



CLEOPATRA HOSPITALS
GROUP



SUSTAINABILITY REPORT 2021



TABLE OF CONTENTS

	Our Vision	3
	Cleopatra Hospitals Group: Who We Are	5
	2021 Key Highlights	7
	Chairman and CEO's Joint Statement	9
	CHG's Sustainability Agenda for 2021	11
	The Group's 7 Pillar Approach to ESG	13
	Stakeholder Engagement	15
	The Group's Sustainability Pillars	20
	Environmental Impact	21
	■ Energy Management	
	■ Water Management	
	■ Waste Management	
	Social Responsibility	27
	■ Employee Engagement, Diversity, and Inclusion	
	■ Training & Career Development	
	■ Occupational Health & Safety	
	■ Community Outreach	
	Governance & Economic Impact	50
	■ Governance	
	■ Driving Efficiency with Innovation and Technology	
	■ Economic Perspective	





Our Vision

Healthcare Provider of Choice

Our fundamental purpose is to deliver exceptional healthcare services in terms of treatment, care and diagnosis in a one-stop-shop model to all our patients. We are dedicated to being the preferred provider of care by virtue of provision of innovative healthcare services solutions, experienced consultants, and well-trained medical and non-medical staff who join forces to offer the highest level of healthcare services possible.

Premium Quality of Services

we leverage on our experienced medical professionals and state-of-the-art facilities towards improving the health of our patients and the communities we're present in. In order to ensure superior patient outcomes, we place high emphasis on our facilities' clinical excellence as well as their technological capabilities and deep sub-specialties that are offered in Centers of Excellence forms.

Core-Values Driven Strategy

Our everyday operational decisions are largely inspired by our core values. We do our best to maintain a patient-centered environment across our Group, with a focus on compassionate care throughout our patients' entire treatment journey.



Quality



Collaboration



Passion



Respect



Integrity

Economic

In order to ensure sustainable growth to all the Group's stakeholders, CHG offers widely accessible quality healthcare services across Egypt while taking into consideration key factors such as comprehensive corporate governance, high quality customer service, constant innovation, and high data privacy measures. Additionally, the Group's constant capacity building allows for indirect economic contributions that take place in different forms such as job opportunities creation.

Environment

We collect, review, and analyze all our facilities' electricity and water consumption periodically, enabling us to take better decisions towards conserving our water and electricity consumption while reducing our waste generation to preserve the environment for our future generations. We instill environmental awareness amongst our staff and promote eco-friendly practices across our operations.

Social

Our employees are the backbone of our organization, whereby the Group thrives by serving its surrounding communities wherever any of our facilities are present. For that, caring for our employees and the local communities in which we operate in, developing talents within the industry, innovating in service offerings deliveries, and ultimately creating societal value are all things that are very close to our heart.





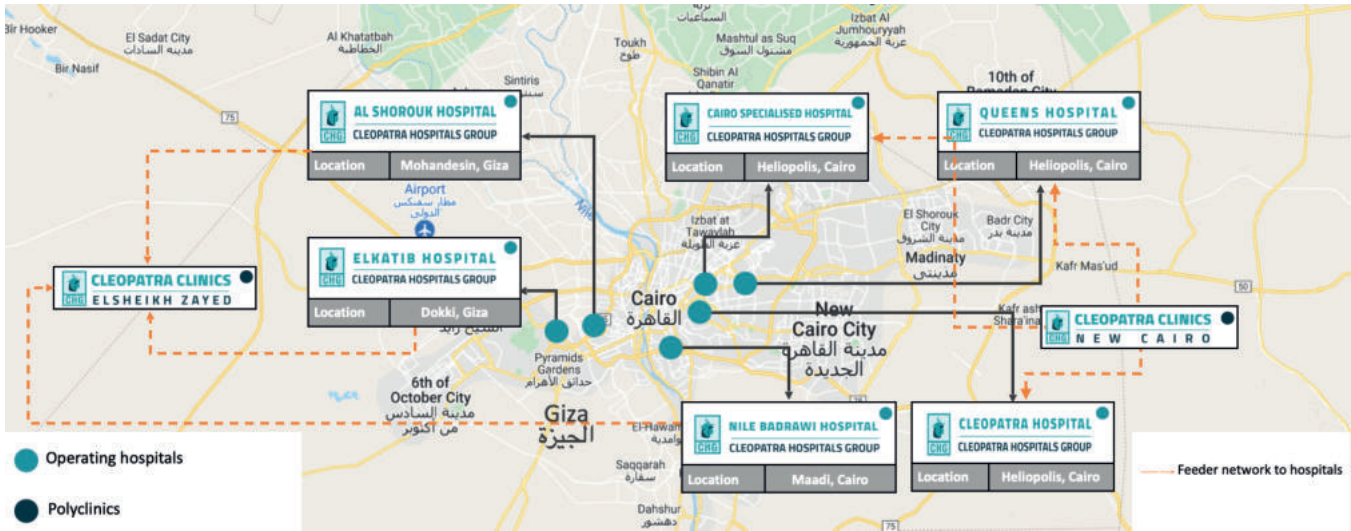
Cleopatra Hospitals Group: Who We Are

Established in 2014, Cleopatra Hospitals Group (CHG) is Egypt's largest private hospital group, by both number of hospital beds and operating facilities. CHG provides its patients with unrivalled service offerings, covering its patients' entire treatment cycle in a one-stop-shop model. Over the years, the Group has revolutionized the Egyptian healthcare industry by introducing a 360-degree integrated management framework that oversees its operations, allowing the Group to consistently improve the quality of its services while driving efficiency enhancements throughout its facilities network.

Since its listing on the Egyptian Stock Exchange (EGX) in 2016, the Group has continued to grow, expanding its geographic reach, patient base, and service offering through a carefully executed strategy focused on organic and inorganic growth. Today, the Group operates six of the Nation's leading hospitals alongside two polyclinics and one of Egypt's most prominent IVF centers. CHG's hospitals enjoy over a three-decade-long track record of success with the Group's network featuring brand names such as Cleopatra Hospital, Cairo Specialised Hospital, Nile Badrawi Hospital, Al Shorouk Hospital, El Katib Hospital and Queens Hospital. CHG's hospitals offer a full suite of diagnostic, medical, and surgical services across both inpatient and outpatient settings, and house various centers of excellence which offer our patients world-class care across a wide-ranging spectrum of specialties including cardiology, radiology, orthopedic, urology, oncology, and multiple others. The Group also operates two polyclinics located in East and West Cairo, which not only allow the Group to expand its geographic reach across Greater Cairo, but also help drive up volumes at CHG's main hospitals through the referral of patients. Finally, Bedaya IVF centre, the Group's fast-growing Assisted Reproductive Solutions arm and latest addition to the Group which began operating under the Group's management in the final months of the year 2020, specializes in the latest fertility solutions that the IVF market offers.



Coming out of an undoubtedly challenging year for all industries, with businesses in the healthcare sector particularly impacted by the COVID-19 pandemic, 2021 was a very transformational year for CHG on a strategy level, inorganic growth level, and on the performance level as well. Nonetheless, CHG’s strong and adaptable business model coupled with effective short- and medium-term responses reflected the Group’s remarkable resilience, allowing CHG to emerge stronger than ever. Creating a one-stop-shop that is seamlessly integrated across all our assets comes as a result of the Group’s persistence in keeping our patients at the center of everything we do, while at the same time ensuring to drive value to all CHG’s key stakeholders. With that focal point in mind at all times, the Group manages to maintain local sustainable growth with every day of operations, aiming to continue to lead the Egyptian healthcare industry and cement the Group’s position as the country’s number one provider of diversified healthcare solutions





2021 Key Highlights

Environment

	2018	2019	2020	2021
Water Usage (M3)	437.8	486.8	784.0	481.0
Energy Consumption (MwH)	11.1	12.3	11.0	14
Total Medical Wastage (in KGs)	321,987	330,761	427,584	415,913

Social

	2018	2019	2020	2021
Total Employees	4,348	5,159	4,628	4,514
% of women in the work force	40%	36%	36%	36%
% of women in management	22%	24%	25%	26%
Total Trained Employees	987	932	864	2,028

Group's Served Cases

	2018	2019	2020	2021
Number of outpatient visits	619,914	703,830	648,563	780,984
Number of surgeries conducted	34,650	38,994	29,882	34,987
Number of inpatients served	47,826	54,753	45,804	50,017
Number of ER patients served	257,164	254,401	208,205	209,908
Number of catheterizations conducted	4,050	4,510	4,041	4,480
Total Cases Served	924,904	1,012,984	902,572	1,040,909

*Cases served includes number of inpatients, outpatient visits and ER visits.



Chairman and CEO's Joint Statement

It is our pleasure and privilege to present Cleopatra Hospitals Group's 2021 Sustainability Report, which highlights the Group's efforts towards our sustainability agenda. This is CHG's fourth Sustainability Report to date, reflecting our vision to balance our ambitions with social, environmental, and economical considerations as part of our journey.

The Group is currently Egypt's largest private healthcare provider by number of beds, with a mission to provide access to quality and inclusive healthcare in a one-stop-shop model sustainably. Deep-rooted in that approach is our dedication to acquire our patients' trust by providing consistent high-quality levels of care, allowing us to serve a million patients annually across the Group. We are aware that hospitals have a substantial environmental footprint due to their operations that require high energy consumption. To manage our impact on the environment, we place best practice policies and procedures with regards to consumables and clinical waste management, as well as instill water and energy-saving initiatives for cost-effectiveness and reduction of indirect environmental impact purposes. Our operations are constantly monitored and periodically analyzed from different perspectives in order to ensure the Group's continuous improvement in quality of service delivery in the most efficient and sustainable means possible. That said, part of realizing our goals includes measuring the impacts of our business activities on economic, environmental and social fronts.

COVID-19 continued to pose a threat through different variants in 2021, continuing to cause massive disruptions to the global economy and on essential services such as healthcare and education. However, we maintained our role to drive the Group and ensure its resilience against this dynamic and uncertain environment while creating value for all our stakeholders. We would like to take this opportunity to give special recognition to CHG family, where we worked hard to navigate all operational aspects of the business while ensuring our employees and patients were always safe. Our capabilities, resources and infrastructure were put to good use and we are proud to have played a role in easing the pandemic's strain on the nation, while help steer the Egyptian Healthcare industry towards regional excellence. The Group has also been educating the public about the pandemic and guided towards general wellbeing initiatives through public health talks and activations that discussed misinformation about drugs used, treatment policies, and conducted medical checkups for awareness.

On our digitalization agenda's front, we have successfully rolled out our HIS/ERP system, Clinysis, across the whole Group. We are now in the second phase of this project's life, where we make use of the incredible amount of data collected towards further enhancements in our inventory, consumption, and big data management. We are now able to collect more accurate real-time performance metrics of clinical and administrative operations that would allow us to take the Group's overall efficiency and sustainability to new heights. Furthermore, we have recently launched a new version of our CHG website that is well integrated with Clinysis, allowing for a more seamless experience for our patients across the Group's facilities. The website also aims to reduce our patients required physical presence at our facilities by being capable of booking appointments, follow up on diagnostic results, have access to their complete medical file, and have virtual consultations as well as request medical home services, easing pressure off the Group's infrastructure efficiently.

Finally, we are proud to announce that the Group has contributed to the global medical research field by producing the first accredited medical research study out of a private hospitals group in Egypt. The article was accredited by the Journal of the American Pharmacists Association, JAPhA, and it discusses antimicrobial stewardship solutions. The study lead to the development of an in-house digital application "Clinicare Pro". As the application has passed its pre-implementation phase and is currently being rolled out across the Group, we are very excited to witness its further development as it runs on each facility to the next, and ultimately become the first of its kind medical management tool that will effectively guide medical health professionals on rational antimicrobial use.

Ahmed Ezz El-Din
Executive Board Member & Group CEO

Ahmed Badreldin
Chairman

CHG's Sustainability Agenda for 2021

As a leading private healthcare service provider, our sustainability agenda is at the core of our business as we seek to create long-term sustainable value for our stakeholders and the communities that we operate in. We are committed to upholding good corporate governance, ethics, and integrity while we contribute to the nation's healthcare sector.

Adherence to Regulatory Requirements

The Group ensures full compliance with all local environmental practice standards and regulations. We continue to conduct audits on our facilities in order achieve further enhancements that would align our facilities with strict and globally renowned accreditation bodies, such as JCI and GAHAR.

Anti-Bribery and Corruption

The Group reflects an overall commitment to integrate anti-corruption principles within our operations. We continue to further incorporate transparency and accountability mechanisms into every project, policy, and plan that we engage in.

Responsible Products and Services

Ensure that all the Group's products and services positively impact lives, especially in relation to privacy, health, and safety. This is applicable to our existing roster of products and services in addition to any planned rollouts, keeping our patients in the center of everything we do.

Energy & Resource Management

We constantly analyze our Group's impact on the environment, and accordingly, we implement and enforce greener policies that effectively reduce our carbon footprint as well as increase our operational efficiency. This continues to be one of the Group's main strategies for sustainable growth.



Community Investment

We thrive to create positive social impact on communities that we operate in by contributing to their socioeconomic well-being. One of the ways we achieve that purpose is through nursing scholarships that we offer to young ambitious students, as well job creations through consistent capacity building.

Safety and Health

Our staff have proved that they are one of the main factors behind the Group's resilience in our journey. As a Group, we maintain strict measures when it comes to health and safety. This is achieved by anticipating, recognizing, evaluating and controlling hazards that may arise at the workplace and could impair the health and well-being of our people.

Workforce Inclusion & Diversity

We are working hard to build and nurture a diverse and inclusive workforce, including at Board and Management level, as well as on the Group's medical staff level.

Talent Management

We implement effective talent management strategies to strengthen our workforce and ensure continuous succession planning, with a sharp focus on our consultants and key healthcare professionals

The Group's 7 Pillar Approach to ESG

Our sustainability commitments are embedded in the fabric of our organization and help guide all our business operations. Our strategic intent is premised on delivering exceptional healthcare to our patients, through careful management of our patients' journeys, aiming to produce quality patient outcomes as well as create a sustainable pool of returning patients. With dedication to this strategy, bolstered by our aspiration to be the preferred healthcare provider, we manage to create long-term sustainable value to all our stakeholders.

That said, we are steered by the following seven strategic pillars that help us drive our commitment to provide comprehensive and patient-centered services, while maintaining the Group's position as Egypt's leading private healthcare services provider:

Capacity Building

Strategic investments that lead to capacity increases within our assets, in addition to strategic M&A activities that lead to widening the Group's geographic presence as well as increase its overall capacity

Enriched Customer Relationships

Implement strategic policies and procedures that build upon our patient-centric culture, which ultimately strengthens the Cleopatra Hospitals Group brand name and enhances our patients' loyalty towards our facilities.

Innovation

The Group is always attentive to the latest digital and technological advances that the industry has to offer, whether on medical or operational fronts. This helps guarantee that our patients' treatment journeys are as efficient and effective as possible, while ensuring pleasant and seamless experiences for all our patients.



New Niches

CHG continues to explore potential specialties within the market, and augurate centers of excellence around these specialties within our facilities' network. This ensures the Group's medium to long term growth viability, and further strengthens the Group's one stop shop model.



Talent Acquisition and Management

The Group's human resources are one of CHG's most valuable assets, as they attract and retain the right talent that would ultimately enable the Group to achieve its long-term objectives. We focus on nurturing our talents, instill high integrity ethos, and continue to develop their strengths considering the skills and experience required for them to achieve their intended purposes within the organization and the industry as a whole.



Business Process Improvement

We continuously work towards improving our operational processes and systems, which we consider to be the Group's main recipe to sustainable long-term growth and maturity. This comes in various forms, starting from the moment our patients arrive to any of our facilities, all the way to revenue cycle management and patients discharge.



Sustainable Value for our Stakeholders

CHG promises mutual long-term growth, aiming to provide our stakeholders with value and not just profits, contributing to sustainable, long-lasting, and prosperous relationships

Stakeholder Engagement



Our stakeholder ecosystem involves various interrelated parties with close and defined relationships. Each of our stakeholders have clear and specific expectations of the Group, and in turn, they all play defined roles within our ecosystem which ultimately allows CHG to operate the way it operates today. Maintaining our patient-centric approach at all times, we constantly adapt, innovate, and refine our operations through consistently held business reviews across the Group on a quarterly basis. These reviews also provide the Group's senior management, Board Members, and Shareholders the required assurances that all the Group's assets continue to be steered as per the agreed upon business plans and live up to CHG's high service delivery requirements and expectations.

Patients

As patients are the cornerstone of our business, we dedicate all our resources in an effort to enhance our patients' quality of life through CHG's comprehensive and high-quality healthcare services in a one-stop-shop model. Aiming to be Egypt's most trusted provider of healthcare services, we conduct various methods of engagement with our patients in order to remain aligned on our approaches as well as search for areas that require further enhancements or innovation. Our methods of engagement include customer satisfaction surveys, comprehensive and integrated social media presence, health awareness events, and service brochures that include our hospitals' and centers of excellences' information. That said, and in response to our patients' feedback, we continually improve patient access and maximize the use of our best technology in patient care. Additionally, we continue to encourage our facilities to initiate activities that increase patient satisfaction. By facilitating a direct and inclusive dialogue with our patients, we remain aligned along our journey.

Employees and Consultants

Cleopatra Hospitals Group considers its medical and non-medical staff as its most valuable assets, and therefore, the Group constantly invests in the welfare of its employees and consultants who are vital to CHG's success. We also maintain an open dialogue with our staff in order to gain their trust and respect. We believe that a safe, motivating, and rewarding environment is key for our staff to thrive, and accordingly, we ensure to continue to promote a positive working environment for CHG's family. Our methods of engagement include self-wellness and recognition programs as well as employee culture transformation activities that take place on an ongoing basis. Additionally, on a quarterly basis, business reviews are conducted with each of our facilities individually, digging deep within each of our facilities and ensuring the staffs' efforts are geared towards the Group's overall vision and mission. Finally, and on an annual basis, we conduct employee performance reviews as well as employee satisfaction surveys in order to be able to gauge our efforts and search for areas of improvement. Furthermore, the Group communicates and invests in marketing strategies for new packages and services, including sub-specialties, procedures, and technologies that are offered by our consultants, leveraging the Group's wide reach in the nation and utilizing our consultants' various unique capabilities.

Investors and Shareholders

Our primary objective is to be able to create value for our shareholders who are ultimately the owners and providers of equity capital to the Group. CHG is accountable to its investors and shareholders, whereby the Group consistently maintains an open dialogue with its shareholders. The Group's Investor Relations and Corporate Strategy team provides timely reporting of results, data, and statistics in relation to the Group's operational and financial performance as well as timely disclosures on its latest ventures and material news, guiding investors and analysts covering our Group towards the future of CHG, as well as maintain their trust in the current Management team. Our methods of engagement include disclosures of our financial results, Investor Relations presentations, and grouped and one-on-one meeting briefs that discuss our quarter and annual results, as well as update the public with our latest developments. In addition to the Group's assurance of clear and transparent reporting in due course, coupled with solid corporate governance, CHG also releases Annual Reports, Sustainability Reports, and Governance reports on an annual basis reflecting an overview of the Group's performance from different perspectives on an annual basis. Last but not least, CHG also participates in investor conferences and road shows globally as opportunities arise. We work hard to ensure continued growth and financial stability by virtue of our dynamic and resilient business model, specially beyond the COVID-19 pandemic.

Intermediaries

Employers, third-party administrators, insurance companies, and institutions constitute 70% of the Group's credit patients base on average, and accordingly, clear and transparent communications are crucial. We also engage with the media, commercial banks, and investment banks on a regular basis throughout our journey for various reasons. That said, our methods of engagement include regular meetings to discuss contracts' clauses and renewals, updates on promotions and value-added services, media releases or announcements, as well as when conducting valuations and due diligence activities on potential mergers and acquisitions or expansionary initiatives. It is worth noting that corporate client's management is a fundamental part of our customer service philosophy, as it directly correlates with our offered clinical quality, healthcare delivery, and strategic pricing. Revising contracts and agreements effectively on a regular basis allows for fruitful and uninterrupted services across the Group.

Government and Regulators

As a leader of the private sector of the Egyptian Healthcare industry, the Group leads by example. This involves our full compliance with all applicable laws and regulations everywhere we operate. We engage with various governmental bodies on an ongoing basis, over different fronts in relation to our daily operations, renovations, and expansions. Key governmental bodies include and are not limited to the Egyptian Ministry of Health, The General Authority of Healthcare (MoH), The Egyptian Competition Authority (ECA), The Egyptian Financial Regulatory Authority (FRA), The Egyptian Stock Exchange (EGX), and The Egyptian Civil Defense Authority. Engagements with these entities occurs in different forms, depending on the reasons for engagement. For instance, we maintain constant communications with the MoH and The Egyptian Civil Defense Authority with regards to licenses applications and renewals, inspections of facilities, implementation of healthcare legislations or regulations, and Public Private Partnership programs (PPPs). While with regards to disclosures and financial reporting matters, communications are maintained with the FRA and the EGX. As for the expansions front, communications include all the aforementioned entities in addition to the ECA. As a Group, we welcome these communications as they ultimately lead to a common goal, our patients' safety and wellbeing as well as the development of the Egyptian Healthcare sector. Our adherence to regulatory requirements, operating as ethically as possible, strategic responses to the healthcare market, and commitment to managing the Group's environmental impact are all embedded in our policies and procedures which are cascaded down to all our business units.

Accreditation Bodies

The Group believes that the management and operations of industry-certified and accredited facilities directly correlates with CHG's ability to maintain the Group's facility network's growth within the Egyptian Healthcare Services industry sustainably. Accordingly, we have been maintaining close communications throughout the period under study with the General Authority for Healthcare Accreditation & Regulation (GAHAR) in order to work towards accrediting our current facilities roster. This is facilitated through conducting constant internal assessments and mock surveys that would ultimately lead our facilities to reach the necessary compliant standards. As for our new Brownfield projects, the facilities are being designed and implemented in accordance with GAHAR standards, as well as the even further stringent Joint Commission International standards (JCI).

Suppliers

At CHG, we rely on our vendors and suppliers to deliver a range of medical and non-medical supplies of the highest quality in line with the Group's internal and regulatory standards. Our list of suppliers includes medical equipment distributors, pharmacy companies, technology vendors, developers or contractors, facility management companies, consultants, and agencies. The key factors behind the success of our relationship with all these parties is our active, fair, and transparent communications that take place on a regular basis. Our methods of engagement include regular conducted meetings, in addition to tender, bidding, and quotation exercises, product demonstrations and evaluations, and procurement processes. As the Group is focused on streamlining and centralizing our procurement processes to improve efficiency and cost-effectiveness, we select suppliers and contractors who have positive brand reputation, promote sustainable development and are environmentally friendly. That said, performance reporting and monitoring aiming to improve efficiency takes place throughout our whole supply chain.

Local Communities

As a leading, committed, and proactive corporate community partner, CHG believes in community involvement where we work and serve. Collectively, our healthcare facilities help improve the lives of our patients, their families, and the overall community. We invest in public health awareness campaigns and continuous medical education programs designed to promote healthy lifestyles and increase access to health services. The Group practices an engagement policy of mutual understanding, trust and reliability with our patients and their families, employees' families, the owners of our properties that may operate in, and our surrounding communities. The Group has policies in place that detail the appropriate channels of communications with our local communities, which allows us to proactively act on voiced grievances. Our top management regularly follows up on those metrics, guaranteeing efficient resolutions and mutual understanding with our surrounding communities. These measures allow us to significantly decrease the turnaround period of resolving grievances, as well as effectively identify weak links within our operations and ultimately turn them into strengths.



The Group's Sustainability Pillars

Environmental

- Energy Management
- Water Management
- Waste Management

Social

- Community outreach
- Training & career development
- Employees engagement, diversity & inclusion
- Occupational safety & health
- Data privacy & security

Economic & Governance

- Ethics, integrity & compliance
- Access to quality healthcare & capacity building
- Operational efficiency & value creation

For our sustainability journey, we have identified materialities that we believe help us categorize the risks and opportunities of our Economic, Environmental and Social impacts as we work towards generating long-term value creation for all our stakeholders. On an annual basis, we put plans in place that work towards the Group's progression through these materialities, and accordingly, we assess our achievements annually while putting in place the following year's ambitions. CHG's intensions behind these efforts are to meet our stakeholders' needs and create a mutually beneficial relationship, mitigate potential risks, leverage on opportunities, and eventually put CHG on a path of long-term growth and prosperity in a sustainable manner.

Sustainable Healthcare

- CHG values ecosystem
- CHG's 7 pillar ESG strategy
- CHG business model
- Action planning and monitoring



Environmental Impact

Environmental Impact

The Group is committed to continue to reduce its environmental impacts that result from its operations with no compromise whatsoever on the quality of healthcare services provided to our patients. In general, hospital operations are energy and water intensive, noting that our facilities tend to be outfitted with high energy exhaustive medical and non-medical equipment. While on the other hand, our facilities have been undergoing renovations that require additional high electric and water consumptions as well.

To minimize our environmental impact, we implement various robust initiatives and utilize consumption indicators to keep track of our ecological footprint. In addition, our hospitals conduct awareness programs and training for their medical and non-medical staff around environmental awareness and environmentally friendly practices. Our staff are also highly encouraged to provide Senior Management with their input with regards to innovative strategies that would allow the Group to neutralize its environmental footprint.

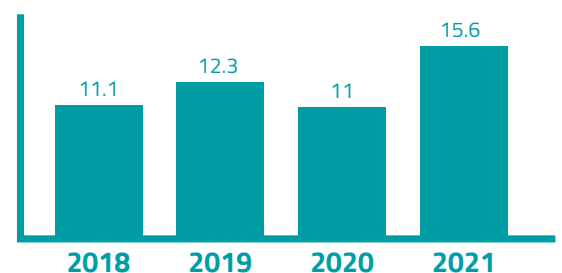
Energy Management

Our hospitals are perpetually open to serve our patients, as operating around the clock is necessary for the communities we serve. Accordingly, our hospitals consume high levels of electricity to power our Heating, Ventilation, Air Conditioning systems, computers, medical and non-medical equipment, refrigeration, kitchens, and laundries.

In an effort to minimize our energy consumption, we have implemented a range of initiatives that promote energy conservation:

- Upgraded our chiller systems
- Replaced conventional light bulbs with LED lights
- Raise awareness amongst staff about these initiatives
- Implement Scheduled and Planned Preventive Maintenance
- Conduct training and awareness programs on the impact of energy consumption on climate change

Electricity Consumption (in 000' KWh)



In 2021, our electricity consumption stood at 15,601 kWh from 10,960 kWh, a 42% increase from the previous year. The built-up area of CHG hospitals currently stands at 63,500 meters squared, which grew by 8% as a result of consolidating Bedaya's facilities to the Group's roster. Our average consumption per square meter rose to 0.25 from 0.19 in 2020.

	2018	2019	2020	2021
Electricity Consumption (kWh)	11,119	12,333	10,960	15,601
Total Area of CHG hospitals (Sq. Meters)	49,884	59,034	59,034	63,534
Average of electricity consumption per square meter of facilities	0.22	0.21	0.19	0.25

Management is aware of the Group's deviation from its usual average consumption per square meter in light of the heavy renovations conducted throughout 2021 across the Group, and specifically at Cairo Specialized and Al Sherouk Hospitals, and is accordingly working on measures for 2022 that would ensure the Group adhere back to its historical range considering that the bulk of the civil works is now complete. We believe that true efficient energy consumption is an ongoing process, with its roots stemming from a working culture that is working collectively towards increasing its awareness and knowledge in efficient energy usage of medical and non-medical equipment. That said, we continued to carry on with our energy saving initiatives that include preventive and awareness efforts, as well as improvements to ventilation and lighting systems across the Group. With this mindset in place, we continue to identify potential energy saving approaches that enable the Group to continue to work towards minimal energy consumption and energy-saving behaviors.

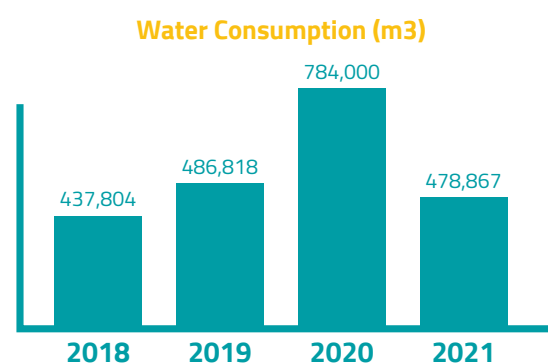
Planned Preventive Maintenance (PPM) across the Group is conducted by our sister company, Egyptian Healthcare Facility Services Company (EHFS). They ensure the maintenance of our non-medical equipment's efficiency and overall performance, being one of their responsibilities within the Group. Their role entails the minimization of faults and leakages of the Group's non-medical equipment, ensuring their optimum capacity functionality without any unnecessary additional energy consumption.

Furthermore, EHFS also continues to work on improvements to the Group's HVAC systems. The conditioning systems are required to operate around the clock, maintaining consistent thermal control inside our facilities. The systems aim to provide proper ventilation to our environments when it comes to temperature control, relative humidity, cleanliness and distribution of air. In order to ensure the system's constant efficacy and performance, EHFS repairs and replaces defective parts of the systems, ensures chilled water balancing, installs timers on air conditioners, and maintains the system's temperature control system.

Water Management

Adequate supply of safe and clean water is crucial for providing high quality and efficient healthcare services to our patients. Hospitals mainly use water for cooling, cleaning, and washing purposes. Water, just like electricity, is also a key component when it comes to hospital renovations.

That said, demand for clean water places tremendous pressure on the nation's scarce resource. In response, CHG committed itself to mitigate its impact on the environment by encouraging proactive water saving initiatives, which have been quite effective in 2021. In 2021, the Group consumed 478,867 m³ of water compared to 784,000 m³ in 2020, 39% less consumption than in 2020. The spike in consumption in 2020 was mainly owed to new COVID-19 disinfection protocols along with heavy renovations at Cleopatra and Cairo Specialized Hospitals. However, in 2021 our quality team adopted more efficient techniques that allowed the Group to consume less water with no compromise on our standards whatsoever. That said, as of 2021, water consumption per employee stood at 106 m³, compared to 2020's 169 m³. This reduction in consumption per employee comes well in line of our efforts to curb water consumption per employee to 100 m³.

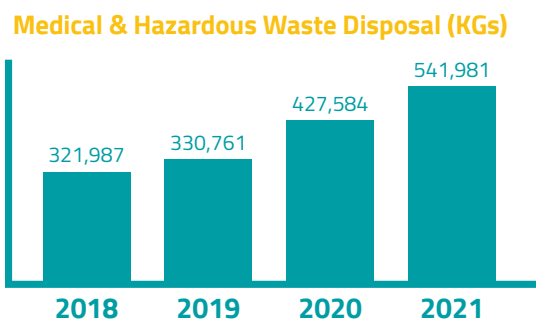


	2018	2019	2020	2021
Water Consumption (m ³)	437,804	486,818	784,000	480,963
Employees	4,348	5,159	4,628	4,514
Avg. water per employee	100.69	94.36	169.40	106.55

Waste Management

The Group's medical operations generally produce large amounts of general and hazardous waste that require their management through appropriate means. Clinical wastes typically contains, and are not limited to, human tissue, blood or body fluids, excretions, drugs, pharmaceutical products, swabs or dressings, syringes, and needles, as well as any waste that has come in contact or been mixed with any of the aforementioned types of wastes. Besides the potential worsening of our environmental footprint, improper management of hospital waste could potentially lead to widespread of disease throughout our facilities and throughout the communities we serve. Accordingly, CHG is committed to the proper disposal of clinical and non-clinical waste that is generated from our hospital activities with stringent protocols in place to safeguard public health. That said, the Group conducts comprehensive monitoring of our waste management activities and is constantly in search of ways to better manage the proper disposal of our waste. To ensure the Group's adherence to local laws and regulations as well as global best practices, CHG applies the following measures:

- Continuous training of our nurses and other hospital staff on proper clinical waste disposal methods as well as waste minimization techniques.
- Appointing only regulatory compliant clinical waste disposal contractors for each of our facilities.
- Segregation and proper identification of waste that are split into key categories such as pharmaceutical, infectious, chemical, and regular waste.
- Daily removal of waste by dedicated vehicles within designated collection areas that are kept clean and locked away safely in secluded areas away from the hospitals' patient flow.
- Tracking and reporting waste generated by types of hazardous and non-hazardous waste.



In 2021, we produced 541,981 kg of waste compared to 427,584 kg the prior year. The 27% increase was mainly attributed to the rise of COVID-19 hospitalization rates throughout 2021 which required an increased number of single use consumables in compliance to COVID-19 Standard Operating Procedures.

	2018	2019	2020	2021
Waste Generated (in KG)	321,987	330,761	427,584	541,981
Cases Served	924,904	1,012,984	902,572	1,036,237
Avg. waste (in g) / case served	348.13	326.52	473.74	523.03

That said, the amount of clinical waste generated per case served, which constitutes ER Patients, inpatients, and outpatients served for the year, stood at 523 grams per case served in 2021, up from 474 grams in 2020. It is worth noting that 2020 was also up from our typical levels of 300 grams per case served due to COVID cases management throughout the year as well.





Social Responsibility

Social Responsibility

Throughout 2021, our initiatives revolving around navigating COVID-19 challenges remained in place in order to ensure the maintenance of our employees' and local communities' needs. We also continued to invest in our people through online and offline training and development programs. Community outreach, training and career development, employee engagement, diversity and inclusion, and finally occupational safety and health are the Group's cornerstones when it comes to CHG's Social responsibilities agenda.

It is in our philosophy to operate in a way that places the patient at the core of everything we do. Engaging and understanding our patients' needs and worries, and how to maintain their comfort throughout their entire journey is of the essence of our patient care. This ultimately helps us become better healthcare services providers, offer our services innovatively, further enhance our processes efficiencies, and continue to break higher standards of quality healthcare.

Employee Engagement, Diversity, and Inclusion

We are proud of the role our employees play in keeping our communities healthy and safe, and we are committed to cultivating a positive workplace culture that is diverse and inclusive whilst providing equal opportunities for professional growth. As a healthcare provider, our employees are the first and last touchpoint with our patients. This highlights the importance of our employees and how crucial it is to ensure that their wellbeing is taken care of. We aim to be the employer of choice in Egypt's healthcare sector by ensuring we provide good work-life balance, opportunities for professional growth and development, and fair compensation and benefits.

Hiring Process

We aim to fill vacancies through internal transfers first, followed by external recruitment. Our recruitment process is guided by our hiring policy which ensures that all potential candidates are considered in a fair and non-discriminatory manner. Our selection criteria are based on merit, qualifications, and experience, and does not discriminate against race, religion, gender, age, disabilities, and political beliefs. We do not engage in any child or forced labor. We recruit and advertise vacancies in several ways:

- Job advertisements:

- For external candidates, posts are advertised on online Job Portals such as LinkedIn.
- For internal candidates via emails that are communicated across the Group, as well as physically on internal announcements boards at our facilities that are constantly updated.

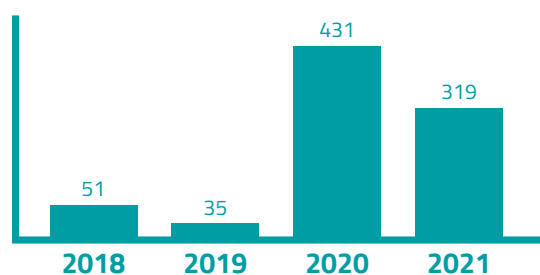
- Universities and Colleges Job Fairs

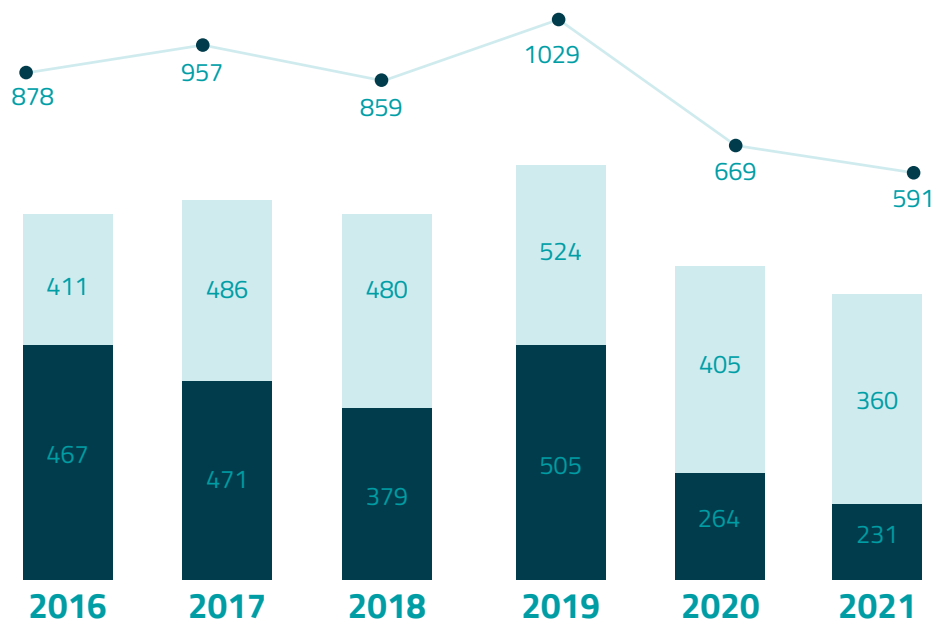
- Recruitment agencies and headhunters

- Employee Referrals

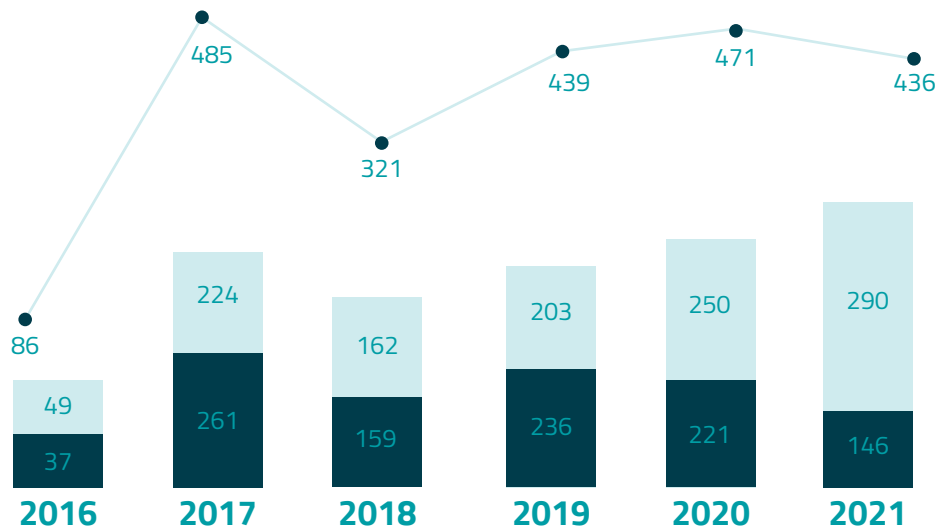
Furthermore, as of June 2021, the Group has introduced a new approach in assessing potential candidates' hiring, promotion, or succession recommendations for all supervisory and above positions. The aim is to aid the Group's HR Talent Management Team to deduce more accurate evaluations regarding the candidates' competencies, and fitness for the role as well as to CHG's culture, in a simulation-like approach.

Job Opportunities Created Annually





- Turnover rate for voluntary departures: female employees
- Turnover rate for voluntary departures: male employees
- Turnover rate for voluntary departures: total employees



- Turnover rate for involuntary departures: female employees
- Turnover rate for involuntary departures: male employees
- Turnover rate for involuntary departures: total employees

Gender Equality

Cleopatra Hospitals Group recognizes gender biases that occur in workplaces around the world and strives to close the gap between men and women. Accordingly, we have a non-discriminatory hiring policy which ensures that anyone we hire is based purely on their qualifications and merits. Internally, all employees are treated on an equal basis and have equal opportunities for training, development, and equal compensation. On this matter, we have made consistent progress over the years to close this gap and in 2021 the ratio of annual gross salaries of men to women read 1.17

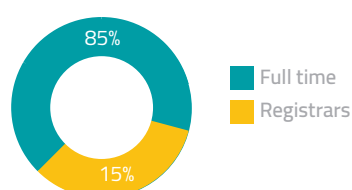
	2017	2018	2019	2020	2021
Average Gross Annual Salary: All Employees	56,658	72,122	83,590	95,461	118,689
Average Gross Annual Salary: Male Employees	65,137	82,129	94,483	100,790	125,068
Average Gross Annual Salary: Female Employees	45,469	57,886	66,598	85,927	107,229
Ratio of Gross Annual Salary: Male to Female	1.43	1.42	1.42	1.17	1.17

CHG's Diversity and Inclusion

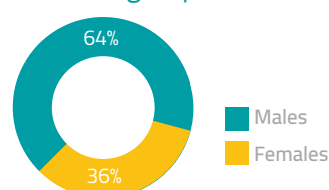
At CHG, we recognize the importance of having a diverse workforce that can understand and offer different perspectives, being one of the reasons that allow the Group to maintain its status as the leading healthcare services provider in Egypt. As we serve our communities who come from diverse social and economic backgrounds, it is essential that our workforce reflects such diversity to be able to better serve our patients. Maintaining a diverse work environment allows for different minds' collaborations that ultimately leads to the development of unprecedented processes enhancements and unique service offerings deliveries. We achieve that by creating a strong and healthy workplace that fosters innovation and shared learning experiences. Furthermore, as diversity metrics are monitored on an ongoing basis, CHG does its best to provide equal employment opportunities that allow all individuals to maximize their capabilities and unleash their potential by having solid and comprehensive policies in place that help ensure no discrimination whatsoever takes place across the Group. Furthermore, as a sign of CHG's commitment to the cause and its strong belief to the matter, we signed a pledge with the American Chamber of Commerce in Egypt and the International Finance Corporation (IFC) regarding Women's Workplace Inclusion. The pledge promises providing women with empowerment and offering them more leadership roles within the organization as a key enabler to healthy working cultures and sustainable business growth.

Employees distribution 2021

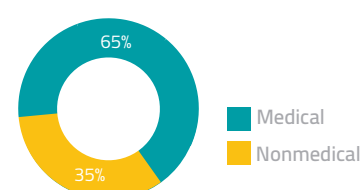
Employee Type



Females Vs. Males across the group

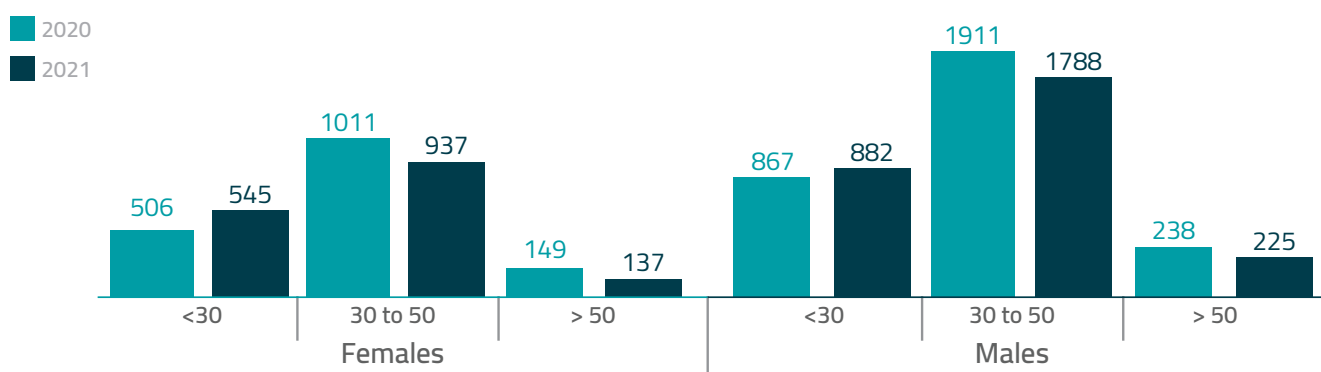


Medical Vs. Nonmedical staff



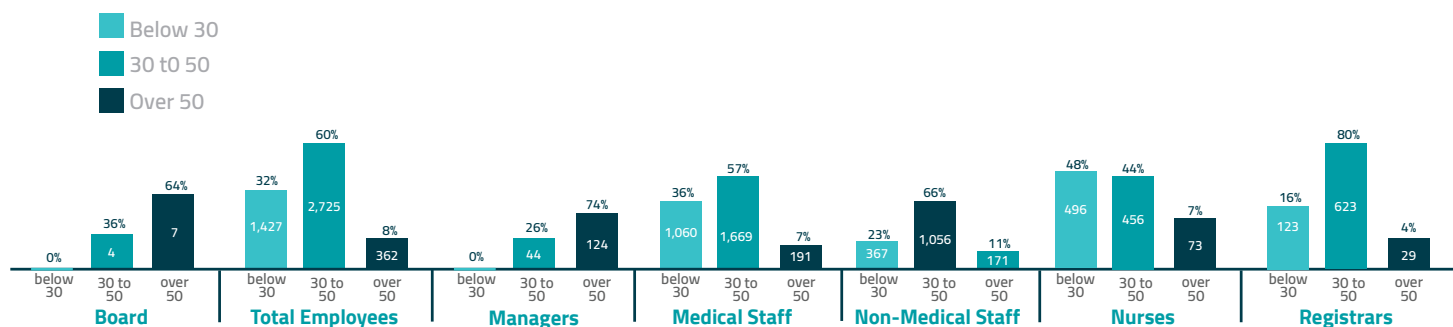
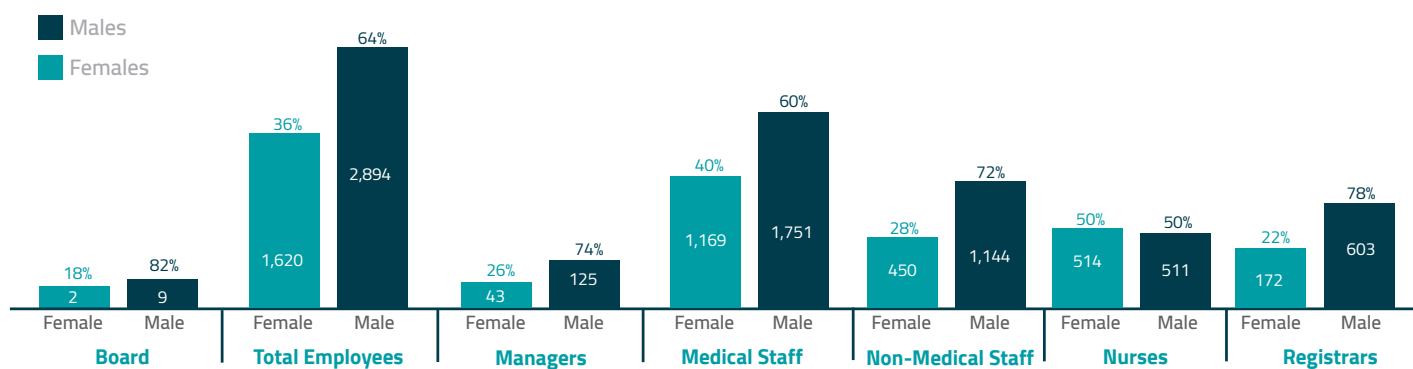
	Females				Males				All CHG Staff			
	younger than 30	30 to 50	over 50	Total Females	younger than 30	30 to 50	over 50	Total Females	Total less than 30	Total 30 to 50	Total more than 50	Grand Total
2018	506	973	194	1,673	750	1,453	230	2,433	1,256	2,426	424	4,106
2019	639	1,094	210	1,943	1,114	1,935	270	3,319	1,753	3,029	480	5,262
2020	506	1,011	149	1,666	867	1,911	238	3,016	1,373	2,922	387	4,682
2021	545	937	137	1,619	882	1,788	225	2,895	1,427	2,725	362	4,514

Employees by age and gender distribution



Board and Employees Diversity in 2021

Gender and Age Splits Across CHG



It has been two years since we first reported about our responses to the COVID-19 pandemic. Since then, our employees have experienced and overcome several challenges and continued to do their best during these difficult times. Management continued to allow its staff to work remotely during 2021 to ensure the safety and health of our employees. Departments that were not directly supporting hospital operations were capable of performing their roles remotely, while others operated in a rotational manner with no compromise on our facilities' performances. That said, as the pandemic subsided in Egypt by the third quarter of 2021, management began to allow all departments to return to work in September while enforcing strict standard operating procedures. Employees were required to comply with guidelines that would ensure the safety of their colleagues, such as use of common spaces, mask requirements, visitors and deliveries, meetings and training, and consistent sanitization. Employees were also reminded to continue to practice social distancing and follow recommended etiquette when sneezing or coughing. Employees who had symptoms of COVID-19 were advised to seek immediate medical treatment and to continue to work remotely until their receipt of two negative test results.

Employee Engagement

CHG's core values are quality, respect, integrity, passion, and collaboration. These values are what distinguishes our team within the industry. The healthcare sector is a human capital-intensive industry, and entails adopting a compassionate approach when it comes to treatment and care of patients. At CHG, the wellbeing and prosperity of our employees is vital, as their emotional commitment is critical for them to be able to duly provide our patients with the best care possible. Maintaining a respect-based relationship with our employees is one of our means to ensure the optimum level of care to our patients. Accordingly, employee engagement is key to motivating our employees to perform at their highest potential. Given their important role as ambassadors of the CHG brand, it is incumbent upon us to ensure our employees remain loyal, committed and driven. Our employee engagement initiatives are centered around the appreciation and wellbeing of our employees, as well as activities that enable them to better understand our global strategy, and ultimately achieve it's success collaboratively. In 2021, we continued engaging with our employees by conducting physical events, as well as through online activities:

CHG Employees retreat:

Employees of each of our facilities had the opportunity to take part of company retreats that allow for the staff to spend stress-free quality time together in pre-planned relaxed settings for bonding purposes. On a rotational basis, staff went on retreats to Ain El Sokhna on the Red Sea, Fayoum governorate where our employees enjoyed authentic desert experiences, and touristic resorts in Cairo where our employees enjoyed spending the day using the resorts' various recreational facilities.

Seniority Recognition Ceremony

CHG's management organized an event at one of Cairo's most prestigious venues to give recognition to seniors from the Group's family that have retired. During the event, management reflected on the Group's journey thus far, and the crucial roles that these senior members played to allow for Cleopatra Hospitals Group to be on the forefront of the Egyptian Healthcare Industry. The event's invitation was extended to all the Group's employees and was attended by staff members from across the Group that wanted the opportunity to give tribute to CHG's alumni during this special event.

“How to build resilience” Seminar by Taolin

The psychological health of our staff is vital for smooth daily operations in our hospitals. Considering the pandemic, and adapting to the new norm, the Group’s management team organized an online seminar for our staff titled “How to build resilience”. In collaboration with Taolin, staff were guided on methods that would allow them to power through work-related and personal issues, as well as support employees with traumatic incidents and their related stress management. Finally, the seminar ended with motivational sessions that left our employees’ mental state inspired and tougher than ever.

Quarterly Voice meeting “Let’s Connect”

On a quarterly basis, management arranges for a meeting titled “Let’s Connect”, whereby samples from each of the Group’s facilities are gathered at the Group’s head office to discuss unaddressed issues that are causing frustrations at each of our facilities. This meeting also act as an innovation platform, whereby meeting members get the opportunity to propose innovations that could either resolve existing issues, further enhance any of our facilities’ various processes, or pitch new potential business ventures. Accordingly, upon the conclusion of the meeting, shortlisted pains and proposals are communicated to the Group’s management, which are further translated into clear action plans upon their approval.

Culture transformation Initiative

The Culture Transformation Initiative commenced during the last quarter of 2021, with an aim to further develop our employee’s relationship with Cleopatra Hospitals Group. We aim to further align the Group by digging into each of our facility’s cultures and their understanding of the Group and its ambitions, which will ultimately further integrate our facilities. We began by launching an awareness campaign across the Group that allowed us to shortlist key members from each of our facilities that can truly represent their colleagues. Management gathered all the shortlisted candidates for events at one of Cairo’s hotels, that after further shortlisting lead to the creation of a Core Team. Throughout 2022, the Core Team will be working on various initiatives across the Group that will facilitate CHG’s second phase of its integration journey.

Employees engagement survey

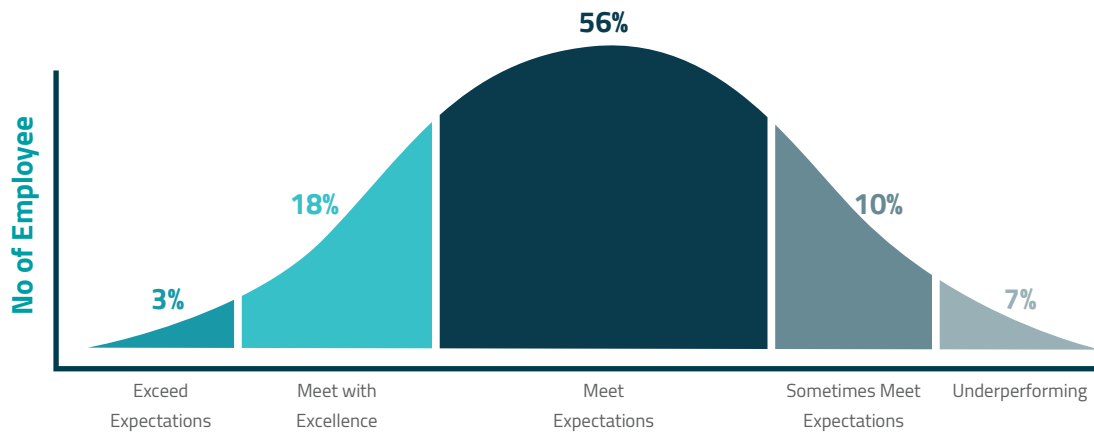
We conduct an anonymous Employee Engagement Surveys on an annual basis to improve our employee engagement and two-way communication, as well as continue to improve our employees' satisfaction. Our previous surveys tapped into 5 main factors that were significantly modified in 2021 to cover 16 factors for more comprehensiveness and clarity reasons. The survey resulted with an average of 79% of the respondents would recommend Cleopatra Hospitals Group as a great place to work for friends, and 80% would recommend Cleopatra Hospitals Group to their friends and family as a great place to receive healthcare services. The survey also revealed the following perspectives of satisfaction level:

Satisfaction - by Function		Satisfaction -by Age Group		Satisfaction - by Gender	
Support Functions	78%	20 to 30	75%	Male	76%
Admin and Facility Management	77%	30 to 40	74%	Female	73%
Medical	74%	40 to 50	73%		
Supervisors	77%	50+	81%		
Managers	83%				
Top Management	77%				

Satisfaction	
The Job	79.2%
The team	77.3%
The communication	75.5%
The work environment	80%
The direct manager	74.5%
Learning & development	71.7%
Innovation & development	83%
Well-being	33%
Rewards & appreciation	70.5%
Appraisals & promotions	73%
Occupational safety & health	78%
Customer care	79%
The group values	74%
Higher management methods	76%
Employee satisfaction	79.5%
Affiliation	78%
Average	74%

Performance Management

Throughout the past four years, CHG has undergone a complete overhaul on the employees' payment schemes and incentive plans in collaboration with world renowned human resources consultancies. Accordingly, salaries were increased by up to 25% every year, as well as health and life insurance policies were amended and included in most packages of full-time workers within the group. Furthermore, a new incentive system was introduced that would compensate good performers with a multiplier of one month's worth of their salary depending on their performance, in addition to individual incentives based on project basis assignments were adopted. The performance evaluation system was designed to lead to a fair evaluation of employees' performances helping to identify each employee's core competencies and strengths. This also allowed the Group to effectively determine internal succession plans for roles within each hospital, as well as on the Group level. CHG's enhanced performance management system also allowed us to identify and manage the training needs of individual employees, and to effectively discuss their further career development. Performance tracking discussions take place on a regular basis across the Group, whereby there is a commitment to optimize the quality of these discussions where expectations regarding performance, development within CHG, as well as personal development plans are compiled and re-addressed in future discussions. These discussions also assist top management to translate their future goals and visions to the individual employee, and effectively break them down into single objectives, activities or deliverables



Internal Grievances Mechanism

Cleopatra Hospitals Group and its subsidiaries are responsible employers and have in place workplace harassment policies and codes, which cover non-discrimination and zero tolerance to sexual harassment as outlined in our employee handbook and code of conduct. The handbook is readily available at any of the Group's HR offices and a copy is provided to every new hire. That said, CHG has a structured process to address our employees' grievances:

■ Step 1:

- Employee discusses the grievance with his/her immediate superior.
- If the complaint concerns their immediate superior, then the grievance is discussed with the superior's superior.
- The matter is to be resolved within a reasonable period depending on the complexity of the matter, and if the employee remains unsatisfied with the outcome, the matter gets escalated to step 2.

■ Step 2:

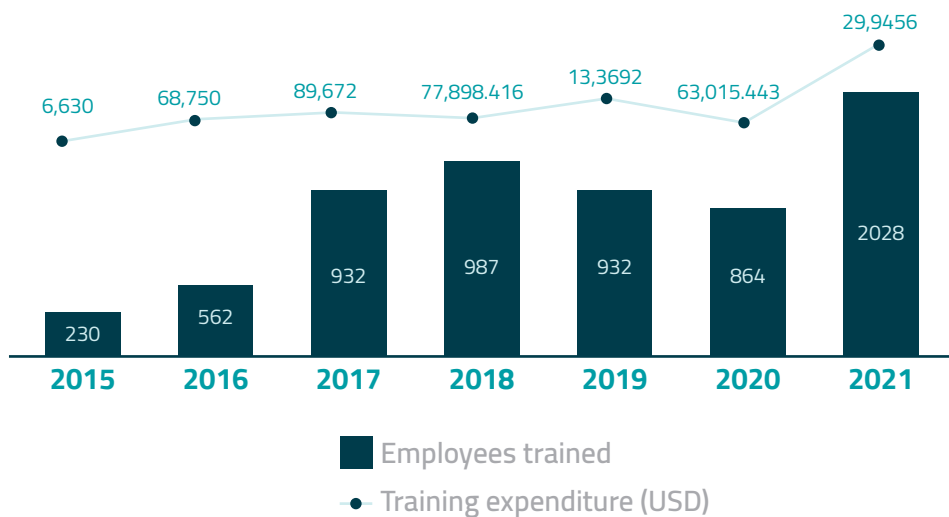
- Employee to complete a grievance form with all relevant details and submit it to the Group HR's office
- Group's HR office is to resolve the problem within a reasonable time period, depending on the complexity of the complaint.
- If the employee remains unsatisfied with the outcome, the matter gets further escalated to step 3 of the process.

■ Step 3:

- The matter gets referred to the Group CEO's office, whereby a grievance hearing gets arranged
- Upon the conclusion of the hearing, a final decision is put into place finally settling the grievance report.
- Upon concluding the case, if needed, Group wide policies get communicated across the Group based on the discussed incident in an effort to avoid its reoccurrence in the future.

Training & Career Development

We support our employees by investing towards their training and career development in belief of our futureproof and proven resilient workforce. Developing our people retains and attracts the best talent the market has to offer, and ultimately allows the Group to lead the industry by example. During 2021, we continued to provide our employees with training and career development opportunities through our tailored talent development programs, as well as in collaboration with leading industry expert 3rd party providers, aiming for internal clinical or management career advancements. The Group's Training and Development investment expenses were 375% higher than 2020's expenses, amounting to the equivalent of USD 299,000, which accounted for 53,000 training and employee development hours.



Transformational Leadership program (TLP)

The program is a journey that aims to further unleash the “strengths” within each manager and empower them by understanding their talents better and eventually help nurture them. Candidates complete this program by progressing through three main stages.

The first stage is a journey of self-discovery, a personal experience that aids the candidates to identify and discover their strengths that would empower them to further evolve their role within the Group. The second phase places more emphasis on team building and leadership skills that would aid the candidates to lead by example. Finally, the third phase focuses on the art of acquiring knowledge, aiming to provide the candidates with a toolkit that would allow them to acquire competencies when needed, but efficiently and effectively.

First Time Manager Program

The program aims to equip our future leaders with skills that would enable them to lead effectively in achieving CHG's strategy as a Group. It acts as an induction program to internal employees that have advanced their careers and about to lead departments or teams. As employees progress through the program, they acquire a more holistic view of the Group's operations and goals, in addition to proven management skills that may come in handy during the tenure. By doing so, our future managers begin to work in harmony with management effectively and hit the ground running.

Initiation of the "7 Habits" program

Upon management's study of our employees' approach to managing their roles within the Group, CHG launched the 7 Habits program that are as follows:

- Proactivity characteristic
- Goal-oriented approach
- Time management and prioritization skills
- Win-win attitude in collaborations across the Group
- Empathetic listening skills
- Teamwork and synergy creation approach in collaborations
- Mental health and work-life balance techniques

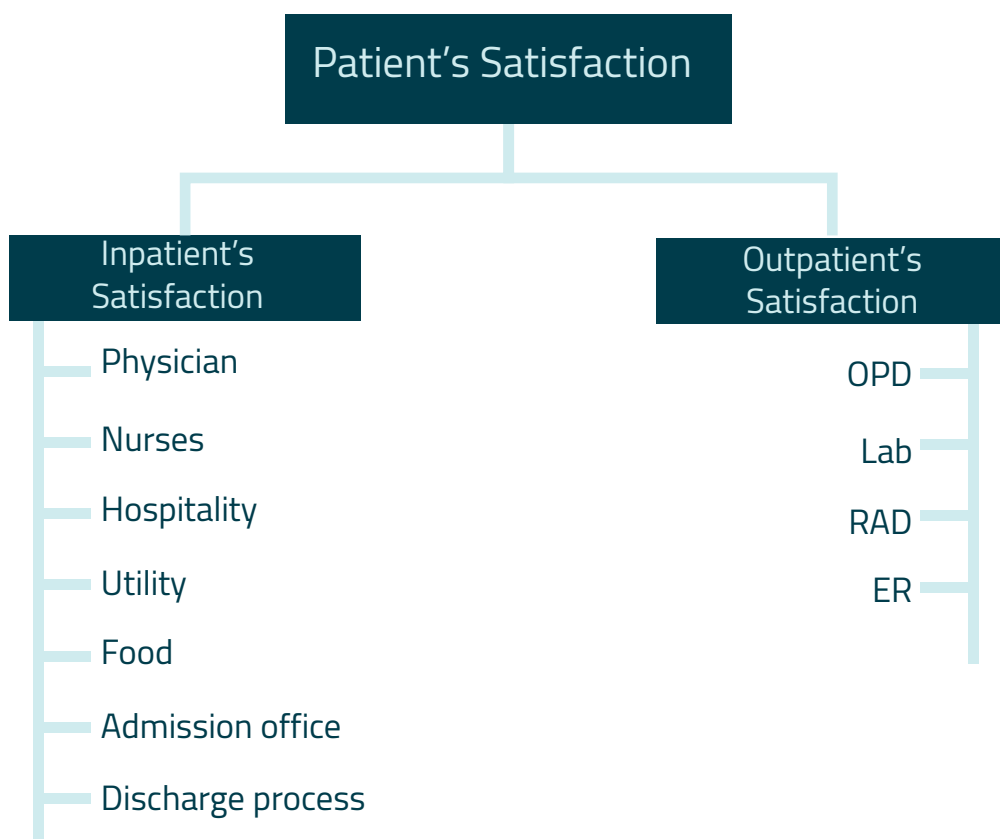
9 ambassadors from CHG were professionally certified from Leadership Training and Consultancy (LTC), a leading consultancy and soft skills training provider in Egypt. Upon the ambassadors' certification of the program, they were mandated to cascade the technicalities and know-how that they acquired in relation to the 7 habits to the Group's facilities on a gradual basis. By doing so, the ambassadors manage to certify the staff members that they train on the 7 habits and ultimately certify these members as well, aiming for the habits to become a common culture amongst the Group's staff.

Quality Nursing Enablement

Nurses make up about 25% of the Group's staff and about 35% of the Group's medical staff, reflecting their vitality to CHG's patient-centric approach to healthcare services delivery. Hence, it is crucial for us to provide our nurses with adequate training for their professional development and to ensure a seamless experience for our patients' treatment journeys.

The Group nurtures our nurses with programs that enable them to acquire and accumulate technical education that would further enable the Group's patients-centric operating model. This includes offering education scholarship diplomas with Badr University in Cairo (BUC) that aim to upskill our nurses and their capabilities . This also plays a role in the Group's leadership succession plans, where our nurses continue to develop their capabilities further allowing them to play bigger roles amongst the Group's nursing hierarchy.

As Clinysis, the Group's HIS/ERP system is effectively rolled out across the Group, our nurses' efficiency and productivity has significantly improved. The comes by virtue of their accessibility to specific functions within Clinysis that allow nurses to retrieve patient information more accurately and in a quicker fashion than other conventional manual methods at other facilities across Egypt, enabling timely test scheduling and treatment protocols



Facilities	Inpatients Satisfaction			Outpatients Satisfaction			ER Satisfaction		
	Avg. satisfaction jan 2020	Avg. satisfaction dec 2021	Delta	Avg. satisfaction jan 2020	Avg. satisfaction dec 2021	Delta	Avg. satisfaction jan 2020	Avg. satisfaction dec 2021	Delta
Cleopatra Hospital	92%	92%	0%	91%	94%	3%	89%	91%	2%
Cairo Specialized Hospital	80%	93%	13%	81%	82%	1%	86%	93%	7%
Al Sherouk Hospital	90%	95%	5%	70%	95%	25%	96%	95%	9%
Nile Badrawi Hospital	92%	94%	2%	90%	93%	3%	92%	94%	2%
Al Katib Hospital	84%	92%	8%	93%	83%	0%	82%	94%	12%

Graduate Education Support Program

The Group initiated a program that supports our staff's graduate education ambitions, enabling them to achieve higher leadership roles within the organization. Staff members that wish to pursue their post graduate education were encouraged to apply for one of the following programs as well as undergo an assessment process:

- Master's degree in supply chain management
- Master's degree in Hospitals Management
- Clinical Nutrition Professional Diploma
- Infection Control Professional Diploma

The Group managed to successfully enroll 24 candidates that were eligible for a 40% scholarship from CHG towards their university fees. We look forward to enrolling more students the coming years, aiming to raise the industry's overall technical cadre of healthcare management leaders.

Joint Medical Scholarship Program

With an aim to promote high-quality medical education for students within the Upper Egypt region with limited means, the Group signed an MOU with Nahda University in Beni Suef (NUB) and accordingly established a Joint Medical Scholarship Program at NUB's Faculty of Medicine last year with the following scholarship's selection criteria:

- Students must be graduates of the Egyptian Thanawya Amma for the year with a minimum score of 97%
- Students must be residents of less developed areas, as well as graduates from schools that are in Beni Suef or the governorates to the south of Beni Suef
- Being a "needs-based" initiative, scholarships are given to students whose family's financial situation requires support in order for the students to enroll in the program
- Candidates undergo an interview process whereby their humanitarian ambitions when it came to why they dream of becoming medical professionals and the value they plan on adding to their communities gets assessed.
- A priority was in place for students whose parents were injured or martyrs from the Egyptian Army or the Egyptian Police forces

That said, eight candidates were successfully shortlisted and selected for the scholarship program in 2020, being five female students and three male students that had exceptional academic records. As enrolled students are required to maintain a Grade Point Average (GPA) of at least 3.4 throughout the program's five years, our eight candidates performed exceptionally during their first year with no one dropping below the 3.4 GPA threshold.

CLINicare Pro® – an in-house developed integrated healthcare digital solution

The Group's digitalization agenda recognizes the need to manage the surge in demand for quality healthcare services through innovative digital healthcare solutions that help ensure rational, safe and cost-effective service delivery. The Group developed an inhouse web-based healthcare solution, CLINicare pro® , an innovative antimicrobial stewardship module that aims to reduce irrational antimicrobial use effectively, leading to an improvement against antimicrobial resistance and other antimicrobials related complications. As a pre-implementation phase, the project was rolled out at Nile Badrawi Hospital to test its viability and efficacy. This led the Group to the privilege of contributing to the global medical research field by producing the first accredited medical research study out of a private hospitals group in Egypt. The study focused on evaluating the impact of CLINicare pro® as an integrated Healthcare solution on the consumption and cost of antimicrobials in comparison to conventional paper-based antimicrobial stewardship systems, in addition to its impact on lengths of stay, infectious diseases in relation to mortality, and drug related problems detection. The study was published by one of the most renowned research journals specialized in the field of Pharmacy Practice, the Journal of the American Pharmacists Association "JAPhA".

Upon implementing the application at Nile Badrawi Hospital, and its effective use by 38 healthcare professionals, 23 pharmacist, 11 physicians and 4 nurses, participants reported that they would recommend the application to other healthcare professionals:

- Total Antimicrobials consumption decreased by 15% in one year upon the implementation of CLINicare Pro ® as a clinical decision supporting tool.
- A reduction of 21% in total Antibiotics expenses upon the implementation of CLINicare Pro ®
- All antimicrobial agents showed a decrease in their resistance patterns upon the implementation of CLINicare Pro ® as a clinical decision supporting tool.

Amikacin	Colistin	Gentamicin	Imipenem	Meropenem	Piperacillin Tazobactam	Tigecycline
-11%	-75%	-30%	-30%	-10%	-14%	-75%

- A reduction of 1.63 days in the mean length of ICU stays by virtue of applying our digital version of the stewardship program when compared to the manual pre-implementation stewardship program.
- A reduction in 30-day infectious disease related mortality rates, from 1.17% to 0.83%.
- The frequency of DRPs (Drug Related Problems) detected by Clinical pharmacists increased from 0.54/100 bed-days to 3.23/100 bed-days by virtue of applying CLINicare Pro ®.

Title	Antimicrobial Stewardship Solutions with a Smart Innovative Tool
Access	https://www.sciencedirect.com/science/article/abs/pii/S1544319121001680
Authors	May A. Shawki, PhD, Lecturer, Clinical Pharmacy Department, Faculty of Pharmacy, Ain Shams University, Cairo, Egypt
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	Nagwa El-Husseiny, MD, Professor, Internal Medicine Department, Faculty of Medicine, Cairo University, Giza, Egypt
	Nirmeen A. Sabry, PhD, Professor, Clinical Pharmacy Department, Faculty of Pharmacy, Cairo University, Giza, Egypt"

As the application has passed its pre-implementation phase and is currently being rolled out across the Group, we are very excited to witness its further development as it runs on each facility to the next, and ultimately become the first of its kind medical management tool that will effectively guide medical health professionals on rational antimicrobial use.

Occupational Health & Safety

Patient Health & Safety

Cleopatra Hospitals Group adheres to the following policies and regulations to enforce strict safety standards at all our facilities:

- Staff Accidents Management
- Incident Reporting
- Patient and Visitors Accidents Management
- Unification of Contractor and 3rd party Services and Associated Standards
- Infection Control
- Leakages and Spillage Control
- Risk Management Guidelines
- Occupational Safety, Health and Environmental Handbook

As a leading healthcare provider, we practice the highest standards of health and safety across our facilities to ensure that our patients and employees are always in a safe environment. To minimize risks, all our hospitals are guided by our robust Risk Management Guidelines which help to identify, assess, monitor and to address and communicate these risks to Management. These guidelines were developed with close reference to global standards and in coordination with IBIS, an ESG consultancy based out of South Africa. The Guidelines aim to achieve a customized Risk Register to provide a systematic and uniformed approach in registering the risks in a common template across the Group. This enables efficient standardization and exchanging of best practice approaches to addressing risks, while allowing for audits to be performed consistently across our hospitals. The Risk Management Guidelines is designed in a checklist performance scoring manner, whereby indicating "0", "1", or "2" on each of the metrics included would indicate Critical, Requires Attention, or Accepted respectively. Ultimately, the assessment verifies our facilities' standardized compliance across the Group when it comes to House Upkeep, Sanitization & Hygiene, Waste Management, Infection Control, Support Services, and Building Safety.

Incident Reporting

Should an incident occur, employees report the incident including details of the incident in order to prepare it for proper investigation. Accordingly, the incident undergoes a root cause analysis (RCA) exercise for proper resolution and avoidance of reoccurrence. All incidents, clinical and nonclinical, are documented on Clinysis, which is rolled out across the Group. We ensure that all clinical and nonclinical staff are aware of our incident reporting process, which are clearly communicated upon the orientation of every employee.

The Group reported no Fatalities, nor High Consequence work-related injuries in 2021, and this includes all Cleopatra Hospitals Group employees and its subsidiaries, as well contractors and 3rd party service providers. This comes on the back of our Group wide initiatives that aim to reduce health and safety related incidents at all our facilities:



**Risk Management
Guidelines Checklist**



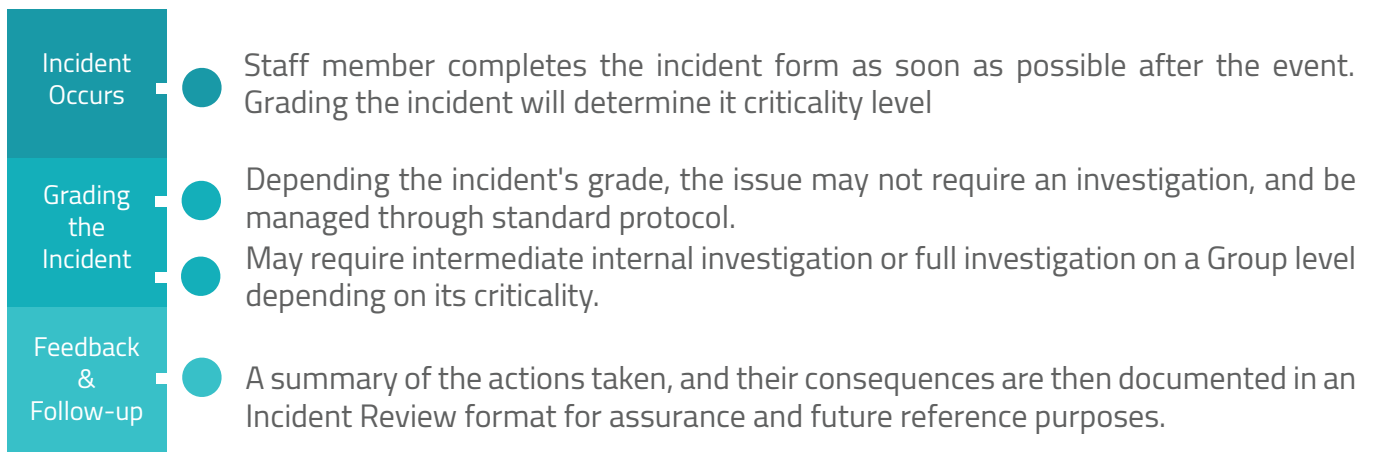
**Incident Reporting
Protocols**



**Physical Checks
Checklist**



**Unification of
Contractors and
standardization of
their SOPs**



Community Outreach

As a leading, committed, and proactive corporate community partner, CHG believes in community involvement where we work and serve. Collectively, our healthcare facilities help improve the lives of our patients, their families and the overall community. Through our community engagement programs, we manage to maintain an open dialogue with our surrounding communities. We invest in public health awareness campaigns designed to promote healthy lifestyles and raise awareness to our service offerings that may play a role for a better quality of life.

Periodically, our staff mobilizes health assessment booths at high traffic areas within the regions that we serve, whereby body vitals checkups are conducted for the general public free of charge. The aim is to raise awareness for healthy lifestyles and regular checkups through providing medical advice based on collected vital readings. CHG's commitment to enable better and healthier living is not limited to our facilities' premises, but extends to our surrounding communities.

Skills Enhancement Program with The Ministry of Health and Population

Under the auspices of the Egyptian government, the Group embarked on a journey of collaboration with the Ministry of Health and Population in 2019 on The Skills Enhancement Program, which continued to develop in 2021. This partnership comes in support of the ministry's Global Health Insurance Initiative, that is set to be rolled out across the nation by 2030.

The Skills Enhancement Program aims to transform the sector and ensure the accessibility of high-quality public healthcare across the nation. The program entails equipping employees of public hospitals with essential training to enhance their medical, technical, and managerial skills. Through managing and implementing the trainings, CHG has taken initiative to conduct medical, non-medical, practical and non-practical trainings that comply to the standards of JCI and National Safety Requirements, enabling employees to advance the quality of services in facilities under the initiative.



The Group has invested in a series of technical trainings targeting doctors and nurses through a variety of practical experiences including job shadowing. Additionally, medical staff have received CHG's official medical form system as means of ensuring that operations are streamlined and efficient. As the Group is not only committed to the development of the medical aspect of the business, CHG also focused efforts towards non-medical employees. A specialized team from CHG has delivered trainings in administrative fields such as Supply Chain, Human Resources, and Facility Management.

Key milestones of the partnership include:

- Training 600+ employees on the fundamentals of Medical and Nonmedical Functions
- Training the staff on the requirements to develop effective HSE policies
- Designing Hospital Organizational Structure To be rolled out across all National Healthcare Act Hospitals
- Continuous monitoring and evaluation for consistent improvement in the efficiency of operations of hospitals
- Standardization initiatives and implementation of SOPs and KPIs for monitoring
- Implementing the 1st Attendance System in Public Hospitals Using fingerprint to track attendance of staff across Port Said Hospitals
- Assisting in the development of a financial system for the 8 public hospitals under the new healthcare insurance project.



Governance & Economic Impact

Governance & Economic Impact

Governance

As a Group, CHG takes pride in its daily operations that have direct impact on the wellbeing of millions of Egyptians across the nation. This is made possible by applying a set of corporate governance principles that always maintain governance across the company's operations effectively, with an aim to balance the interests of all company stakeholders, including shareholders, senior management, employees, and patients. Governance is one of the Group's cornerstones to its long-term success and value creation mission.

Ethics, Integrity, and Compliance

Led by the Board of Directors, which are discussed in detail in our Governance Report for the year, Cleopatra Hospitals Group strives to lead the healthcare industry in good corporate governance by driving a positive culture of compliance within the Group. Supported by its Audit, Remuneration, and Quality & Medical Ethics Committees, the Board is responsible for measuring the effectiveness of our compliance programs and key improvement initiatives.

Our employees strictly comply with our Code of Conduct handbook, which outlines our basic expectations of each employee's conduct. As for our external stakeholders, all hospitals' and subsidiaries' vendors, contractors, suppliers and other related third parties are made aware of our strict integrity based operational model, and the necessity of their compliance to our standards. In 2021, there were no reported incidents of terminated or unrenewed contracts due to violations related to fraud, bribery or corruption.

Operations

ABC

- CHG has a zero-tolerance approach to bribery and corruption with a clear anti-bribery and anti-corruption policy for all stakeholders to abide by.
- CHG follows all applicable local laws and more stringent international frameworks to ensure that there are no facilitation or bribery payments due

No Referral Fees

- CHG does not pay any referral fees or kickbacks to physicians and instead has recently developed a doctor sales team to revolutionize the sector in Egypt.
- The sales team focuses on improving the hospital service to the physician and maintains close communication - improving loyalty and engagement.

Medical Council

- CHG recently launched a group-wide medical council with multiple responsibilities-including (1) ensuring that medical personnel are providing the best medical care and outcomes for their patients (2) keeping CHG at the forefront of medical research and technology across all relevant services.

Board Committees

Audit Committee

- The audit committee oversees the group's financial controls with emphasis on: (1) integrity of internal controls and financial reporting; (2) performance of the internal auditors and the function (3) review of audited financials and external auditor performance (4) compliance with legal and regulatory requirements.

Remuneration Committee

- The remuneration committee has established a formal and transparent process for fixing and reviewing the remuneration for the senior executives of the company
- The remuneration committee also reviews KPI's and achievement of the group's targets.

Quality & Medical Ethics Committee

- The quality and medical ethics committee reviews the quality of care provided to the patient as well as medical KPI's for the group in line with international standards.
- The committee reports to the board compliance with the group's quality manuals and realization of medical outcomes.

Ethical Marketing

When it comes to marketing for healthcare services, corporate ethics play a vital role. At CHG, we have policies in place that help guide us to relay an accurate and complete picture to our potential patients, also keeping us in line with local regulations' policies. We abide by these policies as we market our facilities, solutions and service offerings to encourage the public to make sound decisions when it comes to their well-being. Each marketing department across our facilities identifies activities that require prior approval from regulatory bodies. The department then seeks the approval of the concerned medical experts, submit the applicable supporting documents, and finally proceed with their campaigns. Due to our strict adherence to this process, none of our marketing campaigns were rejected by regulating authorities in 2021.

Data Privacy and Security

The protection of our patients' data has never been more crucial as in the current phase of CHG's journey, as the Group's digitalization agenda progresses year on year. Effective data privacy and security is paramount for the Group to conduct its business in a safe and secure manner.

With operations spread across Cairo from East to West, a solid data network is key in order to support such scale. The Group has in place an elaborate data privacy and security program structured to optimally manage, monitor, detect and respond to any events which may compromise CHG's cyber security. The Group affirms its commitment to protect the personal data of its stakeholders by strictly enforcing personal data protection principles under the Group's Non-disclosure and Confidentiality of Information and Conflict of Interest policies, along with the undertaking of all the Group's staff of upholding these policies. The policy is consistently reviewed and enhanced, becoming more comprehensive with every update, noting that the Group's latest update to the policies was effective as of the last quarter of 2021.

The Group's data privacy and security are based on the following principles:

- Adopting a risk-based approach towards cyber threats, which considers the likelihood of any risk materializing as well as its potential impact and measures for prevention and detection.
- Expanding responsibility for cyber security across the whole organization, with recommendations of safe practice.
- Ensuring end-to-end security across business processes.
- Strict policies governing sharing of information with external parties.

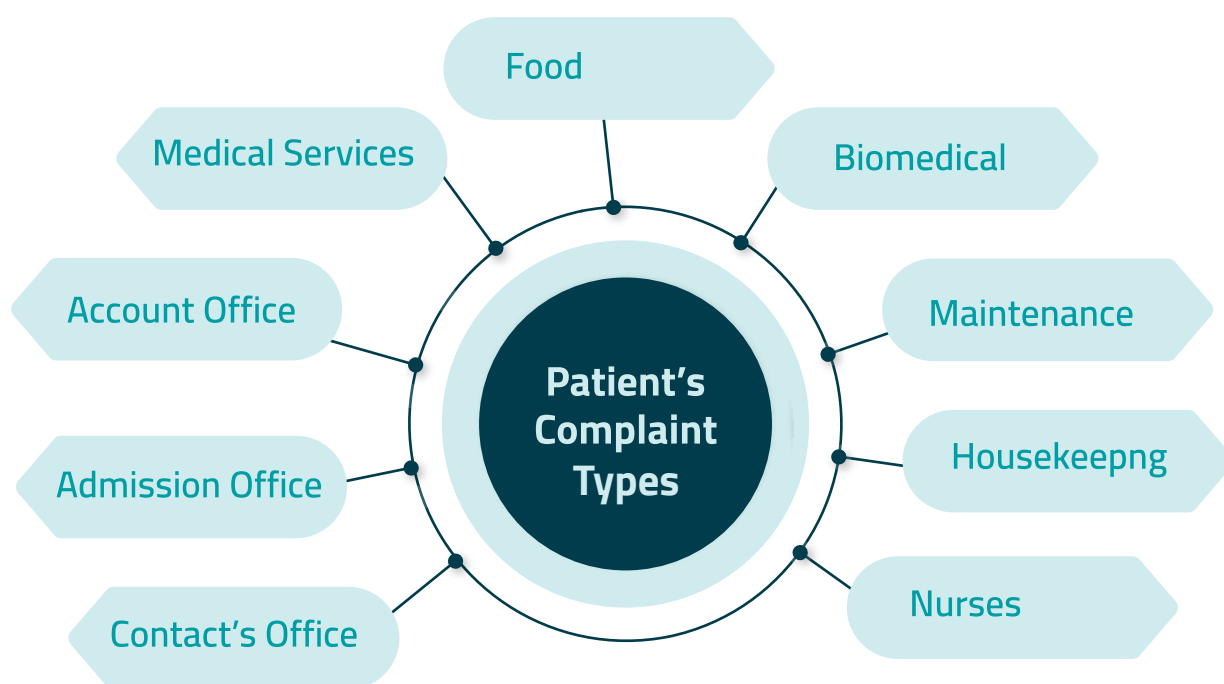
Our key policies and interventions include:

- The Chief Information Officer (CIO) manages the governance and enforcement of IT policies and procedures including IT Security.
- Implemented security risk framework and management in accordance with global best practices.
- Conduct annual independent security review on our framework and infrastructure's security efficacy.

In order to effectively treat our patients, we maintain comprehensive data that includes personal information of our patients and their families. Our patients understand that completely and entrust us to safekeep their information and only use them when they're medically relatable. We hold ourselves accountable to safeguarding this information and guarantee our patients with the best international standards of information safety and security. Staff involved in face to face interactions with patients, including doctors, nurses, pharmacists, technicians, and paramedics understand the needed effort that goes into building a trust-based relationship. With that strict practice in place, we have not reported any breaches of patient confidentiality in 2021.

Complaints and Grievances

With regards to complaints and grievances, whether from CHG patients or our surrounding community, the Group has policies in place that detail the appropriate channels and methods for the effective redressal of these concerns. CHG has implemented a group-wide service recovery policy that enables us to proactively act on voiced complaints. Our top management regularly follows up on those metrics, guaranteeing efficient resolutions. These measures allow us to significantly decrease the turnaround period of resolving grievances, as well as effectively identify weak links within our operations and turn them into strengths.

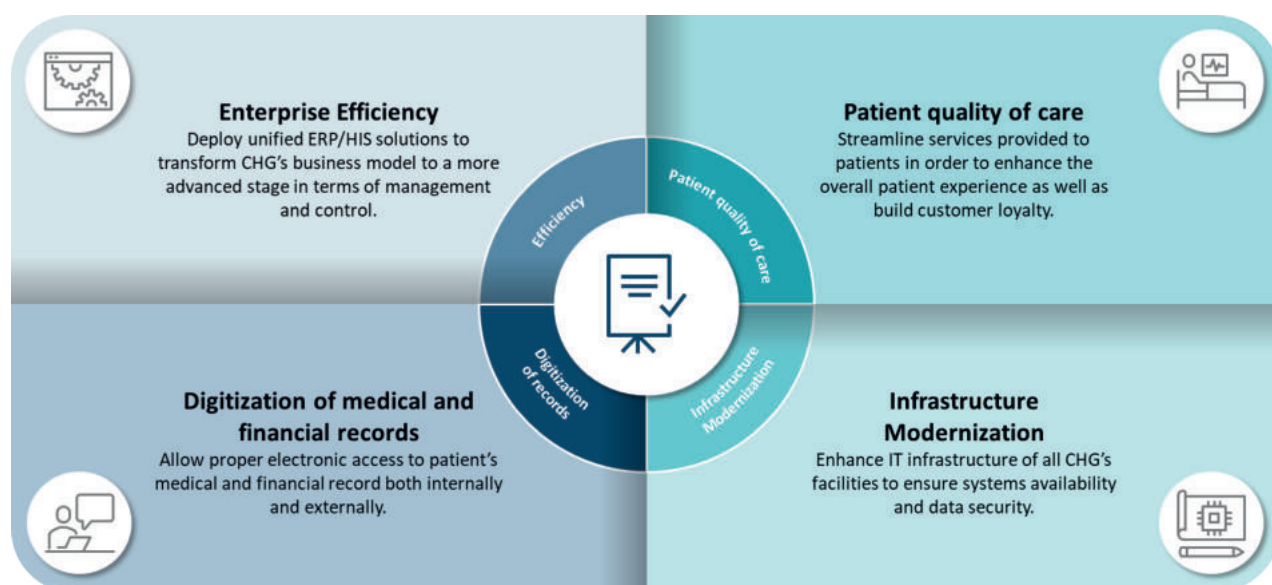


In order to ensure that the Group provides excellent care and services up to the standards desired by our patients, we regularly ask our patients for feedback with regards to their experience at our hospitals on a voluntary basis. Based on this feedback, steps can then be taken to enhance our service offerings' delivery accordingly. Patients' grievances addressal directly correlates to patient satisfaction, which constantly monitored through the Group's comprehensive patient satisfaction surveys. One of the metrics that our surveys deduce is the percentage of patient complaints to cases served, which is consistently scrutinized in order to gauge our efforts towards our journey of patients satisfaction and excellence in service delivery.

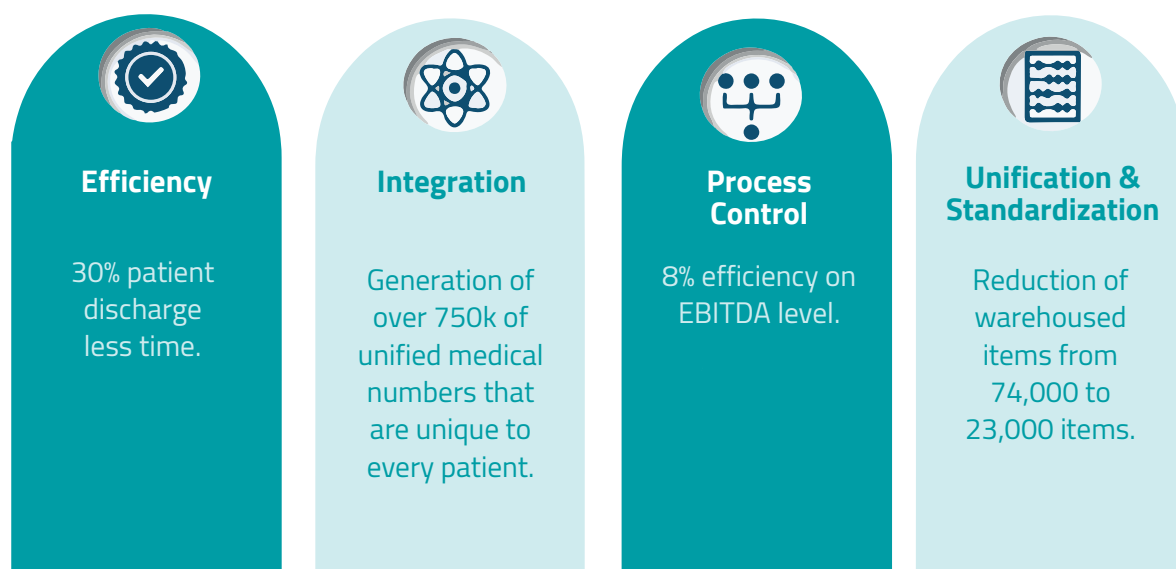
Facilities	Patient Complaints (Complaints/Number of Patients)		
	Avg. ratio Jan 2020	Avg. ratio Dec 2021	Delta
Cleopatra Hospital	8.4%	2%	6.4%
Cairo Specialized Hospital	0.5%	2.5%	-2%
Al Sherouk Hospital	6.5%	5.1%	1.4%
Nile Badrawi Hospital	15%	10%	5%
Al Katib Hospital	6.9%	15%	-8.1%

*Cleopatra Hospital figures includes Queens Hospital's figures.

Driving Efficiency with Innovation and Technology



At Cleopatra Hospitals Group, we leverage on innovation and technology as a key driver to provide world class healthcare services delivery in a sustainable fashion. Over the last few years, CHG has embarked on a digital transformation strategy, which aims to introduce the latest digital solutions available to enhance all aspects of the Group's day-to-day operations. With constant development on that front, a key differentiator for the Group since inception, we continue to cement our position as the leading Group of healthcare services providers in Egypt.



Leveraging on Clinysis' Successful Roll-Out

Our dedicated team of IT professionals manages CHG's in-house developed integrated Healthcare Information System. Whereby its year on year development and proven efficacy continues to impress management. With its successful roll-out across Group, and assurance of the quality of its results, it enabled the Group to take its patient related platforms to higher levels of quality, accessibility, and efficiency.

Website

- Grants our patients full access to their entire historical medical records across the group.
- Enable direct online bookings to various service offerings.



CHG Mobile App

- Allows patients and their families to book appointments online at all CHG hospitals and clinics.
- Gives patients access to physician directories and as well to their personal medical records.



CHG Video Call App

- Allows patients to select specialties and book them for consultations as per consultants' availabilities.



Cleopatra Hospital Group's Website Overhaul

The Group has revamped its website to become more agile and equipped with tools that allow our patients to experience seamless treatment journeys at any of our facilities. The new website enables our patients to book their appointments online directly and filter through available time slots in real time. This comes in hand with the website's new user-friendly interface that allows for viewing all the Group's consultants' profiles along with their availability schedules for our patients' convenience. Furthermore, the patients are now also able to browse through our service offerings with a new perspective, whereby the Group's geographic presence, facilities' medical teams, and associated centers of excellence are clearly mapped out on the new website. Additionally, patient records are now unified by virtue of a "Unified Medical Number" that is unique to every patient. By virtue of that, patients now have access to their entire medical records associated to our hospitals, including all their medical diagnostics results, historical and upcoming appointments. Finally, the new website also includes a live queuing system, which enables our patients to view our live Queues at any of our facilities, relieving pressure of our facilities' waiting areas and improve patient waiting times at our Outpatients Departments. As the website has been creating higher traffic on our engagement platforms, it has been reflecting early success indicators in the form of lower patient waiting times, increased number of appointments taken, and lower number of no-show appointments.

Cleopatra Hospitals Group's collaboration with ValU – a nationwide microfinancing platform

In an effort to facilitate medical financing options for our patients, Cleopatra Hospitals Group launched an initiative in collaboration with the nation's largest microfinancing platform, ValU, whereby they established physical kiosks at each of our hospitals in order to facilitate our patients' enrollment processes conveniently. Patients are now able to finance their treatment journeys at any of our facilities for 6 months, interest free. Typical beneficiaries from the project include:

- Patients that require emergency and unexpected medical attention while are not medically insured or have lower coverage ceilings. Accordingly, these patients request for Discharge Against Medical - Advice "DAMA" when considering their inability to secure cash funding for their necessary treatment journeys.
- The Group's cash patients' segment, that may consider financing their treatment journeys.
- Oncology specific patients, in light of the associated hefty billings for chemotherapy, radiation, and delicate surgical procedures.
- Dental and Cosmetic patients, as these specialties are typically not insured and may require high upfront considerations.

Expanding the Group's Mobile Service Offerings

In an effort to curb lower outpatient volumes during the pandemic's lockdown periods and the virus' recurring infection waves, the Group had launched the Home Visits initiative in 2020 for the convenience of patients that are unable or unwilling to visit healthcare facilities in person. The Group accordingly launched this initiative along with its marketing campaign titled "We Will Come to You", which helped the initiative capture its target patients. As the pandemic eased and patients regained their confidence to visit hospital facilities once again, the Group maintained the service offering with the following scope:

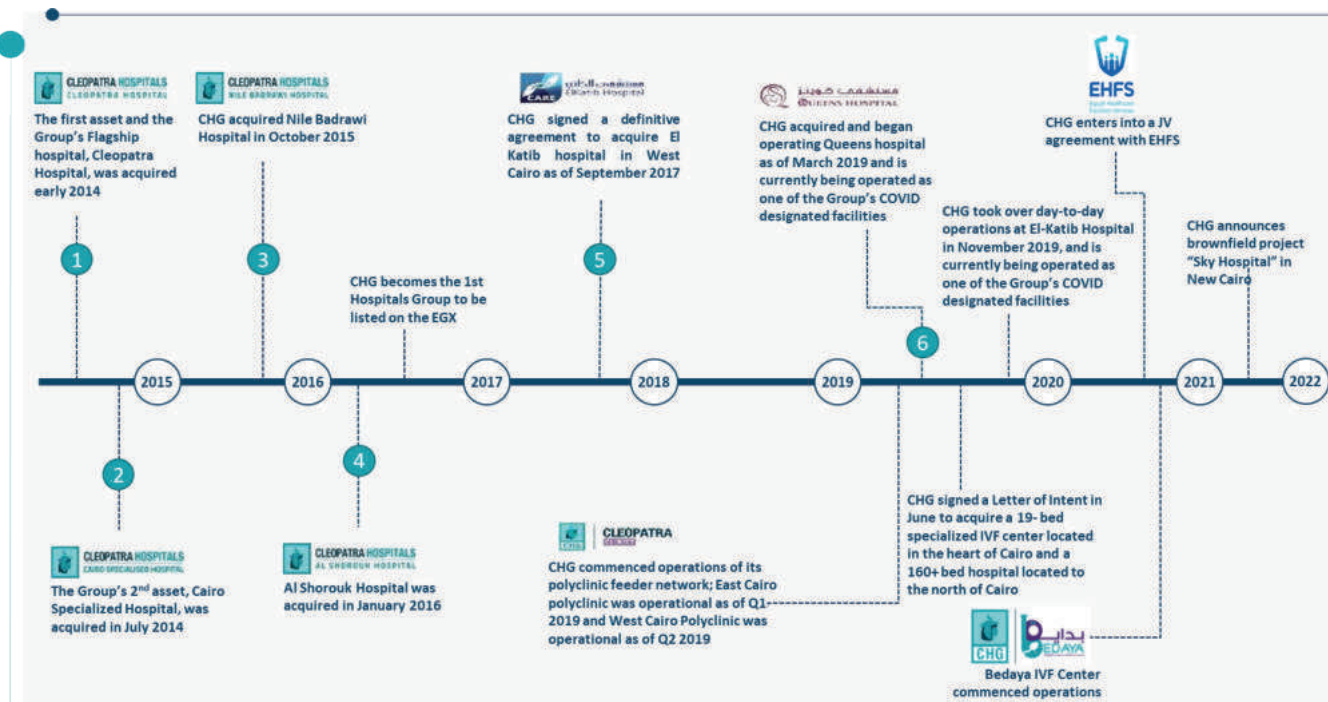
- Around the clock home visit services
- 24/7 Radiology tests by portable equipment (X-ray, Ultrasound, Echo, ECG)
- At home physiotherapy mobile clinic
- Laboratory samples collection at home with results delivery within 24 hours, and within 2 hours for emergency cases
- Medical care for the elderly
- 24/7 pharmacy delivery

That said, the Group also launched a derivative to this service offering in 2021, Home Care, that was soft launched at Cairo Specialized Hospital and expected to be rolled out across the Group in 2022. Home Care provides continuous nursing and care services post our patients' discharge from ICUs upon their successful completion of surgical procedures, at the comfort of their homes. While patient treatment plans are conveniently recorded on each patient's digital medical file, and is accessible remotely, nurses continue supervising their patients' treatment journeys at the comfort of our patients' homes, maintaining the same quality of our hospitals' service delivery.

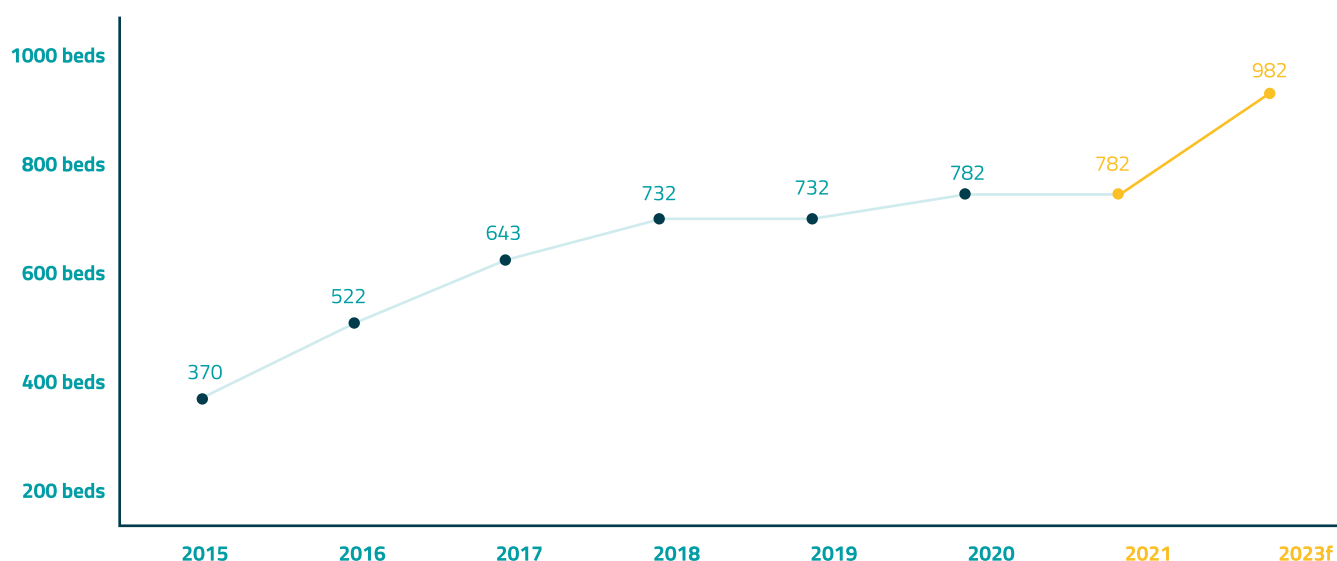
Economic Perspective

Cleopatra Hospitals Group thrives to ensure consistent value creation to all its stakeholders as well as to contribute to Egypt's national economic growth. While we aim to create tangible value for all our shareholders by ensuring business sustainability in an ongoing concern manner, our initiatives also contribute indirectly to other stakeholders and our surrounding communities.

By virtue of the Group's current expansionary mode, CHG continues to build on its overall capacity expansions. Accordingly, these expansionary ventures result in economic returns in terms of job creations, better and more equitable healthcare access, as well as innovative partnership models that help better utilize assets in the market that are currently inoperative or being operated inefficiently.

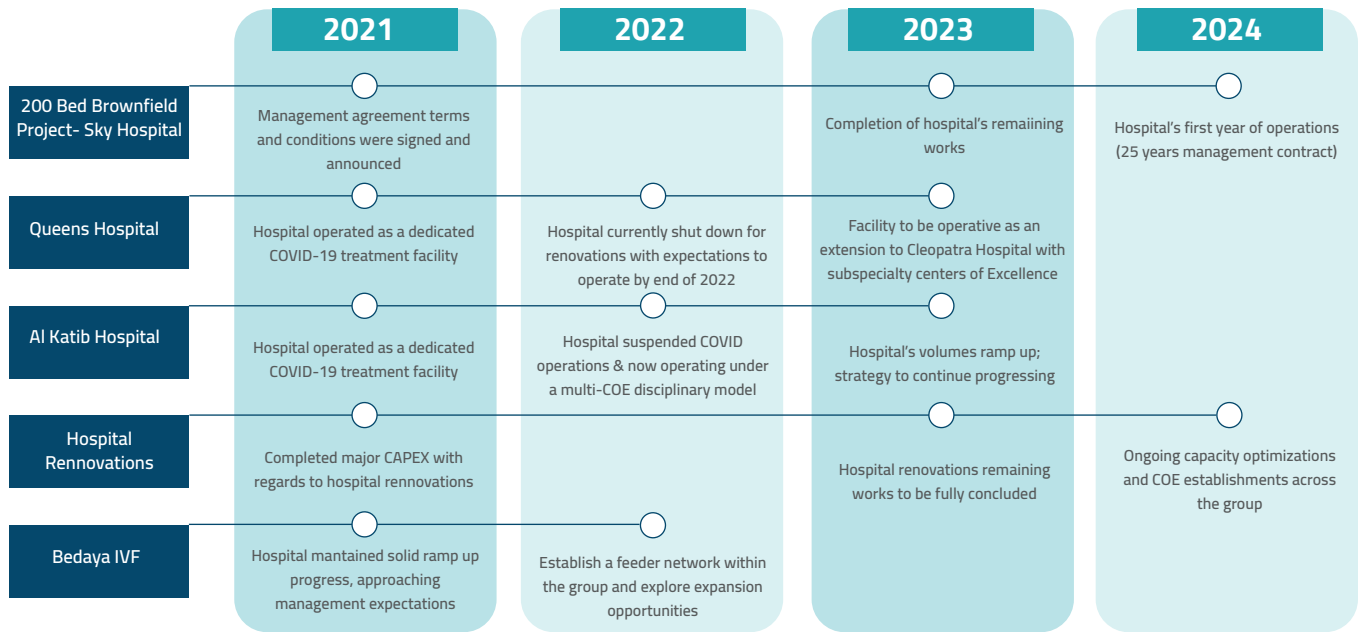


Total Bed Count Forecast



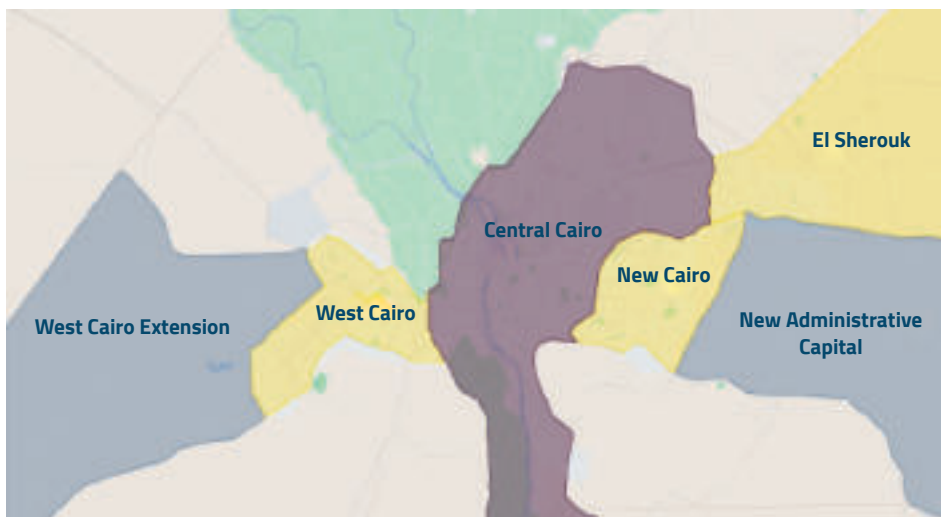
The Group's wide network and consistent expansions of facilities throughout CHG's journey managed to create new jobs for our surrounding communities, in addition to the knock-on effect from funds invested for construction activities. It is estimated that the number of jobs we generate is a multiplier of our manpower to bed ratio, which stands at is 3:1 considering the Group's high-quality standards.

M&A & Expansions Projects



Strategic Presence in Line with Greater Cairo's Growth

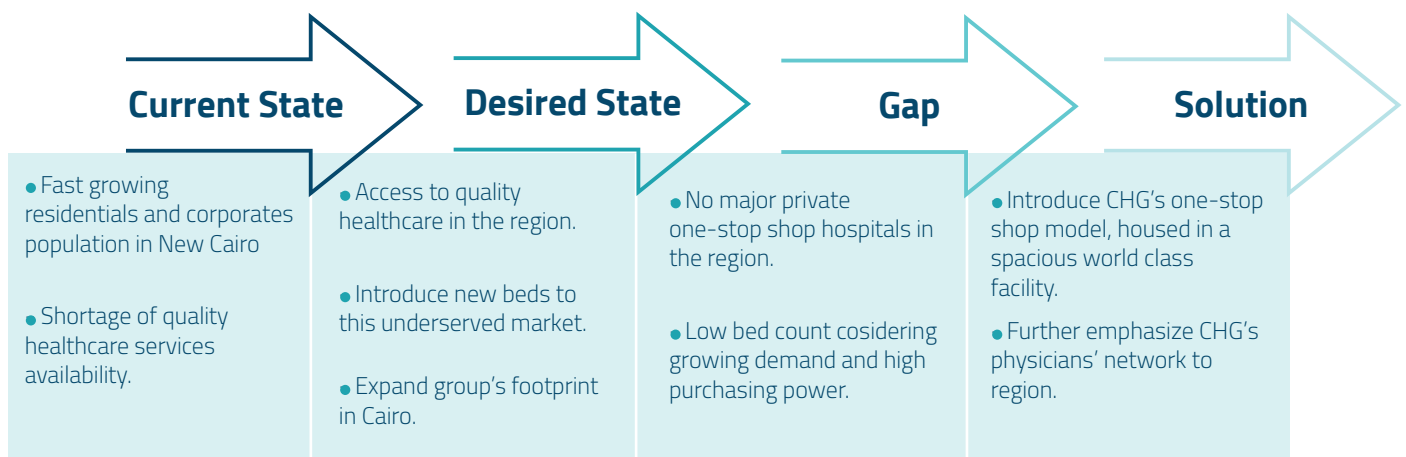
The Group's determination to be strategically present in areas such as New Cairo and West Cairo new suburban cities is influenced by the current expansion plans of Greater Cairo, and in turn the relocation of the Governorate's residents. Throughout the past 5-10 years, residents in Central Cairo have been gradually relocating towards West Cairo and New Cairo, escaping the city's high traffic congestion, pollution, and generally run-down facilities and infrastructure. Additionally, large local and multinational companies have been withdrawing away from Central Cairo as well for the same reasons, in addition to saturation, as well as lack of spacious quality commercial properties. That said, demand is consistently growing in New Cairo while supply is not at the same rate. This created another underserved area, however, with a higher purchasing power when compared with the rest of Greater Cairo.



Saturated and established areas

Newly existing suburban areas, with growing populations

Emerging future cities currently under construction



Sky Hospital – CHG's latest addition to the Group and its first Brownfield venture

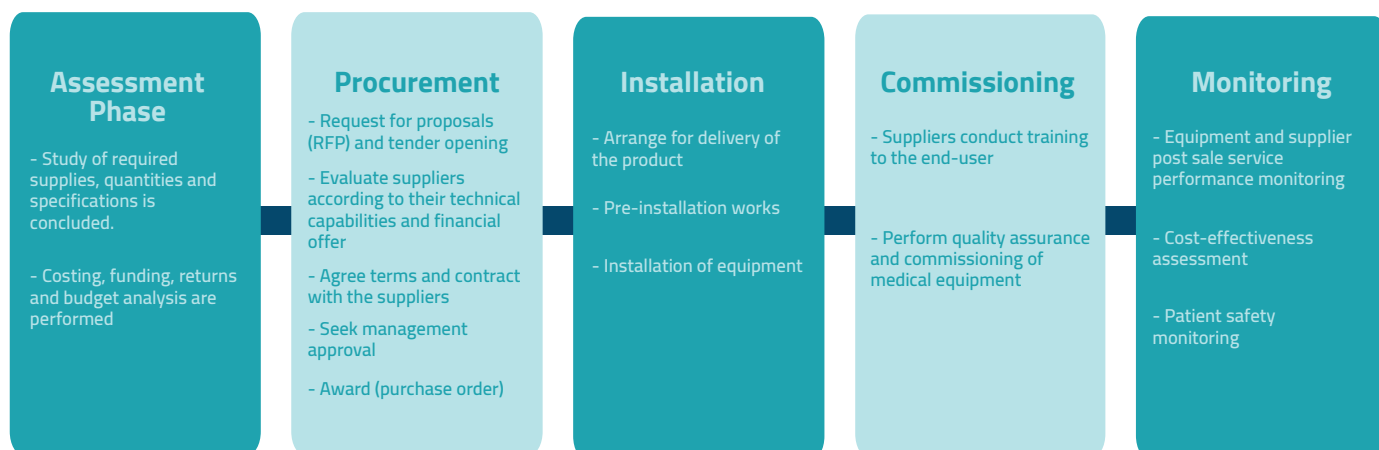
Sky Hospital is a 200-bed brownfield hospital located in New Cairo's Fifth Settlement area. In December 2021, CHG finalized an agreement with three state-owned petroleum companies to finish and operate Sky Hospital for a 27-year period. By virtue of this agreement, CHG gets the privilege to introduce its own branded beds to the Egyptian Healthcare market for the first time since the Group's inception. CHG is looking to use Sky Hospital to serve a share of the East Cairo's suburban growing patients base, as the region is currently highly underserved and lacks sufficient availability of quality healthcare services. Sky Hospital's full-service offerings will also be available for the Group's other contractual and out-of-pocket patients allowing CHG to take advantage of the growth opportunity offered by the currently underpenetrated region of Cairo. The hospital's site is now fully under CHG's control with contractors already on sight and working to deliver on phase one of the hospital's launch strategy which the Group expects to complete by year-end 2023. It is worth highlighting that the Sky Hospital deal entailed no upfront acquisition costs for the Group, with the three state-owned companies retaining ownership of the building and receiving a share of the facility's revenues. This makes it an attractive, asset light expansionary model for the Group, which it aims to continue to replicate in future growth opportunities.

Group wide procurement efficiency

As one of the largest leading medical groups in Egypt, we rely on hundreds of suppliers from diverse industries for consumables and equipment, whether medical or non-medical. As such, we have group wide procurement policies that allow for year on year margin enhancements.

We rely on our suppliers and vendors to deliver products and services of the highest quality that meet internal, regulatory and accreditation agency standards in a timely manner and consistently, and that's what makes them an integral part to the Group's success story. To ensure all our suppliers are given equal opportunity, we practice fair and transparent negotiations. Our formal procurement processes include clearly defined tenders, contract terms, and preferred supplier agreements. Our suppliers are selected based on their technical and financial offers, as well as their ability to consistency deliver considering the Group's patient base.

Our equipment used in patient care are operational, safe, and periodically maintained and supervised by our in-house engineering teams who are in constant communications with the equipment's suppliers' maintenance teams. Our typical procurement procedures are illustrated in the following chart:



THANK YOU

**SHAREHOLDER INFORMATION**

EGX: CLHO.CA

Listed: June 2016

Shares Outstanding: 1.6 billion

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Reservation
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