

Thank you.. The Annual Report on the Environmental, Social and Governance Disclosures has been successfully Registered and your Registration Code Number is 35005. You are kindly Requested to print the report and attach it to the annual report of the Board of Directors attached to the annual financial statements for the year 2023/2024.



الهيئة العامة للرقابة المالية
FINANCIAL REGULATORY AUTHORITY



Annual report for FY **2023/2024**

On Financial Disclosures Related To Climate Change (TCFD)

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

First: Introduction

The report on financial disclosures related to climate change - recommendations of the Task Force on Climate Financial Disclosure TCFD reflects the company's ability to manage the risks and opportunities associated with climate change, which creates confidence among investors that enables them to make investment decisions that take into consideration the range of financial risks and opportunities associated with climate change and the company's management mechanisms for transitional risks and Physical risks of the effects of climate change on the company's financial performance, thus providing more transparency regarding climate-related risks and opportunities for investors.

Based on the FRA responsibility towards NBFIs including listed Companies on the Egyptian Stock Exchange, and within the framework of assisting these companies to submit annual reports to disclose ESG sustainability standards in accordance with the FRA decisions No. 107 and 108 of 2021, and to facilitate them, the FRA has prepared this electronic form to companies to fulfill the KPIs for financial disclosures related to climate change - TCFD recommendations.

Therefore, please be careful, accurate and transparent when filling out this form, and please attach the report form within the annual report prepared by the Board of Directors attached to the annual financial statements for the year

2023/2024 In case of any inquiries related to this matter, you can contact sustainable development department via email sustainable.development@fra.gov.eg

Secand: Basic Data on The Status of Company

1. Select the company's name: Ibnsina Pharma
 2. Select the company's sector: Health Care & Pharmaceuticals
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Third: Basic Data of The Person Responsible for Completing The Report

1. Name : mohamed mahmoud shawky
 2. Job Title: investor relations director
 3. Email: mohamed.shawky@ibnsina-pharma.com
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Fourth: TCFD KPIs

1. Governance KPI (Climate Related Governance)

1. Does the board have oversight of climate-related risks and opportunities? Yes

Environmental and climate opportunities and risks are discussed at least once a year in management meetings. ISP started some climate related projects and procedures such as the company's attempts to switch to the use of alternative energy such as the use of solar energy instead of fuel and natural gas in electricity production.

Safe disposal of waste is carried out through authorized contractors who have license from the Environmental Affairs Agency.

2. Does the management have a role in assessing and managing climate related risks and opportunity? Yes

Management is aware of the climate change related risks and opportunities. The greatest risk on pharmaceutical storage is the impact of global warming which is critical to ensure the safety of the drugs to be stored in a safe temperature-controlled environment. As weather temperatures change due to climate change, high temperatures directly affect our operations.

2.Strategy KPI (Environmental Operations, Oversight and Mitigation)

1. Does the organization identify any climate related risks and opportunities over the short, medium and long run? Yes

1- In the short term, there are plans to reduce / refrain from using papers and documents and replace them using the company's technological channels, and warehouse waste is disposed of in a safe manner in accordance with the EEAA Law, taking into account recycling opportunities.

2- In the medium term, the company has a tendency to invest in the implementation of solar power plants to illuminate branches to reduce carbon emissions.

3- In the long term, the conversion of transport vehicles to electric cars instead of relying on petrol cars is being studied.

2. Does the company reflect the climate-related risks opportunities on the organization's business, strategy, and financial planning? Yes

Yes, the company includes climate-related opportunities and risks in its strategy and financial planning by reducing / refraining from using papers and documents due to their high cost related to EGP devaluation. Also, ISP is working on installing solar power plants in branches to reduce emissions as part of the strategy to reduce operating cost and thus sustain the company and increase shareholder profits.

3. Does your company invest, annually, in climate-related infrastructure, resilience, and product development? Yes

1- Reducing / refraining from using papers and documents (using the company's technological channels).

2- The company's direction to invest in the implementation of solar power plants in branches to reduce carbon emissions.

3- Investment in services and technological infrastructure is an essential part of the annual investment budget

3.Risk Management KPI (Climate-Related Risks)

1. Does the company set a defined process for identifying and assessing the climate related risks? Yes

The company has mechanisms in place to identify and assess risks. The most important risks that Ibsina Pharma considers are compliance, financial and operational risks as well as climate-related risks that affect business sustainability. The company evaluates each type of risk in terms of identifying and understanding the risk, determining its possibility and impact and then developing a plan to deal with this risk.

2. Does the company have a solid process for managing the climate related risks?Yes

Risk management is an essential tool to ensure business sustainability and, most importantly, avoid or minimize potential negative impacts on our stakeholders in the supply chain and environment. Our most important risk is quality risk; our top priority is to deliver medication to patients quickly and appropriately. The nature of the work includes risks mainly associated with the storage and distribution of medicines. As it is a complex process that contains multiple challenges that may require closing warehouses, temperature control, storage and transportation mechanisms, expiration of products and damage to products

3. Does the company incorporate climate-related risks in the company's overall risk management? Yes

Climate-related risks are part of the company's overall risk management strategy.

4.Metrics & Targets KPI (Carbon/ GHG Emission)

1. Does the company use any metrics to assess climate-related risks and opportunities in line with its strategy and risk management process? Yes

The number of kilometers used by transport vehicles and the cost of using electricity are measured, and accordingly these strategies were used to try to reduce emissions:

- 1. Expanding the opening of branches close to the distribution places to reduce the number of kilometers traveled by distribution vehicles and its impact on carbon emissions.**
- 2. Periodic maintenance of the company's equipment and vehicles is carried out to ensure the efficiency of its work and maintain the average electricity consumption.**
- 3. The company's direction to invest in the implementation of solar power plants in branches to reduce carbon emissions.**

2. Total amount, in CO2 equivalents, for Scope 1 (if applicable) ? No

This subject is currently under study However, the company stated with the following initiatives :

- Solar Panel

o On January 11, 2023, a total of 414 photovoltaic cells and 2 inverters with total power of 226 kW solar panels were installed and commenced in Obour Head Office as phase I with expected production capacity of 391,800 kWh/year.

o Following 2023 and due to some construction works, the total production of the station has reached 272,852 kWh, as per the readings received from the inverters.

o The actual CO2 emissions avoided during the year 2023 is 131.8 Ton of CO2 avoided during 2023. With full production the expected Ton of CO2 to be avoided on an annual basis will reach 189.2

- EV Vehicles

o On November 25, 2023, a total of 2 Suzuki Vans have successfully transformed from internal combustion engine (ICE) to an electric vehicle (EV).

o Up-to the end of 2023, the two vehicles have been operating a total of 69 days with a range covering 3,779 Km.

o As per the attached sheet, provided by Shift-EV, the total CO2 emissions avoided was 1,318 Kg of CO2, .