Savola Foods Company



2023 ESG REPORT

EMPOWERING A SUSTAINABLE FUTURE











Savola Foods Company is one of region's biggest food conglomerate spanning the Middle East, North Africa and Turkey (MENAT).

The company operates factories and distribution networks across key markets in multiple categories including edible oils, ghee, margarine, sugar, pasta, tuna, nuts, pulses, spices, and bakery products. SFC serves more than 69 countries through its export channels beyond the MENAT Region. The company leads not only in its B2C categories but also in the B2B channel through Savola Professional division.

Since 1979, Savola Foods Company's brands have consistently commanded market leadership in the MENAT Region, with prominent foothold in households and supermarket shelves.

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Introduction

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About this

Report

Savola Foods Company's (SFC's) first ESG Report articulates how our business adds value to our various stakeholders and providers of capital, as we strive to minimize any adverse impacts that our operations and activities may generate.

We accomplish this by broadening our company's outlook and always researching new methods to improve the quality of our goods in an environment of partnership and collaboration with our host communities.

This first report signals the start of communicating our sustainability journey. We are committed to constant improvement on this journey, and we look forward to any feedback which will inform the content and flavor of our future reports.

We welcome your feedback, which can be submitted to SFC-ESG@savola.com.

Reporting Period and Boundary

The information published in this report covers the period from 1 January to 31 December 2023 and covers SFC's manufacturing markets in Saudi Arabia, Egypt, Algeria, UAE and Turkiye.

Reporting Frameworks

This report has been prepared using the overarching guidelines of the Global Reporting Initiative (GRI). Given our position in Savola's Group of Companies, we are committed to improving our ESG practices and reporting in line with the requirements and protocols of Savola Group.

Our ESG reporting is aligned with the Saudi Exchange Principles for Responsible Investment (Tadawul).



Overview of

Savola Foods Company

Savola Foods Company (SFC) is a key entity in Savola Group and plays a pivotal role in the Group's investments and operations. It is entrusted with the manufacturing and promotion of our brand portfolio and extensive range of products across more than 69 countries in the MENAT Region. This is instrumental in advancing the Group's primary objectives and cementing its position as a leader in the food and retail industry.

Amid a challenging global economic environment, SFC demonstrated a strong financial performance, while strategically expanding its brand portfolio through the introduction of new products and enhancements of existing ones. Moreover, SFC has continued to execute various initiatives under its 4 Pillar Transformation strategy with Objectives, Goals, Strategies, and Measures (OGSM), that focus on strengthening its core operations, expanding to new categories, investing in early-stage regional companies. These initiatives reflect SFC's firm commitment to sustained growth and adaptation to evolving market dynamics.

Building on the success of our efforts to date, SFC continues to expand its brands substantially throughout regional territories, with particularly noteworthy growth observed in the Gulf Cooperation Council (GCC) countries.

From Savola to the Supermarket Shelf

Since 1979, SFC's brands have consistently achieved market leadership in the MENAT Region, earning prominent placement on supermarket shelves. Driven by innovation and commitment to market expansion, SFC introduced 25 new products spanning the oils, ghee, and bakery categories across key markets. These included Saudi Arabia, Egypt, Algeria, Türkiye, and Sudan.

SFC introduced 11 new products within its Business-to-Business (B2B) segment. Simultaneously, it established "Savola Professional Division" - an exclusive platform for B2B initiatives across various markets.

SFC Ambition

To become a fast growing and diversified regional food industry leader by 2028



Our Company Values

Amanah (Honesty)

Fulfillment of our responsibility towards investors, through practicing the behaviors that urge transparency, credibility, and fairness in all our dealings and relations with individuals internally and externally. Amanah (Honesty) requires, firstly, that we ensure that the funds from investors are invested in the most profitable manner possible, and secondly, we need to ensure that we spend these funds in the most cost effective and relevant manner possible.

Taqwa (Conscientiousness)

Fulfillment of our responsibility towards external parties such as customers, suppliers, and the community as a whole. Taqwa (Conscientiousness) enforces the idea of a good citizen whose behavior is fair, honest, and respectful, thereby morally guiding all that we do.

Birr (Caring Justice)

Fulfillment of our responsibility towards our colleagues and the employees of the company, which means that everyone is entitled to be treated with basic human dignity and decency in a way that is sensitive to the individual's material needs, family needs, and desire for self-fulfillment. The concept goes beyond the sense of fair play and justice; it is essentially about the genuine care and concern for people and their welfare. It is about treating our colleagues in a manner that we would expect for ourselves. Applying Birr (Caring Justice) is the responsibility of all employees whenever a decision is going to affect certain employees in some way.

Mujahadah (Personal Control)

Achieving the personal discipline necessary to fulfill our responsibilities, enabling us to lead balanced lives and to accomplish our goals. Mujahadah (Personal Control) is our internal drive towards self-development, enabling us to focus and make good decisions to fulfill our responsibilities to all stakeholders.

Footprint

SFC's brands have established a strong presence in the region, as the company has demonstrated over the past 4 decades the importance of leveraging its expertise to invest strategically in growing food sector categories. This approach not only provides valuable insights and understanding of the market, but also protects our profits by diversifying our investments and mitigating potential risks associated with relying on just one industry.

In October 2021, Savola Foods Company (SFC) acquired Bayara Company Holding Ltd, a packaged foods company offering a wide range of nuts, spices, dried fruits, pulses, and snacks, with a distribution network spanning over 30 countries in the Middle East and Africa.



Major/Manufacturing Markets

Saudi Arabia
Egypt
Algeria
Sudan
UAE
Türkiye

Export Markets

Angola
Azerbaijan
Bahrain
Bangladesh
Bulgaria
Burundi
Canada
Chile
China
Cyprus
Denmark
Djibouti
Dominican Republic
Egypt
Ethiopia
France
Georgia
Germany
Ghana
Greece
Guinea
Hong Kong
India
Indonesia
Iraq
Italy
Ivory Coast
Japan
Jordan
Kenya
Kuwait
Lebanon
Libya
Madagascar
Maldives
Malta
Mauritius
Mexico
Mongolia
Mozambique
Nigeria
Oman
Pakistan
Palestine
Panama
Peru
Qatar
Rwanda
Saudi Arabia
Seychelles
Sierre Leone
Somaliland
South Africa
South Korea
Spain
Sri Lanka
Sudan
Sweden
Syria
Tanzania
Togo
Türkiye
UAE
Uganda
UK
USA
West Bank
Yemen
Zimbabwe



History

SFC is a leading company in producing packaged consumer goods, with branded products marketed to 69 countries. We are proud that most of these brands are leaders in the categories and markets in which they operate. We continue to build and develop our product portfolio by expanding into value-added products and diversifying our investment portfolio. We also achieve profits through our long-term strategic investments.

Timeline for the Establishment of SFC's Operating Units



1979
Afia International Company, KSA (AICA)

860,000 MT



1994
United Sugar Company, KSA (USCA)

1,200,000 MT



1996
Afia International Company, Egypt (AICE)

500,000 MT



2008
United Sugar Company, Egypt (USCE)

750,000 MT



2008
Afia International Algérie (AIA)

200,000 MT



2008
Savola Türkiye (SFT)

185,000 MT



2009
Alexanderia Sugar Company (ASC)

200,000 MTs of sugar
83,000 MTs of beet pellets



2011
MFIC – Pasta OU

287,000 MT



2012
International Food Industries (IFI)

100,000 MT



2021
Bayara Saudi Arabia (BSA)

3,300 MT



2021
Gyma Food Industries Bayara, Dubai (GFI)

36,000 MT

Highlights

Savola Foods Company announces winners of its open innovations competition to explore sustainable alternatives to edible oils – an initiative in collaboration with the UN Food and Agriculture Organization (FAO) and the European Bank for Reconstruction and Development (EBRD).



Savola Foods Company listed as one of the Top 10 Best Workplaces™ in Saudi Arabia in 2023

Savola Foods Company listed by Best Workplaces™ as one of the best large places to work

Savola Foods Company listed as one of the best places to work in Asia

Savola Foods Company wins CIPD Best Recruitment and Talent Management Strategy

Savola Foods Company Türkiye wins Innovation Best Project for their Savaspread Chocopro Herbal Anhydrous Oil



A Word from the CEO

> We are proud of our biodegradable packaging initiative on edible oil which is our largest category. This initiative is testimony to our commitment to more sustainable packaging.

Sameh Hassan
Chief Executive Officer



Even though this is Savola Foods Company's (SFC's) first ESG Report, our unwavering commitment to sustainability is not new and is reflected in our company values. What is new is formally integrating ESG thinking and implementation into our processes and our culture. Some successes have already been achieved, and SFC, in conjunction with Savola Group's overall strategy, has just finalized a process that, in 2024, will incorporate the 3 ESG pillars into the KPIs of all our operating units, ensuring that sustainability becomes a collective focus at all levels of our organization.

With forward-thinking initiatives such as the use of solar energy, sustainable packaging, and maximizing the circular economy, not only do we consider ourselves committed to sustainability, but our goal is, through innovation, to be the market leaders in ESG for our sector.

Our Approach to Investing in Sustainability
Our approach to sustainability is underpinned by the tenet of delivering value to all our stakeholders, and securing health and diversity today without compromising the needs of tomorrow. The adoption of sustainable practices yields a variety of benefits that also result in significant cost savings: sustainable practices can, for example, lead to reduced energy consumption and lower waste disposal costs resulting in more efficient use of resources.

Over the last 2 to 3 years, we have built a dedicated high-level ESG team to work on the development of a coherent strategy built on the foundation of our parent company's policy.In addition, we collaborate very closely with Savola World Foundation which is responsible for rolling out Savola's corporate social responsibility initiatives.

In line with our commitment to integrating sustainability and measuring performance, to build on achievements to date, we commissioned a materiality assessment which identified 16 material topics, 9 of which were common to Savola Group. This benchmarking exercise enables us to monitor our progress and maximize collaboration with internal and external stakeholders.

Environment and the Circular Economy
Among our significant achievements in 2023 was the continued reduction in Scope 1 and 2 emissions which, in a 5-year window since 2019 has declined by almost 15%.

We invested in a flue gas desulfurization unit at our United Sugar Company Arabia (see page 43), and our Bayara subsidiary in Dubai now draws almost 65% of its electricity from solar power, a transition envisaged for all SFC operating units over time.

We are proud of our biodegradable packaging initiative on edible oil which is our largest category. This initiative is testimony to our commitment to more sustainable packaging. We are pleased that we have been able to source biodegradable bottles of such a high quality which are indistinguishable to our customers.

This, of course, goes hand-in hand with our ongoing work to improve the quality – and nutritional value – of our products which has included partnering with the Food and Agriculture

Organization (FAO) and the European Bank for Reconstruction and Development (EBRD) to find a sustainable alternative for everyday use cooking fat. Launched during the World Food Forum in October 2022, the first and second place winners were, respectively, the American University in Cairo (AUC) for the use of microorganisms to ferment sugar cane to produce yeast that can be used to manufacture the oil, and the University of Rwanda which invented a method for increasing the fat yield from pumpkin seeds.

Through converting some of our manufacturing by-products and waste to animal feed, coupled with selling waste products to industries that recycle the materials, we have reduced the practice of sending waste to landfills.

People
Our social initiatives are focused on enhancing the well-being of our communities and fostering a diverse and inclusive workplace. We seek to ensure inclusivity and support for all employees and to enable people with disabilities through the Makeen program.

During the year, we completed the successful integration of more than 1,000 Bayara employees into the SFC workforce, and we are proud that SFC has been named among the Best Workplaces in both the Kingdom of Saudi Arabia and, more broadly, also in Asia.

Corporate Social Investment
Savola World Foundation plays an important role in our work with people focusing on food security, improved nutrition, and waste reduction through our Negaderha food waste management and reduction program.

We participated in Savola's Yumnak program by identifying and supporting selected small businesses through providing them both business mentoring and access to potential investors Our focus on entrepreneurship is manifested though our collaboration with the Prince Mohammad Bin Salman College of Business and Entrepreneurship which exposes students to the world of work at SFC.

This year, in addition to the support we provide to olive producers, we established a long-term and sustainable project for women victims of the devastating 2023 earthquake in Türkiye. These women paint individual and unique bottles used for packaging our premium olive oil brand, Yudum.

Governance
Our governance framework focuses on promoting transparency, accountability, and ethical behavior across all our operations. The development of our ESG strategies and goals is overseen by our Board of Directors to which the team reports. The Board plays a crucial role in enabling ESG initiatives by helping to eliminate financial and other barriers that could hinder their progress.

Overseen by our Audit Committee, and as part of Savola Group, we continue our efforts to synergize policies and procedures to ensure management collaboration and the remediation of all internal control related deviations. Simultaneously, we are implementing an enterprise risk management (ERM) system across our operating units, which includes an overhaul of the governance, risk, and compliance (GRC) system.

Digitization
Our digitization program is integral to strengthening SFC's corporate governance, on one hand, while enhancing productivity, efficiency, and competitiveness through the introduction of modern business solutions to automate and optimize core business processes, on the other hand.

The adoption of cloud computing demonstrates how cybersecurity is being prioritized. With robust systems protecting our digital assets, we are pleased to report no cybersecurity breaches in 2023.

Regulatory Compliance
Sustainability also plays a critical role in risk management and regulatory compliance, helping us navigate environmental regulations and mitigate risks associated with climate change and resource scarcity.

Navigating the complex regulatory landscape across different regions poses challenges. So, in the coming year, we will establish a dedicated compliance oversight team. This team will be mandated to stay abreast of evolving regulations and invest in robust management systems in a coordinated effort to ensure proper compliance.

Looking to 2024
Moving forward, we are excited about the future sustainability projects planned for 2024 and beyond. These initiatives, coupled with our continued collaboration with stakeholders, will help SFC realize a more sustainable and prosperous future. We are building resilience to adapt to future challenges, and we remain steadfast in our pursuit of sustainability goals aligned with the UN's Sustainable Development Goals (SDGs).

As we at Savola Foods Company continue to advance our sustainability efforts, we recognize several challenges that we may face in the year ahead. Implementing advanced technologies and making necessary infrastructure investments – especially in renewable energy – requires substantial financial resources and careful planning. To address this, we will develop a phased investment plan and seek partnerships or other funding channels to support these initiatives.

Next year will see the expansion of biodegradable packaging material for our line of edible oils. We will also map our ESG activities against the SDGs, simultaneously embedding sustainability KPIs in our operations.

In addition to accurately measuring and reporting our sustainability performance, it is crucial that we overcome internal resistance and adopt a culture of sustainable thinking in our business practices and processes, while visibly acknowledging our sustainability champions.

To meet increasing consumer demand for sustainable products and practices, we will engage with our consumers to understand their priorities and innovate to find cost-effective solutions. To meet their needs while continuing to maintain product quality and affordability, we will be implementing stringent criteria for our suppliers and will also regularly audit their performance.

We envisage SFC to be a key partner in the communities where we operate, and work together to create a sustainable future in which our business practices seek to protect and preserve the environment, enhance the well-being of our communities, and uphold the highest standards of governance. We are committed to making a lasting and positive impact on our communities, ensuring that future generations can thrive.

Through innovation and proactively addressing challenges, we are confident that we can continue to strengthen our sustainability efforts and achieve our long-term goals.

Finally, I extend my gratitude to the ESG leadership team for all their hard work as we integrate and embed sustainability into all aspects of Savola Foods Company's activities.



Our Approach to ESG

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Overview

We consider ourselves as partners to our suppliers and customers: their success is our success. We have established 'Savola Professional' to support our customers' journey. Their growth and achievements fuel our own, as we believe in a shared journey towards excellence and sustainability.

We achieve this by:

- Actively listening to our customers to fully understand their business challenges so that together we can find the most effective solutions to fullfill their needs and expectations.
- Providing extensive technical training to our employees, ensuring they have a deep understanding of our customers' needs so that they can offer innovative, tailored solutions.
- Staying ahead of market trends and evolving consumer expectations, collaborating with our clients to adjust the value chain accordingly.

We help our customers by:

- Optimizing environmental sustainability by reducing costs, saving energy, and minimizing waste and resource usage.
- Improving process efficiency and maximizing the effective use of raw materials and ensuring sustainable operations.

Savola Professional Division extends to focus on reducing waste to the absolute minimum, and for any remaining co-products, prioritizing up-cycling. We also believe that hands-on expertise and knowledge sharing are key to driving sustainability. Our expert artisanal bakery chefs regularly visit customers to provide live demonstrations of our products, focusing on efficient, sustainable practices.

For more information on how we engage our businesses through Savola Professional Division, please refer to Stakeholder Engagement page 28.



"As one of the leading food manufacturer in the Middle East, we are proud to align with Saudi Arabia's ambitious Vision 2030. Our commitment to sustainability fuels us to create lasting value across the various territories where we operate, and our dedication to sustainability drives us to embed responsible practices into our core operations. Together, we're paving the way to a brighter, greener future for generations to come.

Eng. Bandar Tashkandi
General Manager
United Sugar Company
Afia International Company



A Word from the

Chief Product Supply Officer

> My vision is to have sustainability as part of SFC's end to end supply chain DNA.

Haitham Sadek
Chief Product Supply Officer



The Chief Product Supply Officer's responsibility covers Savola Food Company's entire supply chain:



The impact of all 3 ESG pillars is integrated into every aspect of SFC's supply chain management: driving cost-efficient and resilient operations, minimizing our environmental footprint, and promoting social responsibility, all while adhering to the highest standards of governance. By embracing and embedding the sustainability agenda, we enhance our brand reputation, align with our corporate values, and ensure long-term business viability.

Highlights

One of our key sustainability achievements reached in 2023 was a reduction, in excess of 15%, in Scope 1 and 2 greenhouse gas emissions since 2019, which translates into a total reduction of 134,425 MTs of CO_2e over the 5 years.

A total **134,425** **MT reduction** of CO_2e over the 5 years between 2019 and 2023

Our Bayara subsidiary in Dubai now generates almost 65% of its electricity from approximately 3,700 photovoltaic (PV) rooftop panels, covering a surface area of 8,138m², roughly equivalent to 27 tennis courts. This renewable energy generation results in an estimated annual reduction of nearly 1,000 MTs of CO_2 which is comparable to the benefits to be derived from planting over 25,000 trees.

The successful development and launch of our biodegradable packaging initiative has transitioned over 500,000 kg from conventional to biodegradable plastics. In addition, increased automation has reduced printing, saving 1 million sheets of paper annually. We further minimized our overall waste footprint by enhancing waste recycling and repurposing programs. This includes creating value from our by-products (internally referred to as co-products) through circular economy practices, as detailed later in this report (see page 48).

On the social front, our Total Accident Rate (TAR) has decreased by 42% between 2022 and 2023. Under the aegis of the Savola World Foundation, we have collaborated very closely with Savola World Foundation on several CSR initiatives, including the Negaderha Food Waste Management and Reduction program and projects aimed at supporting people with disabilities. Our youth skills development scheme features a robust internship program across our sites.

Our company-wide CSR program includes summer training for university students, blood donation drives, health checkups for employees, and product innovations designed to address local community needs. These initiatives underscore our commitment to positive social impact through enhancing employee well-being and fostering community engagement.

Sustainable Procurement

SFC's approach to sourcing and procurement emphasizes sustainability, requiring our 2,761 suppliers to meet stringent standards in environmental stewardship, social responsibility, and compliance. We prioritize partnerships with small and medium-sized enterprises (SMEs) that align with our sustainability goals, particularly those focused on reducing their environmental impact, promoting fair labor practices, and ensuring ethical business operations.

In recent years, we have increased our focus on local sourcing. This not only supports our sustainability objectives but also helps to mitigate risks related to currency fluctuations and potential disruptions in the global supply chain.

The supplier base for SFC is comprised of 2,761 suppliers, of which 1,836 (66.5%) are local, while 925 (33.5%) fall under the 'Other' category. When considering suppliers with an annual spend greater than SAR 10 million, 91 suppliers meet this threshold, with 40 (1.4%) being local and 51 (1.8%) categorized as 'Other', representing a total of 3.3% of the overall supplier base.

Managing and Enhancing Supply Chain Sustainability

To ensure that all aspects of our supply chain contribute to SFC's overall sustainability, we will integrate sustainability into our criteria to evaluate and select suppliers. Our approach will include:

- **Mandatory sustainability requirements:** We will include specific sustainability criteria in our supplier contracts to ensure alignment with our environmental and social standards.
- **Regular audits and assessments:** We will conduct frequent audits and assessments of supplier operations to monitor compliance with our sustainability expectations.
- **Third-party certification:** We utilize third-party certifications and standards to independently verify the sustainability practices of our suppliers.



Food Safety

Food safety is of paramount importance to SFC. We employ a comprehensive management approach with robust Standard Operating Procedures (SOPs) covering every step of the process, from sourcing raw ingredients to processing, packaging, and transportation. We are in the process of mapping our plants to these SOPs.

Our dedicated team regularly audits these procedures, assessing performance and providing action plans to ensure continuous improvement in quality management and overall system efficacy. This rigorous approach helps us implement and sustain high standards of food safety and quality throughout our operations.

Keeping Up to Date with Regulations

In keeping up with regulatory requirements, we recognize that food and food manufacturing regulations are both stringent and continually evolving. With our operations spanning beyond the Kingdom of Saudi Arabia into various regulatory and legislative jurisdictions, we have a dedicated team responsible for monitoring the dynamic regulatory environment and ensuring our ongoing compliance. This team ensures that our practices align with current regulations and industry standards, enabling us to operate effectively and maintain our commitment to food safety and quality across all our markets.

Securing a Sustainable Supply Chain

Our vision is to create a resilient and sustainable supply chain that minimizes environmental impact, promotes social responsibility, and upholds the highest standards of governance. To achieve this, we are navigating the complex and varying regulatory landscapes while addressing several key challenges, including:

- **Regulatory compliance:** Keeping up with evolving regulations across different jurisdictions to ensure consistent compliance.
- **Environmental impact:** Minimizing our environmental footprint while managing the supply chain's impact on natural resources.
- **Social responsibility:** Ensuring fair labor practices and ethical business operations throughout our supply chain.
- **Supplier engagement:** Encouraging and verifying that our suppliers adhere to our sustainability standards and practices.
- **Risk management:** Mitigating risks associated with global supply chain disruptions, currency fluctuations, and geopolitical factors.
- **Technology integration:** Leveraging technology to enhance supply chain transparency and efficiency while maintaining sustainability goals.

Through strategic planning and continuous improvement, we are committed to overcoming these challenges and driving sustainable growth across our supply chain.

My vision is to integrate sustainability thinking into all corporate actions and activities at SFC supply chain. Embracing sustainability internally and overcoming resistance to change are crucial, as it must become an intrinsic part of our organizational DNA.

We aspire to lead by example in the food industry, setting new benchmarks for sustainability and making a positive impact on the environment and society. Our goal is to leave the planet in better shape than we found it. This includes inviting third-party audits to ensure that our ingredients are sustainably sourced and benchmarking our practices against industry standards. Our progress and certifications in Ethical Sourcing achieved to date are on page 76.

Looking Ahead

In 2024, we will commission our first flue gas desulfurization filtration unit at our United Sugar Company Arabia plant. This SAR 28 million investment will effectively limit the emissions of sulfur dioxide (SO_2) from the exhaust gases of the refinery.

While we have made significant strides on our sustainability journey, we acknowledge that there is still much work ahead. We remain dedicated to continuous improvement and innovation in our practices and look forward to collaborating with our partners, stakeholders, and communities to achieve our goals and build a more sustainable future for all.

Sustainability

Governance and Leadership

Sustainability Governance

Savola Foods Company (SFC) follows Savola Group's enterprise risk management framework and governance policy. These bring the various elements together in a cohesive format to facilitate a clear understanding of their relationship and application across the business. SFC continued its implementation of the enterprise risk management (ERM) framework by building and reviewing our risk register across different operating units. This includes enhancements of our Governance, Risk and Compliance (GRC) system.

Board and Management Responsibilities

Corporate Governance

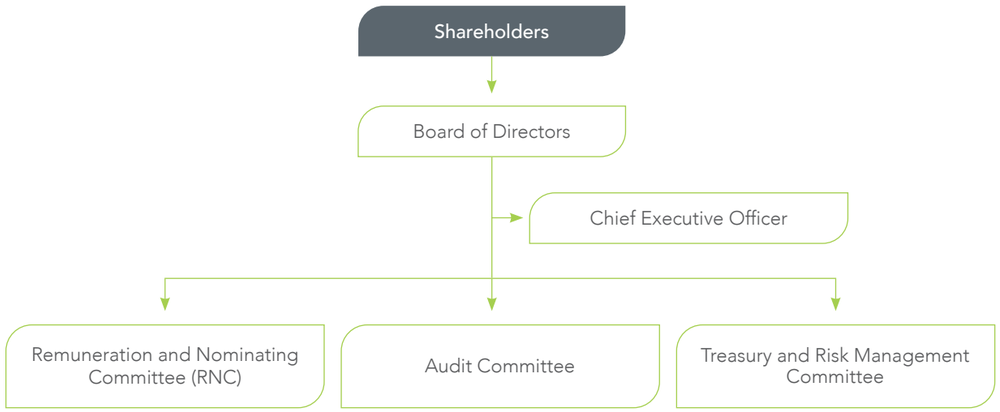
Savola Foods Company (SFC), as a subsidiary of the listed Savola Group, has its own Board of Directors, which has signed off on our corporate governance manual (CGM). Based on Savola Group's CGM, it sets out to enhance company management, Board effectiveness, and decision processes. Accessible to investors and shareholders, these guidelines provide insight into the systems we apply to the management of the company's business and that of our operating units.

At SFC, we are committed to complying with the laws of the Kingdom of Saudi Arabia and all the territories in which we have investments. The Board of Directors and Executive are committed to the highest standards of integrity and ethical behavior, as well as to complying with all SFC's policies, applicable laws, and regulations. In addition, employees are expected to conform with these practices and traditions and treat each other with respect and consideration.

Governance Structure

The approach to the appointments to the Board of Savola Foods Company is set out in our CGM and is based on our sound ethics and values. Board members are responsible for maintaining shareholder rights and ensuring transparency. Board member specializations cover areas such as administration, strategic planning, accounting, law, marketing, corporate governance, human resources, risk management, as well as mergers and acquisitions. In addition, most Board members have administrative as well as both local and international business experience.

Members' remuneration is guided by our CGM. Members are paid on a quarterly basis, in addition to receiving attendance fees for each meeting.



Transparency and Accountability

Through transparency and accountability, we foster a culture of trust, which is essential for establishing ethical standards and financial resilience. Transparency enhances a company's performance and sustainability and helps to attract talent.

Within the company, and integral to our Objective, Goals, Strategies, and Measures (OGSM) to engage all SFC teams, the CEO regularly meets with employees and management teams across SFC. During these quarterly engagements – internally known as Town Halls – quarterly KPIs, reflecting the performance against targets as well as indicators of future plans are presented for discussion. Importantly, these interactions provide opportunities for rewarding and recognizing employees' contributions to the company.

Accountability

Each year, at Savola Foods Company's Annual General Assembly Meeting, we report to our internal stakeholders on every aspect of the business from finance and legal matters to challenges, related parties' transactions, and operating units' results. In addition, and on a quarterly basis, the Board of Directors reviews and reports on SFC's overall performance.

Risk Management

Risk governance is a holistic term used to convey the overarching principles, responsibilities, and controls applied to identify and manage risks incurred by an organization.

As part of our risk management structure and to ensure independence, we have an internal audit function that reports directly to the Audit Committee which, in turn, reports to the Board.

Anti-corruption and Anti-competitive Behavior

Our Internal Audit department is responsible for evaluating the effectiveness of internal controls and to identify potential vulnerabilities that could be exploited for corrupt activities.

As a closed joint stock company, our approach to managing anti-competitive behavior is governed by the laws and regulations of the Kingdom of Saudi Arabia. Our comprehensive approach to ethical business practices and mitigating potential risks is as follows:

- Strong ethical guidelines: SFC has a clear Code of Conduct that outlines the behavior we expect from all employees and stakeholders.
- Risk assessment: Conducted regularly to identify areas susceptible to corruption with subsequent implementation of appropriate controls.
- Open communication channels: SFC encourages employees to report any concerns about unethical behavior through established channels.



Stakeholder Engagement

As a leading food company in the Kingdom of Saudi Arabia, Savola Foods Company is accountable to a wide range of stakeholders. These include workers, suppliers, the local community, partners, consumers, customers, investors, shareholders, and the government. Each has specific interests and expectations.

Engaging with our Stakeholders

Savola Foods Company (SFC) strives to bring value to the communities in which we live and work. As a result, we value our stakeholders' comments and engage in ongoing discussion to ensure that their needs and expectations are satisfied. Cultivating and sustaining two-way dialogue is vital for mutual understanding and strategic decision-making, thus stakeholder engagement gives valuable insights that helps build and implement our sustainability strategy.

We recognize that addressing social and environmental problems is a challenge, and we seek to get a deeper understanding of current difficulties and future sustainability trends through collaboration and interaction with stakeholders.

Upcycling is at the Core of Our Business

As a major player in the regional food industry, we are committed to minimizing waste and prioritizing the upcycling of any co-products (by-products) by integrating these materials into non-food sectors. All our operations have been restructured to facilitate the efficient supply of these upcycled products to the appropriate industries.

In this way, we ensure that valuable resources are repurposed effectively and contribute to a circular economy by minimizing waste, reprocessing co-products, and creating value for industries beyond the food sector.

Through our upcycling efforts, we ensure that co-products are repurposed to benefit other industries, thus extending the base product/ingredient's lifecycle and value. In addition, SFC reduces waste generation and boosts operational efficiency, while simultaneously preventing environmental harm and supporting a more sustainable future.

Expert Support through Knowledge Sharing and Demonstrations

We believe that hands-on expertise and knowledge sharing are key to driving sustainability. Our expert artisanal bakery chefs regularly visit clients to provide live demonstrations that showcase best practices in using our products while highlighting methods to reduce waste, optimize ingredient use, and improve productivity.

Through these expert-led demonstrations and gatherings, we empower industry professionals with practical tools and knowledge to increase productivity while reducing their environmental footprint and ultimately, to foster more sustainable operations across the sector.



The following table gives a high-level overview of our stakeholders and how we communicate with them about social and environmental concerns.

Stakeholders		Key Concerns	Engagement Type
Savola Group	SFC is a wholly owned subsidiary of Savola Group. We collaborate closely with the Group to ensure that SFC's strategy and performance align with the Group's goals and strategies.	• Positive return on investment. • Reputation management. • Risk management.	• Internal financial and governance reporting.
Suppliers	We invest in long-term relationships with our suppliers. Fostering smart partnerships ensures value creation throughout our value chain.	• Transparent bidding process. • Smooth invoicing and payment processes.	• Strengthening relationships with business partners. • Integrating social and environmental considerations into the supplier selection process. • Adhering to the Code of Conduct and ethical values. • Supporting local suppliers in the Kingdom of Saudi Arabia, and all the territories in which we operate.
Employees	We strive to foster a culture that encourages open communication, camaraderie, and high performance among our valued workers.	• Job security. • Fair compensation and benefits. • Opportunities to grow. • Ethical conduct.	• A program for training and employing people with disabilities. • Initiatives to assess employee engagement, improve the work environment, and bring employees and their families closer together. • Programs to support the empowerment and employment of women. • Employee assistance. • Health benefits and seminars. • Volunteering opportunities.
Community	We engage with community members, non-profit organizations, charitable institutions, employees, suppliers, and other stakeholders on innovative initiatives and long-term programs that positively impact community well-being.	• Engagement and involvement in decision-making. • Investment in local communities. • Supporting local enterprises.	• Makeen program to train and employ people with disabilities. • Cooperation and support of other social institutions to design educational, health, and social programs. • Internship opportunities for undergraduates. • Corporate Social Responsibility (CSR) Committee in partnership with the Savola World Foundation.

Stakeholders		Key Concerns	Engagement Type
Consumers and Customers	We prioritize understanding and meeting our customers´ needs while striving to exceed their expectations. By placing customers at the heart of our operations and delivering quality products through trusted brands, we support their lifestyle choices.	• Fair prices. • Ethical business conduct. • Offering high-quality products and services at affordable prices to benefit various economic groups.	• Business development process. • Market and satisfaction surveys. • Customer care. • Traditional media channels, social media, and online portals. • Compliance with applicable food safety regulatory requirements.
Board of Directors	We aim to lead in sustainability and consistently uphold the Group's principles.	• Positive return on investment. • Reputation management. • Risk management.	• Board of Directors meetings. • Board Committees. • Engagement with Executives. • Financial and non-financial reports to the Board. • Setting the company's strategic direction and plans. • Approving policies and procedures.
NGOs	We strive to address unmet social needs among the most vulnerable members of society.	• Supporting local causes.	• Funds and financial support. • Partnerships to contribute to social and economic development. • Volunteer activities. • Social and environmental initiatives.
Partners	We aim to build strong relationships with respected partners to collaboratively create value.	• Fair dealings. • Openness and transparency. • Creating value through mutually beneficial partnerships.	• Participate in innovative sustainability initiatives. • Develop new programs and solutions. • Utilize strengths to make a positive impact. • Collaboration agreements with non-profit organizations.
Government and Regulators	We adhere to national and international norms and regulations, working responsibly to advance the country and enhance corporate performance. This approach allows us to benefit the community while contributing to a healthy environment.	• Compliance with laws and regulations. • Local employment opportunities. • Support Saudi Vision 2030 and SDGs.	• Strong management and governance systems. • Respond to government requests and participate in government programs. • Collaborate with government stakeholders to advance common citizenship goals. • Publish quarterly financial results. • Support government and national food security.

Alignment with

National and Global Imperatives

Saudi Vision 2030

Savola Foods Company (SFC) is committed to Saudi Vision 2030 in every aspect of our business.

In terms of our nationalization program discussed on page 57, we support the Vision 2030 goal of reducing unemployment rates and are proud to be a leading force for Saudization.

Our sustainability efforts are aligned with Saudi Arabia's blueprint for the future and its 3 pillars:



United Nations Sustainable Development Goals (UNSDGs)

In 2015, as part of the 2030 Agenda for Sustainable Development, the UN General Assembly identified 17 Sustainable Development Goals (SDGs) for eradicating poverty, safeguarding the environment, and advancing prosperity and peace for everyone.

Although we still have to formally map all our ESG activities to these goals, we can demonstrate that our activities already contribute to the following SDGs:

UN SDG		SFC's Contribution
2 ZERO HUNGER	**End hunger, achieve food security and improved nutrition, and promote sustainable agriculture**	• Support, develop, adopt, and promote programs and initiatives to reduce waste within the community and supply chain, especially food-waste.
5 GENDER EQUALITY	**Achieve gender equality and empower all women and girls**	• Support and develop programs and initiatives for the development of vocational and technical skills to enhance their ability to cope with market needs and develop their potential for establishing their own businesses. • Support women empowerment programs.
8 DECENT WORK AND ECONOMIC GROWTH	**Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all**	• Support community with product donations, and volunteers as needed. • Support community through a structured summer internship program for university students.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Ensure sustainable consumption and production patterns**	• Sustainable packaging initiatives using both biodegradable and recycled materials. • Re-purpose and recycle waste and co-products and/or by-products. • Support, develop, adopt, and promote programs and initiatives to reduce waste within the community and supply chain. • Support, develop, adopt, and promote programs and initiatives to improve agricultural production.
13 CLIMATE ACTION	**Climate action**	• Reduced Scope 1 and 2 greenhouse gas (GHG) emissions by 15% since 2019. • Installed a flue gas desulfurization unit to control emitted gases and achieve regulatory compliance at United Sugar Company Arabia - (USCA). • Solar systems generate most of SFC's electricity at the Bayara subsidiary in Dubai.
14 LIFE BELOW WATER	**Conserve and sustainably use the oceans, seas, and marine resources**	• Sustainable packaging initiatives using both biodegradable and recycled materials.
15 LIFE ON LAND	**Protect, restore, and promote sustainable use of terrestrial ecosystems and sustainably manage forests**	• Sustainable packaging initiatives using both biodegradable and recycled materials. • Re-purpose and recycle waste and co-products and/or by-products. • Support agricultural initiatives to restore natural forests.
10 REDUCED INEQUALITIES	**Reduce inequality within and among countries**	• Support, develop, and adopt programs and initiatives to enable people with disabilities through employment and training. • Participate in research and workshops related to issues of employment, development and training, and rehabilitation of people with disabilities.

Materiality

This is Savola Foods Company's (SFC's) first Environment, Social, and Governance Report. We followed the materiality assessment process to identify, assess, and prioritize the environmental, social, and governance issues that are most important to our business and that have a significant impact on the decisions of our key stakeholders, considering impact and financial materiality. This has allowed us to make sure that our assessment of our ESG challenges and accomplishments is accurate and credible.

Process and Approach

Our approach included benchmarking SFC against industry peers and external stakeholders to identify relevant ESG frameworks, standards, and in-country agendas.

This was followed by an internal stakeholder workshop to develop perspective about the relevance and importance of each material topic before developing our materiality matrix that finalizes and prioritizes the list of ESG topics that are material to SFC.



Türkiye CSR program - planting campaign

Benchmarking

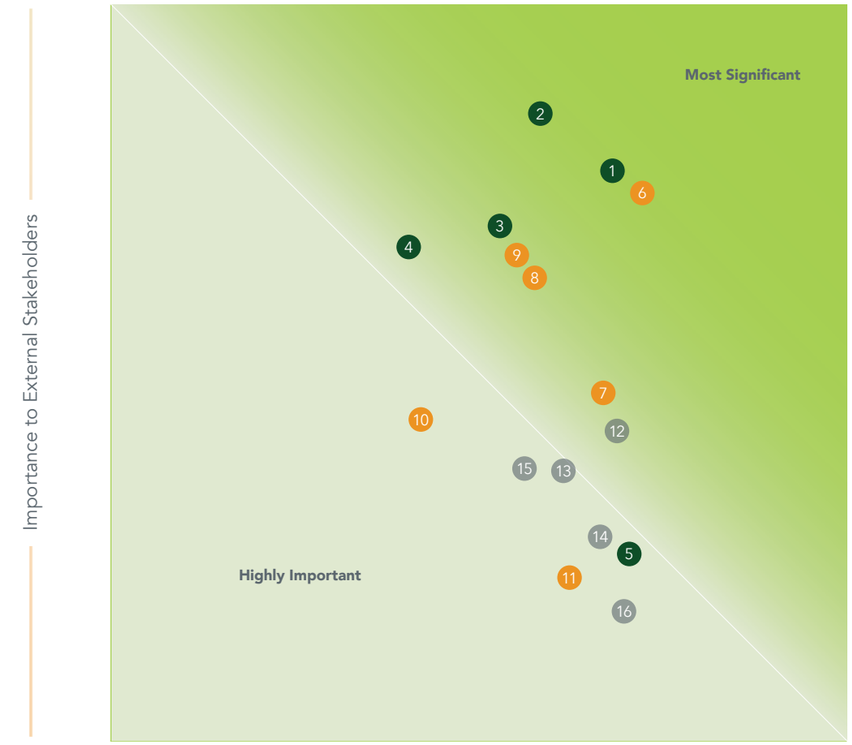
A detailed filtration process to identify a narrowed list of ESG material topics is summarized below:

1. **Identification** → **Topics**
   17 Environmental
   21 Social
   19 Governance
2. **Benchmarking** → Against ESG topics adopted by leading peers and external stakeholders
3. **Stakeholder Engagement** → Engage with internal stakeholders to asses SFC's focus areas and identify final list of ESG material topics
4. **Prioritization** → **16** Material topics

Material Topics

Following the detailed process, and integrating inputs from both internal and external stakeholders, we have identified a total of 16 ESG material topics across two priorities:

- **Priority 1**: Most significant topics for Savola Foods Company based on internal and external stakeholder input.
- **Priority 2:** Highly important topics for Savola Foods Company based on internal and external stakeholder input.



Environmental Topics

1. Sustainable packaging
2. Climate change and emissions
3. Waste and circular economy
4. Water conservation
5. Renewable energy and energy management

Social Topics

6. Food quality and safety
7. Occupational health and safety
8. Workforce and labour management
9. Nutrition and health
10. Diversity, equity, and inclusion
11. Training and development

Governance Topics

12. Corporate Governance
13. Responsible marketing and labelling
14. Business ethics
15. Responsible sourcing
16. Digitzation



Environment

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Overview

Savola Foods Company's (SFC's) environmental commitment is underpinned by our respect for the rights of human beings to enjoy a healthy and clean working environment. This is a fundamental basic human right, undeniable and inalienable. Our environmental management priorities are water, emissions, and waste in line with the goals of Saudi Vision 2030.

SFC is serious about dealing with our environmental impact across the various jurisdictions where we operate. Compliance is a critical aspect of our commitment to sound and sustainable environmental management. Environmental monitoring is an important element of our management approach and is applied across all SFC operating units; results are recorded, filed, analyzed, and action taken where there is deviation in compliance with ISO14001 standards for which we are certified.

We seek to enhance our usage of renewable energy, while reducing landfill waste is a top priority. Our recycling initiatives are successfully being converted into by-products used in other sectors, as opposed to being sent to a landfill.

Reducing use of plastic and cartons in our packaging materials is a key focus. We are also putting pressure on the vendors of our packaging materials to reduce their GHG emissions.

Environmental Protection Highlights 2023

Signing a Science Based Targets initiative (SBTi): We have committed to reducing our own greenhouse gas (GHG) emissions and are actively sharing this commitment with our suppliers. Since 2019, we have achieved a reduction of more than 15% in our Scope 1 and 2 GHG emissions.

Building a compliant Flue Gas Desulfurization (FGD) system: We are constructing an FGD system at our United Sugar Company Arabia to improve air quality and meet environmental regulations.

Introducing sustainable packaging initiatives: We are implementing sustainable packaging solutions across our operations in the MENAT Region, with a particular focus on reducing the use of plastic and cardboard cartons.

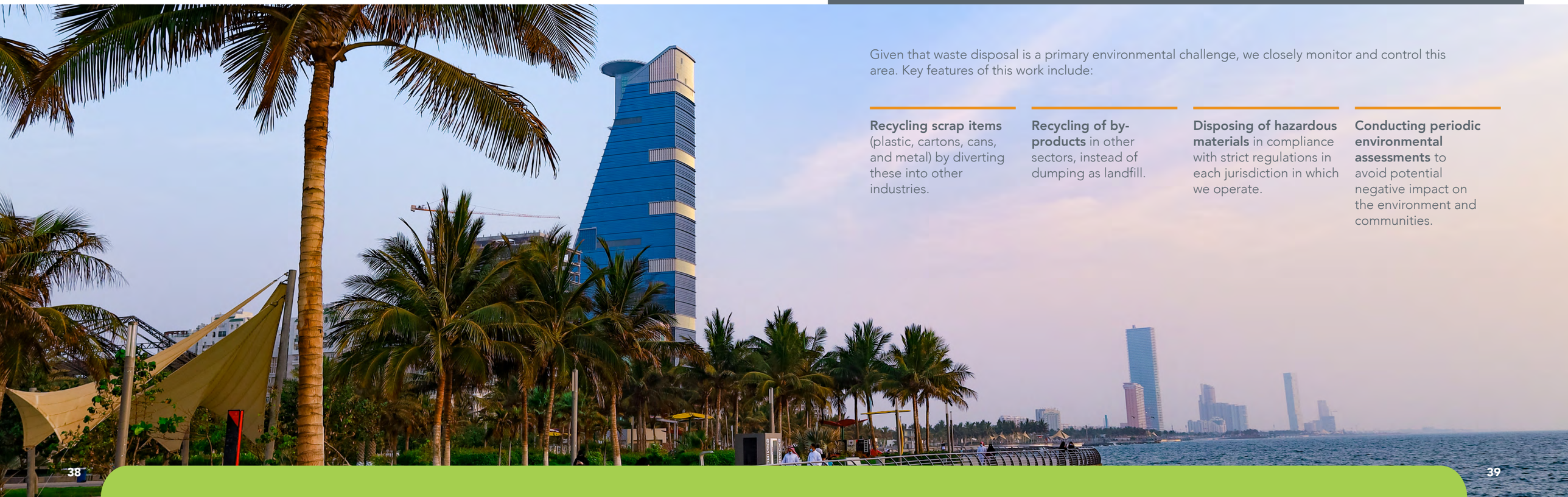
Conducting periodic environmental self-assessments: We are implementing regular self-assessments to ensure compliance with water discharge, air emissions, and ambient gas thresholds.

Implementing ISO 14001 certification standards: We are adopting ISO 14001 standards and ensuring compliance with local regulations in each country where SFC operates.

Reducing plastic usage: We are decreasing the neck size of certain bottles and reducing the use of stretch film to minimize plastic consumption.

Installing solar electricity: We have installed solar energy systems at our Bayara site in Dubai.

Feasibility study for wind turbines: We are conducting a feasibility study in Türkiye to explore the potential installation of wind turbines as part of our GHG reduction strategy.



Given that waste disposal is a primary environmental challenge, we closely monitor and control this area. Key features of this work include:

Recycling scrap items (plastic, cartons, cans, and metal) by diverting these into other industries.

Recycling of by-products in other sectors, instead of dumping as landfill.

Disposing of hazardous materials in compliance with strict regulations in each jurisdiction in which we operate.

Conducting periodic environmental assessments to avoid potential negative impact on the environment and communities.

Sustainable Packaging

We are implementing a range of initiatives – at our various operating units – designed to improve the sustainability of our packaging and to reduce plastic use.

Packaging Improvement Initiatives

The steps we have taken to make our packaging more sustainable, include introducing biodegradable plastics and reducing the quantity of material – plastics, specifically.

Biodegradability is achieved by adding a bio-batch to the HDPE/PP/PET material. This changes the molecular structure of the item without impacting its functionality. However, in a landfill, in hot and humid conditions, the bio-batch is activated, and the material degrades faster – in 9 to 12 years – as opposed to traditional plastic that can take hundreds of years to decompose.

Packaging improvement initiatives are detailed in the following table:



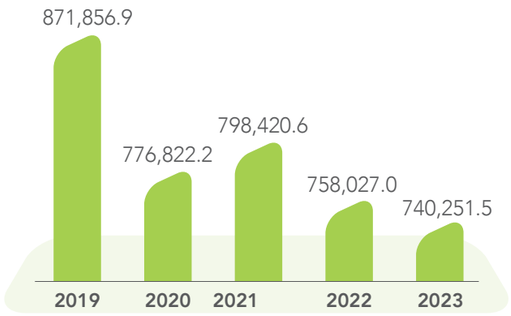
Initiative	Description	Objectives	Benefits
Afia International Algérie			
Afia & Oleor new 5*l* family shape bottle	• Reducing the neck diameter from 48mm to 38mm	• Conserving resources • Reducing energy consumption during production and the environmental footprint • Reducing weight impact for transportation	Reducing • Material used • Waste generated • Energy consumed
Stretch film consumption reduction	• Reducing the stretch film used in Algeria´s Pallets' wrap	• Conserving resources • Reducing energy consumption during production and the environmental footprint • Reducing weight impact for transportation	Reducing • Material used • Waste generated • Energy consumed
Afia International Company Arabia			
Optimization of cartons for tin cans	• Reducing the amount of cardboard by decreasing size of flaps • Decreasing GSM (weight of the cardboard)	• Conserving resources • Reducing energy consumption during production and the environmental footprint • Reducing weight impact for transportation	Reducing • Material used • Waste generated • Energy consumed
Afia International Company Egypt			
Optimization of tin cans	• Retaining the same fill volume and reducing the height of 0.7, 1.5, and 2.5 kg tins	• Conserving resources • Reducing energy consumption during production and the environmental footprint • Reducing weight impact for transportation	Reducing • Material used • Waste generated • Energy consumed
Preform weight reduction	• Reducing the preform weight of VFM 0.7*l* bottles from 19 to 17 gm	• Conserving resources • Reducing energy consumption during production and the environmental footprint • Reducing weight impact for transportation	Reducing • Material used • Waste generated • Energy consumed
Pasta			
Maleka carton quality enhancement (printing optimization)	• Using mono color Maleka cartons to achieve quality improvement	• Conserving resources • Reducing energy consumption during production and the environmental footprint • Enhancing recyclability	Reducing • Material used • Waste generated • Energy consumed
PRIMO	• Reducing El Maleka and Melouki pouch thickness from 60 to 55 micron	• Conserving resources • Reducing energy consumption during production and the environmental footprint • Reducing weight impact for transportation	Reducing • Material used • Waste generated • Energy consumed
Decrease Italiano scrap for all shapes	• Reducing the plastic scrap from the pouch-making process	• Conserving resources • Reducing energy consumption during production and the environmental footprint • Reducing weight impact for transportation	Reducing • Material used • Waste generated • Energy consumed
Italiano thickness	• Reducing Italiano pasta pouch thickness from 60 to 55 micron	• Conserving resources • Reducing energy consumption during production and the environmental footprint • Reducing weight impact for transportation	Reducing • Material used • Waste generated • Energy consumed

Reducing Emissions

Renewable Energy and Energy Management

Savola Foods Company (SFC) considers energy consumption to be a top environmental management priority. This approach has contributed to the achievement of reducing our overall Scope 1 and 2 GHGs by 15% between 2019 and 2023, in line with our more efficient energy management programs.

SFC GHG Emissions
Scope 1 and 2 (tCO_2e)



SFC's focus on renewable energy began with Bayara in 2021. Our solar panel plant in Dubai was commissioned in 2020, and a feasibility study is currently underway to establish a wind turbine plant in Türkiye. The SFC manufacturing excellence teams are exploring the market for photovoltaic (PV) solutions at all our SFC sites.

Climate Change and Emissions

SFC has taken several steps to reduce greenhouse gas emissions to mitigate climate change:

- Building a compliant flue gas desulfurization filtration at our United Sugar Company Arabia (USCA).
- Commissioning a feasibility study into the potential for using wind turbines at our Turkish oil plant, which will be completed during 2024.
- Instituting practices for the segregation and disposal of hazardous waste in compliance with in-country regulations.
- Utilizing solar panels to generate electricity at our Bayara site in Dubai.
- In 2023 Bayara reduced electricity consumption by installing LED lights in the manufacturing and packaging lines.



Photovoltaic Panels for Solar Energy at Our Main Bayara Production Facility

The roof of Bayara's main production facility in Dubai Investments Park (DIP) now carries more than 3,700 photovoltaic (PV) solar panels. They cover an area of ±7,000m^2 – approximately the same size as the surfaces of 27 tennis courts – more than twice the size of all the tennis courts at Flushing Meadows, the home of the US Open.

These solar panels have a capacity of 1.4 megawatts-peak (MWp) and generate more than 2.2 gigawatt-hours (GWh) of renewable energy every year.

In addition to providing nearly 65% of the plant's electricity needs for production, an electric vehicle (EV) charger was installed in the production facility's parking lot, to provide solar energy to charge Bayara employees' electric vehicles.

This solar solution enables Bayara – and therefore SFC – to demonstrate our commitment to sustainability through an estimated reduction of nearly 1,000 MTs of CO_2 emissions per year: the equivalent of planting over 25,000 trees.

Pasta Plant

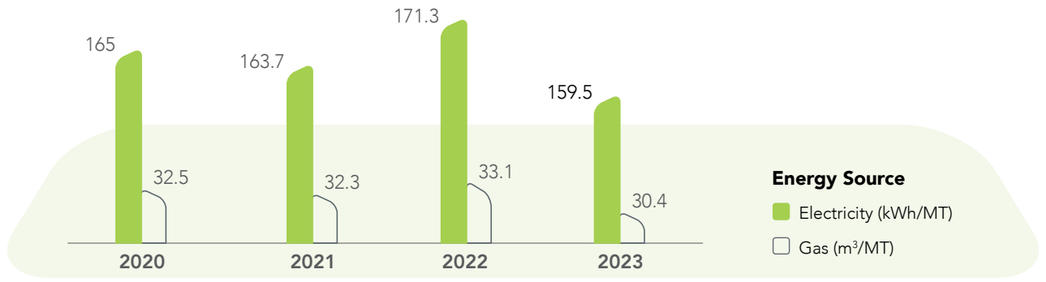
Our pasta manufacturing plant has seen significant energy savings on electricity and gas as follows:

Electricity Saving Initiatives included:

- Utilities operation control – set point optimization vs. running stock keeping unit (SKU).
- Installed new chiller(s) and revamped and restored others to their basic condition.
- Installed new vacuum station.
- Optimized cooling water circulation pump.
- Converted the flour feeding machine from continuous running to an automatic feed based on flour level.

Gas Saving Initiatives included:

- Flushed boilers.
- Flushed network and replaced chemicals.
- Changed Boiler#1 door.
- Chemical cleaning for Boilers #2 and #3.
- Set point optimization vs. running SKU.
- Qualify boilers on AM Step 3 (Restoring Basic Condition + DMS's Activation (CIL, CL & DH).
- Tuned boiler burners.
- Linked and automated boilers to avoid operating all boilers at the same time.



United Sugar Company Arabia (USCA)

USCA continued to use its new evaporator, but in triple effect mode, thus reducing the lean air-fuel correction Light Arabia Crude Oil (LAC) fuel consumption from 62.3kg/MT to 61.5kg/MT during the periods of plant stability. However, unreliable power and utility supplies resulted in site black outs and as a consequence, the overall average for the year end was higher at 63.8kg/MT.

Overall electricity consumption at the USCA refinery increased to 73.8 kWh/MT sugar from 71.5 kWh/MT, also as a result of the unreliability of supply. The refinery continues to optimize electrical power demand by turning off equipment across the plant when it is not in use, e.g. the cooling fans on the condenser circuits. We expect to see the full benefit of these improvements in 2024.

As noted, a new flue gas desulfurization (FGD) plant will be commissioned in 2024 to maintain the boiler emissions and comply with the local environmental regulations.



Investing in Emission Reduction to Mitigate Climate Change

Our commitment to reducing emissions and protecting the planet is demonstrated by our investment of SAR 28 million in the design and construction of a flue gas desulfurization (FGD) unit at our USCA plant in the Kingdom of Saudi Arabia. This technology will remove (SO_2) from the gases produced during the refining process and will be commissioned in June 2024.

The FGD plant will reduce SOx gas emissions to levels that comply with the KSA's environmental regulations.

Afia International Company – Arabia

Although Afia International Company – Arabia (AICA) achieved an increase in overall production volumes, annual diesel consumption declined by 7% year on year, from 9.4 million liters in 2022 to 8.7 million liters for the year in review. In addition, by improving boiler efficiency, replacing steam traps, daily monitoring, as well as prompt maintenance and repairs, diesel consumption per metric MT has been reduced by 8%. Burner replacement in the boilers continued to have a positive effect on diesel consumption for year 2023.

Several loss elimination projects resulted in an 8% reduction in electricity consumption from 124 kWh/MT to 114 kWh/MT. Optimizing operational planning such as shutdowns and line changeovers also helped to reduce power consumption.

ASC

In 2023, ASC continued its journey of energy optimization tackling several projects to improve steam consumption across all production processes, starting from controlling the draught juice in the diffuser to balancing the sugar extraction, steam consumption, and introducing an aggressive plan for adding steam traps for the evaporators in the production area.

We have efficiently improved electricity consumption from 251.0 kWh/MT of sugar to 246.6 kWh/MT of sugar by balancing consumption with production rates as well as introducing stop and standby pumps and compressors. Similarly, we achieved a sustained decrease in water consumption from 3.38 m^3/MT in 2022 to 3.11 m^3/MT in 2023 by utilizing water extracted from the beet instead of sourcing raw water. This reduction was further supported by the treatment and reuse of effluent, decreasing from 4.31 m^3/MT in 2022 to 3.69 m^3/MT in 2023, despite the limited capacity of our industrial wastewater treatment plant.

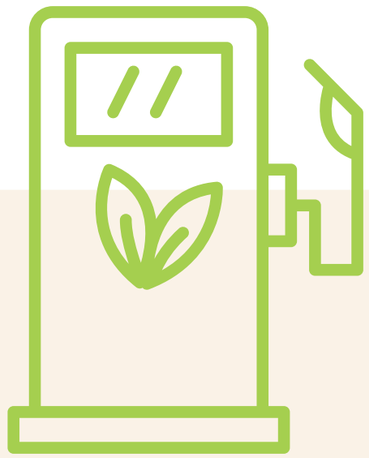
To improve steam consumption from our steam exhausts, we overhauled our plate heat exchangers (PHE); this was coupled with the refurbishment of the pulp dryer internal shell to curb the heat leakage which reduced the natural gas consumption from 298.6 m^3/MT of sugar to 290.9 m^3/ MT of sugar.

Lastly, with the goal of reducing power usage by between 5% and 7%, ASC installed a wet dedusting system to reduce the safety risks around the pellets production station and began implementing a motor replacement program to optimize consumption.

USCE

Owing to modifications to our 2 boilers in 2023, we reduced natural gas consumption significantly from 97 m^3/MT to 73 m^3/MT between February and September, enabling us to move away from a rented boiler that consumed high levels of gas and diesel. This resulted in concomitant reductions in gas and water consumption from 85 m^3/MT to 74 m^3/MT and from 0.66 m^3/MT to 0.5 m^3/MT of sugar, respectively, between February and December.

In addition, the capacity of our reverse osmosis unit (RO) was increased which in turn helped to reduce our consumption from the city water line from 7,500 m^3 to 3,000 m^3. We also recycle treated water for irrigation to reduce the water disposal.



Performance of Energy Saving Initiatives

Company	Energy Source	2023	2022	2021
USCA	Fuel – LAC (kg)	67,321,380	72,160,200	75,509,700
AICA	Fuel - Diesel (liters)	8,740,337	9,359,026	8,954,415
IFI	Fuel - Diesel (liters)	4,476,137	4,504,695	3,896,962
AICE*	Natural Gas (m^3)	18,448,715	16,580,683	13,185,266
USCE	Natural Gas (m^3)	53,823,000	55,509,000	67,988,000
ASC**	Natural Gas (m^3)	52,167,023.1	50,119,379.99	54,667,722.99

* Total final product of the operating unit is increasing; accordingly, fuel consumption is being increased.
** ASC final product MT increased by 3.3% in 2023 while natural gas consumption reduced by 2.6%.

Fuel Consumption

Company	Fuel Type (liters)	Consumption per metric MT	Total Fuel Consumed	Consumption per metric MT	Total Fuel Consumed	Consumption per metric MT	Total Fuel Consumed
		2023	2023	2022	2022	2021	2021
AICA	Diesel	19.00	8,740,337.00	20.00	9,359,026.00	19.80	8,954,414.70
USCA	Light Arabian Crude	63.80	67,321,380.00	73.20	85,670,497.00	73.67	89,480,319.00
IFI	Diesel	68.4*	4,476,137.00	68.05	4,504,695.00	76	3,896,962
AICE	Diesel	0.38	116,652.00	0.60	174,794.00	0.80	196,679.00
ASC	Natural Gas	290.90	52,167,023.00**	298.60	50,119,379.00	296.00	54,667,723.00

* Increase in consumption per MT at IFI is due to change in the refining process and material used throughout in 2023.
** Increase in total natural gas consumed for ASC is due to increase in production in 2023 and higher number of operational days in 2023 vs 2022 on account of longer season.

Energy Consumption

Company	Type	Consumption per MT	Total Energy Consumption	Consumption per MT	Total Energy Consumption	Consumption per MT	Total Energy Consumption
		2023	2023	2022	2022	2021	2021
AICA	Electricity (kWh)	114.9	53,816,006	119.7	55,756,301	125.4	56,470,216
USCA	Electricity (kWh)	73.8*	84,967,034	71.5	85,491,632	73	88,896,044
ASC	Electricity (kWh)	246.6	44,224,100**	251.0	42,125,828	244.9	45,220,300
IFI	Electricity (kWh)	252	17,132,066	262	17,145,175	290	14,602,905

* The increase in USCA consumption per MT is due to a planned shutdown that had affected the readings.
** Increase in total electricity consumed for ASC is due to increase in production in 2023 and higher number of operational days in 2023 vs 2022 on account of longer season.

Water Conservation

At Savola Foods Company (SFC), our approach to water is underpinned by taking responsibility and is based on reducing and minimizing our water consumption; on re-using and partially recycle the water we do use; and on seeking to ensure that any water discharged into the environment is free of contaminants and other potentially hazardous matter. Our pursuit of employing best practice in water and waste management is aligned with Savola Group's adoption of the Saudi Vision 2030.

SFC draws its water from a variety of sources, depending on the location of the operation and the approvals from the local authorities: in certain instances, drawing water from the sea, and treating it is permitted. In other circumstances, drawing from wells and from the local government reticulation grid is allowed, subject to approved environmental monitoring protocols.

Our sustainable water management strategy relies on the implementation of appropriate conservation practices, such as installing water-efficient equipment, leak detection and repair, and partial recycle and reuse of water whenever possible. At the same time, we are exploring the feasibility of using alternative water sources, such as treated industrial wastewater – which could be applied for different purposes such as cooling and irrigation.

In cases where our industrial wastewater contains any harmful substances, we flow our industrial wastewater through our treatment plants before it is disposed of, in accordance with regulations.

USCA

Water consumption was also impacted by the unreliability of power and utility supply. Following interruptions, additional water is required to return to normal sugar production. Consequently, water consumption for 2023 increased slightly to 0.430 m^3/MT from 0.407m^3/MT in 2022. Mitigation efforts included redesigning the water system for dedusting wet scrubbers to draw from the refinery's hot water in a closed loop rather than using fresh desalinated water.

In addition, the refinery adopted systems to maximize the quantity of recycled water used inside the plant which helps to reduce overall water consumption. Overall, the site delivered an improved water discharge rate reduction of approximately 18.48%, from 0.033 m^3/MT in 2022 to 0.0269 m^3/MT in 2023, in spite of the production of unchanged sugar MTnage levels and the challenges we encountered.

AICA

AICA has improved water consumption dramatically and has moved from consuming 0.671 m^3/MT in 2022 to 0.583 m^3/MT in 2023 – a significant 13% reduction achieved through either eliminating the use of water in some processes or applying alternative solutions.

Water Consumption

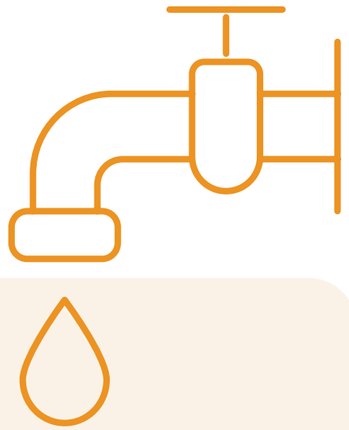
Company	2023 (m^3/MT)	2023 (m^3)	2022 (m^3/MT)	2022 (m^3)	2021 (m^3/MT)	2021 (m^3)
AICA	0.58	260,893	0.66	297,470	0.60	239,517
ASC	3.11	558,229	3.38	567,023	3.11	574,287
USCA	0.43*	494,913	0.41	489,819	0.41	492,533
IFI**	1.43	97,479	1.47	95,591	1.56	78,407

* The increase of water consumption at USCA is due to a planned shutdown that affected the readings

** IFI total water consumption in m^3 has increased, due to the the increase in total production. However, consumption per MT decreased showcasing efficient production.

Total Volume of Water Discharged

Company	2023 (m^3/MT)	2023 (m^3)	2022 (m^3/MT)	2022 (m^3)	2021 (m^3/MT)	2021 (m^3)
AICA	0.299	140,312	0.319	148,615	0.31	134,337
USCA	0.0269	31,010	0.033	39,173	0.045	54,842
ASC	3.69	662,320	4.31	722,510	4.06	750,110
IFI	1.01	71,729	1.03	68,133	1.01	50,698



Waste and the Circular Economy

At an organizational level our approach to the circular economy is characterized by our tenets of reuse and recycle. This means that what is a waste product in our plants becomes a resource in other sectors. Our commitment to excellence ensures that all our processes are managed as efficiently as possible. In terms of the overall equipment efficiency (OEE), the KPI we use to monitor the efficiency of our plants is the higher the OEE score achieved, the less the waste generated.

This approach is supplemented with robust inventory management and production planning to minimize waste from damaged, expired, or obsolete products. In addition, packaging design as well as material and energy consumption are optimized in the production process.

There is strict oversight of the waste generation, recycling, and disposal function. We have integrated a comprehensive waste management system that includes waste segregation, storage, and disposal in accordance with environmental regulations, and we work only with licensed waste management contractors to ensure proper disposal or recycling of both hazardous and non-hazardous wastes. Internal recycling processes are overseen by the internal manufacturing team, the warehouse management, and finance. The Health, Safety, and Environment department also tracks the process. Plastic, cartons, cans, and steel waste are sent for recycling by other industries, as are some of our manufacturing by-products, instead of dumping them as landfill.

The co-products resulting out of the refining processes are up cycled into added value products instead of being treated as waste . For example, gums from chemical refinery are converted into soap stock and acid oil that are used by animal feed and soap manufacturers and fatty acid distillates from deodorization process are collected to be used by pharma & cosmetics raw materials manufacturers. The total dispatched volume of co-products in 2023 was 267,127 MT.

Details of waste conversion are available in the following table:

Sugar

Category/Product	Type	Recycle/Application	Quantity MT
United Sugar Company - Arabia			
Molasses	Molasses	Constriction - poultry feeding	26,400
Total			26,400
United Sugar Company - Egypt			
Molasses	Molasses	Constriction - poultry feeding	20,947
Total			20,947
Alexanderia Sugar Company - Egypt			
Molasses	Molasses	Constriction - poultry feeding	65,038
Beet pulp pellets	Beet pulp pellets	Poultry feeding	67,303
Total			132,341
Total sugar			**179,688**

Oil

Category/Product	Type	Recycle/Application	Quantity MT
Afia International - Algeria			
Acid oil	Soya	Biofuel - poultry feeding	4,228
Fatty acid	Soya	Supplements / chemical	288
Total			4,516
Savola Foods - Türkiye			
Acid oil	Mixed	Biofuel - poultry feeding	2,040
Acid oil	Palm	Poultry feeding	180
Filter aid	Winterized cake	Poultry feeding	600
Acid oil	Olive oil	Poultry feeding	50
Sludge	Sludge	Poultry feeding	720
Total			3,590
Afia International Company - Arabia			
Fatty acid	Palm	Soap industry	900
Fatty acid	SF	Supplements / chemical	100
Soap stock	Soap stock	Soap industry / acid oil	6,000
Total			7,000
Afia International Company - Egypt			
Fatty acid	Palm	Poultry feeding	899
Fatty acid	Mixed oil fatty acid	Supplements / chemical	1,326
Soap stock	Soap stock	Acid oil	986
Total			3,211
International Food Industries - KSA			
Fatty acid	Palm kernel	Soap industry	400
Total			400
Total oil			**18,717**

Pasta

Category/Product	Type	Recycle/Application	Quantity MT
Product scrap		Poultry feeding	600
Dough		Poultry feeding	516
Regrind		Poultry feeding	1,604
Wheat bran		Poultry feeding	34,459
Total pasta			**37,178**

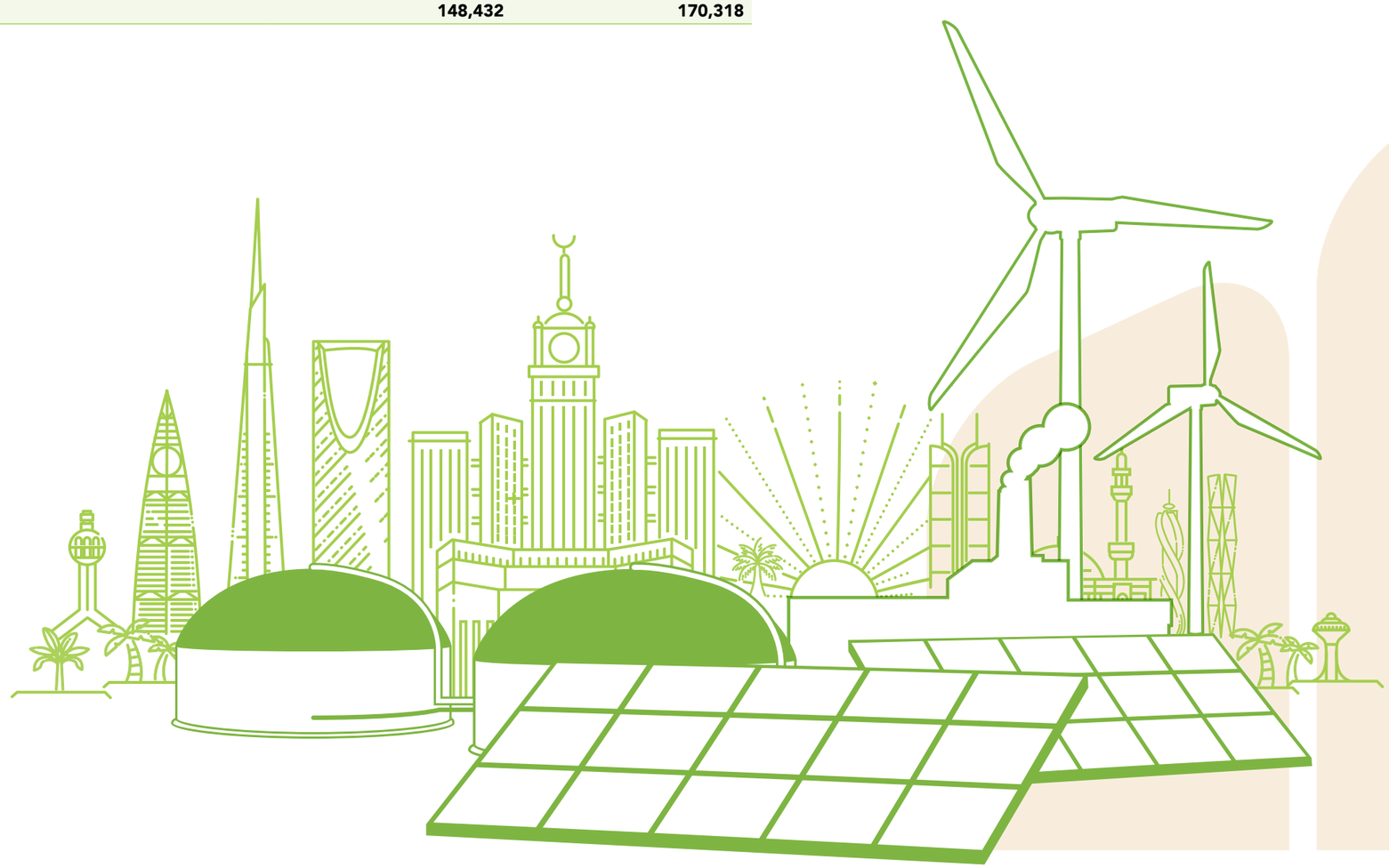
Waste Disposed of in Landfill

Landfill Waste – MT	2023	2022
Afia international company - Arabia	3,076	2,461
United Sugar Company - Arabia	23,785	23,065
International Food Industries	270	315
Bayara Dubai	552	339
Savola Foods Türkiye	3,050	2,850
Afia International Food Company - Egypt	1,540	955
United Sugar Company of Egypt	10,959	3,721
Alexandria Sugar Company	104,096	134,348
Afia International Algeria	2,104	2,264
Total	**148,432**	**170,318**

Looking Forward

Savola Foods Company's environmental targets:

- **Short-term (2024):** Studying the feasibility in terms of which operating units (OUs) are able to use photovoltaic (PV) and wind turbine renewable energy.
- **Medium-term (2025 to 2027):** Enforcing strict adherence to local regulations and progressing the plan to reduce GHG emissions by 20% by 2027.
- **Long-term (2028 and beyond):** Maintaining GHG emissions to a reduction of 20% in comparison with those of 2019.





Social

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Employees and Workers

At Savola Foods Company (SFC) we strive to create a work culture based on strong values: the company creates value built on values.

We continue our efforts to focus on our organization's most valuable asset – our people – and foster a work environment where employees can thrive, innovate, and contribute to the overall successes of SFC. During 2023, we accelerated the employer branding, digitization, and forward culture action plans and continued implementing various retention and talent management strategies to support the development and retention of SFC's key talents and Saudi Vision 2030.

This year, macroeconomic factors, specifically Türkiye, influenced key talent retention, complicated by enforced salary increases in that territory. On the Arabian Peninsula – the Kingdom and the UAE – we compete in a market where talent is in high demand and in the context of those territories' nationalization priorities.

Highlights

CIPD – Best Recruitment and Talent Management Strategy in the Middle East

Best Workplaces™ – **Top 10 in KSA**

Best Workplaces™ – **Top 70 in Asia**

Successful integration of Bayara employees into **SFC**

Workforce and Labor Management

Change, whether due to technological advancements or market disruptions, is a constant in the company, which means that the human capital team must be at the forefront of driving the successful implementation of our desired culture strategy. SFC prioritizes employee well-being through a range of activities and programs, including events celebrating success, so that employees feel valued, supported, and empowered to thrive both personally and professionally. We delivered more than 2,000 thank you cards, held over 30 Town Hall meetings, and 4 innovation award ceremonies.

Desired Culture Strategy

The desired SFC culture was introduced in 2021 and is 90% complete. It is built on 6 inter-connected elements, namely, purpose, values, courage and agility, trust, and collaboration. These are fueled by value creation and driven by tangible results, as summarized in the diagram below:



We are committed to creating a workplace in which our employees, from all backgrounds, feel valued and empowered to contribute their unique perspectives. SFC is implementing a range of company-wide activities ranging from surveys to structured engagement events, leadership assessments, culture bites, and webinars, all designed to support these changes as we journey towards a new company culture.

To facilitate effective communication and feedback between employees and management we use the following strategies:

Transparency and Information Sharing

- Regular engagements keep employees up to date and informed:
  - Town Hall meetings for large groups; breakfasts for small groups like business leadership teams and their staff, one-on-one for performance management, and mid- and year-end reviews.
- Proactive sharing details about company decisions, initiatives, and challenges.

Approachable and Responsive Management

- An open-door policy where managers are accessible and actively solicit feedback.
- Prompt follow-up on employee input to demonstrate that their perspectives are valued.

Two-Way Dialogue and Collaboration

- Interactive forums, cross-functional teams, and other opportunities for direct employee-manager dialogue.
- Managers that routinely seek, and act on, input from their teams.

Supportive Company Culture

- A culture of psychological safety where employees feel safe to take risks and voice opinions.
- Train managers to communicate effectively and resolve conflict.
- Ensure there are no negative repercussions flowing from constructive feedback.

Protecting Whistleblowers and Staff from Unsafe Practices

In conjunction with our Whistleblower Protection policy, which provides guidance on how to report a business misconduct case, and through the SFC Code of Conduct, our CEO guarantees the anonymity of individuals who submit reports via Savola's Integrity Hotline.

Each operating unit has its own set of KPIs in terms of which workplace safety is measured. All employees have access to our Behavior Observation System (BOS) and Safety Improvement Report (SIR) operated on an automated, cloud-based platform. Through the BOS, employees can report any safe and unsafe behaviors they observe, while the SIR is a channel for either making safety suggestions and/or reporting unsafe situations.

Integration of Bayara Employees

Following the 2021 acquisition of Bayara, SFC faced the challenge of integrating their employees into the organization. This has been marked by significant achievements, starting with the email integration of more than 1,000 users joining the SFC domain, with 439 employees undergoing comprehensive training across 32 diverse programs, including 11 trainees inducted into the impactful Accelerate program.

Empowering our Workforce

Furthermore, the Implementation of Individual Development- (IDP) and Career Development Plans (CDP) has empowered our workforce.

The introduction of local policies and benefits reflects our dedication to providing a supportive and rewarding workplace for all our employees. Additionally, through market surveys and salary reviews, we have reaffirmed our commitment to ensuring competitive compensation and acknowledging the value of our workforce.

This successful integration has not only strengthened our organizational culture but has also positioned SFC as an employer of choice, dedicated to the holistic growth and well-being of its employees.

Talent Acquisition

Creating an exceptional employee experience from hire to retirement is vital for organizational success. In 2023, we upgraded our recruitment and onboarding process, introducing "ASMA", our SFC virtual human resources assistant, employee privilege programs, and employee engagement portals. These initiatives have helped to improve the engagement process, enhancing employee motivation and engagement as well as increasing workplace satisfaction and employee retention.

Talent Retention

Retaining talent is integral to establishing and maintaining a winning company culture. As a consequence, SFC continuously adapts to employee-related challenges as well as to the laws and regulations in the territories where we operate, with Türkiye and Egypt being recent examples.

By implementing initiatives tailored to each market, e.g. competitive remuneration, appropriate policies, and career development plans, SFC has established a retention rate of 92%, with an employee turnover rate at 9.7% for 2023, which is below the market trend of 13%.

Diversity, Equity, and Inclusion

Our workforce embrace 44 nationalities with an average age of 38 years and 6% female representation. SFC employs 520 women in the company which is a 30,6% increase from 14% in the previous year.

Female Representation in SFC's Workforce

Age	Men	Women
	2023	2023
<30	790	136
30-50	5,346	368
>50	600	16
Total	**6,736**	**520**

Number of employees
7,256

Number of female employees
520

Females in senior management
15%

Female Employees in various Categories

Categories	Employees
General worker	221
Supervisor	139
Assistant manager	53
Manager	56
Middle manager	33
Senior manager	7
Director	8
Executive Director	3

Employees with Disabilities

2023
118

Nationalization

Our approach to nationalization in the Kingdom is underpinned by our employer branding strategy. We regularly participate in career fairs and visit top universities to enhance our image among senior students who are invited to our operating units to experience, firsthand, what the company does. Central to our talent acquisition is the recruitment of Saudi nationals for vacancies and new positions.

Saudization

Saudi Vision 2030's approach to compensation is a key factor in our local talent retention successes. Of a total workforce of 1,125 in KSA; 639 are Saudi nationals and a significant proportion of these are in management.

Among the Saudi nationals:

19%
hold managerial positions.

Of all managerial level roles in KSA,

56%
are filled by Saudi nationals.

Saudi Talent Management

Saudis retained
96%

Saudis trained
76%

Saudi successors
59%

Employee Well-being

In addition to the activities that form part of our desired culture strategy, we take certain steps to ensure employee physical well-being and safety:

- We provide uniforms and personal protective equipment (PPE), along with adequate toilet and shower facilities; canteens and cafeterias for lunch breaks, as well as shaded outside areas for smoking and other breaks.
- Accessible drinking water facilities at all premises, for all employees, with seating for work and rest.
- For office-based employees, offices, equipment, and furniture are ergonomically designed and provide protection from sunlight during specific hours.

Health activities carried out for employees in KSA in 2023

Blood donation campaign	3
Breast cancer medical campaign	3
Medical checkup campaign	2
Prostate cancer medical campaign	2
Sight examination	1

We encouraged our employees to participate in the following social activities:

2023
SMS and Innovation Team Building
Shared Service Team Building
Annual Sugar Event
Annual Iftar Ramadan
Chess Tournament
30 Years Celebration, Town Hall Administration and Facilities Team Fun Day
Sales Team Building
HR Team Building
Donation Campaign with Egyptian Food Bank for Palestine
Labor Day Winners | Celebration
New Year´s Gifts
Annual Celebration of AFIA - Annual gathering for all AFIA employees
AFIA Team Building - Managerial level team building
Ice Cream and Ashouraa Day for All Employees
Sports Tournaments - Competition in football, table tennis, chess
AFIA Family Suhor Day in Ramadan - Suhor night for AFIA employees´ families
Town Hall Gatherings - Cross levels, cross functions gatherings on monthly basis
Work Market Needs Sessions - Educate employees´ sons and daughters who graduated from university on work market needs
Desired Culture Celebration
Arabia Annual Event
Mother´s Day Celebration
Father´s Day Celebration
Eid Adha Celebration
KSA National Day
KSA Founding Day

Training and Development

We have a broad approach to the training and development of our workforce ranging from functional and managerial development to leadership development programs. More than 80% of those employees who have individual development plans, are enrolled in training, including all the members of our business leadership teams (BLTs). In summary:

Total Training Hours: Saudia Arabia and Egypt

2023

23,161

	Training Participants	Men	Women	Management	Non-management
	2023	2023	2023	2023	2023
AICE	1,254	1,242	12	12%	88%
ASC	282	280	2	62%	38%
PASTA	688	685	3	17%	83%
USCE	443	33	4	100%	94%
USCA – AICA – IFI	1,284	1,255	29	19%	81%

Employee Participation in Training Activities

4,000+ Learning programs

70% Business Leadership Team (BLT) enrolled in training program

333+ Individual Development Plan (IDP) for key talents

17+ Accelerate programs

147+ ELEVATE

Training Courses

In-house Training	Training by External Providers
10 Safety Life Saving Roles	Agility and Resilience Training
Autonomous Maintenance Training	B2B Sales Workshop
Conveyor Safety	Brand Value
Electrical Hazards	BRC
Environmental Awareness	Business Intelligence
Firefighting	Certificate in Internal Audit Data Analytics
Food Safety and Quality Policy	Certified Corporate Financial Planning and Analysis Professional Program
Forklift Safety	CIPD Level 5
Hazard Identification and Risk Assessment	CIPD Level 7
Hazardous Waste Disposal	Certified International Procurement Manager - Arabic
Heat Stress Awareness	CISCP/CISCM Logistics and Supply Chain
Hot Works	Commercial Strategy through Data Insights
Lifting Equipment Safety	Conflict Resolution and Transformation
Lockout Tag Out	Creative Problem Solving
Mock Drills (fire, chemical spillage, and gas leakage)	Customer Centric
Near Miss Reporting	Elevate Talent Development Program – for non-managerial employees
Oracle Fusion System Awareness	Emotional Intelligence in Practice
Personal and Working Area Hygiene Awareness	Excel Advanced
Personal Protective Equipment	Finance for Non-Finance Professionals
Racks Inspection	Financial Controls
Safety Induction Stage 1 (visitor)	Financial Reporting and Analysis Workshop
Safety Induction Stage 2 (contractor/casuals)	Integrated Pest Management Awareness Session
Safety Induction Stage 3 (new hired employees)	Internal Auditing Training Course - ISO 19011 and GFSI
Savola Sales Academy "Phase 2 Commandos"	Joint Action
Use of Fire Extinguishers	Letter of Credit
	Maintenance Systems - Preventive Maintenance Pillar
	Managing Brand Challenges in Economic Tightness
	Manufacturing - Autoonomous Maintenance Pillar
	Market Pricing "Conducting a Competitive Pay Analysis"
	Mental Fitness and Positive Intelligence
	Organizational Design and Structural Analysis
	People Leader
	Planning: How's and Who's
	Risk Management
	SFC Training - Who Killed Creativity
	Team Building for BLTs
	The Global Economy Program
	The Power of Persuasion "Negotiation Skills"



Occupational Health and Safety

The most significant occupational health and safety risks for SFC relate to hazards in the manufacturing plants, e.g., slipping, tripping, falling, as well as potential scrapes, cuts, and burns. In terms of occupational injuries or disease we focus on hearing, heat stress, and respiratory illnesses.

Our Health, Safety, and Environment (HSE) team is responsible for all aspects of this function. This includes both the management of health and safety issues, including assessing the causes of injury and/or illness as well as for all HSE related training.

Safety Management System

SFC's occupational health and safety (OH&S) management system is certified against ISO standard 45001:2018, which provides a framework for organizations to manage risks and improve OH&S performance. Each operating unit has its own safety policy approved by that unit's management. These policies, in addition to the commitment to safety, include the relevant procedures to ensure that all activities are carried out safely, as well as for safety risk assessments, permits to work, inspections, etc., in addition to incident classification, reporting, and investigation.

Furthermore, as noted on page 56, employees participate in workplace safety matters via the Behavior Observation System (BOS) and are encouraged to contribute to the Safety Improvement Report (SIR).

Safety Managers and Committees

Each operating unit has its own safety manager and committee that coordinates with HSE Center of Excellence Safety Leader who holds monthly meetings with the Safety Managers. Unit Safety Committee members are drawn from all functions in the unit. Every operating unit is responsible for implementing the relevant governmental HSE policies, while advocating for continuous improvement in safety in both the physical environment and work-related behavior.

Communicating Safety Matters

SFC deploys multiple channels for communicating occupational health and safety issues:

- A range of group interventions, namely, Town Hall meetings and a Product Supply Leaders Team meeting that is followed by a monthly Safety Report from the Safety Central Leader that is sent to all operating units.
- Safety Committee meetings ensure that employees adhere to the company's safety vision and plan through emails, meetings, training, investigations, risk assessments, and inspections.
- Safety issues are also communicated using email, advertisement boards, and posters.
- We provide toolbox training (TBT) for all employees, visitors, and onsite contractors.

Assessing Risk and Reporting on Potential Hazards or Hazardous Situations

SFC uses a standard risk assessment methodology to identify and analyze a hazard or risk, its potential impact and then taking the correct actions to either mitigate it and/or to ensure a safe working environment.

In the event of a safety incident, an investigation follows that includes gathering evidence, witness statements, as well as analysis to identify the root causes. It concludes with steps for remediation and the development of a preventive action plan.

The Safety Improvement Report (already mentioned) enables all employees and contractors to report any unsafe situation or associated risk or hazard.

Safety Training

Safety training is based on a skills matrix and designed around the potential for both injury and illness. With the assistance of the HR department the following training has already taken place (included in the list on page 60).



Community Impact

Savola Foods Company's (SFC's) corporate social responsibility is implemented through its operating units in their various countries, within the policy framework established by the Savola World Foundation.

Its priorities are as follows:

- Preserving the environment (waste reduction) through initiatives that:
  - Reduce waste, including food-waste, within SFC, its supply chain and community.
  - Raise awareness about sustainable waste reduction.
- Enabling people with disabilities through:
  - Employment and training.
  - Promoting a culture and awareness of people with disabilities.
  - Research and workshops related to employment, development, and training and rehabilitation.
- Youth skills/enablement activities for the development of vocational and technical skills:
  - In areas related to SFC operations.
  - To establish their own businesses in a challenging market environment.
- Supporting women empowerment programs through:
  - Volunteer support as well as financial and in-kind donations.

As a significant employer in the region, our training and development activities reach beyond our immediate employees. We focus on new graduates, people with disabilities, and women empowerment. Under the aegis of the Savola World Foundation, our projects include product donations, sponsorships, and volunteering – where employees are encouraged to donate their time and skills. In 2023 SFC's community and social spend amounted to SAR 685,000.

Looking to the Future

In 2024 we envisage achieving the following, while developing our medium to long-term goals:

Scope	Initiative Name	Initiative Details	Cost (SAR)
Enablement Activates	School Ramadan Donation	Donate products to schools to educate children about the importance of donations, where they will box it and distribute it to needy people	10,000
Enablement Activates	Panda Ramadan Charity Box	Participate in the Ramadan annual charity campaign with Slite Sun Flower Oil conducted by Panda, that allows the shopper to buy the box and then Panda would deliver it to people in need	10,000
Waste Reduction	Afia Bio	Launch a biodegradable bottle	250,000
Enablement Activates	Social Nursery (دار الحضانة الإجتماعية)	Product donation	11,500

Negaderha

Negaderha is a food waste management and reduction program developed by Savola World to address food wastage as a national issue. This program:

- Contributes to significantly reducing food waste and loss in the Kingdom by 2030, to ensure achieving development and food security at the national level.
- Raises awareness about the social, environmental, and economic consequences of food waste.
- Shares information about global best practices, knowledge, and tools for waste management, to promote sustainable behavioral change and optimal use of food resources.

The initiation phase of Negaderha was a public awareness campaign to educate the broader community in general, and individual households about food waste as a national problem. It introduced a range of solutions.

Its campaign was conducted through various media channels and social media platforms in 2 phases:

Phase I: The Teaser Phase

Using visuals and TV commercials to highlight food waste statistics in Saudi Arabia. The messaging was characterized by realistic and shocking information to stress the size of this problem and the consequent loss of materials, time, and efforts. These visuals and TV commercials encourage individuals in the target groups to take responsibility.

Phase II: The Revealer Phase

Again, using visuals and TV commercials, this phase focused on practical tips and tools to encourage behavior change and new purchasing habits to reduce food waste. Its 4 main touchpoints are grocery shopping, storage tips, portion planning with recipes, and tips for using leftovers.

Yumnak Program

SFC participated by being part of the selection committee of Savola World's Yumnak program, to identify small businesses that receive hands-on support and technical tools. The outcomes were as follows:

- Shortlisting candidates and facilitating investment and financing worth SAR 39,457,000.
- Holding 40 workshops and 20 lectures on specialized topics.
- Signing 5 commercial partnership contracts for beneficiary companies.

Collaboration with Master's Students

The purpose of the collaboration with Prince Mohammad Bin Salman College of Business and Entrepreneurship is to expose students to real-business challenges by working with SFC. It is a 6-month project with Master's students to develop innovative solutions for SFC. Students from a variety of backgrounds will work in teams to provide relevant and innovative solutions related to the environment and sustainability. Actionable business plans with their investment requirements, as drawn up by the Master student teams, offer scientific solutions that could impact our value chain in distribution, packaging, manufacturing, carbon emission, waste management, and recycling.

In addition, we visited various schools and universities and offered internships. In Saudi Arabia, we do this under the aegis of the Saudi Vision 2030 Tamheer program internships in 97 different departments across Arabia operating units.

Internships: Egypt

2023	
Human Capital	3
IT	3
Legal	1
Marketing	2
Procurement	1
R&D	2
Export	2
AICE Product Supply	25
PASTA Product Supply	10
ASC Product Supply	4

School and University Visits

		2023
Saudi Arabia	UBT KAU DAH	4
Egypt	Faculty of Technology and Education, Suez University Faculty of Science, Suez University British University Faculty of Agriculture, Ain Shams University	4
	German University in Cairo	1
	Training for Faculty of Science students	2

مواءمة – Certify Arabia OUs – Enable People with Disabilities



Green Saudi Awareness Campaign - Guinness Record
As part of the Green Saudi initiative, and in collaboration with the Jeddah municipality, SFC participated in an outdoor mural made from recycled bottle caps. Focusing on preserving and sustaining the environment, this mural broke the world record for the largest outdoor mural.







Memorandum of Understanding between Afia and the Ministry of Hajj and Umrah
SFC, through our AFIA International Company, has signed a memorandum of understanding (MoU) with the Ministry of Hajj and Umrah to cooperate in the development of human resources working in the service of the guests of the Merciful.



Agricultural Initiatives in Türkiye
In Türkiye, we are working with communities and the local Ministry of Agriculture, the Seed Association, and local academy, to support local farmers and boost local olive oil production.

A significant proportion of the Turkish olive tree population in forest and public areas is infertile and can therefore not be harvested.

Drawing on our extensive experience, we are working with stakeholders to graft fertile olive varieties on the “delice” or wild olive tree stock. Once successfully grafted, the farmers take over responsibility for the then-productive trees.

In 2022 we grafted 1,500 trees in Manisa, followed by 1,500 trees in Aydin in 2023. The initiative will be continued in Balikesir in 2024.





Ayvalik Project
In the Ayvalik Region, and associated with our olive oil project, more than 30 women earn income from painting and decorating bottles for our Yudum brand. These beautiful, unique hand-painted bottles are used as packaging for our premium olive oils from the Ayvalik Region.



Finding Hope after the Earthquake

In addition to the immediate and generous support for the communities affected by the catastrophic earthquake that struck Türkiye in February 2023, SFC committed to making a sustainable and long-term impact by providing job opportunities to the survivors. Like the Ayvalik Project, SFC employs 25 women in Adiyaman, also supplying them with materials to paint our popular, one-of-a-kind, olive oil bottles.

Having a job means hope and having a purpose for living.











Commitment to

Food Quality, Safety, and Nutrition

As a major food company in the Kingdom and beyond, Savola Foods Company (SFC) is conscious of the role we play in safeguarding the health and safety of our employees, our customers, and our communities. In addition to the steps outlined below, we are committed to using sustainable and ethically sourced ingredients, discussed in more detail on page 76.

Food Quality and Safety

We implement rigorous testing protocols and strictly adhere to industry standards. We apply the highest international standards and employ food hygiene experts throughout our operations. In addition, SFC collaborates with suppliers to ensure the quality of raw materials, ingredients, and packaging materials.

No severe or major incidences of non-compliance were reported in the period under review.

Across factories there were only 3 minor incidents related to labeling, which occurred in a single operating unit followed by detailed root cause analysis and preventive actions.

Nutrition and Health

The table below summarizes how we have improved the quality of our products, with a special emphasis on improving health and nutrition.

Year	Initiative	Description	OUs
2023	Italiano Plus	Pasta fortified with Zinc, Iron & B complex vitamins for better immunity	Pasta
2023	Afia Immune with Zinc	Sunflower oil fortified with zinc	AICA – AICE
2023	Afia Canola with Omega 3	Canola oil fortified with omega 3 to support heart function	AICA
2023	Sweet and Fit	Low calorie sweetener from sugar cane which tastes like sugar	USCA
2022	Yudum Turmeric	Sunflower oil fortified with turmeric extract	SFT
2021/22	Afia Plus with 3 Omegas	Contains omega 3,6,9 for better heart health	AICA – AICE – Algeria
2018	Yudum Omega	Oil blend containing omega 3,6,9	SFT



Governance

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Highlights and Challenges

The publication of this, our first ESG Report, was a highlight of the year under review, as was the adoption of our Corporate Social Responsibility policy which integrates best practices for corporate governance and sustainability. We continue participating in the ongoing process of standardizing policies and procedures across Savola Foods Company; our Audit Committee ensures management's collaboration in remediating any internal control related findings that emerged during 2023.

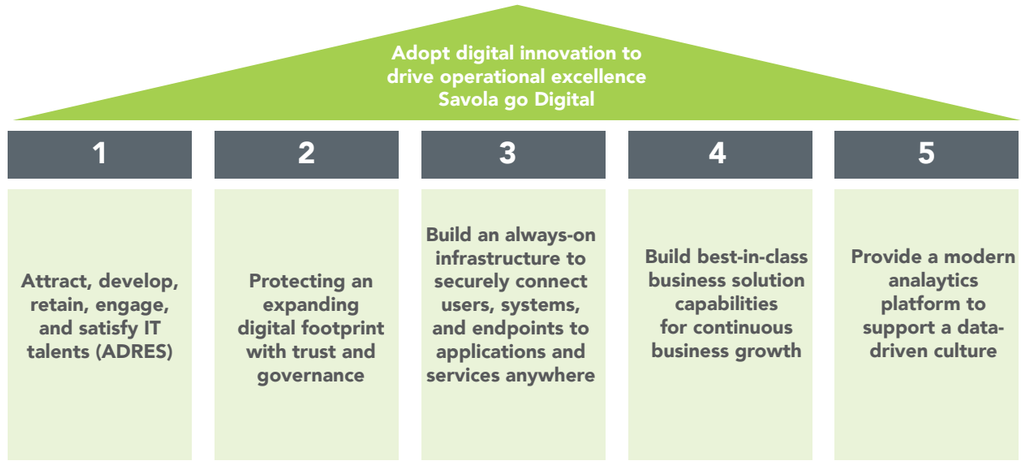
Among the challenges we encountered was the standardization of policies and procedures across various geographical locations and business units while having to simultaneously take into account the differing operational structures of individual operating units. We faced similar challenges in launching the Enterprise Resource Management (ERM) system to ensure standard practices across all Savola Foods Company (SFC) entities, which was complicated by a shortage of Internal Audit (IA) resources and the retention of key talent across different business units.



Digitization

Our approach to digitization is through innovation and by integrating advanced technologies to enhance productivity, efficiency, and competitiveness.

Savola Foods Company's (SFC's) IT strategy involves driving automation, re-engineering, and introducing new reporting technology across all functions, as summarized in the following diagram:



Our systems are robust, and we had no security breaches during 2023.

Looking ahead, we see enormous scope for capitalizing on digital opportunities for SFC, including:

- Modern business solutions to automate and optimize core business processes and provide comprehensive financial management, procurement, and enterprise performance management.
- Data analytics to collect and analyze vast amounts of data to gain insights.
- Cloud computing to leverage cloud-based platforms for computing power and scalability.
- Cybersecurity to protect our digital assets.
- IT governance for effective management of our technology investments, performance management, mitigate risks, build transparency model, and achieve business goals.

Responsible

Marketing and Labelling

All manufactured products are authorized and registered with the relevant local authorities in all markets where we operate. All product labels include the product's name, composition, active component, intended use, storage conditions, and any applicable precautions.



Responsible Sourcing

We would like to increase our support for local suppliers, and the extent to which we do, varies and depends on the territory.

This is shown in the table below:

KSA, Egypt **15% to 20%**	Algeria **60% to 70%**
Türkiye **80% to 90%**	UAE **10% to 15%**

Customer Satisfaction through Product Quality

Savola Foods Company (SFC) applies several strategies for maintaining a high level of customer experience and satisfaction. Among these is offering responsive customer service by producing and supplying quality products and ensuring the availability of products that meet their expectations. Through technical visits we actively seek customer feedback and conduct marketing campaigns that engage and retain customers and then adapt accordingly. Finally, we also prioritize transparency in our operations and communicate openly with customers about both improvements and challenges.

In 2023, we achieved an average 82% satisfaction level. We use several techniques for tracking customer satisfaction ranging from on- and off-line surveys to gathering feedback directly from customers. We also continuously monitor our social media channels for mentions, comments, and reviews related to our products and services.

Careful analysis of sales data, customer complaints, and returns also identify areas for improvement and indicate overall satisfaction levels.

Regular engagement through these channels enables SFC to understand customer preferences and concerns so that, ultimately, we can enhance the customer experience.

	Source	Complaints Received		Complaints Responded	
		2023	2022	2023	2022
IFI	Customers, direct connect with sales team and social media	5	8	100%	100%
AICA	Customers, direct connect with sales team and social media	12	12	100%	100%
USCA	B2B customers, direct connect with sales team	16	20	100%	100%

Ensuring Product Quality

SFC ensures product quality through its supply chain by applying methods such as rigorous testing, adhering to industry standards, and implementing quality control measures throughout the production process. Our quality management team also conducts inspections of facilities, all of which are certified in terms of the BRCGS Global Food Safety and ISO standards (ISO9001, ISO22000, ISO17025) that help us to ensure product quality at the highest international standard. Lastly but importantly, SFC also collaborates with suppliers to ensure the quality of raw materials (ingredients) and packaging materials.

Regulatory Compliance

SFC's Legal department is responsible for keeping track of changes to the legal and regulatory environment within which we operate. New laws and circulars are issued by the competent authorities in the Kingdom of Saudi Arabia, and all the territories in which we operate, and we are also supported by our contracted advisors who notify and/or update us about new legislation and/or amendments to existing laws and regulations. Collaborating with these legal experts and industry associations helps SFC stay current so that we can be proactive in maintaining compliance.

SFC has dedicated teams responsible for interpreting and implementing these regulations across our operations and in territories where we operate.

In addition, our Internal Audit (IA) team, through regular audits and reviews of company processes, identifies and informs senior management regarding non-compliances and areas for potential improvement to ensure consistent, ongoing compliance with the relevant regulations.

These measures are supported by our investment in training programs so that our employees understand the importance of, and adherence to, applicable laws and standards.

Mitigating Potential Risks to Food Production

While SFC has a risk management framework based on sustainability and good governance that promotes a precautionary approach, we also face certain risks that are specific to the products we manufacture:

Fluctuations in commodity prices:
Savola relies on various agricultural commodities for its products. Price volatility due to factors like climate change, weather events, geopolitical tensions, or global economic shifts can affect their profitability.

Shifting consumer preferences:
Consumers are increasingly prioritizing healthy, sustainable, and ethically sourced food products. In addition, economic pressure on consumers' disposable income has shifted demand to value brands. If we do not adapt to these shifting preferences, we risk losing market share.

Disruptions in supply chain and logistics:
Global trade disruptions, rising transport costs, and/or port congestion can lead to shortages, delays, and increased costs for SFC's raw materials and finished goods.

Geopolitical risk:
The potential for political and economic instability to disrupt a country or region in which we do business, is ever-present. Geopolitical risks include war or armed conflict, trade wars and sanctions, as well as regime change and terrorism that arise from tension over resources such as oil or water.

Macroeconomic risk:
Global economic factors inevitably influence the company's operating environment. These factors are evident through economic downturns, low growth, currency, and interest rate fluctuations amongst others. Our approach is to keep a watching brief on these external factors and to react swiftly and decisively.

Because we understand these potential risks, we take steps to mitigate them, as follows:

Fluctuations in commodity prices
- Hedging against price fluctuations by securing long-term contracts with suppliers.
- Minimizing the impact of price changes through effective inventory management practices.
- Enhancing storage capacity.

Shifts in consumer preferences
- Developing and launching product lines that cater to evolving consumer preferences.

Disruptions in supply chain and logistics
- Developing contingency plans for potential disruptions.
- Collaborating with various providers to ensure efficient and reliable movement and supply of goods.
- Securing long-term contracts with suppliers.

Geopolitical risk
- Diversifying operations to reduce reliance on any single country or region.
- Building strong relationships with local governments and businesses so that we can navigate complex political environments.
- Establishing contingency plans to deal with unexpected changes and events so that we can quickly adapt manufacturing processes and/or develop new products.
- Standardizing manufacturing processes, wherever possible, across the different territories in which we operate.

Macroeconomic risk
- Diversifying products and markets to reduce reliance on any single market or customer segment that might be especially vulnerable to economic downturns.
- Borrowing in local currencies.
- Building a strong financial foundation with a healthy cash flow and low debt levels to help SFC weather any headwinds.



Business Ethics

Ethical Sourcing of Ingredients
In line with our commitment to the planet – the environment and its people – we are also dedicated to ensuring that the raw ingredients in our products are ethically produced from sustainable sources.

SFC is proud that AICA, IFI, and AICE have all been successfully certified against the relevant Round table on Sustainable Palm Oil (RSPO) standards. In addition, USCA and USCE were assessed in terms of VIVE's ProTerra and SGP with both operating units awarded unconditional Claim Level Status with no remediations.







Whistleblowing
All our staff are expected to adhere to Savola Foods Company's Code of Conduct, which sets out, among other things, our values and ethics, including how we manage bribery and improper business dealings.

It introduces staff to our integrity hotline (launched in 2017 and accessible via Savola Group website) and our Whistleblower policy which provides for anonymity, assuring employees that they may raise concerns in confidence and without fear of reprisals.

Looking Forward

In addition to ensuring effective management of the company, delivering long-term success, accountability, and transparency of policies, procedures, and operations, our short-, medium- and long-term goals and targets are summarized below:

	2024	2025-2027	2028
Internal Audit	Streamlining continuous controls monitoring (CCMs) which will enable real-time monitoring of control effectiveness, allowing for immediate identification and response to potential internal control (IC) violations.	Strengthening governance through comprehensive, regular internal audits of all governance activities and controls, including those related to IT governance to ensure the effectiveness of our governance framework.	Enhancing the CCM tool to capture more IC violation scenarios to ensure real time detection of IC exceptions. Leveraging automation, artificial intelligence (AI), and big data analytics tools to enable proactive risk identification and faster response times.
Risk Management	**Level 3: Defined** Measured on a 5 level risk maturity model, viz., ad hoc, preliminary, defined, integrated, and optimized. Currently, SFC is at the preliminary level.	Establish a dedicated risk management team or risk network to cement risk management by establishing a defined risk management framework across OUs, i.e., documented procedures for identifying, assessing, and managing risks.	**Level 4: Integrated** A more proactive and integrated approach to risk management with activities coordinated across different business units. The risk appetite and tolerance are defined, and communication about risks flow throughout the organization.	**Level 5: Optimized** Embedded into the organization's culture making it more agile, continuously monitoring and adapting its risk management program. Proactive risk identification and mitigation strategies are prioritized with decision-making balancing both opportunities and potential risks.



Appendices

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GRI Context Index

GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	Pages 8-12 (Overview of Savola Foods Company)
	2-2 Entities included in the organization's sustainability reporting	Pages 8-12 (Overview of Savola Foods Company)
	2-3 Reporting period, frequency and contact point	Page 6 (About this Report)
	2-4 Restatements of information	There are no restatements of information from the previous year.
	2-6 Activities, value chain and other business relationships	Pages 8-12 (Overview of Savola Foods Company) Pages 20-33 (Our Approach to ESG)
	2-7 Employees	Pages 54-61 (Employees and Workers)
	2-9 Governance structure and composition	Pages 26-27 (Sustainability Governance and Leadership)
	2-12 Role of the highest governance body in overseeing the management of impacts	Pages 26-27 (Sustainability Governance and Leadership)
	2-13 Delegation of responsibility for managing impacts	Pages 26-27 (Sustainability Governance and Leadership)
	2-14 Role of the highest governance body in sustainability reporting	Pages 26-27 (Sustainability Governance and Leadership)
	2-15 Conflicts of interest	Page 27 (Transparency and Accountability)
	2-16 Communication of critical concerns	Page 27 (Transparency and Accountability)
	2-17 Collective knowledge of the highest governance body	Pages 26-27 (Sustainability Governance and Leadership)
	2-19 Remuneration policies	Page 26 (Governance Structure)
	2-20 Process to determine remuneration	Page 26 (Governance Structure)
	2-22 Statement on sustainable development strategy	Pages 14-17 (A Word from the CEO)
	2-23 Policy commitments	Pages 30-31 (Alignment with Global and National Imperatives)
	2-24 Embedding policy commitments	Pages 32-33 (Alignment with Global and National Imperatives)
	2-25 Processes to remediate negative impacts	Page 56 (Protecting Whistleblowers and Staff from Unsafe Practices)
	2-26 Mechanisms for seeking advice and raising concerns	Page 56 (Protecting Whistleblowers and Staff from Unsafe Practices)
	2-27 Compliance with laws and regulations	Page 74 (Regulatory Compliance)
	2-29 Approach to stakeholder engagement	Pages 28-31 (Stakeholder Engagement)
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Pages 34-35 (Materiality)
	3-2 List of material topics	Page 35 (Material Topics)

GRI Standard	Disclosure	Location
GRI 201: Economic Performance 2016	3-3 Management of material topics	Pages 8-12 (Overview of Savola Foods Company)
GRI 202: Market Presence 2016	3-3 Management of material topics	Pages 8-12 (Overview of Savola Foods Company)
GRI 203: Indirect Economic Impacts 2016	3-3 Management of material topics	Pages 62-66 (Community Impact)
	203-2 Significant indirect economic impacts	Pages 62-66 (Community Impact)
GRI 204: Procurement Practices 2016	3-3 Management of material topics	Page 28 (Stakeholder Engagement) Pages 73-75 (Responsible Sourcing)
	204-1 Proportion of spending on local suppliers	Page 73 (Responsible Sourcing)
GRI 205: Anti-corruption 2016	3-3 Management of material topics	Page 27 (Anti-corruption and Anti-competitive Behavior)
	205-1 Operations assessed for risks related to corruption	Page 27 (Anti-corruption and Anti-competitive Behavior)
	205-2 Communication and training about anti-corruption policies and procedures	Page 27 (Anti-corruption and Anti-competitive Behavior)
GRI 206: Anti-competitive Behavior 2016	3-3 Management of material topics	Page 27 (Anti-corruption and Anti-competitive Behavior)
GRI 301: Materials 2016	3-3 Management of material topics	Pages 40-41 (Sustainable Packaging)
	301-2 Recycled input materials used	Pages 40-41 (Sustainable Packaging)
	301-3 Reclaimed products and their packaging materials	Pages 48-50 (Waste and Circular Economy)
GRI 302: Energy 2016	3-3 Management of material topics	Pages 42-45 (Reducing Emissions)
	302-1 Energy consumption within the organization	Pages 42-45 (Reducing Emissions)
	302-3 Energy intensity	Page 45 (Performance of Energy Saving Initiatives)
	302-4 Reduction of energy consumption	Page 43 (Investing in Emission Reduction to Mitigate Climate Change)
	302-5 Reductions in energy requirements of products and services	Page 45 (Performance of Energy Saving Initiatives)
GRI 303: Water and Effluents 2018	3-3 Management of material topics	Pages 46-47 (Water Conservation)
	303-1 Interactions with water as a shared resource	Pages 46-47 (Water Conservation)
	303-2 Management of water discharge-related impacts	Pages 46-47 (Water Conservation)
	303-3 Water withdrawal	Pages 46-47 (Water Conservation)
	303-4 Water discharge	Page 47 (Water Conservation)
	303-5 Water consumption	Page 47 (Water Conservation)

GRI Standard	Disclosure	Location
GRI 305: Emissions 2016	3-3 Management of material topics	Pages 42-45 (Reducing Emissions)
	305-1 Direct (Scope 1) GHG emissions	Page 42 (Renewable Energy and Energy Management)
	305-2 Energy indirect (Scope 2) GHG emissions	Page 42 (Renewable Energy and Energy Management)
	305-4 GHG emissions intensity	Page 42 (Renewable Energy and Energy Management)
	305-5 Reduction of GHG emissions	Page 42 (Climate Change and Emissions)
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Page 43 (Investing in Emission Reduction to Mitigate Climate Change)
GRI 306: Waste 2020	3-3 Management of material topics	Pages 48-50 (Waste and the Circular Economy)
	306-1 Waste generation and significant waste-related impacts	Pages 48-50 (Waste and the Circular Economy)
	306-2 Management of significant waste-related impacts	Pages 48-50 (Waste and the Circular Economy)
	306-3 Waste generated	Page 50 (Waste Disposed of in Landfill)
	306-4 Waste diverted from disposal	Pages 48-49 (Waste and the Circular Economy)
	306-5 Waste directed to disposal	Page 50 (Waste Disposed of in Landfill)
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics	Pages 73-75 (Responsible Sourcing)
	308-1 New suppliers that were screened using environmental criteria	Page 24 (Sustainable Procurement)
	308-2 Negative environmental impacts in the supply chain and actions taken	Pages 73-75 (Responsible Sourcing)
GRI 401: Employment 2016	3-3 Management of material topics	Pages 54-61 (Employees and Workers)
	401-1 New employee hires and employee turnover	Page 56 (Talent Retention)
GRI 402: Labor/ Management Relations 2016	3-3 Management of material topics	Pages 54-61 (Employees and Workers)
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	Page 61 (Occupational Health and Safety)
	403-1 Occupational health and safety management system	Page 61 (Safety Management System)
	403-2 Hazard identification, risk assessment, and incident investigation	Page 61 (Assessing Risk and Reporting on Potential Hazards or Hazardous Situations)
	403-3 Occupational health services	Page 61 (Occupational Health and Safety)
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 61 (Safety Management System)
	403-5 Worker training on occupational health and safety	Page 61 (Safety Training)
	403-6 Promotion of worker health	Page 58 (Employee Well-being)
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pages 73-75 (Responsible Sourcing)
	403-8 Workers covered by an occupational health and safety management system	Page 61 (Safety Management System)

GRI Standard	Disclosure	Location
GRI 404: Training and Education 2016	3-3 Management of material topics	Pages 59-60 (Training and Development)
	404-1 Average hours of training per year per employee	Page 59 (Training and Development)
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 60 (Training Courses)
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 59 (Training and Development)
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	Page 57 (Diversity, Equity, and Inclusion)
	405-1 Diversity of governance bodies and employees	Page 57 (Diversity, Equity, and Inclusion)
GRI 406: Non-discrimination 2016	3-3 Management of material topics	Page 57 (Diversity, Equity, and Inclusion)
GRI 413: Local Communities 2016	3-3 Management of material topics	Pages 62-66 (Community Impact)
	413-1 Operations with local community engagement, impact assessments, and development programs	Pages 62-66 (Community Impact)
	413-2 Operations with significant actual and potential negative impacts on local communities	Pages 46-47 (Water Conservation) Pages 48-50 (Waste and the Circular Economy)
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	Pages 73-75 (Responsible Sourcing)
	414-1 New suppliers that were screened using social criteria	Pages 73-75 (Responsible Sourcing)
GRI 416: Customer Health and Safety 2016	3-3 Management of material topics	Page 67 (Commitment to Food Quality, Safety, and Nutrition) Page 72 (Responsible Marketing and Labelling)
	416-1 Assessment of the health and safety impacts of product and service categories	Page 67 (Food Quality and Safety)
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Page 67 (Food Quality and Safety)
GRI 417: Marketing and Labeling 2016	3-3 Management of material topics	Page 72 (Responsible Marketing and Labelling)
	417-1 Requirements for product and service information and labeling	Page 72 (Responsible Marketing and Labelling)
GRI 418: Customer Privacy 2016	3-3 Management of material topics	Page 71 (Digitization)
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 71 (Digitization)



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