

Businesses have the power to make a difference in the world and truly change societies for the better. We built our business on three pillars: excellency in products and services, knowledge of our customers and a desire to succeed in all we do.

Elsewedy Electric started as a family business and has grown over the years to become an international conglomerate. Our success centers on our ability to provide integrated energy solutions to clients around the globe. Despite a turbulent global environment, economic hardship and unprecedented market changes, we have been able to continue pursuing our goals and achieving consistent financial growth. Our strong sense of teamwork and impressive solutions allowed us to achieve all of our key financial targets in 2017; our revenues reached EGP 42.9 billion and were driven by strong results across all business lines. Our remarkable industry achievements – which include reaching the 4800MW mark at Beni Suef Combined Cycle Power Plant – signal the beginning of a new era of power generation with Elsewedy Electric leading the way for the energy industry. We are empowering people to do more while using fewer resources.

In recent years, we have continued to innovate as an energy company, excelling in all areas, including renewables. Ongoing development of our employees, research ecosystem and IT system as well as centralization of all industries has paved the way for the continued sustainability of our business and our ability to execute strategies to achieve exponential growth.

Sustainability is a part of our corporate culture and workplace environment; it is embedded in the values system of every single one of our employees. As firm believers in our moral obligation to society, Elsewedy has maintained our commitment to our communities even during years of significant transitions. All companies across the Group work to implement our policy and vision for reducing our carbon footprint. By complying with environmental laws and regulations, we mitigate the environmental impacts of all our business lines, factories and facilities. In 2017, our energy commodity consumption targets for electricity and fossil fuel were set at 27,567.275 MW and 71,681 MWH/kg respectively. We strive to reduce our impact on the environment and conserve natural resources while reducing operational cost and improving output. To us, protecting the environment includes minimizing our negative impact in areas such as air emissions, wastewater and solid waste management while also promoting an internal culture of environmental awareness and efficient use of commodities and raw materials.

Elsewedy Electric strives to add value to the lives of all people we encounter through our operations, whether they are employees, customers or community members. Through continued strong governance and partnerships with local entities and NGOs, Elsewedy Electric will continue to contribute positively to local and global communities.

Ahmed Elsewedy  
CEO

## Mission, Vision, Values and Corporate Culture

### Corporate Vision, Mission, Core Values and Beliefs

Elsewedy Electric's mission is to safely deliver efficient integrated energy solutions, exceptional expertise and superior service to our customers and communities. As a Group, we are working toward one unified vision: to become a global leader in delivering energy services and value to customers.

We have identified five values that guide all of our operations and help us achieve our mission.

1. Integrity
  - *Be ethical, honest and transparent*
2. Customer Satisfaction
  - *Offer an exceptional customer experience locally and globally*
  - *Deliver quality products and services and innovative solutions*
3. Excellence
  - *Excel in every aspect of our business*
  - *Approach challenges with a determination to succeed*
4. Ownership, Commitment and Collaboration
  - *Assume responsibility for actions and decisions*
  - *Execute and deliver with a sense of urgency*
  - *Demonstrate equality, humility and respect for others*
  - *Collaboration and teamwork*
5. Innovation
  - *Identify, develop and deploy leading edge technology*
  - *Pursue improvement tools*

### Corporate Strategy

We believe building a strong strategic foundation is crucial to achieving our mission and vision. Our customer value proposition of providing integrated energy solutions on a global scale serves as a basis for our strategic intent.

We develop our Group-wide strategy around our three main pillars: power, building and developing sustainable value. Our corporate strategy team has identified three corresponding strategic themes to guide all companies, business lines and services provided across Elsewedy Electric Group.

1. Grow the Core Business – Power Products and Services (EPCS)
  - *Differentiate offerings by innovation and quality*
  - *Build our business development engine, cultivate renewables, water, oil and gas, and transportation*
  - *Establish a presence in new markets*
  - *Defend and grow our market leadership in target markets*
2. Build Operational Excellence
  - *Deliver cost-effective and high-quality products and services to local and global customers*

- *Enhance internal efficiency processes and measures*
  - *Instrument CSR and sustainability measures focused on education, health, community engagement, and volunteering*
3. Develop Customer Relationships
- *Increase revenues through strategic alliances and partnership with new players*
  - *Gain recurring businesses through partnerships with key accounts using company-to-company and company-to-country approaches*
  - *Broaden customer base*

# A History of Change and Shaping the Future of Integrated Energy Solutions

## History

Elsewedy has existed in the Egyptian market since 1938, when we established ourselves as a trader in the field of electrical equipment. Back then, the Elsewedy family-run business began with small roots and grew to dominate the Egyptian market. Thanks to a combination of integrated strategies, clear leadership and valuable team players, by 1960 we became Egypt's first specialized cables distributor. 1984 was another pivotal year that saw Elsewedy become Egypt's first private manufacturer of cables with the establishment of our production plant Arab Cables.<sup>1</sup> Over the next 30 years Elsewedy Electric would grow exponentially, establishing factories, acquiring companies, and innovating across our local and international value chain. All of our progress has been made with the goal of providing superior products and solutions.

## Timeline of Change

### 1938-2000

- 1938** | Elsewedy family started its business as a trader in electrical equipment
- 1960** | Company evolved from acting as a trader to become the only distributor for specialized cables in Egypt
- 1984** | Elsewedy became Egypt's first private sector cables manufacturer, **Arab Cables**
- 1996** | Established second factory specializing in power cable manufacturing for export, **EgyCables**  
Established first plant for producing PVC compounds and Master Batch, **EgyPlast**
- 1997** | **United Industries** established to produce special cables, fiberglass poles and telecom solutions  
**Elastimold Egypt** established to produce cable accessories (joints and terminations)
- 1998** | Established **United Metals Co. UMC**, our first factory for copper rods  
Established **SEDCO** for cable accessories (joints and terminations)

### 2000-Present

- 2002** | First factory outside Egypt, **Giad Elsewedy Cables**, established in a joint venture with Giad
- 2003** | Established **Sudatraf** for transformers and cable accessories
- 2004** | Established **Italsmea Elsewedy**, a joint venture with Italsmea Italy for trading, producing and assembling electrical items for the oil and gas sector, LNGs, nuclear power stations and hazardous projects (Elsewedy SEDCO for Petroleum Services)
- 2005** | Established **Elsewedy Cables Syria**, an industrial facility
- 2006** | Established **Elsewedy Electric Ghana**
- 2007** | Established **Elsewedy Electric Syria** for transformers  
Established **United Wires** for galvanized steel wires
- 2008** | Established **Elsewedy Cables Algeria**  
Established **Solera** for renewable energy  
Established **Elsewedy Electric Zambia**  
Acquired 70% stake in **ECMEI** for electrical insulators (stake has since grown to 75%)  
Acquired 100% stake in **Iskraemeco** (Slovenia) for energy measurement and management systems  
Acquired 30% stake in **M. Torres Olvega Industrial** (Spain) for wind energy generation
- 2009** | Established **Elsewedy Cables KSA**  
Established **Elsewedy Cables Ethiopia**  
Established **Elsewedy Cables Yemen**

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<sup>1</sup> Name of the production plant at time of establishment; name was later changed to ElsewedyElsewedy Cables across the Group

- Established **Elsewedy Transformers Egypt**  
Acquired a majority stake in **Power System Projects (PSP)**
- 2010** Group renamed to **Elsewedy Electric**  
Increased stake in **M. Torres Olvega Industrial** to 90%  
Established **Siag Elsewedy Towers**, a joint venture with Germany-based SIAG  
Established **Doha Cables**  
Established **Elsewedy Electric Nigeria LTD**  
Acquired a majority stake in **3W Networks**  
Acquired a majority stake in **Rowad Modern Engineering**

## Elsewedy Electric Group

At Elsewedy Electric, we develop technologies and solutions to manage energy and different processes safely, reliably, efficiently and sustainably. Investment throughout the group ensures innovation, differentiation of our products and services from those of competitors, and a strong commitment to sustainable development. We deliver solutions best suited to our environment that improve efficiency and cut operational costs. Together with all of our subsidiaries, we are a global leader in integrated energy solutions and a regional provider of connected technologies that reshape our industries, transform cities and enrich lives. In addition to producing cables, transformers (distribution and power), switchgears, insulators, meters (electronic and smart), and light poles, among other products, we act as a total provider in the energy sector offering a complete energy management metering solutions, integration of communication, and digital and smart grid solutions.

Elsewedy Electric is one of the largest engineering and constructing contractors in the Middle East and Africa as well as a major manufacturer of electrical products globally. We currently have production facilities in over 14 countries and a family of more than 14,000 employees. Elsewedy Electric exports our products to more than 110 countries.

### Group Structure

The sectors in which our companies include the following:

#### Wires and Cables

- Egytech
- United Metals
- EgyPlast
- United Wires
- United Industries
- Elsewedy Cables (Egypt, Algeria, KSA, Ethiopia)
- Doha Cables
- Libya Cables
- Giad Elsewedy Cables
- UEIC Elsewedy

#### Engineering and Contracting

- Elsewedy Electric T&D

- Elsewedy Electric Transmission & Distribution Free Zone Company (projects outside of Egypt)
- Elsewedy Electric Trading & Distribution (projects inside Egypt)
- Power System Projects
- Elsewedy Power Projects India
- Elsewedy Power
- R&D Tech
- Elsewedy Engineering

### **Transformers**

- Elsewedy Transformers Egypt
- Sudatraf
- Elsewedy Electric Zambia

### **Telecom**

- Comcore – United Industries
- 3W Networks

### **Energy Measurement and Management**

- [Iskraemeco](#)
- [ISKRA AME.SI](#)

### **Electrical Products**

- [Elsewedy SEDCO](#)
- [Elastimold Egypt](#)
- [ECMEI](#)
- [Elsewedy SEDCO for Petroleum Services](#)
- [United Industries-Fiber Glass Poles](#)

### **Wind Energy Generation**

- [SWEG- Elsewedy for Wind Energy Generation](#)
- [SET](#)

### **Primary Brands, Products and Services**

Since our inception, Elsewedy has transformed into a fully integrated energy solutions provider delivering raw materials (such as metals and plastics), inputs (across the spectrum of wires, cables and electrical products), contracting and turnkey infrastructure projects, and electricity generation.

All business lines and factories fall under two categories that coincide with our focus on providing integrated energy products through superior solutions.

### *One-Stop Shop*

We provide our innovative products through:

1. Elsewedy Cables, *cables & accessories*
2. Elsewedy SEDCO, *electrical products*

3. Iskraemeco, *energy management systems*
4. Elsewedy Transformers, *transformers*

Our One-Stop Shop system is a result of our companies cooperating seamlessly to provide customers with all energy-related products. Through strategic synergies and the centralization of information across the Group, we simplify the process of buying energy products for customers.

#### One-Stop Shop: Elsewedy Cables

Elsewedy Cables works on the *cables and accessories* aspect of our One-Stop Shop. The *cables and accessories* sector represents the largest sector of Elsewedy Electric Group. With over 25 years experiences in cable manufacturing and delivery of calibrated equipment, state-of-the-art machinery and high-quality raw materials, we guarantee client satisfaction across the world. All products comply with industry certification requirements, European standards, and the international and specific standards for individual products. We develop a wide range of products across nine divisions:<sup>2</sup> power cables, special cables, fiber optic cables, winding wires, cables accessories, raw materials, insulators and fittings, explosion proof equipment and fiberglass poles.

All products are provided by our factories operating under Elsewedy Cables:

- Egytech Cables
- United Industries
- Elsewedy Cables Egypt
- Elsewedy Cables Algeria
- Elsewedy Cables KSA
- Doha Cables
- Elsewedy Cables Ethiopia
- Elsewedy SEDCO
- Elsewedy SEDCO for Petroleum Services
- United Metals
- United Wires
- EgyPlast
- SedPlast
- UEIC
- ECMEI
- Elastimold

#### One-Stop Shop: Elsewedy SEDCO and Elastimold

SEDCO consists of four separate companies that can be categorized into two groups: A and B. Elsewedy SEDCO and Elastimold are subsidiaries of Elsewedy Electric that fall under the Group A category and produce, sell and install cable accessories, joints and terminations of a voltage range up to 220 kV to both local and international markets. All products and services are distinguished from their counterparts by their use of state-of-the-art production equipment and adherence to the highest quality standards and testing procedures.

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<sup>2</sup> See pages 12-17 of our Profile 2017 for our full product range and specifications



Group A companies include Egyptian Company for Advanced Industries, Elsewedy SEDCO for Electrical Industries and Elastimold Egypt, a joint venture with Elastimold USA owned by Thomas & Betts Group and recently acquired by ABB. Through our Group A companies, we provide and install power cable joints of low, medium and high voltage up to 220KV; power cable terminations of low, medium and high voltage up to 220KV; cable accessories (metal and bi-metal parts); and cable link boxes.

#### One-Stop Shop: Elsewedy SEDCO for Petroleum Services

Elsewedy SEDCO for Petroleum Services is a subsidiary of Elsewedy Electric that works as an integrated system providing electrical bulk material for the oil and gas sector, LNGs, nuclear power stations and hazardous projects (Group B). Elsewedy SEDCO for Petroleum Services operates within the Middle East and Africa and is committed to becoming the leading integrated system provider of special electrical equipment for all projects classified as hazardous areas across all sectors. To offer the highest standards of products and services, we have established technology partnerships with numerous leading equipment manufacturers such as Thomas & Betts, Indelec, CMP, Elastimold (an authorized distributor of Eaton Crouse Hinds) and Kortian. Through SEDCO for Petroleum Services, we provide explosion proof electrical equipment; industrial hazardous area cable glands and accessories; cable accessories; earthing systems; lightning protection systems; solar street lighting systems; and cable trays, support and grating systems.<sup>3</sup>

#### One-Stop-Shop: Iskraemeco

The name Iskraemeco stems from *Iskra*, the Slovenian word for *spark*. Elsewedy Electric acquired Iskraemeco (Slovenia) in 2008 in a move to consolidate our presence in the European market. Since then, we have established a total of three factories in Slovenia, Egypt and Malaysia. As of 2017, Iskraemeco has a market share of 70% of the Dutch electricity market. Iskraemeco aims to provide energy companies with products and services that overcome challenges they may. As one of the world's most advanced producers of metering equipment and services, we believe that sustainability, consumer satisfaction and operational efficiency are the key elements of building a smarter grid system. Not only do we supply meters that address diverse market demands alongside a variety of communication options; we also assist energy companies in shaping the future of energy generation and management. Our full range of products and services span the following divisions: electricity meters, communication tools, software solutions and support services<sup>4</sup>

#### One-Stop Shop: Elsewedy Transformers

Elsewedy Transformers entered the market in 2005 as a manufacturer of a wide range of transformers that comply with the quality expectations of domestic and international markets. Started as a pilot program in Sudan, Elsewedy Transformers experienced enormous success allowing Elsewedy Electric to expand the business line. Our ability to develop world-class power transformers can be fully credited to our four plants in Egypt and Zambia.

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<sup>3</sup> See ElsewedyElsewedy SEDCO Product Catalogue for product specifications, standards and further details.

<sup>4</sup> See pages 20-21 of ElsewedyElsewedy Electric Profile 2017 for product specifications, standards and further details.

Our plants are fully furnished with state-of-the-art equipment that is managed by highly skilled engineers and technicians who ensure each aspect of the process – from design to dispatch – adheres to our quality benchmarks and international standards. As of 2017, production capacity is at 10,000 MVA per year. Elsewedy Transformers focuses on products across the following divisions: power transformer; oil-immersed transformers; cast resin dry transformers; and installation, testing, training and maintenance.<sup>5</sup>

### *Turnkey Solutions*

We offer superior solutions and turnkey contracting through our business lines:

1. Elsewedy Electric PSP, *power generation*
2. Elsewedy Electric T&D, *power transmission distribution*
3. Rowad Modern Engineering, *construction infrastructure*
4. Elsewedy Power, *projects development and renewable energy*
5. 3W Networks, *telecom solutions*
6. Elsewedy Development, *industrial development*

Our turnkey solutions segment delivers electricity-generating assets as well as transmission and distribution networks on an engineering and construction basis. We focus on servicing the power sector with strong capabilities that extend to large and complex infrastructure, industrial and commercial products. Our capabilities across the project life cycle include engineering and construction; development and investment; financial solutions; project services such as feasibility studies and commissioning; and operation, management and maintenance.

Our record of accomplishment ranges from various power station technologies to electricity transmission and distribution grids. We are known for prioritizing safe and timely delivery of high-quality solutions at competitive prices regardless, of project conditions or deadlines. This has allowed us to become a leading player in engineering, procurement and construction activities across the Middle East and Africa.

### *Turnkey Solutions: Elsewedy Electric Power Systems Projects*

Our *Power System Projects* (PSP) business line is considered to be a major emerging EPC contractor with extensive experience in power generation and HV substation projects. When we first acquired PSP, its revenues made up only 5% of Group revenues; this contribution has increased more than 500% over the past five years. Elsewedy PSP provides engineering, procurement and construction services through our multi-faceted full-time project management services, including engineering, procurement, construction (electrical, mechanical), commissioning (testing and commissioning) and project support services.<sup>6</sup> The sectors we serve are power, industrial, infrastructure and utilities.

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<sup>5</sup> See pages 24-25 of Elsewedy Electric Profile 2017 for service specifications, standards and further details.

<sup>6</sup> See pages 32-33 of Elsewedy Electric Profile 2017 for service specifications, standards and further details.

### Turnkey Solutions: Elsewedy Electric Transmission and Distribution

Our *Transmission and Distribution (T&D)* business encompasses the design, engineering, procurement and management of installation activities for electrical power transmission and distribution projects on a turnkey basis. We aspire to become a global leader in providing safe and environmentally friendly energy solutions for the growing infrastructure needs of our clients across the Middle East and Africa. We serve the complete value chain of the energy sector – from power generation to transmission and distribution – through our integrated energy solutions. We have achieved our Group-wide goal of expanding employment opportunities for Egyptian citizens at five of our projects in 2017. Elsewedy provided employment opportunities to a total of 1,335 Egyptian workers, each of whom gained valuable experience and skills. The scope of our work encompasses the following areas: mobile turbines, renewable energy (wind, solar), overhead transmission lines, distribution networks and substations.<sup>7</sup>

When it comes to transmission and distribution, we serve the power (transmission and distribution), utilities and infrastructure sector, and our electrical lines and substations are mainly built through the following process:

1. Selection of the technology and routes
2. Functional description of equipment adapted to needs
3. Design and engineering studies
4. Construction and project management
5. Testing, commissioning and handover

### Turnkey Solutions: High Voltage and OPGW Cables | Solutions Elsewedy Cables

We maintain a 97% share in the Egyptian market for cable solutions and service a sizeable network of clients in the MENA region Turkey and Asia by supplying and installing high voltage (HV) and OPGW cables. With an annual production capacity of 22,800 tons and 70% of production designated to fuel export demand, we are the leading manufacturer of HV and extra high voltage (EHV) cables of up to 500KV in the Middle East. Our OPGW installation method, which encompasses both offline and live-line installations, has allowed us to innovate within the industry by installing with both circuits energized. This in turn has set Elsewedy Cables apart from our competitors.<sup>8</sup> We offer integrated EPC solutions for power transmission, power generation, EHV substations and infrastructure projects.

### Turnkey Solutions: ROWAD Modern Engineering, RME

RME is one of Egypt's most reputable contractors; the company also has a strong reputation and growing operations in Algeria, North Africa, Chad and Mozambique. Through our partnerships with major international civil engineering and specialist contractors, we are able to take on large-scale multidisciplinary projects, deliver high quality results and prevent errors. Our customer satisfaction program serves as a guide, ensuring that we deliver high-quality products that exceed the markets' requirements. We offer services in the areas of infrastructure, industrial and power, commercial and special buildings, monument restoration and structural repair, and reinforced earth systems<sup>9</sup> to clients in the infrastructure, industrial, power and commercial sectors.

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<sup>7</sup> See pages 34-35 of the ElsewedyElsewedy Electric Profile 2017 for a full list of service specifications and details.

<sup>8</sup> See page 37 of the ElsewedyElsewedy Electric Profile 2017 for a full list of service specifications and details.

<sup>9</sup> See pages 38-39 of ElsewedyElsewedy Electric Profile 2017 for a full list of service specifications and details

### Turnkey Solutions: Elsewedy Power

Elsewedy Power develops, designs, builds, owns and operates assets in the power industry focused on both power generation and transmission and distribution. We outsource our corporate capabilities and expertise by cooperating with experienced developers, EPC contractors and equipment suppliers. As for our sectors and clientele base, we focus on emerging and growing markets in which Elsewedy Electric Group has already established a strong position. Our solutions focus on the areas of transmission and distribution, rural electrification, and independent power. We implement these solutions through long-term project structure financing, deferred payment options (with tenures up to 10 years), and PPP formulas, such as build operate (BOO/BOOT) or build lease (BLT/BL).

Elsewedy Power recognizes the importance of investing in renewable and the growing market share they represent. We believe in achieving diversification at a strategic level through circulated energy mixes. While we do not rely solely on renewables because they are intermittent sources of energy, we focus on using them to save energy, cut down on emissions and improve the environmental sustainability of the products and services we offer. This business line includes our renewable energy segment, established in 2008, that is responsible for providing wind and solar energy solutions. Through cooperation of all Group companies, we provide specialized and complete services to the wind and solar energy markets through our diverse product portfolio.<sup>1</sup> The sectors we serve in Sub-Saharan Africa, MENA and Eastern European countries are power and renewable energy.

### Turnkey Solutions: 3W Networks

We offer our Telecom Solutions through 3W Networks, a world-class telecom and security systems integrator operating in the Middle East, Africa and Asia Pacific regions. We focus on providing integrated communication solutions to the oil and gas, power utilities, telecom operators, transport, and infrastructure sectors. We offer our clients a full range of complete turnkey and fully integrated solutions to suit any application involving telecommunication, radio, voice and data, safety, security and fiber optics. Elsewedy offers flexible solutions for the oil and gas industry, reliable solutions for power utilities industry, cost-effective flexible solutions for the transport sector, delivering end-to-end solutions for the telecommunications industry and advancing solutions to the commercial sector. Our company's portfolio includes consulting and telecom FEED; detailed design and engineering; project management; system integration and FAT; installation, integrated system testing and training; and support, operation and maintenance.

We have established long-standing technological partnerships with a number of leading equipment manufacturers including Cisco, Huawei, GE Digital Energy, Schneider, Amphenol Telect, DNWP, Bosch and Ericsson to provide the optimal solution to our customers. Our communications solutions cover physical security systems, connectivity solutions, radio systems, communications backbones, ELV systems, network systems and cyber security systems.<sup>1</sup> The sectors we serve include oil and gas, power and water utilities, transport, telecom operators and commercial.

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<sup>1</sup> See page 40 of the Elsewedy Electric Profile 2017.

<sup>1</sup> See pages 42-43 in Elsewedy Electric Profile 2017 for full solution specifications and details.

### Turnkey Solutions: Elsewedy Development

As a strong believer in community development and active private sector involvement in promoting sustainability, we are committed to serving our society in an efficient and responsible manner through Elsewedy Development. Under this umbrella, we offer development solutions through two companies: PI Parks (Industrial) and SLP (Logistics).

#### **Industrial Development- PI Parks, *Pyramids Industrial Parks***

PI Parks is Egypt's leading master industrial developer with a current land bank of 5 million square meters. Our partners in specialized entities include Elsewedy Electric, SIAC Holding, elCONSOCI Barcelona, GAFI, the Industrial Development Authority and Al Oula Real Estate Development. Through these partnerships, we have already developed three industrial parks: Industria West, Industria East and Al Oula

All industrial parks include clusters comprising food processing, engineering, textile, building materials, other clean industries and logistics. We offer utilities such as irrigation tanks, drainage and irrigation network, natural gas networks, water tanks, surveillance cameras, distributor rooms, domestic water network and firefighting, communication networks, electricity networks, street lighting, road networks and water treatment station. Thus far, we have attracted EGP 4 billion in foreign and local direct investments for our current projects in 10<sup>th</sup> of Ramadan and 6<sup>th</sup> of October Cities.<sup>1</sup>

#### **Logistics Development- SLP, *Elsewedy Logistics Properties***

In response to our success in the industrial development sector through PI Parks and Al Oula, we established SLP in 2017 as a specialized logistical property developer. Today, we aim to become the leading company in the Middle East and Africa within the field of logistical properties and adjacent specialized logistics solutions. SLP One is the company's first state-of-the art logistical property with 14,000 square meters of warehouse space. SLP has partnered with DB Schenker Egypt (the property owners) to co-develop innovative and sizable logistics assets across the Middle East and Africa.

### Industry Innovation

At Elsewedy Electric, we aspire to shape the future of integrated energy solutions. Research and development (R&D) plays a key role in our efforts to act as an innovator and pioneer across all of our business lines and companies.

### Research and Development

Our R&D department is primarily located at our subsidiary Iskraemeco in Slovenia. We have a team of more than 100 electrical engineers dedicated to developing innovative products, raising industry standards and providing sustainable, integrated energy solutions for our clients. R&D is a vital aspect to our business; this understanding is reflected in the fact that 15% of Iskraemeco's worldwide revenues are reinvested solely in the R&D department.

### Product Innovations

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<sup>1</sup> Visit [www.piparks.com](http://www.piparks.com) for more information on our industrial parks and full service specifications.

All of our business lines and turnkey solution companies ensure that our products and services meet the highest standards for quality, safety and consumer satisfaction. To ensure our continued success and reputable standing in the industries in which we operate, all companies have quality assurance departments that improve our products lifecycles, sustainability, environmental friendliness and safety specifications. At **Elsewedy Transformers**, we offer customers products with a guaranteed durability of over 50 years.

Our solar-photovoltaic cables were designed to meet the most stringent industry standards; we use high-grade raw materials designed to support a minimum product lifetime of 25 years. Cables are flame retardant, impact resistant, halogen free to IEC, highly temperature resistant, water resistant, abrasion resistant, highly tear resistant, low corrosive gas to emission IEC, ultraviolet radiation resistant, ozone resistant, oil and water resistant, and environmentally friendly.

In order to protect our brand equity and the reliability of our products on the market, we have developed several methods to better differentiate our genuine products from copies. Elsewedy Cables' trademark color-coding prevents replication of our genuine products and ensures easy identification for our quality control department. All cables have standardized weight specifications that further distinguish them from counterfeit products on the market.

To minimize theft and design fraud, at **Elsewedy SEDCO** we have established a team of engineers who work on customizing the designs of our systems by adding in new features and exploring ways to renew products and increase production. All engineers regularly attend trainings and workshops across the globe to remain up-to-date on the latest industry developments.

**STA** is a licensed ICDL training center. In cooperation with our internal IT department, we have designed special courses and programs for the academy. Any successful courses are also made available for buyers to generate revenues for STA; this allows the academy to remain financially independent from the Group.

Through **ECMEI**, we produced the first 500 KV Polymer Insulator on the Egyptian market. Our insulators are the result of more than 15 years of research and development.

### Our Customers

At Elsewedy Electric, customer satisfaction is a driving factor in our strategy and across all our operations, functions and roles. We focus on providing our clients with the very best integrated energy solutions and ensure the quality, efficiency and timeliness of all services provided. We boast a comprehensive list of global and regional clients spanning energy, telecom, technology and other industries. Reflecting our global presence, all marketing of our products adheres to local laws and upholds the integrity of our brand reputation and name.

Our main export markets include the following:

- Austria
- Bahrain
- Belgium
- Brazil
- Bulgaria
- Congo DRC
- Cyprus
- Equatorial Guinea
- Ethiopia
- Eritrea

- Finland
- France
- Germany
- India
- Iraq
- Italy
- Jordan
- Kazakhstan
- Kenya
- Kuwait
- Libya
- Madagascar
- Malawi
- Morocco
- Mozambique
- Oman
- Pakistan
- The Netherlands
- Qatar
- Russia
- Rwanda
- Saudi Arabia
- South Africa
- Spain
- Tunisia
- UAE
- Uganda
- United Kingdom
- Uruguay
- Zimbabwe

Our engineering and contracting clients are located in:

- Algeria
- Argentina
- Chad
- Cameroon
- Egypt
- Equatorial Guinea
- Ethiopia
- Iraq
- Ghana
- Mozambique
- Niger
- Nigeria
- Rwanda
- Saudi Arabia
- Yemen
- Zambia



## Customer Satisfaction

Our ability to consistently meet the needs and exceed the expectations of our customers is a driving factor in our success as an organization. Elsewedy's customer service goes beyond the final end product. Customer satisfaction is a key measure that our marketers and product and service providers use to assess and improve our business. A core aspect of our customer care is that people are always able to seek follow-up meetings and assistance after the contracted work and end products have been delivered. Elsewedy Electric SEDCO conducted a case study in which one of our customers had insulation work done by another organization that damaged cables and wiring previously installed by Elsewedy Electric SEDCO. We followed up with the client, renewed all the cable, and had Egytech technicians fix all the installations free of charge. All customers are provided with information about our Customer Complaints Hotline. If a customer believes he or she has received a faulty product, we recall the item and send it to Quality Assurance to determine that it is an authentic Elsewedy Electric product.

## Customer Satisfaction Surveys

To properly assess customer satisfaction, we conduct yearly surveys across our business lines, products and solutions that measure the quality of services provided and the extent to which clients' needs are met. Based on the results of these surveys, we identify ways to improve our products and enhance our business lines overall. Areas that need improvement are given special attention. Through Elsewedy Electric SEDCO, we conducted a customer satisfaction analysis survey from January 2017 until November 2017.

Figure 1, Customer Satisfaction Survey Elsewedy SEDCO 2017

Topic Covered	Rating				Total
	Excellent	Good	Fair	Unsatisfied	
Quality	171	31	2	0	204
Technical	151	19	0	0	170
Performance					
Price	68	31	2	1	102
Reliability	79	23	0	0	102
Total	469	104	4	1	578

Figure 2, Product Quality Satisfaction Rate



Figure 3, SEDCO Reliability Satisfaction Rate





Figure 4, Tech, Support, Service and Performance Satisfaction Rate



## Customer Data and Privacy

We ensure that all customer data and privacy is a top one priority, and we have yet to report instances of breaches of customer privacy and loss of data. Our strong IT system for data segregation has key controls installed to categorize and review data sent internally and from overseas for spyware and viruses. The system has several triggers and behaviors that are closely monitored and allow for further investigation when needed. In the past, we experienced one data security violation that was quickly addressed to ensure no data loss and complete system recovery.

## Our People

At Elsewedy Electric, we pride ourselves on being an employer of choice. Our Group success is truly built on the experience, efforts and skills of all employees across the Group. We recognize the importance of nurturing internal talent to further enhance our capabilities and commitment to valuing those who are a part of the Elsewedy family. While our brand and reputation allow us to attract highly qualified individuals, our long-term growth relies on our human resources practices, ability to develop and enhance staff careers, and comprehensive benefits programs.

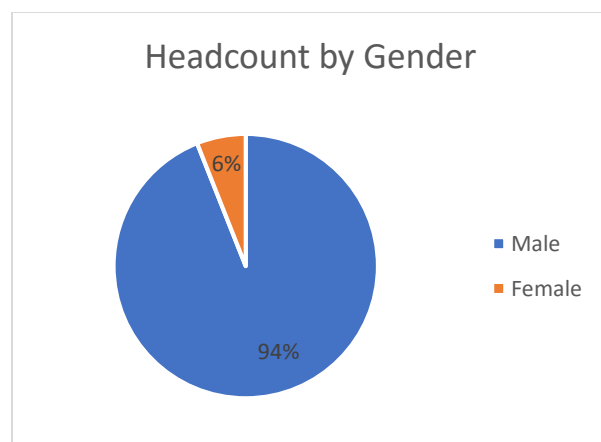
## Our Employees

At Elsewedy Electric, we are committed to providing equal employment and advancement opportunities across to all employees. We also have zero tolerance for discrimination based on gender, ethnicity or religion. All employees are hired through a consistent and transparent process that meets all local regulations and policies. Given that men dominate the industry in which we operate, we hire qualified women when possible to enhance gender diversity in our workforce. All managers and high-level executives share this inclusive mindset. We offer competitive, market-based salaries to employees everywhere we operate.

*Figure 5, Total Number of Employees in 2017 Categorized by Gender and Contract Type*

Employee Category	Number of Employees	Total Number of Employees	Total Number of Internal Employees
Women	780	23,095	15,062
Permanent	13,002		
Outsourced	8,033		
Newly Hired	1,280		

*Figure 6, Headcount by Gender in 2017*



*Figure 7, Headcount by Region in 2017*

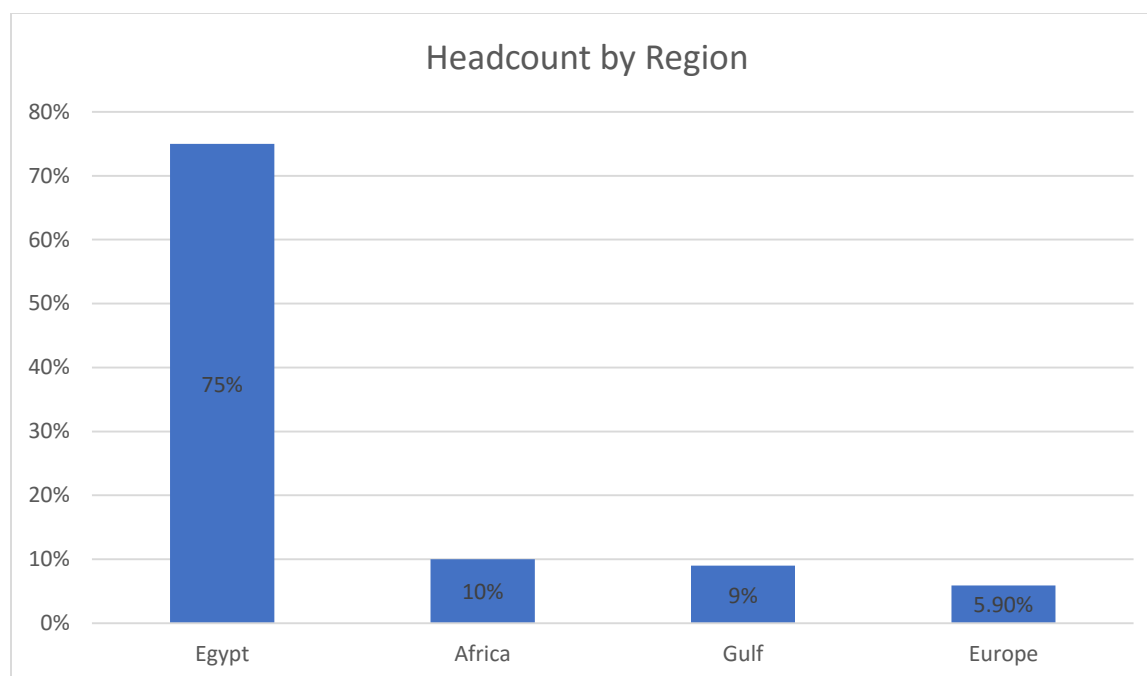


Figure 8 Headcount by Company

Sector	Company	2016	2017
Wires and Cables	Elsewedy Cables Algeria	593	588
	Doha Cables	355	362
	UEIC	916	917
	Egytech	2,162	2,157
	United Metals	165	160
	EgyPlast	664	669
	Elsewedy Cables Ethiopia	164	161
	Giad Elsewedy-Sudan	193	192
	Elsewedy Cables KSA	406	371
	Elsewedy Transformers Egypt	691	773
Transformers	Elsewedy Transformers Zambia	95	98
Construction	Sudatraf - Sudan	197	152
	Elsewedy Cables Qatar	180	194

Electrical Products	Elsewedy Electric PSP	1,420	1,437
	Rowad Modern Engineering	867	969
	Elsewedy Electric T&D	479	543
	PI Park	55	63
	Elsewedy Cables	71	84
	Kuwait Elsewedy Electric SEDCO for Petroleum Services and Elastimold	615	641
	Iskraemeco Egypt	220	257
	Iskraemeco SA	744	741
	ECMEI	282	307
	3W Network	123	106
	Siag	273	214
	Arab Company for Security	609	624
Others	Elsewedy Electric International	24	18
	Elsewedy Electric Holding	175	232

Figure 9, Headcount by Business Sector

Business Sector	2016	2017
Wires and Cables	5,618	5,577
Transformers	984	1,024
Construction	3,072	3,290
Electrical Products	1,861	1,917
Others	1,204	1,194
<b>Total</b>	<b>12,739</b>	<b>13,002</b>

Figure 10, Hiring Rate by Employee Type and Business Sector in 2017

Sector	Blue Collars	Staff	Managers/Directors	Total	Percentage
Wires and Cables	130	65	6	201	18 %
Transformers	98	20	2	120	9 %
Construction	169	424	27	620	42 %
Electrical Products	61	40	3	104	9 %
Others	182	39	14	235	22 %

<b>Total</b>	640	588	52	1,280
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Figure 11, Turnover by Region in 2017

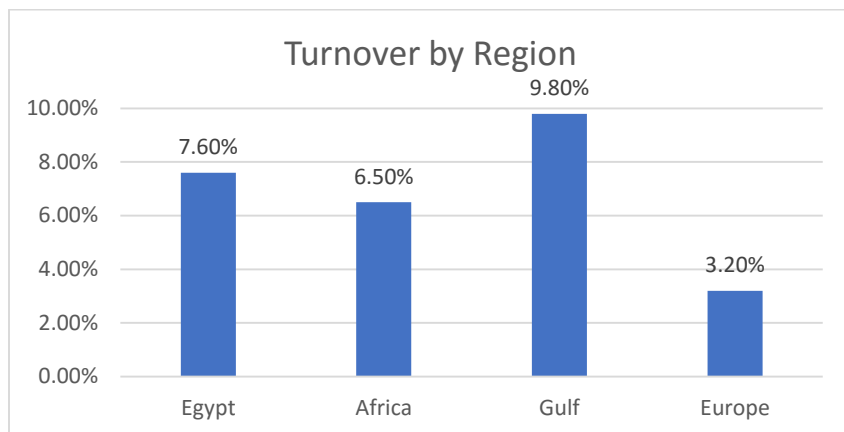


Figure 12, Turnover by Country in 2017

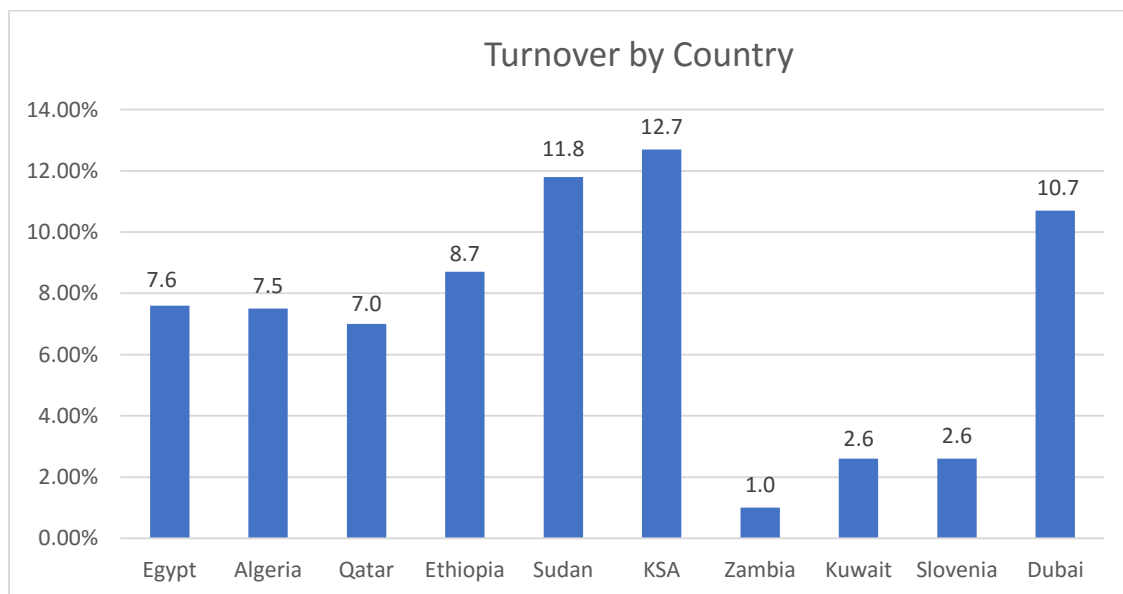


Figure 13, Turnover by Employee Type as a Percentage of Group Turnover in 2017

Employee Type	Percentage of Turnover
Blue Collars	4.4%
Staff	2.6%
Managers/Directors	0.4%

### *Employee Relations*

Employees are given an Ethics & Code of Conduct Handbook and a Core Competency Development Guide that clearly state the expected behavior and company mindset we hope to nurture. We prioritize creating an environment in which all employees can personally develop and in which all individuals are treated with equal amounts of respect and dignity, regardless of position, gender or department. As a company, Elsewedy believes that an open and honest relationship between employees and managers is one of the most productive and efficient ways to maintain trust, understanding and respect in the workplace. Our open-door policy and complaints hotline address this issue by ensuring that employees feel able to discuss any internal concerns with the management team.

### *Human Resources Policies*

Our HR Department has developed clear set policies regarding sick leave, employee benefits (including social insurance), ending employee service, employees medical care (including medical insurance) and overseas travel. These policies adhere to the laws of the countries in which they apply and reflect Elsewedy Electric's belief that our people are the key to our success.

### *Facilities and Employee Services*

All employees are provided with access to a number of facilities that add to their overall satisfaction. We make every effort to meet our employees' needs for decent living standards, quality healthcare and recreational activities.

### *Catering*

We provide catering within all factories and manufacturing plants that includes hot meals and bottled water for all laborers. On site at projects such as Beni Suef CCPP, we provide all laborers with pre-packaged lunch boxes and 2,000 bottles of water a day. All catering suppliers are asked to provide medical certificates, blood checks and HSE-related certifications and standards. Employees that are not provided with a catered meal are instead provided with a food allowance. Our company Iskraemeco in Slovenia provides daily hot meals that cater to various dietary requirements including vegetarianism. EgyPlast in Egypt provides a catered communal breakfast spread at an on-site canteen in addition to packed lunchboxes and beverage for employees to enjoy throughout the day. Our corporate offices are fully equipped with water dispensaries on every floor and self-catering kitchen facilities.

### *Recreational Facilities*

Given our large workforce, we make it a priority to invest in our employee's general health and wellbeing through recreational activities. Through Iskraemeco in Slovenia, we offer free use of sports amenities for tennis and badminton as well as free spinning classes. At our companies in Iraq, Yemen, Syria and other conflict-affected areas, we offer a full range of onsite activities for employees to use, as no employees are allowed to leave our project sites. Facilities include recreational rooms, basketball pitches, football fields and fully equipped gyms. Our power plant in Beni Suef is fully fitted with a gym, shower and locker room facilities, sleeping areas and an onsite canteen that arranges meals for employees.

## Organizational Talent Management

At Elsewedy Electric, we refer to our hiring process as “talent acquisition.” When we hire employees, we are acquiring new talent to integrate within the organization and add to our existing pool of talent. Once employees enter the Group, they begin a journey of a lifelong career at Elsewedy Electric, and we focus on hiring and promoting internally when new positions open.

## Competency Development Guide

We use our internal Competency Development Guide as a framework for defining the behaviors, skills and knowledge we expect all employees to have. This collection of competencies and behavioral practices allows for successful job performance and enables the Group to succeed at a global level. Our well-crafted framework is based around the Group’s vision, core values and corporate strategy. Our Competency Guide identifies nine competencies (five core and four leadership) we expect employees to work toward. Elsewedy’s core competencies include result orientation, communication, innovation, customer focus and teamwork. Leadership competencies include strategic thinking, managing change, decision making and delegation.

## Staff Training

We undergo frequent Management Development Programs and Skillset Enhancing Trainings across the Group. In 2017, we had a total of 6,328 trainee’s participant in various programs.

Figure 14, Staff Training Programs by Employee Level

Employee Level	Program Name
Top Executives (General Managers, Managing Directors, VPs)	LEAD NOW
Executives (Managers, Senior Managers, Directors)	Leading with Style
First Line Supervisors (Section Heads, Section Managers, Senior Specialists, Senior Engineers)	Supervisory Leadership
Non-Supervisory (Specialists, Engineers) Supervisors and Technicians	Personal Effective Simulation Technical Supervisory Professional Skills

Our functional role training programs cover topics such as preventative maintenance, mechanical and electrical maintenance, production, quality, health and safety, supply chain and procurement management, and information technology.<sup>1</sup><sub>3</sub>

All new hires complete our Employee Orientation Trainings, which acquaints them with the Group’s structure, key departments, Ethics & Code of Conduct Handbook, zero tolerance of harassment policy, Competency Development Guide, and compliance and audit roles and policies. Employees in Egypt also have the opportunity to visit several of our factories, including EgyPlast, Iskraemeco Egypt, Elsewedy Electric Cables and Elsewedy Electric Transformers.

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<sup>1</sup> In addition to this, whenever the<sup>3</sup>IT department introduces a new program, software or technology, all employees undergo comprehensive training on how to use these additions.

### *Performance Reviews*

All employees undergo annual performance reviews in the areas of instruction compliance, communication skills, teamwork, safety consciousness, and general attitude and commitment. Specific goals and objects are also considered, as are the nine competencies from the Competency Development Guide. These nine competencies are further utilized during performance reviews as a reference guide for indicators on which each employee will be assessed. Employees are assessed on their performance in these areas on a scale ranging from new learner to expert. In addition to the nine competencies, key performance evaluation criteria include adherence to safety specifications, policies and standards.

### *Health and Safety*

As a business that operates in the manufacturing sector we prioritize health and safety across the Group. We believe that a safe and healthy workplace is a fundamental necessity for all our employees; creating this workplace is one of our key business imperatives. Our employees are our most important asset, and this belief is reflected in our corporate HSE policy. This policy maintains a safe and productive workplace across the group by minimizing the risk of accidents, injury and exposure to health hazards for all our employees and subcontractors.

Our policy is structured around four pillars:

- **All incidents are preventable**  
We define incidents as serious injuries, slight injuries, occupational illnesses due to exposure and any related physical harm that may come to our employees and subcontractors.
- **Safety can be managed**  
Through the implementation of effective management control systems, we can minimize the risk of workplace hazards and prevent injuries.
- **Our management is responsible for ensuring safe operations**  
Every manager across the Group has a responsibility to ensure the safety of those under his or her supervision. This responsibility applies to field, operational, and functional departments.
- **Protecting the environment is our responsibility**  
We ensure that we comply with all environmental legislations, policies and requirements across all global operational locations.

In addition to safety booklets, signs and warnings displayed at all manufacturing, production and assembling plants, we conduct trainings, lectures, workshops and educational seminars to ensure that all employees are well informed. Through our company Iskraemeco in Slovenia, employees are continuously engaged on the topic of health and safety through initiatives such as:

- Lectures about topics including first aid and stress management
- Workshops on how to stop smoking, eat healthily, and incorporate healthy movement into everyday life
- Medical check-ups and examinations for blood work, artery checks, bone density measurement and seasonal influenza vaccination
- A weekly group running workout and yoga practice with Olympic athlete Brigita Langerholc



- Meditative Movement Skills course TAI JI with the organization TaiJiQuan
- Campaigns encouraging employees to take part in recreational sports competitions by paying the participation fees
- Twice yearly Health Days at which employees learn about specific health related topics and receive gifts that promote their health, such as fruits and vegetables, whole grain rolls, stress balls, nuts with dried fruit and yoghurt.

In 2016, 190 employees (101 women and 89 men) received preventive periodical and preliminary medical examinations conducted at the Kranj Clinic for Occupational Health, Traffic and Sports.<sup>1</sup><sup>4</sup>

We distribute health and safety booklets, newsletters and flyers around Group facilities to remind, all employees take active breaks, engage in physical activity, use proper seating posture,<sup>1</sup> ensure proper viewing distance when working at a computer, properly use their keyboard and mouse and use proper techniques to lift heavy loads. We also stress that employees should use personal protection equipment (PPE) when working with carbon at any of our factories (Elsewedy SEDCO). Smoking is strictly monitored; smokers have assigned spaces equipped with appropriate signs and warnings. Failure to comply with smoking rules results in fines and additional penalization for repeat offenders.

Any employees with medical conditions are asked to bring a doctor's note to allow the Facilities Manager to ensure that necessary accommodations are obtained, including posture correcting chairs, wrist exercise toys for those with carpal tunnel syndrome and specialized computer hardware.

Improving health and safety was a Group-wide objective in 2017. Zero accidents and increased training in company safety procedures and policies were designated as the main targets for the year. The Group managed to reduce the number of lost time injuries (LTI) for employees and subcontractors by 58% in the second half of 2017 compared to the first half of the year.

### *HSE Trainings*

We believe that it is crucial to provide trainings about health and safety in the workplace. We ensure that the relevant HSE topics are addressed in all training programs we hold across the group. Our trainings on this topic include periodic health and safety seminars for all employees, fire protection seminars for production workers, first aid courses and refresher, seminars for all production managers on how to maintain health and safety at work, and lectures on occupational health and safety tailored to the risks associated with each company and job.

Elsewedy Electric continuously invests resources to train all employees across the Group on company safety procedures, improve their competencies, and provide them with knowledge on

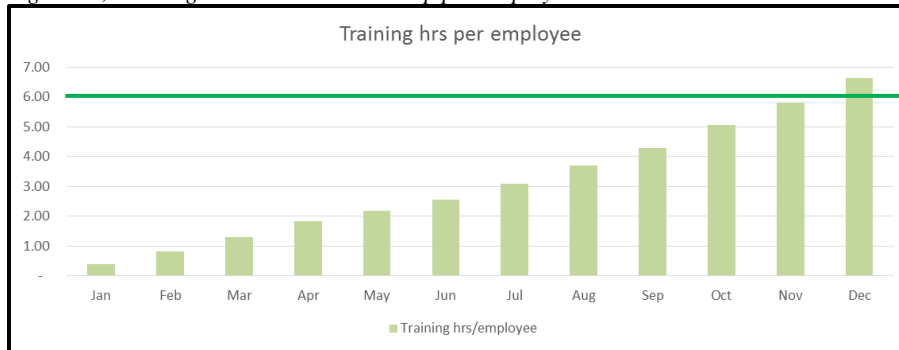
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<sup>1</sup> Visit Iskraemeco Slovenia's UNGC COP report at [https://www.unglobalcompact.org/system/attachments/cop\\_2016/299221/original/COP\\_Iskraemeco\\_report\\_June\\_2016.pdf?1467965491](https://www.unglobalcompact.org/system/attachments/cop_2016/299221/original/COP_Iskraemeco_report_June_2016.pdf?1467965491) for additional information.

<sup>1</sup> All employees working at desks<sup>5</sup> are provided with special chairs that enhance back posture and support long periods of sitting.

how to mitigate and control workplace hazards. In early 2017, we set a target for every employee to receive at least six hours of health hours safety training. This target was exceeded at the end of the year, as employees received an average of 6.6 hours each. All General Managers and N-1 level employees also received managers safety trainings; 16 out of 23 companies finished the trainings.

*Figure 15. Training Hours across the Group per Employee 2017*



### Employee Hazard Reporting

We introduced an Employee Hazard Reporting program across the Group, with the objective of improving employee awareness of safety and encouraging reporting of unsafe conditions or behaviors. During 2017, the group received a total of 10,056 hazard reports from employees and managed to correct 87% of these hazards by end of the year. From of these 10,056 hazard reports, 1,387 high-risk hazards were identified and solved.

### Safe Transportation for Employees

During 2017, three accidents occurred involving our employee transportation; they were identified as high-risk incidents. In response, a transportation policy was shared with employees across the Group that specified safety requirements for all vehicles, drivers and transportation contractors. Additional measures Elsewedy Electric took included renewal of employee transportation vehicles; appointment of a supervisor for each route; provision of additional training for drivers; introduction of random drug testing for drivers; and installation of GPS tracking in all vehicles used to transport employees.

### Risk Assessment

We have integrated various management systems such as the Occupational Health and Safety (OHSAS 18001) to enhance our HSE values and structure. Each company and organization within the group prepares and executes risk assessments to assess machinery used in production, workplace hazards and the potential occurrence of industry-specific injuries. Relevant safety manuals and protocols are implemented for all identified risks to ensure the safety of all personnel. The purpose of risk assessments is to identify the specific risks of each work environment, evaluate them according to degree of risk of injury and implement preventative measures. Risk assessments are reevaluated whenever a change that has a significant impact on employee health and safety occurs. In addition to placing high importance on carrying out these risk assessments, we focus on raising awareness of occupational hazards and risks among all employees. All factories undergo a safety review to appraise their performance in accordance with company policies and procedures.

## Security Practices

The Group has established a company that manages security across all of our companies, factories and facilities. After encountering numerous issues with third party security providers in the past Elsewedy Electric decided to form our own licensed security company that would meet our standards and uphold our core values, ethics and codes of conduct. We now have the ability to conduct background checks on all new hires and protect factories and facilities from instances of theft and fraud. All staff members receive quarterly trainings and fitness assessments to ensure that they understand all safety standards and protocols. At our project sites in conflict-affected areas, all bases are securely guarded by local government armies, private security companies, local police and our own security employees.

## Stakeholder Engagement

Elsewedy Electric is committed to communicating with its stakeholders. For the purpose of this report, we conducted several surveys targeted at internal and external stakeholders, including our employees, business partners, investors, vendors, banks and suppliers. We carried out a total of 4 surveys, two for employees and two for external stakeholders.

The findings from our employee benefits survey provided us with valuable insight on employees' satisfaction with their working conditions and facilities. We received several suggestions about additional facilities and services to provide, such as parking lots for all employees, ATM machines and self-service coffee machines.

Figure 16, How comfortable is Elsewedy Electric's work environment?

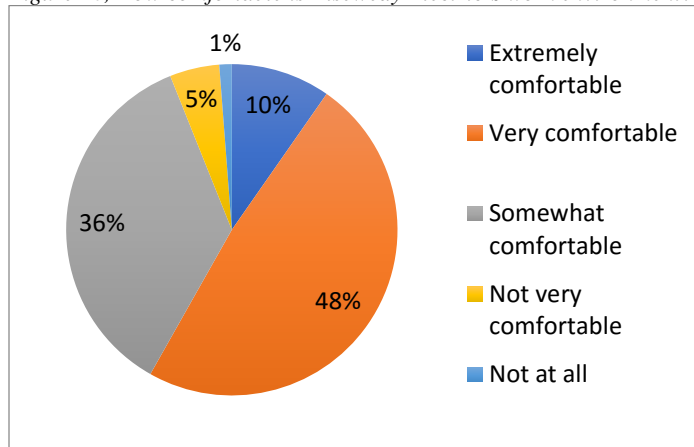


Figure 17, How satisfied are you with Elsewedy Electric's facilities?

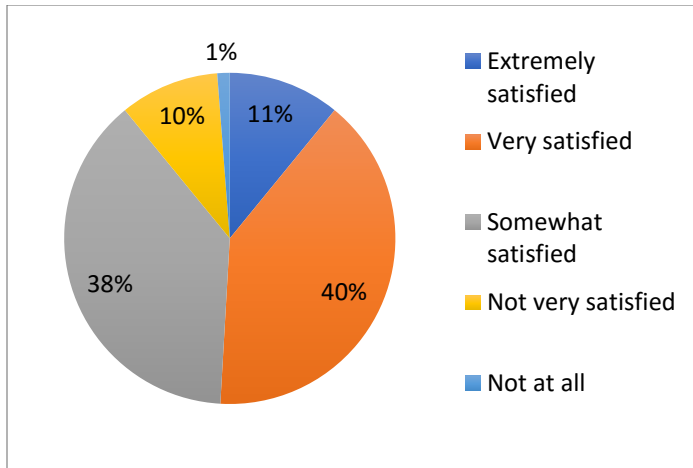
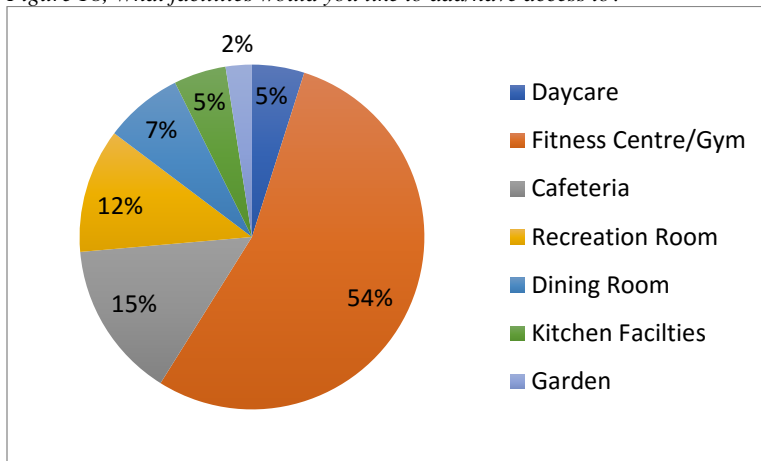


Figure 18, What facilities would you like to add/have access to?



Our employee engagement survey consisted of 30 statements with which employees indicated the extent to which they agreed.

Figure 19, Employees are satisfied with opportunities for professional growth

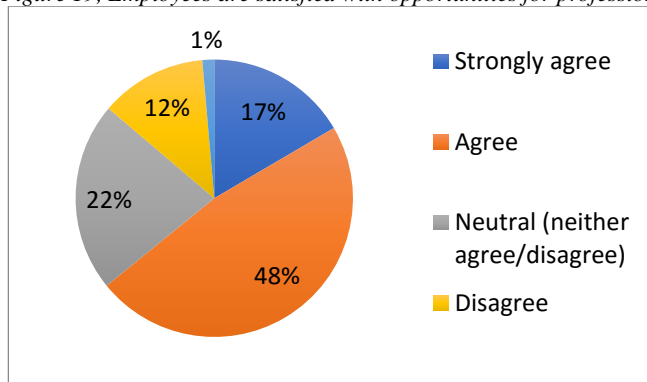


Figure 20, Employee is satisfied with job related training Elsewedy Electric offers

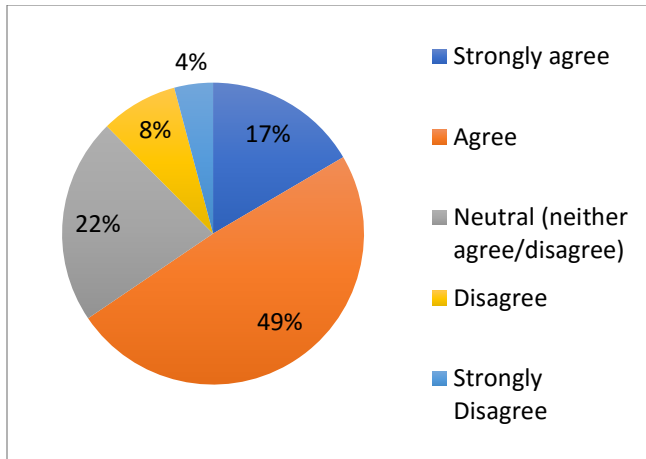


Figure 21, Communication between senior management and employees is good

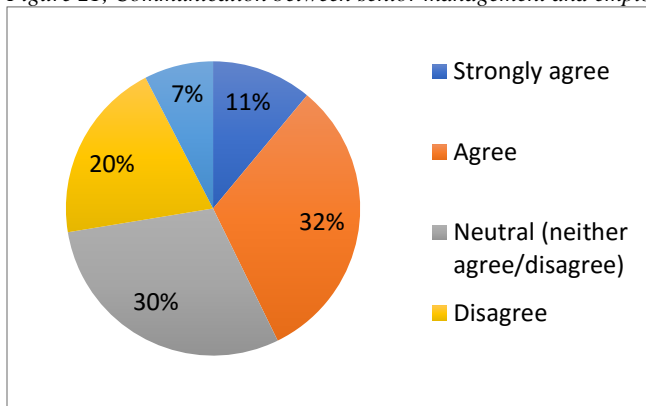


Figure 22, All employees treat each other with respect

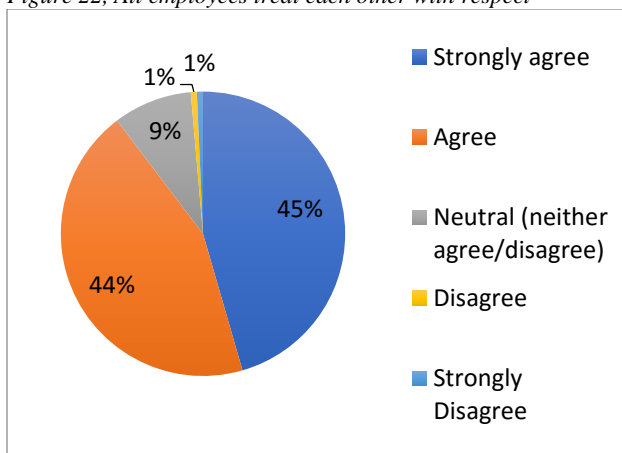


Figure 23, Elsewedy is working to positively impacts people's lives

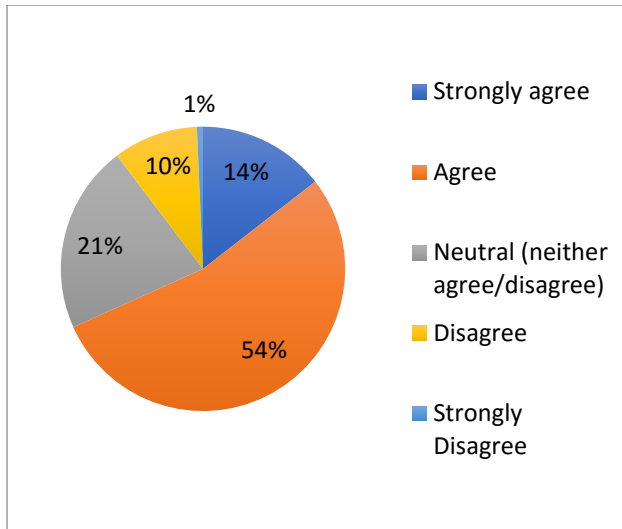
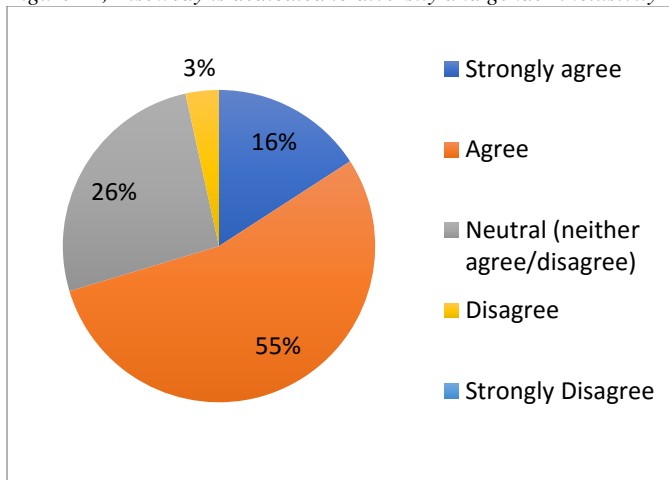


Figure 24, Elsewedy is dedicated to diversity and gender inclusivity



## Progress on the 17 Sustainable Development Goals

Figure 25, Table of progress on 17 Sustainable Development Goals

Sustainable Development Goal	Actions Taken
SDG 1 No Poverty	<ul style="list-style-type: none"> <li>• We provide employment opportunities to those in need</li> </ul>
SDG 2 Zero Hunger	<ul style="list-style-type: none"> <li>• Catering services are available across the Group</li> <li>• The company provides meals at STA and other educational organizations</li> <li>• Elsewedy Electric donates food boxes during Ramadan</li> </ul>
SDG 3 Good Health and Wellbeing	<ul style="list-style-type: none"> <li>• Elsewedy Electric offers excellent healthcare benefits to its employees</li> <li>• Through its Humanitarian Fund, Elsewedy Electric covers the costs of community medical needs</li> <li>• The company pays for outsourced laborers' medical check-ups.</li> <li>• Elsewedy Electric promotes physical activity through seminars, lectures, workshops, Sports Day events and exercise classes</li> <li>• The company's facilities are outfitted with specialized chairs, desks and equipment to minimize health issues</li> <li>• Elsewedy Electric has established several medical institutes and continues to provide support to them.</li> </ul>
SDG 4 Quality Education	<ul style="list-style-type: none"> <li>• Elsewedy Electric built the Elsewedy Technical Academy (STA)</li> <li>• Elsewedy Electric funds, renovates and builds schools in Egypt and across Africa</li> <li>• Our CSR department sends email newsletter to raise awareness on sustainability topics among employees</li> </ul>
SDG 5 Gender Equality	<ul style="list-style-type: none"> <li>• Elsewedy Electric follows an Ethics &amp; Business Code of Conduct that promotes gender equality</li> <li>• Elsewedy Electric has implemented group-wide zero harassment policy.</li> </ul>
SDG 6 Clean Water and Sanitation	<ul style="list-style-type: none"> <li>• Elsewedy Electric provides bottled water to laborers</li> </ul>

SDG 7 Affordable and Clean Energy

- Elsewedy Electric offers water treatment services and tanks at its industrial parks
- Elsewedy Electric provides shower facilities at project sites
- We integrate solar and wind energy in all capacities across the Group.
- We have installed LED lights across our facilities
- We offer alternative solutions for clean power generation

SDG 8 Decent Work and Economic Growth

- Elsewedy Electric offers competitive salaries and a range of employee benefits
- Elsewedy Electric offers career development programs

SDG 9 Industry, Innovation and Infrastructure

- Our state-of-the-art R&D enables us to continually innovate and enhance our product line-up
- We offer top-of-the-line turnkey solutions to clients
- Our advances in IT technologies foster growth and innovation in our industry
- Elsewedy Electric's hiring practices provide equal opportunity and are free from discrimination

SDG 10 Reduced Inequalities

- We offer training programs for women through the Elsewedy Friends Club

SDG 11 Sustainable Cities and Communities

- We direct and manage the development of sustainable industrial parks in Egypt and across the region
- We provide engineering, procurement and construction (EPC) contracts for sustainability-oriented turnkey solutions

SDG 12 Responsible Consumption and Production

- We have widespread CSR activities across Egypt and our areas of operation
- Waste management and reduction are essential to the Group's operations
- We implement energy cost efficiency programs
- We ensure the recyclability of our products across business lines
- We make sure to responsibly source our raw materials



#### SDG 13 Climate Action

- We regularly screen our supply chain for adherence to laws and regulations
- We send regular sustainability emails to employees that discuss proper resource consumption
- We offer a diverse array of renewable energy services
- Mindful of carbon usage, we encourage sustainable practices by offering bus transportation services for employees
- We send regular sustainability emails to employees to combat climate change and its impacts

#### SDG 14 Life Below Water

- Our water management and waste treatment policies aim to reduce and prevent further pollution of our natural water resources
- We conducted a cleanup of the Nile River at Beni Suef CCPP
- We make sure to adhere to environmental authorities' regulations
- We have established and continue to maintain proper e-waste management practices

#### SDG 15 Life on Land

- Elsewedy Electric planted trees at Beni Suef CCPP
- We minimize our paper consumption
- We recycle our waste
- We strictly adhere to environmental laws and regulations
- We implement relevant carbon footprint reduction policies

#### SDG 16 Peace, Justice and Strong Institutions

- We adhere to international management systems
- We have attained numerous ISO certifications
- We have implemented a strong corporate governance structure
- We build key partnerships with relevant international and local stakeholders

#### SDG 17 Partnership for the Goals

- We enter into partnerships with NGOs
- We partner with government organizations
- We have international partnerships

- We are members of the United Nations Global Compact Network Egypt

## Our Community

### Corporate Social Responsibility

Elsewedy Electric aims to inspire its people to contribute positively to society and create a sustainable future for our business. We believe that CSR is not just about donations and casual acts of philanthropy, but about looking at the social impacts our business activities have on our stakeholders. Businesses have a responsibility to address the challenges that societies face today, such as access to food, education, water, medical care, child welfare and quality living standards. While charity can ease financial burdens and have other short-term effects, the future of sustainability depends on long-term change and forward-looking action.

At Elsewedy Electric, our CSR practices take into account the economic, environmental and social impacts of all our business activities. Over the last three years, over EGP 64 million was dedicated to our CSR operations. Recipient organizations and programs include the following:

- Orman Oncology Hospital
- Friends of Children with Cancer (FOCC)
- Ahl Masr Foundation, Egypt
- Face for Children
- Egyptian Centre for Easy Tutorials
- The American University in Cairo
- German University in Cairo
- Cairo University
- Ain Shams University
- Zewail University
- Arab Contractors Club
- Top 100 Students Tour
- Sphinx Cure Oncology Centre
- Nile University, Egypt,
- Mansoura University, Egypt
- Disability Care Centre Slovenia
- 57357 Hospital
- Abou El Reesh Japanese Hospital
- National Cancer Institute
- Mawaheb Foundation
- ZagZig University Hospital
- Ain Shams Emergency Unit
- STA 1&2
- Al Duwaiqa Schools
- Egyptian Foodbank
- Aswan Association
- Welding Training Centre Beni Suef
- Egyptian Philharmonic Society
- Program to build housing for the impoverished in Egypt and Ethiopia
- Program to provide Solar Panels for farmers in Algeria
- Program to provide potable water for farmers in Ethiopia
- Program to provide a road network in Beni Suef

We work on implementing the 17 Sustainable Development Goals and contextualizing our organization's core values to our surrounding communities. Communication is key to driving any change; this is why our group CSR department sends employees our quarterly newsletters and sustainability emails. These updates serve to remind us all of the Group's socially driven activities and sustainability initiatives, and contain articles on topics such as water conservation, energy saving and carpooling. Our workplaces also have several bulletin boards that promote healthy living and sustainable practices.

At Elsewedy Electric, corporate volunteering is an essential form of societal belonging. We offer our employees several volunteer programs that they can join, such as food runs, blood donations, and charity and orphanage visits. These opportunities are offered in Egypt and at our facilities abroad in Iskraemeco, Slovenia.

### UN Global Compact

Elsewedy Electric Holding is a member organization of the UN Global Compact Network Egypt. Today, our reference for determining our corporate social responsibility is the UNGC's ten principles in the areas of human rights, labor, the environment and anti-corruption.

### Contributions to Education

#### *STA - Egypt*

In 2011, Elsewedy Development established the Elsewedy Training Academy under the supervision of the Ministry of Education as a vocational academy. The STA's three-year secondary level program offers a customized international-standard vocational education on the major electrical industries. Following the German method of vocational training, all our training programs feature a dual approach that combines two complementary learning and training tracks in the academy and at factories across the Group.

Our vision at STA is "to position the STA amongst the leading institutions that provide technical education worldwide and to become pioneers in removing the stigma surrounding vocational education in Egypt and the region." Our mission at the Academy is to "provide an innovative and enhanced educational program that is focused on developing our students' skills, creating a pool of skilled, efficient and professional members of the technical community who are well qualified to support the foreign and local markets." What is more, the German style of offering theoretical education and on-the-job training has proven helpful in easing graduates' transition from the undergraduate program to the demanding job market.<sup>1</sup>

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When we first established the STA, we hoped to address several challenges:

- The bad reputation of vocational education and training in Egypt
- The traditional, rote learning methods in technical education and training
- The industry's existing shortages of skilled labor
- The high costs of vocational education for students
- Globalization

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<sup>1</sup> For more information on our admissions process and requirements visit us at [www.sta.edu.eg](http://www.sta.edu.eg)

- The growing role of ICT and the internet in business activities
- The growing disconnect between business needs and the current education system

Since the STA's inception, we have applied the highest standards of quality when establishing our curriculum, quality control system, infrastructure and student admissions processes. Our holistic approach of combining our competency-based curriculum with on-the-job training has empowered our students year after year and equipped them with the necessary knowledge, skills and attitude.

To better nurture a sense of responsibility and financial management skills, students are also provided with a monthly allowance for their personal use as well as tablets to facilitate distance learning when necessary.

Today, our curriculum covers the fields of energy components; industrial electronics; and mechanics, maintenance and repair. Current academy facilities include a large campus with a green landscape, digital classrooms (for 16 students maximum), state-of-the-art laboratories (such as the Fluidics and Drive laboratory and the Automation and PLC laboratory), a conference hall and an auditorium

In our classrooms, student learning and interaction with instructors is fully supported by the strategic use of tablets, online simulations and interactive smart boards. Our digital library provides resources for all students who engage with highly skilled teachers and supervisors through a close mentoring system. In addition, all STA desks are specifically designed to protect the spine and improve students' posture.

Owing to the trailblazing success of the first STA, we have developed a future expansion plan that involves international schools and the involvement of key industry players.

*Figure 60, STA Expansion Plan*

2016	2017	2018	2019	2020	2021
<ul style="list-style-type: none"> <li>• Holding</li> </ul>	<ul style="list-style-type: none"> <li>• Holding</li> <li>• PI Parks</li> <li>• Beni Suef</li> </ul>	<ul style="list-style-type: none"> <li>• Holding</li> <li>• PI Parks</li> <li>• Beni Suef</li> <li>• 4<sup>th</sup> location Sudan</li> </ul>	<ul style="list-style-type: none"> <li>• Holding</li> <li>• PI Parks</li> <li>• Beni Suef</li> <li>• 4<sup>th</sup> location Sudan</li> <li>• 5<sup>th</sup> location Algeria</li> </ul>	<ul style="list-style-type: none"> <li>• Holding</li> <li>• PI Parks</li> <li>• Beni Suef</li> <li>• 4<sup>th</sup> location Sudan</li> <li>• 5<sup>th</sup> location Algeria</li> <li>• 6<sup>th</sup> location Africa</li> </ul>	<ul style="list-style-type: none"> <li>• Holding</li> <li>• PI Parks</li> <li>• Beni Suef</li> <li>• 4<sup>th</sup> location Sudan</li> <li>• 5<sup>th</sup> location Algeria</li> <li>• 6<sup>th</sup> location Africa</li> </ul>

#### *Mohamed Farid School – Egypt*

Elsewedy Electric fully managed the development of this school for 1,760 students. This included overseeing the creation of all infrastructure, classrooms, laboratories and electrical fittings. We

oversaw the hiring of teachers and administrators, and provided school uniforms, bags and stationary equipment for every student.

#### *Sheikh Abdel Aziz School (Warraq) – Egypt*

In 2015, we took the initiative to completely renovate the school five weeks before the beginning of the 2015/2016 academic year. Renovations included repainting the whole school, supplying classrooms with new desks and chairs, installing state-of-the-art computer labs and building various sport fields and courts.

#### *Early Childhood School (El Duwaiqa) – Egypt*

In the beginning of the 2015/2016 academic year, Elsewedy Electric partnered with the Ministry of Education to develop the ECS in El Duwaiqa. This was in line with our efforts to provide the right education for young children in their most formative years. The initiative included renovating the school, and equipping classrooms with new equipment and electrical fittings.

#### Early Childhood School (El Duwaiqa) – Egypt

- Free electricity and plumbing maintenance services
- Toys for children
- Eight teachers, two supervisors, and two workers all paid for by Elsewedy Electric

#### *Nasser Facility*

Elsewedy Electric assisted the Nasser Facility by constructing a wall surrounding the school and managing the costs and construction of a class for children with special needs at Hamza Bin Abdul Muttalib School. We also provided all electrical fittings and renovations across the Nasser Educational Management Facility.

#### *El Sheikh Zayed School for Basic Education – Egypt*

EEI-Sheikh Zayed School for Basic Education had a high demand for KG1 and KG2 classes. Due to insufficient funding and availability, the school was unable to hire enough teachers or pay their salaries. Elsewedy Electric allocated several of our representatives to renovate four classrooms, fully equip them and set up a monthly fund to hire and pay teachers.

#### El Sheikh Zayed School for Basic Education – Egypt

- Toys for children
- Seven teachers and two workers all paid for by Elsewedy Electric

#### *Nurseries*

Elsewedy Electric works closely with the Egyptian Ministry of Education and Technical Education to support two nursery schools in Egypt. In addition to this, we are working on building a new nursery in Monshaet Nasser that will educate 474 children. Provided support includes:

#### Nurseries at Al-Marwa School

- We built a new classroom for KG1 students; a second one is under construction
- Toys for children
- Two teachers and one worker paid for by Elsewedy Electric

### *University Engagement*

As part of our CSR practices, we engage with local universities to provide training and assistance in the areas of CV writing, interviewing skills and reasoning tests.

### *Scholarships*

Since 2017, Elsewedy Electric has provided merit-based scholarships to students from public schools in cooperation with The American University in Cairo (AUC), German University Cairo (GUC), Zewail University, Nile University, the Faculty of Medicine at Qasr al-Aini University, Mansoura University and Ain Shams University. Our scholarship fund was launched as a pilot program in 2016 with two students. In 2017, the capacity reached 100 students per year, and 64 full scholarships are currently being provided.

### *Medical Contributions*

#### *Legislation Association Hospital – Egypt*

We have built and fully equipped the Legislation Association's Main Hospital. The hospital offers free treatment to all Egyptians; it specializes in the areas of cancer and severe burn treatment.

### *Blood Donation Campaign*

In partnership with Doha Cables, Elsewedy Cables Qatar and the Hamad Medical Organization, we organized a voluntary blood donation campaign at the Mesaieed factory and Al Wajba site office in Al Rayyan. The objective of this campaign was to promote the importance of blood donations to reduce the blood supply shortage at the Blood Donor Center of Qatar.

### *Nursing Schools*

Elsewedy Electric offers assistance to seven nursing institutes to facilitate new student enrolment and enabling acceptance of more students. The institutes are provided with access to a large range of books and resources related to the nursing field, including medical term dictionaries. Other support provided at the institutes includes the following:

- ❖ Abbasiya Technical Institute for Nursing
  - Provided 100 chairs, including 25 chairs which were repaired
  - Built a new lecture hall
  - Created a practical training lab
  - Built a new computer lab
  - Established an Engineering Consultant Office within the institute for building new classes
- ❖ Chest Disease Hospital – Nursing Institute
  - Established an Engineering Consultant Office within the institute for building new classes
  - Built a new computer lab
  - Built two laboratories
  - Built new wing that includes two classrooms, a lecture hall and bathrooms
  - Provided all electricity, plumbing and painting for the institute

- Provided new chairs and fixed 113 chairs
  - Provided dummies, paradigms and various training tools to teachers and students
  - Supplied the bookstores with more resources, including medical term dictionaries
- ❖ Sheikh Zayed Hospital in Doweqa – Nursing Institute
    - Provided training centers with training tools
    - Supplied the bookstores with more resources
  - ❖ Om Almasryeen Hospital – Nursing Institute
    - Provided training centers with training tools
    - Supplied the bookstores with more resources
  - ❖ Boulaq Al-Dakroor Hospital – Nursing Institute
    - Provided training centers with training tools
    - Supplied the bookstores with more resources
  - ❖ Alwarak Hospital – Nursing Institute
    - Provided training centers with training tools
    - Supplied the bookstores with more resources, including medical term dictionaries
  - ❖ Al Moatamadyia Hospital – Nursing Institute for Men
    - Built a new laboratory fully equipped with teaching and training tools
    - Supplied the bookstores with more resources, including medical term dictionaries

### Art and Culture

In 2012, we partnered with Mawaheb from Beautiful People in cooperation with the 3W Networks' *3W Foundation*. The Dubai-based art studio supports talented special needs artists. This new partnership enabled us to commission artists to create our annual calendar that is shared with business partners, investors and other stakeholders. This allowed us to raise awareness about the organization and bridge a gap between special needs people and society.

### Social Contributions

Our social contributions span several structures aimed at improving the lives of our community members. We recently built handicap-accessible flyovers and renovated bridges on highways and roads that have had high rates of pedestrian accidents in the past. We also assisted in the construction of several roads where our projects are based, breaking down barriers to accessibility and enabling local communities to travel further and easier.

What is more, during the construction of the Beni Suef Plant in 2017, we built four internal roads connecting several villages to the main road in cooperation with the local municipality. Each road was around 4-8 km, and they all increased access to aid and helped to establish communication links.



Our social contribution efforts are not limited to infrastructure. Every year during Ramadan, we provide over 6,500 boxes filled with food items to charity organizations and employees.

#### Humanitarian Fund

Elsewedy Electric's Humanitarian Fund covers issues including medical costs, personal injury claims, injury compensation benefits plans and other humanitarian needs when necessary. Through the Humanitarian Fund, we pay medical fees for all employees, including outsourced laborers and family members, on a case-by-case basis.

*The past several years have seen war and civil unrest affect our operations in Libya, Syria, Yemen and Iraq. Through the Humanitarian Fund, we arranged the extraction of Elsewedy Electric employees and their family members living in these countries. In cooperation with the Egyptian national and regional governments, we also assisted in the extraction of Egyptian nationals stranded in these locations-Infrastructure*

Elsewedy Electric has built numerous road bumps across Egypt in the areas of 5<sup>th</sup> Settlement and New Cairo. Other infrastructure built by the Group includes road signs, road maps and drainage systems. We also regularly fix sewage pipes and repair damage to asphalt.

#### Elsewedy Friends Club

Elsewedy Friends Club provides weeklong workshops, three-day trainings, one-day seminars and tools for electricians, technicians and engineering schools. Both private and government electricians are welcome to join this Club through our Facebook page where we advertise all events.

The Club started as an initiative to raise consumer awareness of our products, prevent fraud and the development of counterfeit products, and attract potential employees interested in the electrician profession. As of 2017, the Club includes over 5,000 electricians from across the MENA region; this diverse group includes professionals ranging from private electricians to women from the Faculty of Engineering at Cairo University.

We deliver Elsewedy Friends Club services across many governorates, including Luxor, Sohag, Aswan, Asuit, Zagazig, Bilbes, Helwan, Sadat City, Damietta, Mansoura, Quesna and Giza. We also offer our services internationally in Ethiopia, Sudan, Algeria, Syria and Yemen.<sup>1</sup> In addition to providing electricians with the basic training they need to best utilize Elsewedy Electric products, we provide different tools and resources to help them increase customer satisfaction and improve their livelihoods.

Material given to electricians who are members of Elsewedy Friends Club include club ID cards, toolboxes and tool belts in a technician bag, Elsewedy Electric uniform t-shirts and caps, and stationary. To certify that an electrician has undertaken our trainings, we supply all attendees with certificates of completion for our courses and a picture with our CEO Ahmed Elsewedy.

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<sup>1</sup> These services were offered prior to the civil conflicts that have occurred in these nations.

## Committing to the Environment

At Elsewedy Electric, we strongly believe in and uphold the environmental values of sustainability. Primarily, we work on environmental, archaeological, cultural and heritage protection and conservation. We adhere to clear guidelines and processes designed to help protect employees, the public and the environment. We work in compliance with local and national regulations and standards and are committed to complying with federal, regional, state and local social and environmental regulations. We assess risks and plan work activities to eliminate or control foreseeable impacts or risks while implementing and maintaining a risk-based performance evaluation on environmental policies. We continuously work to improve environmental protection policies and revise them when deficiencies are identified. We constantly work to consult with employees and environmental authorities to disseminate environmental information while providing appropriate instruction and training for employees and setting up response procedures.

### Alternative Solutions

At Elsewedy Electric, we believe in providing innovative products and services that meet our core values and beliefs when it comes to sustainability. The environmental impact of all our products and services is considered at all stages of development. We look at ways to increase the recyclability of products, decrease energy usage across all facilities and sites, minimize water waste and take innovative steps to responsible waste management. All recyclable components such as cables, wires, plastic and others are collected and reintroduced into the manufacturing process. We offer incentives to customers to bring back their old cables and other products provided by Elsewedy Electric in return for financial compensation or new products.

### Fair Meter Project<sup>1</sup>

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Our smart electricity meters produced through our international subsidiary Iskraemeco are a key part of the electronic industry. While they have positive impact on the daily lives of millions of people, meters also have negative impacts on the environment and society when it comes to the supply chain. The effect of irresponsible business practices within the electronics industry presents itself in various ways, including labor exploitation, toxic pollution, conflict minerals and hazardous working conditions. Further worsening these negative aspects, many of the raw materials used in manufacturing can have a harmful effect on the environment and use models are simply disposed of after the end of their technical or economical life cycle when there is an opportunity for recycling.

The meter industry faces numerous sustainability challenges, including:

- Unfair labor practices: Child labor, unsuitable working conditions and unfair pay all negatively comprise the lives of many people across the globe. The electronics industry should strive to provide adequate assurance of fair working conditions across the supply chain.
- Conflict minerals: Around 80% of conflict minerals (gold, tantalum, tungsten and tin (3TG)) are produced in the Democratic Republic of Congo or neighboring countries that

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<sup>1</sup> For more information on the<sup>8</sup>Fair Meter Project, check Iskraemeco Slovenia's COP report to the UNGC [https://www.unglobalcompact.org/system/attachments/cop\\_2018/458211/original/2017\\_UNGC\\_COP\\_Iskraemeco\\_FINAL.pdf?1517397349](https://www.unglobalcompact.org/system/attachments/cop_2018/458211/original/2017_UNGC_COP_Iskraemeco_FINAL.pdf?1517397349)

have experience civil unrest. These conflicts are financed with profits from the sales of these minerals allowing for the purchase of arms and weapons. More than 5 million lives have been lost directly and indirectly due to the extraction of these minerals. The electronics industry needs to establish a transparent supply chain for the sourcing of these minerals.

- Material scarcity: The European Commission published a list of 27 materials that are of great importance to humanity and are becoming increasingly scarce. The electronics industry should find substitute materials as an alternative to scarce resources.
- E-waste: Electronics have always produced waste, but the quantity has rapidly increased in recent years, with most materials not being recycled. Most electric products have a relatively short life cycle. The industry needs to find solutions that enable for products to be recycled and prolong their life cycle.
- Resource usage: Every production process involves the use of multiple resources such as energy, water, gas and raw materials. To minimize pollution that results from the electronics industry, product design and processes need to be innovated to take into account their environmental effect.

In 2015, Iskraemeco became part of the “Fair Meter” project. Through our partnership with four Dutch utility companies on this project, we will combine our efforts towards developing and producing fair smart meters. The mission is to minimize our environmental impact and take into account all social considerations throughout the entire supply chain. We believe that responsible business practice includes supply chain sustainability and aim to set the industry standard of responsible development and use of electronic products.

#### Elsewedy Cables – Ethiopia

In 2009, Elsewedy Electric expanded the Group by opening a cables manufacturing facility in Dukem, Ethiopia. To alleviate the negative environmental and social impacts the production facility would have on employees, surrounding area and communities, the Group invested in bringing in a third-party consultancy agency to conduct an environmental assessment. The assessment clearly stated all potential adverse impacts Elsewedy Cables Ethiopia might have as well as possible mitigation methods and procedures that could be implemented in the form of an Environmental Management Plan (EMP). The scope of the plan was limited to the environmental protection and safeguard practices undertaken by Elsewedy Cables Ethiopia, analyzing the scope, duration and likelihood of impacts. The final plan was submitted for approval to the Dukem Environmental Protection Office. The range of concerns considered in the EMP were categorized in the areas of:

1. Local land management
  - *Land and soil pollution, visual impact, fauna & flora, land biodiversity*
2. Liquid effluent management
  - *Surface water*
3. Solid waste management
  - *Hazardous and non-hazardous waste: debris, oil, lubricants, plastic, aluminum, asbestos, asbestos containing metal, copper, paper, wood non-degradable XLPE waste, copper cooling, coolant oil*
4. Hazardous chemical management plan

5. Air quality, dust and noise management
6. Employee and public health and safety management
  - *Occupation health and safety*
7. Socio-economic impacts management
  - *Child labor, employment rate, cultural sensitivity*

As a result of the EMP, Elsewedy Cables Ethiopia was provided with detailed mitigation measures for each of the seven areas where there was a high risk for negative environmental and social impacts. Clear guidelines were additionally laid out for:

1. General Emergency Response procedures for:
  - Accidents and injuries
  - Personnel roles and lines of authority
  - Alarm systems/procedures
  - Evacuation routes and procedures
  - Emergency medical treatment procedures
  - Unconfined fires and explosions
  - Emergency preparedness and response-management plans
  - Environmental emergency response plans
  - Response times
  - Resources (*first aid box, protective gear, fire extinguishers, and emergency response vehicles*)
2. Environmental Audits
3. Environmental Performance Evaluation
4. Record Management
5. Environmental Reporting and Corrective Action
6. Continuous EMP Review

We immediately implemented changes recommended in the areas of waste management, solid waste management (incineration), general waste dispatching, canal/ditches for discharging liquid, removal of asbestos waste and periodic chiller maintenance.

### Beni Suef

During the construction of our Beni Suef CCPP, we planted 120 trees upon completion of the plant and initiated a Nile cleanup session in the area in proximity to the plant to rid it from garbage, industrial waste and oxygen-depleting plants.

### Industrial Parks: PI Parks

Our two industrial parks, Industria West and Industria East, work on providing investors with state-of-the-art and fully integrated industrial parks that are equipped with infrastructure, utilities and services to promote maximum efficiency and minimize the environmental impact of industrial operations. We are committed to sustainable development and serving our community in an ethically responsible manner. Some of our facilities and services targeted at environmental

responsibility include wastewater treatment and management, sewage treatment and management, firefighting, and landscape and road maintenance.<sup>1</sup>

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In addition to the services provided, we also have clear set guidelines and regulations on the industries that are able to join our industrial parks. We do not allow ceramic, cement or steel industries within the parks and all industries are given policies and procedures to follow based on local environmental legal policies. The Egyptian Environment Authority supervises PI Parks industrial parks to ensure proper adherence to local law and the preservation of the environment.

#### Industrial Parks: Al Oula Industrial Parks Development

At Al Oula Industrial Development parks, we focus on ensuring all industries adhere to the rules and regulations set out by the Egyptian Environment Authority and work to provide services and facilities that work on reducing the negative environmental impacts these industries create. Industries located within the parks are provided with irrigation tanks, water treatment stations, drainage and irrigation system to better recycle water for landscaping purposes, natural gas networks, communication networks, energy-efficient street lighting and water tanks.

As for industrial development rules and regulations, Al Oula Industrial Parks has have several polices all industries must adhere to such as:

- Construction is allowed on 40% to 65% of the total area assigned to each industry
- Building over a minimum of 25% of the assigned area is allowed during the first phase of construction
- Maximum facility height is set at 15 meters
- Setbacks must be at least four meters from each side of the fences
- Surrounding landscape cannot be less than 4% of the assigned area for each industry

#### Elsewedy Electric Transformers

Elsewedy Electric Transformers has a 50+ year durability assurance facility, thus helping to reduce product waste through the transformer business line. The majority of the components found in transformers are sourced from sustainable materials through the supply chain, with Elsewedy Electric only doing business with suppliers with the relevant ISO certifications, quality standards and adherence to environmental laws and regulations. The current recyclability of our transformers is set at 30%.

Figure 26, Emissions for Elsewedy Electric Transformers 2017

Type of Gas	Concentrations PPM
CO <sub>2</sub>	1,293
NO <sub>x</sub>	1
SO <sub>x</sub>	0.69

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<sup>1</sup> Visit our website <http://www.piparks.com/> for more information.

Electricity consumption for our all our factories, plants and offices under Elsewedy Transformers stands at an average of 574,000 kW per month with water consumption set at an average of 5,000 m<sup>3</sup> per month.

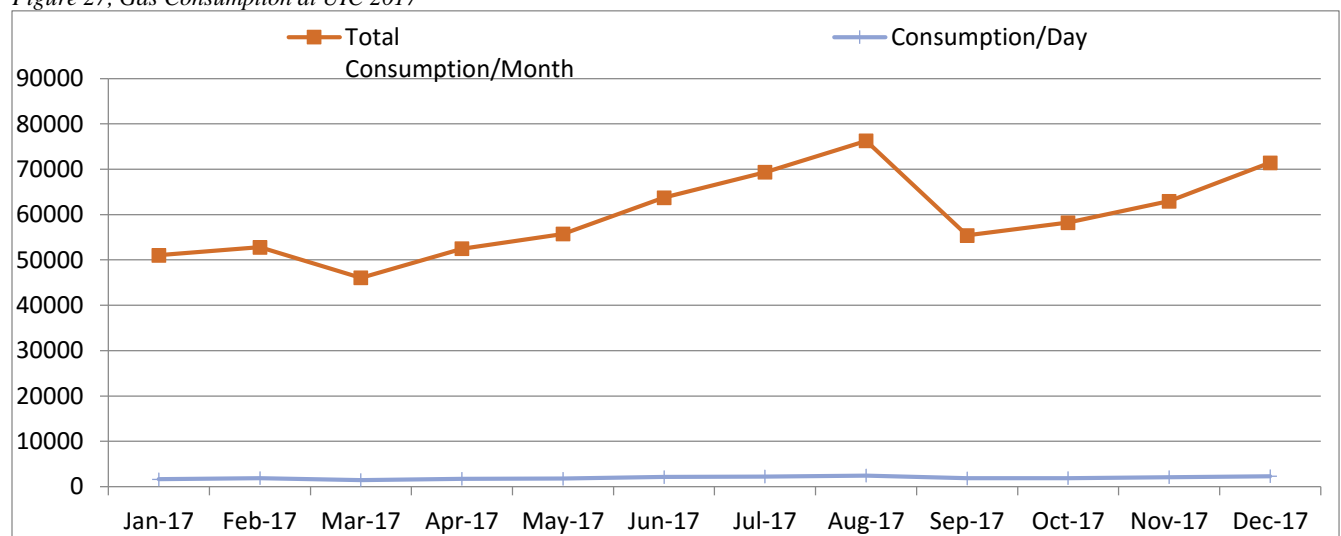
### Elsewedy Electric Cables

At Elsewedy Cables, we manage our environmental impact by recycling plastic waste and well as sourcing recycled plastic for usage within the factories. For the cooling of cables during the production process, we seek ways to innovate when it comes to water waste management and reducing our consumption of fresh water. Along with our sister company UMA, all copper used within our cables is ethically sourced copper and composed of copper scraps found in trash, debris and waste in Egypt.

### United Industry Cables

Our factories in UIC rely heavily on electricity usage for the multiple feeders used on a daily basis. Energy saving initiatives such as LED lights reduce overall electricity consumption as much as possible.

Figure 27, Gas Consumption at UIC 2017



Total consumption for the year: 715,476 m<sup>3</sup>

Figure 28, Electricity and Water Consumption for UIC 2017

Electricity consumption	25,954,800 kW
Water consumption	125,179 m <sup>3</sup>

### Elsewedy Electric T&D

Elsewedy Electric T&D is currently working on developing a new department dedicated to solar energy to produce clean electricity in an effort to lower its environmental footprint. Initiatives such as developing small mobile turbines to produce electricity further our reach into the renewables and solar sector for EPC contracts. In terms of internal policies within our facilities, we set a yearly action plan on our desired electricity, water and paper consumption for the year with a biannual measurement period and statistical review progress. Goals for 2018 include increasing HSE

training for all employees and email awareness-raising campaigns on ways to reduce paper, water and electricity consumption.

Figure 29, Consumption for Elsewedy Electric T&D 2017

Commodity	Current consumption for 2017	Desired consumption for 2018
Electricity	100,000 kW	90,000 kW
Water	6,000 m <sup>3</sup>	5,000 m <sup>3</sup>
Paper	1 ton	0.9 ton

### Iskraemeco Slovenia

Across our factories in our Slovenian subsidiary we adhere to EU laws and regulations for carbon emissions, energy usage, energy savings and waste management, in addition to the Group's standing policies on mitigating negative environmental impacts and improving our environmental sustainability.

Figure 30, Energy Consumption for Iskraemeco Slovenia 2017

Electricity Consumption	Amount Used kWh
Consumption within facilities	5,003,960
Consumption per 1,000 products	2,500

Figure 31, Water Consumption for Iskraemeco Slovenia 2017

Water Consumption (Industrial and Drinking)	Amount Used m <sup>3</sup>
Consumption within facilities	113,740
Consumption per 1,000 products	58

### Elsewedy SEDCO

Our products have a current life cycle averaging at around 50-60 years. All materials used come from suppliers that adhere to ethical and environment standards, with a majority of raw materials stemming from recyclable inputs. Our R&D department continuously finds ways to recycle raw materials used, adding new products to SEDCO's portfolio such as our 'heat shrinkable' offerings.

In addition to the sustainability of our products, we enforce internal rules for power and environmental savings including the following:

- All electric panel boards are equipped with power factor correction capacitor units
- All office spotlights have been exchanged from Halogen 50W to LED 3W
- All current fluorescent lights are being replaced with the equivalent LED lights once they burn out
- Air conditioning units run from May to October only
- Water heaters run from December to March only

Given the nature of SEDCO's operations, we carried out an environmental assessment for our factory in 10<sup>th</sup> Ramadan City, conducted by Ain Shams University. Samples were taken on 9<sup>th</sup> February 2017 with the following findings:

Figure 32, Noise Equivalent Power for Elsewedy SEDCO 10th Ramadan Factory



Location of Measurement	Level of Noise Equivalent Power in Decibels of Measurements	Maximum Limit Allowed According to Environment Law 9/2009. Labor Law 12/2003
Metal production facility	86.3	90
Rubber production facility	81.1	
CNC metal formulation facility	84.2	
Final product assembling facility	69.4	
Metal production workshops	90.0	
Administrative offices	54.1	

Figure 33, Heat Stress Management for Elsewedy SEDCO 10th Ramadan factory

Location of Measurement	Heat Stress Measurements in Degrees C° of Measurements	Maximum Limit Allowed According to Environment Law 9/2009. Labor Law 12/2003
Metal production facility	٢٦,٩	28 C°
Rubber production facility	٢٦,٩	
CNC metal formulation facility	٢٧,٦	
Final product assembling facility	٢٦,١	
Metal production workshops	٢٦,٤	
Administrative offices	٢٤,٧	

Figure 34, Concentration of Total Suspended Dust in the Work Environment for SEDCO (10th Ramadan)

Location of Measurement	Milligram/ m <sup>3</sup> of Measurements	Maximum Limit Allowed According to Environment Law 9/2009 Annex 8
Metal production facility	1.9	10
Rubber production facility	1.7	
CNC metal formulation facility	2.2	
Final product assembling Facility	0.8	



Metal production Workshops	1.3
Administrative offices	1.2

Figure 35, CO<sub>2</sub> Emissions in the Work Environment for SEDCO (10th Ramadan)

Location of Measurement	Milligram/ m <sup>3</sup> CO <sub>2</sub>	SO <sub>x</sub>	NO <sub>x</sub>
Tin coating facility	4.4	0.8	1.1
Rubber production facility	1.0	2.2	1.3
Maximum limit allowed according to Environment Law 9/2009 Annex 8	29	5.2	29

Figure 36, Clark Exhaust Measurement for SEDCO (10th Ramadan)

Equipment Type	Manufacturing Year	Smoke Intensity Coefficient K (m <sup>-1</sup> )	Smoke Opacity %
Komatsu	2005	1.4	16
Maximum limit allowed according to Environment Law 9/2009 Annex 6, Schedule 24	Starting from models from the year 2003	2.65	25

Figure 37, Industrial Waste Pollutants for SEDCO (10th Ramadan)

Parameter	Method of Analysis	Max. Allowable Decree (44/2000)	Results
BOD, mgO <sub>2</sub> /L	USEPA 405.1	600	301.1
Boron, mg/L	USEPA 212.3	1.0	0.012
Cadmium, mg/L	USEPA 212.2	0.2	0.013
Chromium, mg/L (Cr)	USEPA 218.3	0.5	0.014
COD, mgO <sub>2</sub> /L	USEPA 410.1	1,100	547
Copper, mg/L	USEPA 220.2	1.5	0.011
Lead, mg/L	USEPA 239.2	1.0	0.117
Mercury, mg/L	USEPA 245.1	0.2	Nil
Nickel, mg/L	USEPA 246.2	1.0	0.012
Nitrate – Nitrogen, mg/L	USEPA 353.3	100	3.9
Oil and Grease, mg/L	USEPA 413.3	100	6.1
PH	USEPA 150.1	6-9.5	7.6
Phosphate-P, mg/L	SM4500-P(C)	25	4.4

Settle-able rate, mL/ L (30 minutes)	USEPA 160.5	15	0.2
Total Suspended Solids, mg/L	USEPA 160.2	800	71.5
Sulphide, mg/L	USEPA 376.2	10	Nil
Cyanide, mg/L	USEPA 335.3	0.2	Nil
Phenols, mg/L	USEPA 420.1	0.05	Nil
Arsenic, mg/L	SM 3500As (B)	2.0	Nil
Tin, mg/L	USEPA 282.2	2.0	0.019

## ECMEI

Throughout our factories in ECMEI, we implement the Group's policies of energy saving, LED light savings and reducing our greenhouse gas emissions.

Figure 38, Greenhouse Gas Emissions for ECMEI 2017

Greenhouse Gas	Milligram/ m <sup>3</sup>
CO <sub>2</sub>	631.0
NO <sub>x</sub>	471.7
SO <sub>x</sub>	33.0

Figure 39, Energy Consumption and Savings for ECMEI 2017

Electricity consumption	226,600 kWh/month
LED light savings	1,979 EGP/month

Figure 40, Water consumption for ECMEI 2017

Water consumption	12 748 m <sup>3</sup>
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## EgyPlast

At EgyPlast, all factories follow the Group's shared energy saving policies. Our R&D works to develop biodegradable Masterbatch additives for plastic industries.

Figure 57, Energy and Water Consumption for EgyPlast 2017 (monthly average)

Commodity	Monthly Average Consumption rate
Electricity consumption	2,115 MW
Water consumption	5,883 m <sup>3</sup>

## STA

Through our highly innovative, state-of-the art technical academy, we reduce our environmental impact by cutting on paper waste and energy consumption. STA is equipped with energy-efficient lights and electrical appliances that comply with all safety and environmental regulations. To cut down on paper waste, we provide all learning through e-learning platforms and digitalized resources.

## Bus Transportation Services

We strongly encourage all employees to carpool on their daily commute to and from work to reduce Elsewedy Electric's carbon footprint when it comes to transportation. We provide a bus service for all employees at our corporate offices, factories, facilities and sites across the Group.

We currently have 36 buses in Cairo used by 348 administrative building employees. Elsewedy SEDCO has 19 buses to transport 531 employees out of a total of 641 employees.

### Group Facilities

Elsewedy Electric is currently constructing two administrative buildings, consolidating all main offices for each of our companies in Egypt into one large office space. This new building allows us to minimize our carbon footprint by centralizing our corporate operations and streamlining our water consumption, electricity usage and waste management. The new offices are being built with state-of-the-art, environmentally friendly features and includes green landscapes and recreational spaces. To ensure that our buildings have the lowest environmental impact, we have established an internal committee to overlook building plans and environmental impact mitigation.

At our current facilities, factories and offices, all lights have been switched to energy efficient and LED lights in order to cut down on electricity consumption and reduce the energy costs of running these sites. All our corporate offices are fitted with energy saving features such as light dimming, air conditioning control, double glazed windows and water filters and waste management to reduce negative impacts on our environment. In compliance with a group-wide administrative decision initiated in 2010, all employees are instructed to switch off ACs in offices and meeting rooms when the room is not in use. Employees that do not comply face penalization. Employees are strongly urged to consider their paper waste and encouraged to digitize all documents rather than print. Current paper consumption within our corporate headquarters is at 1,500 packets a year, averaging 125 packets a month. In Egypt, we also conduct water quality checks every 10 days throughout the majority of the Group's companies through a third-party contractor.

### E-Waste

All printers, PCs, laptops and other electric devices have a standardized product life cycle. Once they have reached the end of the life cycle, we separate scraps from usable spare parts to be used where needed. This is done through a team at Elsewedy Electric that then puts up bids for the rest of the parts through our Procurement Department.

### Waste Management

We recognize our vital in managing hazard and non-hazardous waste in a responsible and eco-friendly manner. Not only does this allow us to protect the environment and health of the population, but we gain numerous financial benefits from our waste management facilities and agreements. Our ultimate aim is to be one of the first environmentally friendly mega factories in Egypt.

The current waste management process at Elsewedy Transformers entails source reduction, separation, waste treatment and disposal. Our contractors remove waste on a daily basis from our factories, including oils, solid waste, scraps and hazardous waste.

To ensure we abide by and meet local regulations and limits on emissions, we conduct a periodical review through a government certified institution. Waste that can be recycled, mostly scraps, is sold to other industries for the manufacturing of goods such as car mats, asphalt, shoe soles, etc.

### *Waste Management at Iskraemeco Slovenia*

Given the nature of the electronics industry, we generate both non-hazardous and hazardous waste. Our factories in Slovenia abide by international and EU regulations on responsible waste management with all waste sorted before being disposed of appropriately. All waste management companies we subcontract are licensed by the Ministry of Environment with special planning and waste records kept for at least 10 years.

As per EU waste legislation, we have developed a ‘Plan of Waste Management’, where we evaluate the quantity of waste to be generated and the proper disposal methods needed. All types of waste are collected separately. Non-hazardous waste (such as copper, iron, brass, plastic, cardboard, and wood) as well as hazardous waste (such as electronic scrap, batteries and light bulbs) can be used as secondary raw materials to be recycled. Non-recyclable waste like oils, rugs and filters are incinerated with municipal waste disposed of in landfills.

In 2017, Iskraemeco Slovenia implemented a policy of reorganizing and optimizing the waste management process throughout the company, carrying out audits on our current waste management process and employee awareness-raising sessions.

### *Waste Management at UIC*

We have a contractual agreement with several companies that handle our waste disposal in accordance with local laws and regulations.

*Figure 58, Waste Management at UIC*

<b>Types of Waste</b>	<b>Treatment Method</b>	<b>Company</b>
Steels drums, bottles, fluorescent lamps, forklifts, batteries	Disposed	El Nasryia, Alexandria
Neutral liquid	Disposed	EL Nasryia, Alexandria
Used oil	Filtration	Petrotrade Company

### *Medical Waste Management*

Elsewedy Electric, through our company SEDCO, transports and manages toxic medical waste at toxic waste management facilities for Belbeis Central Hospital. This includes waste produced from medical beds, labs, liver dialyses machines, dental units and clinic waste.

## Corporate Governance Structure

Elsewedy Electric believes that a clear governance structure is essential to our continued growth and success. For us, corporate governance is a system of rules, practices and processes by which a company is directed and controlled. This involves balancing the interests of our many stakeholders such as shareholders, management, customers, suppliers, financiers, government and the community at large. Our governance structure facilitates quick decision-making driven by the scale, scope and complexity of our business. The structure allows for a clear separation between management and shareholders and, minimizes conflicts of interest throughout all operations. We believe clearly defined operational structures facilitate rapid and effective decision-making and result in greater accountability and improved profit margins.

## Board of Directors

Our Board of Directors comprises of highly qualified, experienced and skilled individuals in their respective field of expertise. Each executive committee member is responsible for a business, region, function and/or industry segment. Not only does the management structure carefully monitor progress of all business lines, companies and services around the world, but it also ensures that our strategy, vision, mission and core values continue to serve as our guiding pillars across all activities and represent our shareholders' vision to establish a professional transparent and ethical organization.

## Board Members

Mr. Sadek Ahmed Sadek Elsewedy	Non-Executive Chairman
Mr. Ahmed Ahmed Sadek Elsewedy	Managing Director
Mr. Mohamed Ahmed Sadek Elsewedy	Board Member
Mr. Amr Mohamed Labib	Board Member
Mr. Hesham El Khezindar	Board Member
Mr. Ahmed Fekry Abdel Wahab	Board Member/Chairman of Audit Committee
Mr. Abdelrahman Ahmed Ahmed Sadek Elsewedy	Board Member
Mr. Ahmed Sadek Ahmed Elsewedy	Board Member
Mr. Ahmed Saad ElDeen Adou Abou Hendya	Board Member
Mr. Amr Nabil Mohamed Othman	Board Member

## Internal Audit

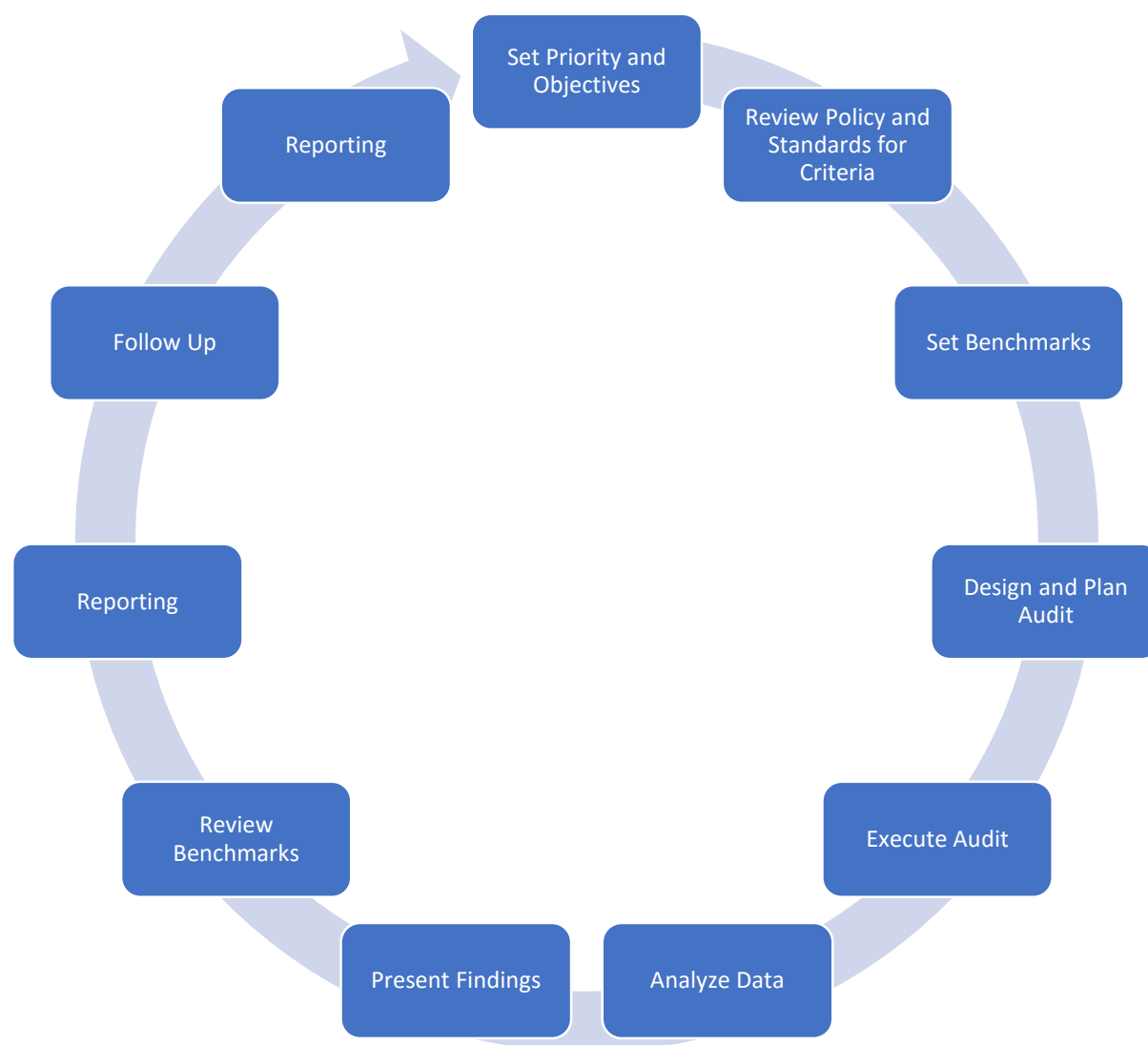
At Elsewedy Electric, we have a strong Internal Audit team that handles our operational audit, functional audit, investigations and ERP review and assessments. The mission of our Internal Audit Department is to provide independent, objective assurance and consulting services designed to add value and improve the organization's operations. We have a systematic, disciplined approach to evaluate and improve the effectiveness of our risk management, control and governance processes.

The objectives of the Internal Audit Department are to:

1. Ensure that risks are appropriately identified and managed;
2. Ensure that significant financial, managerial and operating information is accurate, reliable and timely;
3. Ensure that resources are acquired economically, used efficiently and adequately protected;
4. Ensure that programs, plans and objectives are achieved; and
5. Identify opportunities for improving controls, profitability and the organization's image communicated to the appropriate level of management.

Our processes are structured to work in five stages.

Figure 41 Internal Audit Process Stages



## Ethics & Compliance<sup>2</sup>

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As the corporate world is increasingly focusing on governance and corporate ethics, our Compliance Department is responsible for assessing and supporting management compliance activities as part of their role in organizational governance. We safeguard Elsewedy Electric's reputation and international standing as a trusted integrated power solutions service provider worldwide and enhance the trust of our business partners through our fair and transparent operations.

<sup>2</sup> Further programs are due to be implemented in 2018 such as a vendor integrity screening procedure, data privacy program and higher precautionary measures on the anti-money laundering and fighting terrorism financing program.

The Compliance Department works to prevent the company against any fraudulent activities by:

- Detecting violations of laws and regulations;
- Advising on business conduct that is lawful, ethical and in the business interest of our business partners, customers, shareholders and employees; and
- Promoting a culture of integrity and compliance across the Group in partnership with senior management, through employee awareness sessions, policies and implementation procedures.

The scope of the Compliance Department's review includes:

1. The company's Anti-Corruption Framework
2. The Code of Conduct Policy
3. The Fraud Control Policy
4. Embedding laws and regulations into corporate policies
5. Compliance awareness sessions for new employees, key vendors, subcontractors and suppliers
6. The overall supervision of the Elsewedy Electric whistleblowing hotline
7. Conducting compliance risk analysis of all new projects
8. Conducting customer and business partner due diligence
9. Sending monthly compliance tips to all employees
10. Sending compliance alerts to pertinent stakeholders

#### *Anti-corruption Framework*

##### **Ethics & Business Code of Conduct**

Our Ethics & Business Code of Conduct is a set of behavioral conducts that define the standards for fair and regulatory conduct of our business. It provides the necessary operational support for all employees when dealing with agents, customers, suppliers, governmental entities and business partners.

The Ethics & Business Code of Conduct covers the areas of:

1. Leadership and employee relations throughout Elsewedy Electric
2. Employee behavior within the Group
3. Improper use of the company's funds and assets
4. Use of company information
5. Insider trading
6. Relations with customers, suppliers and government officials
7. Conflicts of interest
8. Gifts and entertainment policies
9. Acknowledgment process

##### **Fraud Control Policy**

Our policy defines 'fraud' as an intentional act or omission to gain unjustified or unlawful benefits or advantages that put our company or our business partners' assets and reputation at risk. It sets clear requirements for the development of controls that will assist in the detection, prevention and response to fraud.

We aim to promote consistent organizational behavior by providing comprehensive guidelines and ensuring accountability for the controls and conducts set in place during investigations.



The fraud control policy is designed to protect the company's funds and assets, maintain the highest standard of ethics, professional conduct and fiduciary responsibility, maintain the company's integrity and preserve the highest level of service to the community and the individual

The topics covered within the policy include:

- Governance and professional ethics
- Fraud awareness
- Fraud risk assessments
- Fraud prevention procedures
- Fraud detection and reporting
- Fraud investigation process
- Corrective actions

### *Whistleblowing Hotline*

All employees at Elsewedy Electric are given the right to report any potential inappropriate/illegal business practices, conduct or actions that may be perceived as unethical. Our internal whistleblowing hotlines allow for any acts of fraud, misconduct, breach of policies any actions related to ethics and compliance to be reported. We ensure that reports remain anonymous depending on the employee's preference.

Whistleblowing can be conducted through written letters, telephone, face to face, through an email to the compliance section head or [compliance-int@elsewedy.com](mailto:compliance-int@elsewedy.com).

While channels are communicated to all employees, we communicate that board members and senior management should strive to remain receptive to complaints and concerns raised directly to them by employees.

### *Legal Compliance*

Elsewedy Electric is a leading integrated energy solutions provider in the Middle East and Africa with over 30 production facilities across 15 countries and exports to over 100 countries around the world. When it comes to international compliance, our Legal Department sets clear guidelines and assesses protocols and laws to ensure we abide by them. All products, services, and operations abide by local laws, industry standards and specifications as well as international institutional body regulations such as the International Labor Organization (ILO).

### *Tax Compliance*

We adhere to all local laws and regulations in the countries in which we operate when it comes to VAT and other tax-related issues. Our frameworks have undergone recent changes following amendments to the investment law that allowed for tax exemptions and holidays for the majority of our companies. The new tax law introduced in 2018 offers different incentives and benefits but ceases the practice of tax exemptions. We review our tax compliance on an annual basis through an external audit by KPMG for all subsidiaries and Egypt. A tax audit is conducted locally through ATC.

### *Supply Chain Compliance*

We undertake supplier integrity screening for all suppliers across the Group. All are assessed and undergo reviews to ensure their adherence to local laws, international regulations and agreements in the areas of HSE, human rights, environmental regulations, labor rights, child labor and other supply chain sustainability issues.

## Our Shareholders

### Financial Excellence

Elsewedy Electric is proud to be a significant contributor to the economic growth of Egypt through our constant development of the Group with extensive holdings both locally and internationally. Even during times of economic hardship, Elsewedy Electric has continued to grow and maintain a solid financial position. Not only do we continue to drive economic growth in markets where we operate, but we create jobs, provide decent livelihoods and develop the industry. Through PI Parks alone 50,000 job opportunities have been created as a direct result of the industrial clusters.

Our revenues have continued to rapidly increase since our listing on the Egyptian Exchange, growing 74.1% y-o-y from EGP 24.6 billion in 2016 to EGP 42.9 billion at the end of 2017.

### Our Domestic Advantage

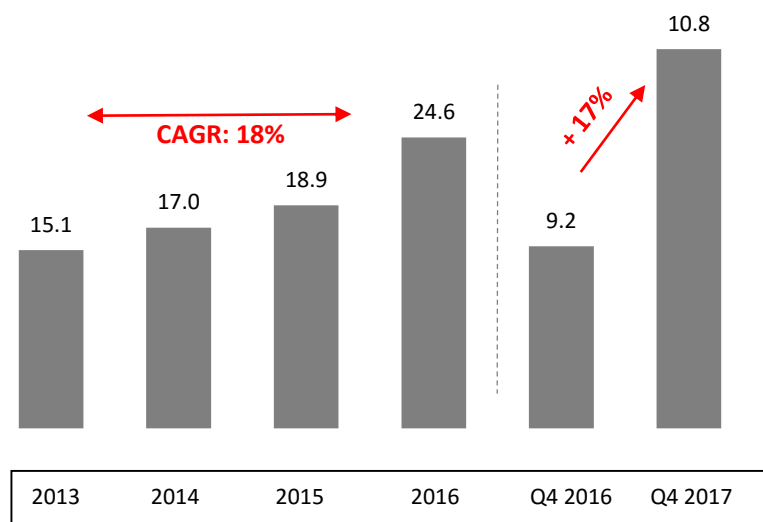
The Groups' nearly 100% local staffing allows for tax benefits and lower financing costs, leading to better margins and a secure market share. Local insight allows us to retain intelligence and know-how on local conditions, key players and key relationships. They also give us an advantage when it comes to anticipating market demand.

### Our Advantage Abroad

We benefit from economies of scale without compromising local producer advantages. Elsewedy Electric has a closely aligned federation of fully localized production and distribution centers with a global coordination center in Cairo while holding an expansive worldwide distribution network. We make considerable investment in ICT infrastructure to link geographically dispersed factories and offices allowing for the sharing of data and knowledge, leading to reduced costs and improved time efficiency and operations.

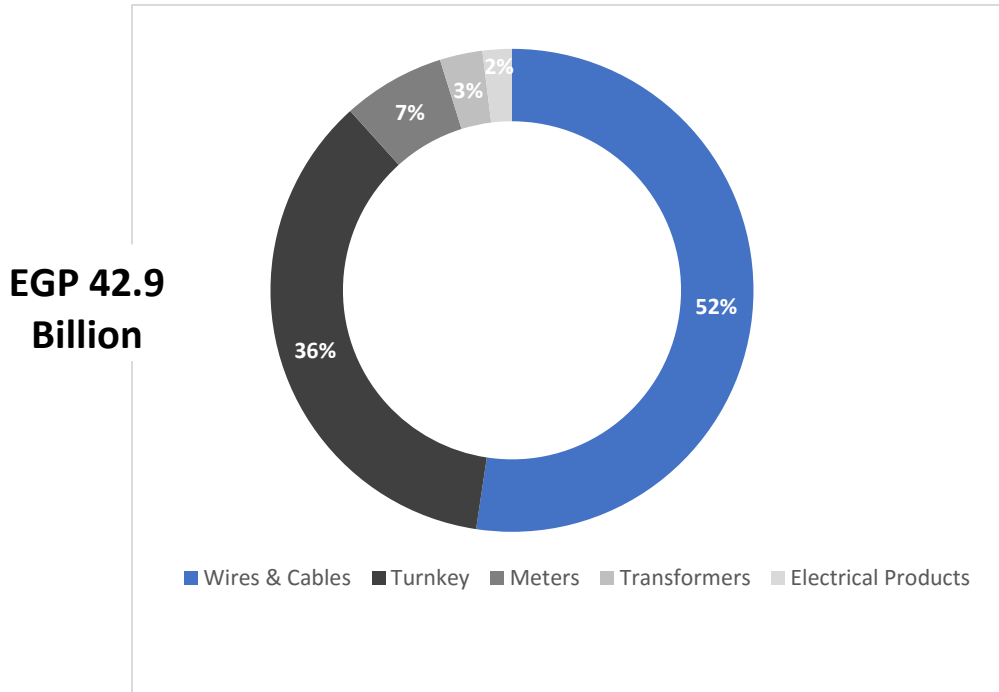
### Total Revenue

Figure 42, Total Revenue (EGP billion)



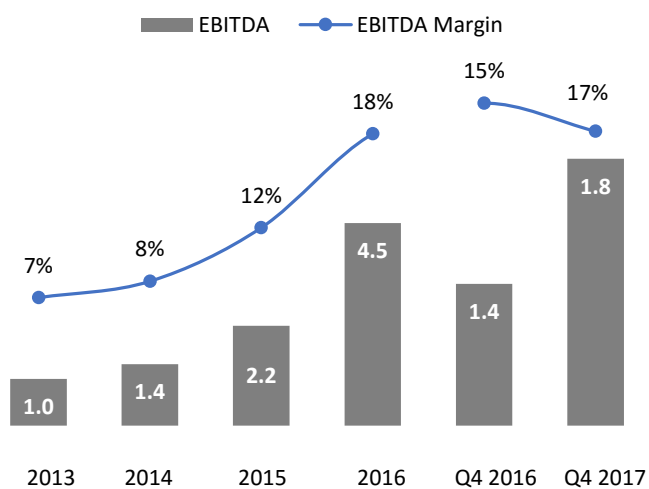
## Revenue by Segment

Figure 43, Revenue by Segment 2017



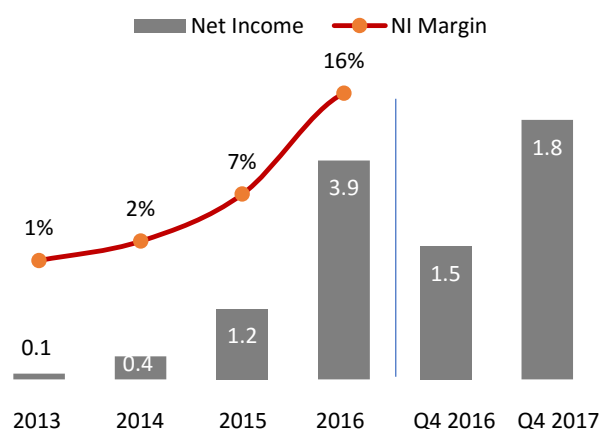
## EBITDA

Figure 44, EBITDA (EGP billion)



## Net Income

Figure 45, Net Income After Minority Interest (EGP billion)



## Consolidated Income Statement

Figure 46, Income Statement

EGP	Q4 2017	Q4 2016	Change	FY 2017	FY 2016	Change
<b>Sales</b>						
Wires & Cables	6,310,388,978	4,065,285,020		22,475,892,064	12,960,797,874	
Electrical Products	1,528,608,368	743,534,959		5,012,818,210	2,203,455,259	
Turnkey Projects	2,953,931,487	4,408,549,778		15,422,402,622	9,480,419,731	
<b>Total Sales</b>	<b>10,792,928,833</b>	<b>9,217,369,757</b>	<b>17%</b>	<b>42,911,112,896</b>	<b>24,644,672,864</b>	<b>74%</b>
COGS	8,679,453,308	6,856,718,711		33,866,884,242	18,711,387,517	
<b>Gross Profit</b>	<b>2,113,475,525</b>	<b>2,360,651,046</b>	<b>-10%</b>	<b>9,044,228,654</b>	<b>5,933,285,347</b>	<b>52%</b>
<b>Gross Profit Margin</b>	<b>19.6%</b>	<b>25.6%</b>		<b>21.1%</b>	<b>24.1%</b>	
SG&A	537,757,318	511,869,872		2,060,912,121	1,343,028,969	
Other Operating Income	58,723,417	51,313,011		491,029,123	65,315,219	
Other Operating Expense	212,826,792	688,829,024		922,176,356	837,704,837	
Income from Investments	287,064,038	132,623,669		701,932,258	330,824,011	
<b>EBITDA</b>	<b>1,830,798,897</b>	<b>1,364,590,364</b>	<b>34%</b>	<b>7,802,306,592</b>	<b>4,535,510,446</b>	<b>72%</b>

<i>EBITDA Margin</i>	<i>17.0%</i>	<i>14.8%</i>	<i>18.2%</i>	<i>18.4%</i>		
Depreciation and Amortization	122,120,027	123,327,556	548,205,034	386,819,675		
FX Gain / (Loss)	86,492,784	1,107,750,032	198,242,082	1,311,545,267		
<b>EBIT</b>	<b>1,795,171,654</b>	<b>2,349,012,840</b>	<b>7,452,343,640</b>	<b>5,460,236,038</b>		
Interest Expense	116,099,559	134,386,944	512,376,566	415,054,477		
Interest Income	308,451,819	60,173,722	730,529,680	180,761,611		
<b>Interest Income/ (Expenses)</b>	192,352,260	74,213,222	218,153,114	234,292,866		
<b>EBT</b>	<b>1,987,523,914</b>	<b>2,274,799,618</b>	<b>7,670,496,754</b>	<b>5,225,943,172</b>		
Tax	133,680,393	727,463,102	1,183,938,659	1,271,214,788		
<b>Net Income</b>	<b>1,853,843,521</b>	<b>1,547,336,516</b>	<b>6,486,558,095</b>	<b>3,954,728,384</b>		
Minority Interest	52,916,600	45,568,829	118,516,848	101,285,792		
<b>Net Income After Minority Interest</b>	<b>1,800,926,921</b>	<b>1,501,767,687</b>	<b>20%</b>	<b>6,368,041,247</b>	<b>3,853,442,592</b>	<b>65%</b>

## Consolidated Balance Sheets

Figure 47, Balance Sheets

<b>EGP</b>	<b>31-12-16</b>	<b>30-09-17</b>	<b>31-12-17</b>
<b>Assets</b>			
<b>Long-Term Assets</b>			
Fixed Assets	4,358,661,645	4,617,960,401	4,723,555,823
Investments	1,276,350,446	1,023,516,410	1,243,216,097
Other Long-Term Assets and Goodwill	277,204,873	377,172,369	654,890,203
Other Long-Term Receivables	3,867,394,013	3,811,776,784	3,486,374,869
<b>Total Long-Term Assets</b>	<b>9,779,610,977</b>	<b>9,830,425,964</b>	<b>10,108,036,992</b>
<b>Current Assets</b>			
Inventories	6,085,344,359	7,953,803,967	7,818,948,364
Receivables	10,428,542,123	10,944,263,571	12,006,589,372
Other Debit balance	3,059,174,357	3,315,994,434	2,872,604,585
Due From Related Parties	663,680,218	544,327,827	548,573,297
Cash and Cash Equivalents	8,522,476,523	8,822,577,679	9,072,732,756
<b>Total Current Assets</b>	<b>28,759,217,580</b>	<b>31,580,967,478</b>	<b>32,319,448,375</b>
<b>Total Assets</b>	<b>38,538,828,557</b>	<b>41,411,393,442</b>	<b>42,427,485,367</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Bank Overdraft and Short-Term loans	9,797,606,073	7,803,544,988	8,390,195,283
Accounts Payable	3,140,412,300	2,700,154,420	3,139,495,170
Other Credit balance	10,304,328,520	12,531,354,047	13,247,452,036

Due to Affiliates	376,577,012	2,023,127,405	371,383,820
Provisions	1,082,961,436	1,239,644,250	1,030,717,996
<b>Total Current Liabilities</b>	<b>24,701,885,341</b>	<b>26,297,825,110</b>	<b>26,179,244,306</b>
<b>Equity</b>			
Issued and Paid Capital	2,234,180,000	2,184,180,000	2,184,180,000
Retained Earnings	6,589,888,570	7,938,339,961	9,429,130,905
Others	2,160,994,632	2,208,341,984	1,899,112,879
<b>Total Parent's Shareholders' Equity</b>	<b>10,985,063,202</b>	<b>12,330,861,945</b>	<b>13,512,423,779</b>
Minority Interest	584,496,934	605,592,604	643,304,985
<b>Total Equity</b>	<b>11,569,560,136</b>	<b>12,936,454,549</b>	<b>14,155,728,764</b>
Long-Term Loans	1,420,570,790	1,374,589,887	1,179,333,318
Other Long-Term Liabilities	846,812,290	802,523,896	913,178,979
<b>Total Long-Term Liabilities</b>	<b>2,267,383,080</b>	<b>2,177,113,783</b>	<b>2,092,512,297</b>
<b>Total Liabilities and Equity</b>	<b>38,538,828,557</b>	<b>41,411,393,442</b>	<b>42,427,485,367</b>

## Investor Relations

Our advanced technology acquisition and development positions the Group to supply the most cost-effective, clean technology locally, as well as to regional and international markets. Group-wide sharing of the most advanced production technology extends a significant efficiency gain across the Group's activities, while effective brand development boosts the Group's profile as a leading energy player. Strategic partnerships with key players within the industry in 2017 saw around USD 1.2-1.5 billion in total financing raised across the Group. To better enhance our communications with our stakeholders, with a focus on investors, we share all investor-related material through our online platform dedicated for investors. Not only do we prioritize transparency and accountability when it comes to communicating with our investors, but we ensure that information related to the Group, our operations, board practices and stock activity is easily accessible and organized through one cohesive database platform.<sup>2</sup> According to Transparency International's 2016 report<sup>2</sup>, Elsewedy Electric scored<sup>2</sup> 77% on 'Reporting on Anti-Corruption Programs' with 48% being the average score for all companies included in the study.

## Stock Exchange

Elsewedy Electric listed on the stock market in May 2006 in a move that consolidated our global standing and improved brand equity.

Figure 48, Group Ownership Structure

<sup>2</sup> Visit the website at <http://ir.ElsewedyElectric.com/en>

<sup>2</sup> Transparency in Corporate Reporting – Assessing Emerging Market Multinationals 21

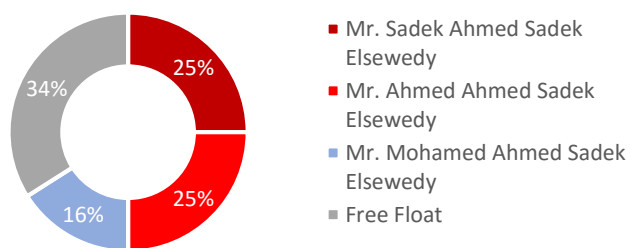
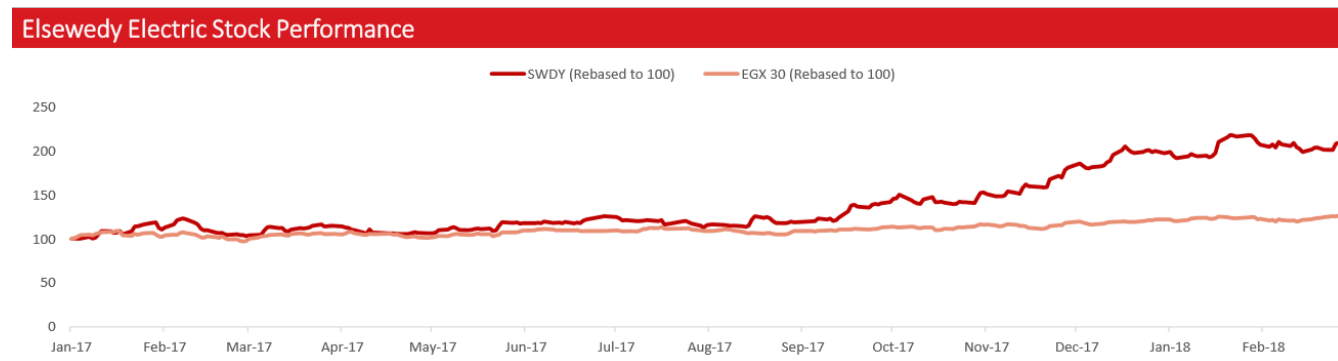


Figure 49, Stock Information for SWDY CA/SWDY EY

SWDY.CA/SWDY.EY (31/12/17)	
<b>Issued Shares</b>	<b>Share Price</b>
218,418,000 Shares	EGP 148.0
<b>Listing Venue</b>	<b>Market Cap</b>
The Egyptian Stock Exchange	EGP 34.5 billion

Figure 50, SWDY CA/SWDY EY Stock Performance

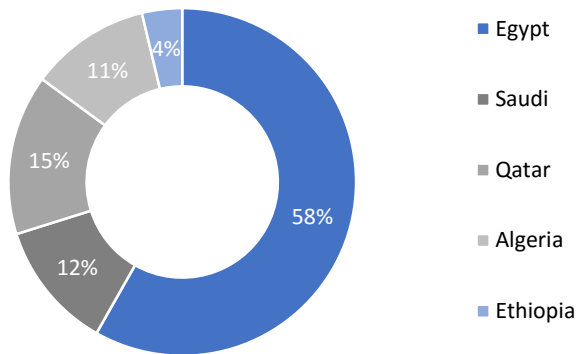


## Business Line Review

### Wires & Cables

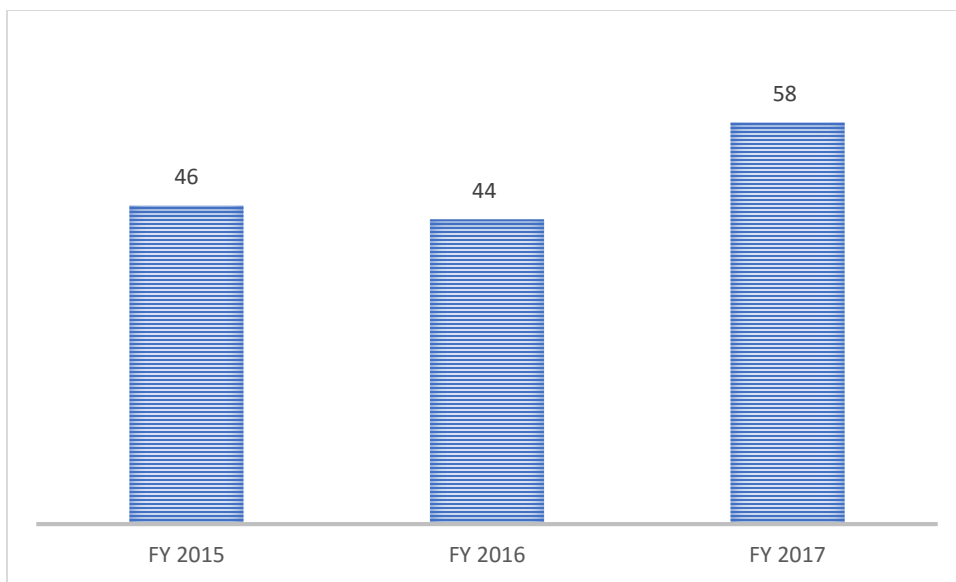
Figure 51, Capacity Split by Country as a %





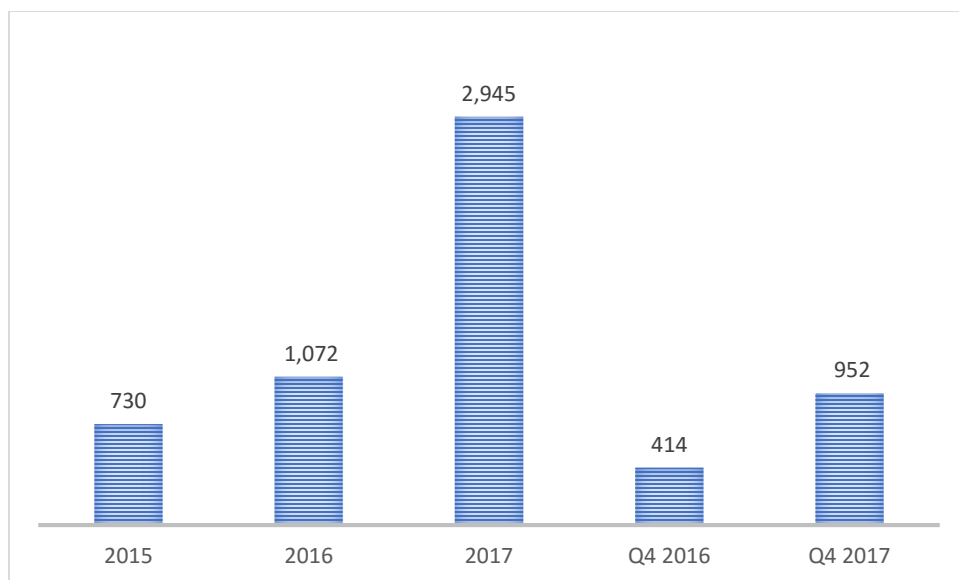
### *Transformers*

Figure 52, Backlog (USD million)



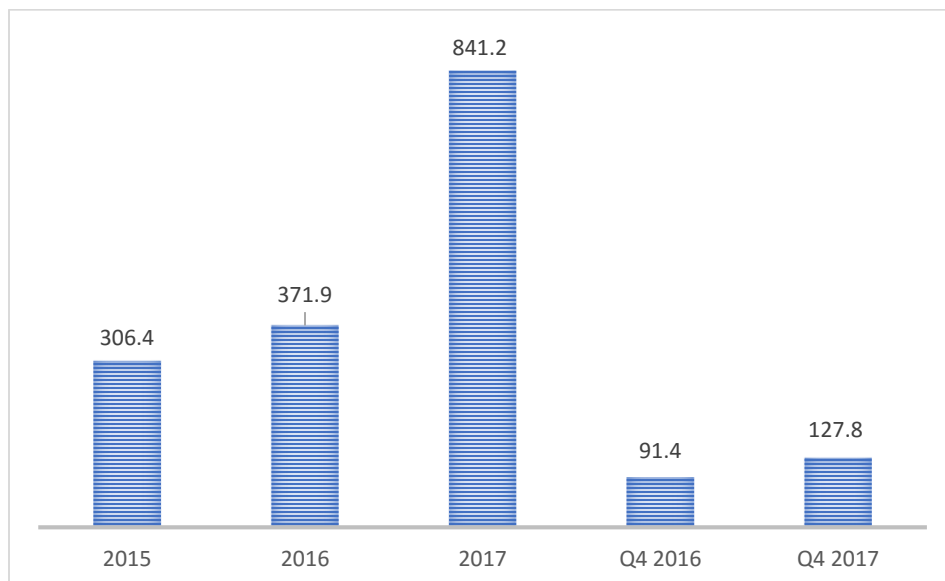
### *Meters*

Figure 53, Revenue (EGP million)



### *Other Electrical Products*

Figure 54, Revenues (EGP million)



## Turnkey Solutions

Figure 55, Revenues (EGP million)

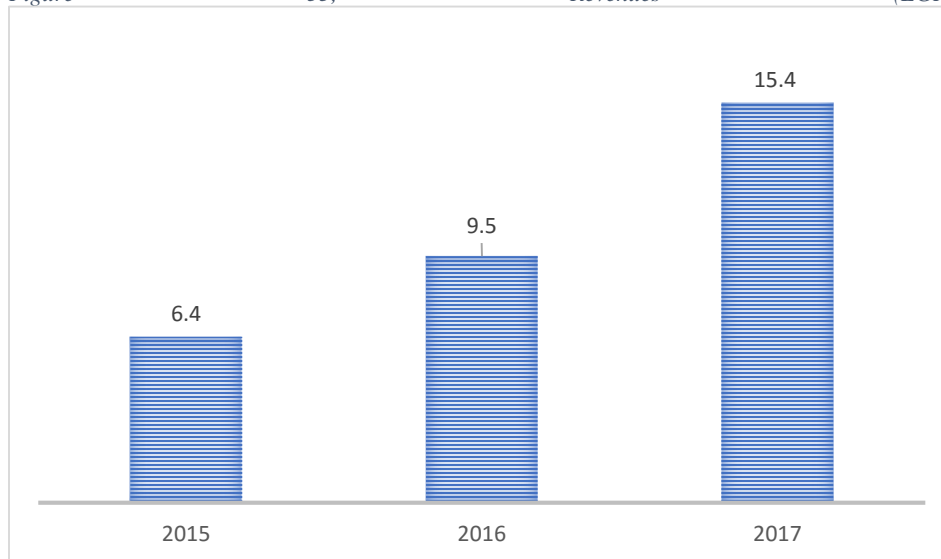


Figure 56, Backlog by Region

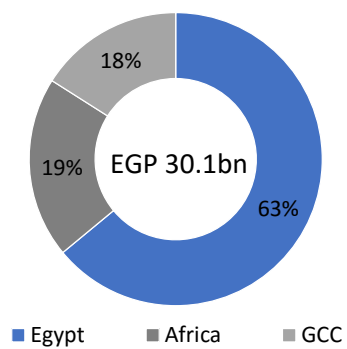
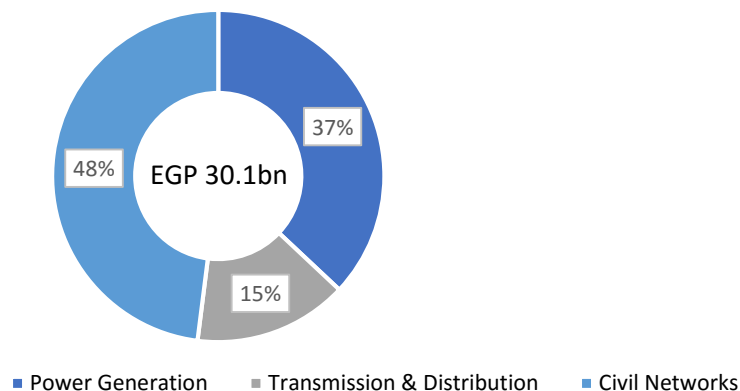


Figure 57, Backlog by Segment



## Geographical Reach

Our global presence can be categorized into eight main areas, alongside our exports:

1. Cables and accessories
2. Electrical products
3. Meters
4. Transformers
5. Telecom
6. Renewable energy
7. Projects and development

The Group focuses on providing strong capabilities that extend to large and complex infrastructure, industrial and commercial projects with an emphasis on turnkey contracting. Countries that we offer our services within the sectors of power, PSP, and transmission and distribution split into the following:

### Power

- Iraq
- Yemen
- Cameroon
- Libya

### PSP

- Egypt
- Iraq
- KSA
- Qatar
- Cameroon
- South Africa
- Algeria

- UAE

#### Transmission and Distribution

- Algeria
- Chad
- Egypt
- Ethiopia
- Equatorial Guinea
- Ghana
- Mozambique
- Niger
- Rwanda

## Key Awards, Project Achievements and Certifications

### Global Recognition and Awards

#### *2016 Best African Company of the Year*

The 5<sup>th</sup> edition of the Africa CEO forum saw the bringing together of over 1,000 attendees and key decision makers in industry, finance and politics from all across Africa and the rest of the globe. The conference provided a unique platform for discussions, opportunities for business development and strategy refinement. In recognition of our remarkable expansion into the African continent in 2016, Elsewedy Electric was awarded the *2016 Best African Company of the Year Award*. The award was presented to our Group CEO Eng. Ahmed Elsewedy who reaffirmed our Group belief that “as an African company, Elsewedy has an obligation to take part in the development of Africa.”

#### *Elsewedy Electric named one of Egypt's top 50 companies by Forbes Middle East*

Elsewedy Electric won the title of one of the top 50 Egyptian companies as part of Forbes Middle East's Egypt 100 list. Candidates are divided into the categories of 'The Top 50 Egyptian Companies', 'The 25 Strongest Egyptian Start-ups' and 'The 25 Most Powerful Women'.

#### *Elsewedy Electric Group ranked 6<sup>th</sup> best listed company in Egypt*

Elsewedy Electric was ranked the 6<sup>th</sup> best listed company in Egypt from among 100 of the top listed companies, marking the third consecutive year the company has been in the rankings. The awards ceremony was attended by Prime Minister Sherif Ismail, the Minister of Investment, Minister of Transport, Minister of Planning, Minister of Public Sector Affairs and the Egyptian Stock Exchange Chief.

#### *Elsewedy Electric awarded the title of Global Challenger of the Year 2016 by Boston Consulting Group*

BCG named Elsewedy Electric Group as a BCG Challenger for 2016. The BCG Global Challengers report identifies 100 fast-globalizing companies from rapidly developing economies that drive global growth. The set of 100 'Challenger' companies represent some of the fastest growing organizations in their industries. The report further spotlights innovative business models, emerging markets, as well as market trends for the industries included in the publication.<sup>2</sup>

#### *Elsewedy Transformers awarded new KEMA certificate*

Elsewedy Transformers was awarded a new KEMA certificate for dry transformers at a rating of 3,150 KVA, 22KV, adding to the wide range of certificates already held by the company. Elsewedy Transformers' continued commitment to providing distinguished products and services at international standards has extended to the creation of a new Maintenance Services Division that offers a full range of services, including the repair, maintenance and changing of spare parts.

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<sup>2</sup> Read the full BCG Global Challengers and Leaders 2016 report at [http://image-src.bcg.com/Images/BCG-Global-Leaders-and-Challengers-June-2016\\_tcm9-180953.pdf](http://image-src.bcg.com/Images/BCG-Global-Leaders-and-Challengers-June-2016_tcm9-180953.pdf)

### *Elsewedy Transformers to supply the Egyptian Electric Transmission Company with 50 power transformers*

Elsewedy Transformers signed a contract to supply 50 units of power transformers 40MVA with voltages of 66KV/11 and 66KV/22KV for substations in the National Electricity Network to overcome power outages during the summer months of 2016. The scope of work includes: design, engineering, fabrication, factory testing, delivery to site, supervision on erection works, performing site testing and commission, supervision of the putting-in service and insurance through to the final certificate. Additional services to be included are warranty and training of the following items: 50 units of power transformers 40MVA 66KV/11 and 66KV/22KV and outdoor power transformers. The total contract value as set at USD 23,000,000.

### *Power Generation Transmission Projects in Ghana*

Group CEO Eng. Ahmed Elsewedy met with His Excellency John Dramani Mahama, Vice President of Ghana, to discuss cooperation between Ghana and Elsewedy Electric on power generation projects to be financed by the Group. Particular focus was given to the Independent Power Plant (IPP) and Partnership Private segments.

### *President of the Republic of Guinea conducts successful business trip in Egypt*

May 2017 saw His Excellency Prof. Alpha Condé, President of the Republic of Guinea conduct a business trip to Egypt. The trip focused on potential business opportunities and investments between Egypt and Guinea. During his visit, President Alpha Condé met with President Abdel Fattah El Sisi, followed by a meeting with Group CEO Eng. Ahmed Elsewedy to discuss business deals with the energy sector in Guinea.

## **Project Profiles**

### **Beni Suef**

In 2015, through a consortium with Siemens, Elsewedy Electric signed an EPC and Finance Contract for Beni Suef 4,800 MW Combined-Cycle Power Plant for the Egyptian Electricity Holding Company (EEHC). This EUR 2 billion contract is a part of total contracts worth EUR 8 billion signed to boost the capacity for power generation in Egypt under. Siemens will supply on a turnkey basis 14,400 MW of three equal natural gas-fired, combined-cycle power plants in addition to 2,000 MW from up to 12 wind farms. Each of the three power plants will be powered by eight Siemens 400 MW gas turbines, type 8000H.

### **Beni Suef Combined-Cycle Power Plant**

Location: Beni Suef, Egypt

Capacity: 4,800 MW (4 CC blocks, 2-on-1, SGT5-8000H)

Owner: EEHC

Main Contractor: Siemens AG and Elsewedy Electric

Project Description:

- 4x1200 MW combined-cycle power plant (2+2+1) SCC5-8000H
- Multi-shaft, combustion turbine generators: 400 MW
- Steam turbine generator: 400 MW

- Each combined-cycle module consists of: two CTG, two HRSG, one STG, including all auxiliaries, eight Benson type vertical HRSGs by NEM with Bypass stacks and Siemens T3000 control system

Scope:

- All plant construction and erection, with all non-power block engineering and procurement, including 500kV GIS SS

Project Duration: 34 months (completed in 2017)

Key features of the plant include:

- 6,000 Egyptian workers
- 22 million working hours to date
- Zero lost time due to injuries

The first 150 days after NTP saw the:

- Cut, excavation, demolition and removal of 1.75 million m<sup>3</sup> of hard rock
- Installation of six gas turbines, Siemens H-Class with all auxiliaries
- Erection of six main transformers, 500kV and six auxiliary transformers
- Erection of 10.15 million kg steel structure
- Laying of 483,000 meters of cables
- Installation of six bypass stacks

## Construction

### **SODIC Allegría Club House**

Our first successful cooperation between SODIC and Rowad Modern Engineering (RME) was for the construction of Westown Hub, which has been ranked as one of the top constructed open-air malls in Egypt. RME and SODIC have decided to further our cooperation with the construction of the SODIC Allegría Clubhouse. SODIC has marked this as one of its landmark projects to come.

Location: Cairo, Egypt

Client: SODIC

Contract Value: EGP 170 million

Project Duration: 26 months

### **GOE Beni Suef 6X000TPD Clinker Cement Plant**

In cooperation with the Chengdu Design & Research Institute of Building Materials Industry Co., Ltd, RME has been awarded the civil works contract for the GEO Cement Plant – Line 3. The project represents a great challenge to RME in terms of the project deadline of 14 months.

Location: Beni Suef, Egypt

Client: GOE

Contract Value: EGP 207 million

Project Duration: 14 months

### **Port of Algiers Container Terminal – Refurbishment Works**



In cooperation with DP World, RME has been awarded the upgrading and rehabilitation works contract for the Port of Algiers container terminal. The project involves the rehabilitation of the 30ha container terminal currently operated by DP World. Work needed includes: ship-to-shore crane foundation works, quay wall, apron refurbishment behind quay walls, reconstruction of the yard including all services and utilities.

Location: Algeria  
Client: DP World Djazaier  
Contract Value: USD c.60 million  
Project Duration: 30 months

#### **PKG#53 Construction of Village F (West) ‘SIERRAS’**

RME has been contracted to deliver SIERRAS residential building for Uptown Cairo on a turnkey basis.

Location: Uptown Cairo, Mokattam, Cairo, Egypt  
Client: Emaar Misr  
Contract Value: EGP 350 million  
Project Duration: 29 months

#### **Mostasmereen (220/66/11 KV) GIS Substation**

Our GE and RME consortiums are significantly progressing on the delivery of the French-funded substations project. The project is of the highest priority to the Egyptian Ministry of Electricity and includes the EPC construction on Al Mostasmereen Substation 22/66/11 KV, Ismailia Substation 500/220 KV, Beni Suef Substation 500/220 KV and Tmai El Amdeed Substation 500/220 KV.

Location: Egypt  
Client: Egyptian Electricity Transmission Company (EETC)  
Contract Value: EUR 225 million  
Project Duration: 20 months

#### **FIEM 120 MW & KFW 40 MW Wind Farms Projects**

Following RME’s delivery of the JIC 220 MW wind farm in cooperation with GAMESA, RME was chosen to continue as GAMESA’s civil works contractor of choice. The projects to be undertaken by RME are the FIEM 120 MW and KFW 40 MW wind farms, which are composed of 80 GAMESA G80-2 MW wind turbines. The total installed power of Gulf El Zeit will be 160 MW. RME is the only civil contractor in Egypt serving the wind energy sector.

Location: Gulf El Zeit, Egypt  
Client: Gamesa  
Contract Value: c. EGP 100 million  
Project Duration: 9 months

#### **Maxim Mall**

RME's position as a top contractor for shopping mall construction awarded us the Maxim Mall turnkey construction project.

Location: New Cairo, Egypt  
Client: Maxim Holding  
Contract Value: EGP 120 million  
Project Duration: 12 months

### **Bridges**

RME has been chosen by the Egyptian government to be amongst the few contractors tasked with achieving national ambitions on road and transportation expansion projects. These plans have been declared as important national strategic objectives. RME's past projects include Al Amal Bridge, mall of Egypt and Cairo Capital City bridges. RME continues to demonstrate our ability to deliver results under time constraints without sacrificing quality without any added expenses.

### **Hyper One Market- Al Solymanya**

RME has been appointed to carry out the construction of Hyper One Market Al Solymanya. RME is responsible for the complete civil construction works, finishing works, sanitary and firefighting works.

### **Power Generation**

#### **EPC Contract for Two Power Generation Plants in Egypt: Mahmoudia Simple Cycle Power Plant, Behira and Attaqa Simple Cycle Power Plant**

Location: Suez  
Date Awarded: January 2015  
Contract Value: 706,000,000 USD  
Capacity: 980 MW  
Client: Egypt's Ministry of Electricity & Renewable Energy  
Scope: Construction of two power plant projects with six heavy-duty gas turbine packages  
Status: Completed

#### **EPC Contract Alongside Siemens AG for New Combined-Cycle Plant in Egypt**

Date Awarded: June 2015  
Contract Value: 2,000,000,000 EURO (Elsewedy Electric portion: 785,000,000 EURO)  
Capacity: 4,800 MW  
Client: Egyptian Government  
Scope: Engineering, procurement and installation of balance of plant, in addition to the erection & installation of Siemens turbines  
Status: 2018-scheduled completion

#### **EPC Contract for Three Power Generation Plants in Angola**

Location: Camama, Cazenga and South Lunda  
Date Awarded: February 2016  
Contract Value: 484,500,000 USD  
Capacity: 500 MW  
Client: Angola Ministry of Electricity and Water (part of Angola's 2016 Emergency Power Plan)

Scope: Construction of three power plants using GE gas turbines  
Status: 2018 Scheduled Completion

**EPC Contract for DEWA Aweer H IV - Gas-Fired Simple Cycle**

Location: UAE  
Contract Value: USD 306,000,000  
Capacity: 800 MW  
Client: DEWA  
Scope: Full-scope EPC  
Status: Pre-award

**IPP Contract for Benban**

Location: Aswan, Egypt  
Project: Solar 1x65MWp  
Contract Value: USD 140,000,000  
Capacity: 65 MW  
Client: Egyptian Electricity Transmission Company (EETC)  
Scope: BOO Sponsor & Developers  
Status: Financial Close

**EPC Contract for RAK**

Location: UAE  
Project: Gas-Fired Combined-Cycle  
Contract Value: USD 1,250,000,000 (Elsewedy share: USD 550,000,000Elsewedy)  
Capacity: 2,490 MW  
Client: Mobadala-Siemens (Project Developers) and Federal Electricity & Wael Authority in Ras Al Khaima, Egypt  
Scope: Engineering, procurement and installation of balance of plant and marine works in addition to the erection & installation of Siemens turbines  
Status: Pre-award

**EPC Contract for ALDIWANIYA Simple Cycle Power Plant**

Location: Diwaniya Iraq  
Capacity: 500 MW  
Scope: Greenfield for 4x125 MW GE Gas Turbine, Fr. 9E  
Status: Completed and connected on 400kV grid in 2015

**Package Contractor for PP12 Combined-Cycle Power Plant**

Location: Saudi Arabia  
Capacity: 2,400 MW  
Scope: EBoP for 8xGE 7F.05

**Package Contractor for Nubaria Combined-Cycle Power Plant**

Location: Nubaria, Egypt  
Capacity: 3x750 MW  
Scope: EBoP, E&M, Installation for HRSGs & Boilers

**Package Contractor for Banha Combined-Cycle Power Plant**

Location: Banha, Egypt

Capacity: 650 MW

Scope: EBoP & MBoP

**Package Contractor for Jeddah South Thermal Power Plant**

Location: Saudi Arabia

Capacity: 4x660

**Package Contractor for Eltebbin Thermal Power Plants**

Location: Egypt

Capacity: 2x350 MW

Scope: Power Evacuation Package

**Package Contractor for Suez Thermal Power Plant**

Location: Egypt

Capacity: 650 MW

Scope: STG Electrical Installations

**Package Contractor for Abu Quir Thermal Power Plant**

Location: Abu Quir, Egypt

Capacity: 2 x 650 MW

Scope: EPC of Electrical & Mechanical BoP

**Package Contractor for Ain El Sokhna Supercritical Power Plant**

Location: Egypt

Capacity: 2x650 MW

Scope: EBoP & E&M, Water Treatment Plant

**Package Contractor for Cairo West Thermal Power Plants**

Location: Egypt

Capacity: 2x350 MW

Scope: Power Evacuation Package

**Package Contractor for Alshabab Simple Cycle Power Plant**

Location: Egypt

Capacity: 1,000 + 500 MW

Scope: EBoP

**Package Contractor for West Damietta Cycle Power Plant**

Location: Damietta, Egypt

Capacity: 500 + 250 MW

Scope: EBoP

**Package Contractor for 6<sup>th</sup> of October Simple Cycle Power Plant**

Location: 6<sup>th</sup> October City, Egypt  
Capacity: (8 + 4) x150 MW  
Scope: EBoP

#### Transmission & Substations

##### **Consortium with Siemens for Two Substations in Egypt**

Location: Delta region, Egypt

Client: Egyptian Electricity Transmission Company (EETC)

Scope: The new substations will transmit electricity from the Burullus power plant (set to become the world's largest combined-cycle station) to supply up to 15 million Egyptians with reliable electricity. The substations will power delivery to Egyptian homes in addition to different industries located in the Delta region and increase the capacity of the national grid. The fast-track project is being executed in consortium with Elsewedy Electric for the construction work of the substations. Once completed the substations are set to become one of the largest turnkey substations ever supplied to the national grid.

##### **Berket Ghelion**

Location: Egypt

Scope: 66/22 KV AIS Substation. Engineering, design, fabrication, factory testing, site delivery, loading, unloading, civil works, installing, testing, commissioning, training, insurance 'till handover & warranty' for all work required for 66/11 KV AIS S/S

Packages included: 66 KV AIS equipment; 66 KV indoor equipment; 66 KV power transformers '2x40 MVA'; 22 KV S/G; capacitor bank; control, measuring and protection system; telecom system; auxiliary system (auxiliary transformer, AC, DC, chargers & batteries); HV, MV & control cables; Earthing system, electromechanical works including HVAC, lighting & small power system; firefighting system, fire detection system & sewage network; civil works

Project Duration: 6.5 months (usual duration is 12 months)

Key achievements: 120 Egyptian workers, 187,200 safe working hours

##### **Cairo Capital S1**

Location: Egypt

Scope: 500/220/66/22 KV GIS Substation. Engineering, design, fabrication, factory testing, site delivery, loading, unloading, civil works, installing, testing, commissioning, training, insurance 'till handover & warranty' for all work required for S1 500/220/66/22 KV GIS S/S

Packages included: 500/220/66 KV GIS equipment; 500/220/66 KV outdoor equipment; 500 KV power transformers '2x750 MVA'; 220 KV power transformers '2x175 MVA'; 66 KV power transformers '6x40 MVA'; 22 KV S/G; capacitor bank; control, measuring and protection system; telecom system; auxiliary system (auxiliary transformer, AC, DC, chargers & batteries); HV, MV & control cables; Earthing system, electromechanical works including HVAC, lighting & small power system; firefighting system, fire detection system & sewage network; civil works

Project Duration: 12 months (usual duration is 12 months)

Key achievements: 25 Egyptian workers, 3,000 safe working hours

##### **Substation South 110 Military**

Location: Al Kayan, Egypt

Scope: 220/22 KV GIS Substation. Engineering, fabrication, factory testing, receiving, unloading, storing, civil works, erection, testing, commissioning, training, technical assistance, insurance 'till handover & warranty' for all work during the project

Packages included: 220 KV GIS switchgear; 2x175 MVA 220/22/22 KV transformers; 4x22 KV switchgear; 4x9 MVA capacitor bank; control, measuring and protection system, 2x1000 KVA transformers; four earthing transformers; 1 LV switchgear; 1 DC battery, battery charger & DC distribution system; substation automation system; communication system including 48 VDC system; MV, LV, control cables & accessories; Earthing & lightning protection system; electromechanical works including HVAC, lighting & small power system; firefighting system, fire detection system & sewage network; civil works

Project Duration: 8 months

Key achievements: 220 Egyptian workers, 422,400 safe working hours

### **New Akhmen, 500 KV OHTL**

Location: East Assuit & East Qena, Egypt

Scope: 356 km of 500 KV Overhead Transmission Lines (OHTL).

Key Achievements: Engineering, supply & construction of 950 towers & quadruple bundle conductor 500 KV for the 1<sup>st</sup> time in Egypt; supplied 8,000 tons of steel towers & 4,500 tons of aluminum reinforced conductor 490/65mm; 250,000 m<sup>3</sup> excavation; 220,000 m<sup>3</sup> backfilling; 44,000 m<sup>3</sup> reinforced concrete; 150 towers erected

Project Duration: 6 months

Key achievements: 850 Egyptian workers, 1,224,000 safe working hours (Zero LTA)

### **Abo Quir-Badr Single Circuit (OHTL)**

Location: Egypt

Scope: Abu Quir-BADR 500 KV, Single circuit OHTL approximately 400km long "3 Lots"

### **Kurimat-Samalout Double Circuit (OHTL)**

Location: Egypt

Scope: Kurimat 500kV double circuit OHTL

### **Suez City –Elsewedy Cement Factory HV Substation of 220/11kV**

Location: Suez, Egypt

Scope: Construction of the new substation GIS HV Substation of Elsewedy Cement (Suez City) 220/11kV, 2x40 MVA outdoor configuration type double busbar

### **EPC Contract for Suez Gulf GIS Substation**

Location: Egypt

Voltage: 500/220/22 kV

Status: Contract Stage

### **EPC Contract for Manshiat Nasser GIS Substation**

Location: Egypt

Voltage: 220/66/22 kV

Status: Under Construction

**EPC Contract for Diwaneya GIS Substation**

Location: Iraq

Voltage: 400 kV

Status: Under Construction

**SERAFI 110 kV GIS S/S**

Location: Saudi Arabia

Voltage: 110/13.8 kV

Status: Completed December 2017

**132/11 KV ALWUKAIR 11 GIS S/S**

Location: Qatar

Voltage 132/11 kV

Status: Completed October 2017

**Arabian Cement AIS Substation**

Location: Egypt

Voltage: 220/22 kV

**Suez Steel AIS Substation**

Location: Egypt

Voltage: 220/33 kV

**Ezz Steel GIS Substation**

Location: Egypt

Voltage: 220/33 kV

*Figure 61, Table of Projects*

Location	Client	Project Description	Contract Year	Consortium Partner(s)
Egypt	Upper Egypt Electricity Production Company (UEEPC)	EPC with Testing, Commissioning, start-up and Civil works for Beni Suef 500 kV GIS Substation		Consortium Siemens AG & Elsewedy Electric
Egypt	Egyptian Electricity Transmission Company (EETC)	Engineering, Supply, Construction, Installation, Commissioning, Testing and Warranty of six nos. 500/220KV GIS Substations • 500/220/22kV Substation at Etay Elbaroud • 500/220/22kV Substation at West Maghagha • 500/220/22kV Substation Extension at Kafr Elzayat • 500/220/22kV Substation at Wadi Elnatroun	2015	Consortium of Siemens AG (Germany) and Elsewedy Electric

		<ul style="list-style-type: none"> <li>• <b>500/220/22kV</b> Substation at East Assuit</li> <li>• <b>500/220/22kV</b> Substation at East Banha</li> </ul>		
Egypt	Egyptian Electricity Transmission Company (EETC)	Turnkey, lump sum EPC for: <ul style="list-style-type: none"> <li>• Substation <b>500/220/22 kV</b> of Ismailya East</li> <li>• Substation <b>500/220/22 kV</b> of Beni Suef</li> <li>• Substation <b>500/220/22 kV</b> of Tamy El Amdeed</li> <li>• Substation <b>220/66/11 kV</b> of Mostasmereen</li> </ul>	Jun-16	Consortium of GE Grid (ALSTOM Grid) and Elsewedy Electric
Jeddah, Kingdom of Saudi Arabia	Al Serafi Park Residential Complex Authority	The Construction of Al Serafi Jeddah Park 110 kV GIS S/S on turnkey basis		None
Doha, Qatar	SAK Holding Group	Establishment of new <b>132/11kV</b> transmission substation – Al Wukair 11 on EPC basis		None
Canal Region, Egypt	Egyptian Electricity Transmission Company (EETC)	The EPC Construction of Zaafrana <b>220/220 kV</b> GIS Substation		The Consortium of DWI/ HHI/ Elsewedy Electric
Egypt	Egyptian Electricity Transmission Company (EETC)	The Construction Suez Gulf <b>500/220/22 kV</b> GIS Substation on turnkey basis		Consortium Hyosung/ Elsewedy Electric
Egypt	Arabian Cement Company	EPC contract of <b>220/6.6 KV</b> S/S extension bay to serve the required power for Arabian Cement Factory, connection with the grid, project includes design, engineering, supplying, installing, testing, commissioning and start-up of 220KV kV AIS substation		None
Egypt	Elsewedy Industries	<b>220/11 KV</b> S/S to interconnect Elsewedy Cement Factory with the grid through tie-in overhead transmission lines project includes design, engineering, supplying, installing, testing, commissioning and start-up of <b>220KV kV AIS</b> substation	Jan, 2010	None



## Power Distribution

### **El Mostakbal City**

Location: Mostakbal, Egypt

Scope: Supply & construction of 14 distribution boards inside Switch Gear room; 14 transformers inside the transformer building; supply, install & test low voltage panels; supply & install Earthing system; supply, install, connect & test 18/30 KV multicore cables; supply, install & connect street lighting system

Civil works: transformer building, distribution point building, cables

Key achievements: 120 Egyptian workers, 540 safe working hours

### **Egypt Metro XLPE 220 KV**

Location: Cairo, Egypt

Scope: Abassia metro line to Ain Elsira, underground Cables XLPE 220 KV, 200 KV/62 km

### **Kouraymatt XLPE 220 KV**

Location: Egypt

Scope: Cairo East S/S to Kouraymatt underground cables XLPE 220 KV, 220 KV / 60 km

### **El-Tebbin XLPE 220 KV**

Location: Egypt

Scope: Tebbin GIS to Tebbin south underground cables XLPE 220 KV, 220 KV / 49.2 km

### **Melk Awakena**

Location: Ethiopia

Scope: Distribution project

### **Two Primary Substations**

Location: Ghana

Scope: Supply & Installation

### **Proyecto de Electrificación de Los Cinco Municipios de Nueva Creación a Saber**

Location: Guinea

Scope: Nzangyong, Rio Campo and Cabo San Juan via ABC networks

### **Matola - Maputo**

Location: Mozambique

Scope: Network Expansion, Service Connection 5

### ISO Certifications

To meet market requirements, improve our standards and quality assurance methods Elsewedy Electric works on enhancing our development through investing in development systems such as the ISO's and Total Quality Management Approval. Elsewedy Electric has a large range of ISO certificates ranging from HSE, supply chain regulations, environmental responsibility and export rights to management systems such as the ISO 50001.

#### **3W Networks:**

ISO 9001:2015

ISO 14001:2015

BS OHSAS 18001:2007

ISO 27001:2013

ISO/TS 29001: 2010

#### **Iskraemeco:**

ISO 9001

ISO 14001

OHSAS 18001

ISO 17025

Measuring Instrument Directives (MID)

#### **RME:**

ISO 14001

ISO 9001

OHSAS 18001

#### **Elastimold Egypt/Elsewedy SEDCO:**

9001 (Certified)

14001 (Certified)

18001 (Certified)

SGS ISO

#### **United Wires Company:**

ISO 9001:2008 (certified in relation to the design and manufacturing of galvanized steel wires and overhead conductors)

#### **Elsewedy Cables:**

ISO 9001:2015 (Egytech Cables)

ISO 9001: 2008 (Egytech- ELSEWEDY Cables Egypt, UMC)

ISO 14001:2004

BS OHSAS 18001:2007 (Egytech- El SEWEDY Cables Egypt A1 & A3)

**Elsewedy Electric T&D:**

ISO 1400:2004 (certified in relation to the engineering, procurement and management of installation activities for electrical power transmission and distribution projects at the head office)

ISO 9001:2015 (certified in relation to the engineering, procurement, construction and management of installation activities for electrical power generation, transmission and distribution projects)

ISO 14001:2004 (certified in relation to the engineering, procurement and management of installation activities for electrical power transmission and distribution projects at the head office)

OHSAS 18001:2007 (certified in relation to the engineering, procurement and management of installation activities for electrical power transmission and distribution projects at the head office)

**Egyptian Company for Plastic Industry:**

BS OHSAS 18001: 2007

ISO 9001: 2015

ISO 14001:2004

COR 1: 2009

**Elsewedy Transformers:**

IRC 60076-11 (2004-2005)

ISO 9001:2008 (certified in relation to the design, manufacturing and after sales services of power transformer and distribution transformer [oil and dry])

ISO/IEC 17025:2005 (certified in relation to the testing of electrical transformers [EL SEWEDY Transformers Company and laboratories])

ISO 14001:2004 (certified in relation to the Design, manufacturing and after sales services of power transformer and distribution transformer (oil and dry))

OHSAS 18001:2007 (certified in relation to the design, Manufacturing and sales of power transformer and distribution transformer (oil and dry))

**SET- SIAG Elsewedy Towers:**

ISO 9001:2008 (certified in relation to the production and pre-assembly for wind energy towers as well as steel components)

ISO 14001:2004 (certified in relation to the production and pre-assembly for wind energy towers as well as steel components)

OHSAS 18001:2007 (certified in relation to the production and re-assembly for wind energy towers as well as steel components)

**Egyptian Co. For Manufacturing Electrical Insulators (ECMEI):**

ISO 9001:2008

ISO 14001:2004

OHSAS 18001:2007

ISO/IEC 17025:2005 (certified in relation to the testing of insulators)

**Inter-Design Group- Environmental Management System EMS:**

ISO 14001:2004 (certified in relation to the consultation, design and build in all electromechanical fields)

**MS-005-E-0861**

Our proudly made in Egypt seal on all products is in support of the campaign by the Egyptian Ministry of Industry & Foreign Trade aiming to increase Egypt's dependence on locally manufactured high-quality products.

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