



KNIPPENBERG HIGHLIGHTS THE IMPORTANCE OF ESG ECOSYSTEM IN REAL ESTATE



In an exclusive interview with Invest Gate, the CEO of Kerten Hospitality Marloes Knippenberg highlights the need for a shift towards ESG investments, operations and Ecosystems. She shares insights about the rollout of the Group's ESG-focused ethos across all properties, pipeline of developments as well as operations – a strategy that centers around Locality, support for the communities around projects and an embrace of a more sustainable operations mode.

You have talked a lot about the importance of investing in EGS, how is it applied at Kerten Hospitality?

Before I respond on the topic about our ESG (Environment, Social, Governance) focus, allow me to introduce who we are and what we do as this context is important for the roll out of our ESG strategy.

As a mixed-use and lifestyle operator we manage and operate hotels, branded residences, serviced apartments, workspaces and collaborative social/business hubs under our own brands all complemented by a suite of food and beverage concepts and in collaboration with other health, wellness, retail components.

We transform destinations through impactful collaborations both with our own and other branded Food & Beverage, Retail, Entertainment, Art and Wellness brands with a focus on building Ecosystems, and unique community-centric destinations, that connect international and local travellers.

We manage a portfolio of 12 owned brands including: Cloud7 Hotel and Residence, The House Hotel and Residence, Ouspace – a collaborative Social Hub and serviced offices concept, Mhamo, UBBU – which is our

ESG initiative that we have been rolling out now. KH has a suite of in-house designed and operated Food & Beverage offerings and employs and collaborates with world renowned Michelin chefs to up and coming local foodpreneurs. All our brands have been created with a purpose.

Our pipeline includes over 40+ projects globally that range from eco-luxury resorts in the UAE, to art hotels including residences in Georgia, Jeddah's first lifestyle destination The House Hotel CityYard, urban city centre destinations in Italy, an experience hotel & hub in Jordan along with residences as part of the same development and a suite-only hotel in Kuwait in addition to the leisure and business mixed-use in the first sustainable destinations in the most prestigious developments in Egypt's North Coast – Fouka Bay and Il Monte Galala. We are growing our portfolio in KSA with an eco-resort in Abha and are soon making more announcements across the Middle East.

Across our footprint we apply our ESG-focused ethos across all properties, pipeline of developments as well as operations. Based on the Butterfly effect – small actions, especially done by many prompt global change & impact. UBBU which stands for United. Building a Better Universe is part of our DNA, from the first engagement on a project that is ongoing. It is part of our processes and company culture, and we are stepping up to drive this more significantly through our teams, partners, suppliers and the community with the main focus on locality.

Due to our commitment to collaborate with ESG-orientated organizations, we have been certified by the UN-backed PRI Principles for Responsible Investment – the world's leading proponent of responsible investment. As co-chairs of the Sustainable Hospitality Challenge – a global innovation

challenge that involves over 30 top tier hospitality schools – we have brought the innovation in sustainability closer to hospitality decision-makers working closely with the investment community to turn sustainability-focused projects into reality.

We have given our ESG strategy a name welcoming all organization willing to make a change beyond the Talk and embrace this as a mode of operation.

Can EGS be applied here in Egypt?

ESG can and needs to be applied anywhere in the world as long as there is commitment, collaborations that bring tangible outcomes and driven communities who ensure that it is embraced across the board and becomes a way of life and is not just nice-to-have but a must-have. We are very thankful to our partners Tatweer Misr – the largest real estate developer in Egypt who have pioneered sustainable, smart cities in Fouka Bay and Il Monte Galala – where we are a hospitality partner today. Their focus is on innovation, technology that empowers better wellbeing and more sustainable infrastructure that lies in the center of all design and planning for all their projects.

For instance, Il Monte Galala's location and topography were considered and led to the entire projects being carved in the mountains. The flagship project consists of multiple sustainable solutions, such as a sewage water treatment plant and a seawater desalination plant, a sustainable mobility solutions network, as well as smart waste collection services, smart lighting poles, etc.

We are completely aligned with our owners who are visionaries with a far-sighted roadmap aiming to leave the world a better place for the next generations. That is how building a happy community where residents and guests connect, innovate together and co-live in a smart IoT-empowered landscape becomes pivotal for any ESG investment. It's all about catering to the needs of the local community and curating a destination where Locality, hiring local and contributing to the Neighborhoods around through an end-to-end vetted network of like-minded businesses. The social impact in ESG is what we thrive on – hiring local, building better well-being, supporting local businesses and establishing communities that can share heritage, culture, food and a lot more with all visitors.

How does Kerten emphasize sustainability and the shift to green in especially with a focus here in Egypt?

As highlighted our partners, Tatweer Misr are pioneers in this field and they have been pushing the envelope of innovation in order to achieve something unique for the country – building a city within a city that rests on a smart, sustainable infrastructure with multiple solutions that support a net-zero, cleaner and greener environment. They have been the green ambassador in the country with a portfolio of people-centric solutions that adds value to the triple bottom line People, Planet and Profit for owners and all stakeholders involved.

What are local and/or international guests to expect when visiting Kerten's properties in Egypt?

In Egypt, our mixed-use projects have multiple components – hotel, branded residences, collaborative social and business hubs complemented by food and beverage concepts that build a wholesome destination. Across all mixed-use projects in Egypt, our guests can expect what we deliver across our larger footprint – customized unique experiences tailored around the destination that help build meaningful connections between guests and residents. All of these experiences would vary with the location, where Locality is key and so is the social element of building a network and a self-sustaining Ecosystem, if you will.

Connections, local collaborations, focus on giving back to the communities around our project are all part and parcel of our ethos and this is what we will contribute with in Egypt as well.

Our guests and long-short term stayers are to expect a tailored and personalized curated experiences and community build that changes around events, pop-up markets, farm-to-fork dinners with Michelin Chefs as well as multiple outcome-focused collaborations with education institutions, young generations initiatives and a lot more of genuine ESG engagements.

We strive to bring a personalized experience across any property, lifestyle destination and ultimately bring value not just to the real estate sector but to the human capital upskilling, knowledge-share and the investment climate altogether.

What does Kerten Hospitality hope to achieve in Egypt? How do you the hospitality landscape has been changing here?

I see great evolution and transformation with a futuristic viewpoint and many driven young people seeking to lead the change and not adapt to it. Our projects here will strive to place emphasis on the embedding our philosophy of inclusiveness, sustainability and community-centrism. We would continue to support the young entrepreneurial generation who seek to enter the business world or want to make a difference and impact. We hope to grow the communities around and help contribute to place Egypt on the global ESG agenda in real estates, net-zero hospitality and build multiple collaborations across different industries. We are here for the long-run and our plans are to further grow, expand and help contribute to the lifestyle hospitality space with a new generation viewpoints and outcomes.

Do you see any challenges in hospitality in Egypt?

I see endless opportunities that have grown out of challenges. I see owners and developers focused on the long haul who understand diverse portfolios and adapt to the new market demands prompted by the change of lifestyles. Today, anyone could work from anywhere in the world and this is not an option reserved just for the digital nomad of the past. Families can now pack and head to a destination with different components that make it enjoyable all year round for its events, facilities and pop-up activities for all ages and tastes.

I believe the willingness is there, the mindsets are properly set on the future and the speed of growth is supportive of the overall economic uplift in the country in a very sustainable way. These are the untapped opportunities present for all in the country that wait to be discovered, developed and outpaced by future-focused groups.

Can you update us on the status of Kerten's projects in Egypt and when do you expect them to open for guests?

We are rolling out our first phase of opening in Fouka Bay – a unique seaside project that goes beyond the sun, sand and sea and towards sustainability, ESG and strong community build for residents who are from around the world. Our phased openings will rollout from this summer with various hotels, residences and mixed-use destinations coming on the hospitality radar one after the other in the next 5 years. We are beyond excited to be part of the first opening of Tatweer's mega projects with more lined up moving forward.

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