

Press release

As part of the collaboration with SCGC: 65 Ostool trucks are on their way to being converted to natural gas

Cairo, 4th of November 2021. As part of their efforts aimed at green transformation, Suez Cement Group of Companies (SCGC) and Ostool - a subsidiary of Raya Holding for Financial Investments announced the conversion of 65 trucks belonging to Ostool - serving SCGC operations - to operate with compressed natural gas. This positively contributes to reducing the carbon footprint in response to state directives on green practices and Egypt's Vision 2030, both of which contribute to achieving a safe, healthy, and sustainable environmental model.

The project comes within the framework of the fruitful partnership between SCGC and Ostool-which has been in place for more than five years - under which Ostool allocates its fleet to transport cement and serve Suez Cement plants in Kattameya, Helwan, and Suez. Investment between the two sides amounts to more than EGP250 million.

The truck conversion is in line with the Presidential "Clean Vehicles" initiative aimed at reducing the environmental footprint of road transport activities and encouraging green practices. The transport sector represents one of the biggest environmental challenges in the world, producing about 18% of the total emissions resulting from human activity.

The first phase of the project started with the conversion of 15 out of 65 trucks. The conversion of all the trucks covered by the cooperation between Ostool and the group is scheduled to be completed in 2022. The outcome of this initiative reflects on the environment; converting a truck to gas reduces carbon dioxide emissions by 13%, making it one of the safest and cleanest types of fuel with no harmful emissions, especially in transportation.

Commenting on this step, Jose Maria, CEO of SCGC, said he was proud of the initiative to convert trucks to use clean energy and replicate the project at group business level, stressing that the group recognizes the importance of environmental sustainability. "Because we are the largest cement private producer in Egypt, we are aware of our responsibility towards current and future impacts of business on climate change, and that carbon dioxide emissions have a direct impact on the deterioration of the environmental situation around the world," he said.

Jose Maria added: "We are part of this world, we live the challenges it faces, we all share this responsibility, and we seek to find solutions and implement them through our business. We seek to contribute to achieving a primary goal of reducing greenhouse gas emissions by adopting a strategy of green transformation in all our plants and supply chains,"

"SCGC efforts are in line with our parent company, HeidelbergCement, which has committed itself to reducing its specific net CO₂ emissions per tonne of cement by 30% compared to 1990 by 2030. This target has been approved by the Science Based Targets initiative (SBTi) and is in line with the goals of the Paris Agreement, making HeidelbergCement the first cement company worldwide to have approved science-based CO₂ reduction targets." Jose Maria elaborated.

Ostool Land Transport Company's Executive Chairman, Tamer Badrawy, expressed his optimism about this step, noting that Ostool puts the green transformation at the forefront of its plans for the near future. He said: "Converting trucks to natural gas contributes to reducing carbon emissions. Natural gas is one of the most environmentally friendly fuels, and it is recommended at the national and global level to use in transport."

Speaking of the phases of converting Ostool trucks and the expected effects of this step, he added: "experiments conducted during the first phase of the conversion indicate more sustainable performance and less environmental damage, in addition to lowering operating costs."

He added, "Ostool is working to convert all of its more than 259 trucks as part of its current plan; this is not limited to the trucks covered by the partnership with SCGC. The environmental dimension is at the heart of our priorities, and we are working to keep pace with the state's directions in adopting green practices and Egypt's Vision 2030, which contributes to a safe, healthy and sustainable environmental model. We also believe in the importance of achieving optimal economic benefit from Egypt's natural resources and maximizing the added value of this wealth."

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About Suez Cement Group of Companies

With an industrial network of four production facilities in Suez, Kattameya, Tourah and Helwan, Suez Cement Group of Companies is one of the largest cement producer in Egypt.

The company has a long-standing history in the market, yet is innovative in launching new brands and products to meet on-market needs. Suez Cement is home to 1,200 employees who participate in continuous training and advancement.

The group has an active safety and environmental policy, which is imperative for building a sustainable environment for employees and the communities in which it operates. The group has proudly built some of Egypt's most well-known landmarks and is building its future around serving the market and growing customer demands. Suez Cement is majority owned by the Heidelberg Cement Group, making it part of a family of organizations that represents one of the world's largest building materials companies.