



SUSTAINABILITY REPORT 2022



* GROWING TOGETHER EVERYDAY *

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CEO Statement



Dear Stakeholders,

It is with great pride and enthusiasm that I present to you Juhayna's Sustainability Report for the year 2022. Year on year, we maintained our unwavering commitment to sustainability and climate action, with persistence towards a "Growth with Purpose". The inclusion of our stakeholders' views and the public interest remains at the core of our value system, where they have accompanied us on our long-standing journey of creating all possible positive impacts for People and Planet. With unyielding determination, Juhayna has always recognized sustainability as an integral part of its DNA. This has helped us in weathering global emerging challenges and pursuing many new innovative business opportunities for our customers. We believe that businesses have a responsibility to prioritize the well-being of our planet, our communities, and our employees. As such, we have embraced the principles of economic, environmental, social, and governance (EESG) framework, which guide our strategic decisions and actions.

In this report, you will find a comprehensive overview of our sustainability efforts, including our achievements, challenges, and future goals. We take great pride in being the first Egyptian company to adhere to the new International Financial Reporting Standards (IFRS). This comprehensive report reflects our strategy, governance, performance, and prospects, illustrating how we create value across our non-financial assets: Human, Social, Intellectual, Natural and Physical (Manufactured) Capitals, all of which intersected and impacted one another to create value to our stakeholders over the short-term of 2022, and naturally shall continue to have significant bearings on the medium and long-terms of our business and ESG performance for years to come.

In today's globally interconnected ecosystem of shared climate challenges and social responsibility - yet business opportunities - we firmly believe that sustainability is not a destination but a continuous journey. Serving our consumers wellbeing and interests is the end objective, while preserving natural resources and supporting the economy as the business grows and thrives. This requires constant innovation, adaptation, and improvement.

Throughout this report, you will discover the various practices and value created for each of our stakeholders and across our value chain key activities: from technology and automation to responsible sourcing, R&D, innovative packaging, and ethical farming, we have integrated sustainability into every aspect of our business.

Moreover, we understand the importance of responsible internal and external communication. Our commitment to open, transparent, and consistent communication ensures alignment, fosters a sense of ownership, and boosts morale among our employees. We value their perspectives and prioritize their well-being, as they are the driving force behind our success. As we navigate the challenges and opportunities that lie ahead, we remain steadfast in our commitment to sustainability. We recognize the importance of collaboration, both within our organization and with external stakeholders, to drive positive change and create a sustainable future. Together, we will continue to innovate, adapt, and improve, ensuring that our actions

today lay the foundation for a better tomorrow. Thank you for your unwavering support and belief in our vision. We look forward to embarking on this sustainability journey with you, as we strive to make a lasting impact on our planet and the communities we serve.

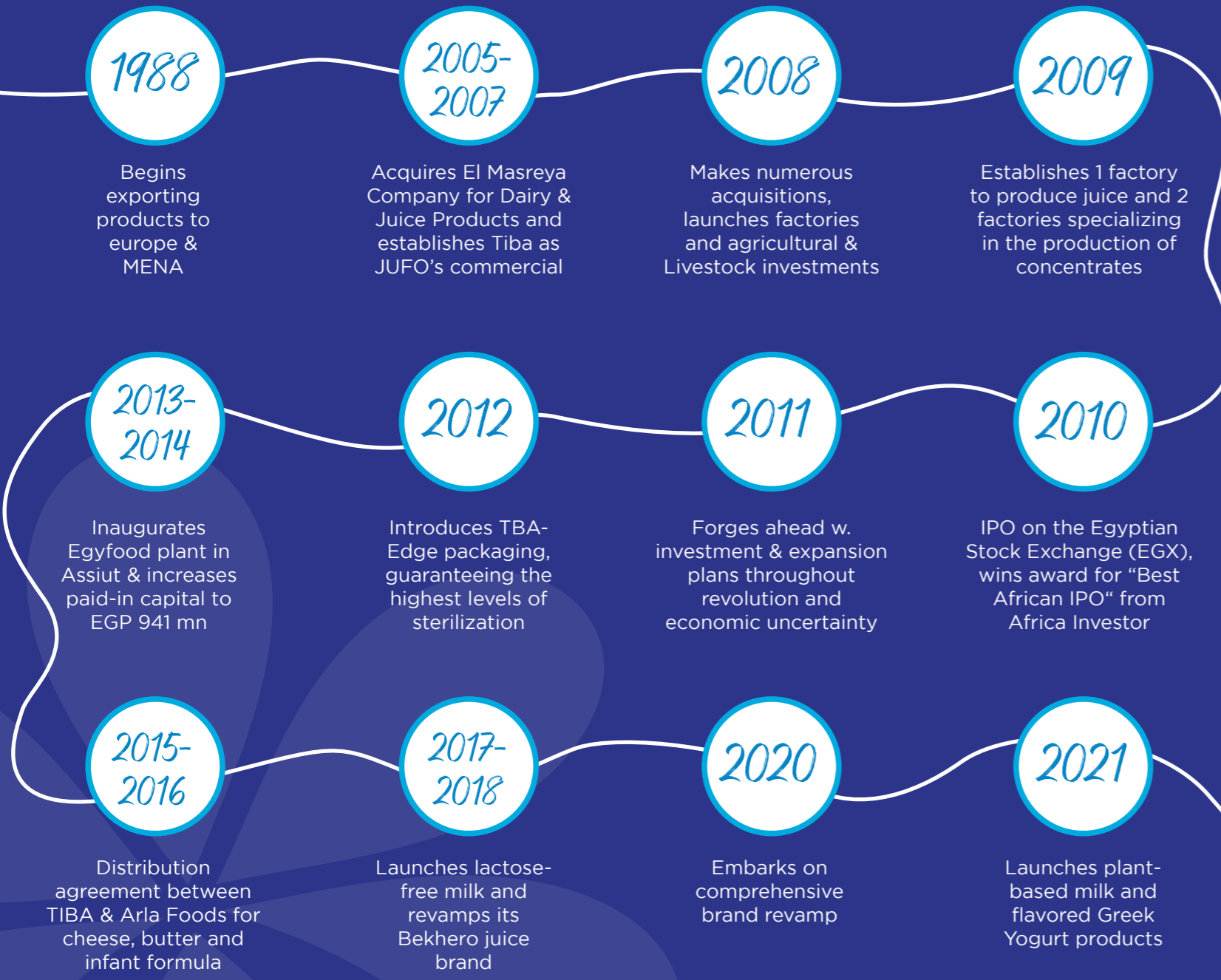
Sincerely,

Seif Eldin Thabet



Our Heritage

SERVING THE EGYPTIAN MARKET SINCE 1983



About this Report

This report shares with our stakeholders the performance of our key material issues in 2022 where value is created and maintained over-time, not as a stand-alone seasonal output, but rather through an Integrated Thinking Approach that is incorporated in our business strategies, key activities, internal practices, employment, distinctive services, and in our governance.

The report is developed in accordance with the GRI 2021 Standards, while presenting selective key indicators as per the SASB sector-specific metrics, and, for the first time, adopting the Integrated Thinking Approach in alignment with the principles and contents of the Integrated Reporting Framework.

The report also highlights Juhayna's contribution to the relevant SDGs.

FROM INTEGRATED THINKING TO INTEGRATED PRACTICES

We consider this report as a new blueprint that outlines the key value creation between our capitals, with summarized and selective outputs that align with the company EESG strategic direction to serve PEOPLE, PLANET and PURPOSE.

This connectivity is visually presented on this report (Read on: ESG Strategy Highlights). It has optimized Juhayna's ability to meet its stakeholders' expectations and to deliver on available opportunities within a healthy management of inputs (resources) across its six capitals, while demonstrating the robustness - as well as the agility - of Juhayna's Business Model to adapt to challenges through a realistic appraisal of the company's competitive advantages, market positioning, and risk management.

To successfully establish our strategic focus and future orientation, we continuously assess the company's ability to create value to our stakeholders. Our Strategy ensured the connectivity of our business activities and the proper focus on material issues (both internal and external, including insights on the industry landscape). This report articulates the process of identifying and prioritizing our material issues, and a description of the reporting boundary, which is represented in our organizational overview, as well as in our published Annual Financial Report. The consistent reporting on material issues performance provides the business and its stakeholders with proper comparability of results year on year.

When determining information to disclose, judgement was applied by considering both internal and external perspectives and is assisted by the regular engagement with our investors and other stakeholders to ensure that this Integrated Approach meets one of its primary purpose.

To this end, stakeholder engagements represent how our material issues are voiced out to ensure the reliability and relevance of data. Stemming from a long-standing strong governance, the reporting process is supported by Juhayna's policies, and greatly facilitated by the presence of regular internal controls and audits, as well the active involvement of employees at all levels. The collective internal engagement for the purpose of the data collection process and report development were key to ensure proper fact-checking, thus safeguarding the completeness and conciseness of information, which supports future decision making and the sound disclosure of material information.

TO OFFER OUR READERS THE REQUIRED CONTEXT, JUHAYNA PROVIDED - TO THE EXTENT POSSIBLE - AN OVERVIEW OF THE EXTERNAL ENVIRONMENT, KEY RISKS AND OPPORTUNITIES, AND HIGHLIGHTS OF ITS BUSINESS MODEL.



CHAPTER 01

Sustainability At JUHAYNA

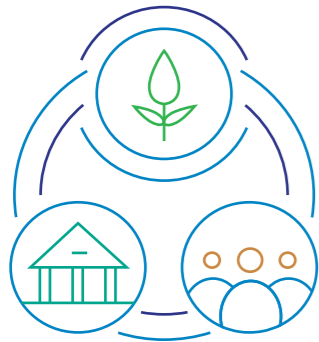
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International Guidelines & Integrated Reporting Approach

Global & Sector-Specific Standards in ESG

Juhayna incorporates a set of global and sector-specific sustainability frameworks, standards and guidelines that enable us to systematically standardize, monitor, and report on our ESG performance:



- We contribute to the United Nations 2030 Agenda.
- We are signatory to the United National Global Compact Principles.
- We are signatory to the Women Empowerment Principles (WEPS).
- We apply the 2021 GRI Standards for the systematization of ESG information.
- We adopt the SASB Standards applicable to our business.

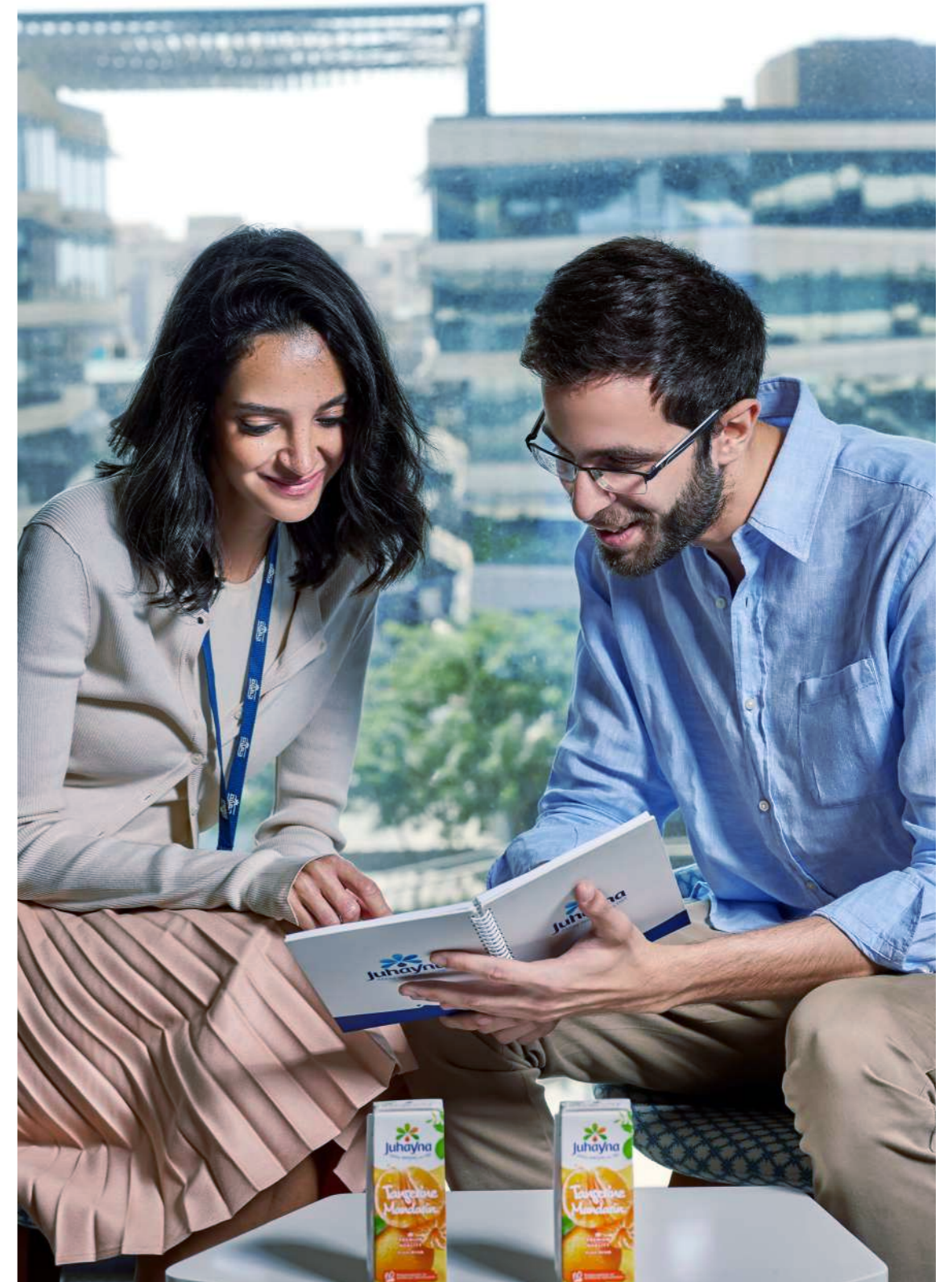
This year, this report takes into consideration an Integrated Thinking approach in alignment with the Integrated Reporting Principles and Framework..

Regulatory and International Standards in Operations



Juhayna complies with several regulatory global standards in operations, based on which internal audits and controls take place:

- Annual External Audit by the National Food Safety Authority (NFSA) (FSSC 22000 ver.4.1)
- Annual External "HALAL" by the Egyptian Organization for Standardization & Quality
- Annual External Audits for annual review of H&S Compliance Certification (originally the OHSAS 18001:2017, now the ISO 45001)
- Annual External Audits for annual review of ISO Compliance Certification (ISO 9001:2015 - ISO 14001:2015 - ISO 50001:2011)



IR Content Elements and Guiding Principles

IR CONTENT ELEMENTS AND BUSINESS PLANNING

We undertake a rigorous process to ensure our business planning leads to continuous performance growth in line with our strategy.

The process takes into consideration the industry's external environment while addressing challenges, risks, and seizing opportunities.

To consolidate such a process, Juhayna's robust Integrated Business Planning (IBP) was established and has been improved throughout the years. It is a company-wide process that includes a number of internal and external stakeholders.

IBP follows the integrated thinking approach that represents Juhayna's process through which value is created, preserved, or eroded.

The "Process" considers and is influenced by the following (8) content elements of the Integrated Reporting (IR) Framework:

1. **Organizational Overview and External Environment**
2. **Governance**
3. **Business Model**
4. **Risks and Opportunities**
5. **Strategy and Resource Allocation**
6. **Performance**
7. **Outlook**
8. **Basis of Preparation and Presentation.**

IR GUIDING PRINCIPLES AND REPORT ASSURANCE

The seven (7) IR Guiding Principles were the basis of our third-party external assurance of this year's sustainability report. Through third-party induction, we ensured that our disclosures were prepared and presented in line with the principles:

1. **Strategic Focus and Future Orientation**
2. **Connectivity of Information**
3. **Stakeholder Relationships**
4. **Materiality**
5. **Conciseness**
6. **Reliability and Completeness**
7. **Consistency and Comparability**

In addition, our long-standing sustainability reporting has been advancing since 2019 to ensure further enhancement in following the Global Reporting Initiative (GRI) Principles: Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability context, Timeliness, and Verifiability.

IBP CYCLE STAKEHOLDERS

- Top Management
- Indirect Procurement Team
- Regulatory Team
- Demand Planning Team
- Procurement Material Planning Team
- Manufacturing Team
- Sales Team
- R&D Team
- Export Team
- Activation and Digital Teams
- Packaging Team
- Finance Team

INTEGRATED BUSINESS PLANNING









The IBP process extends the principles of S&OP throughout the business supply chain, product and customer portfolios, customer demand, and strategic planning, to deliver one seamless management method. It includes product review, demand review, supply review, pre-BMR (pre-business Management Review meeting), and executive BMR.

The Top-Down path addresses five key IR content elements by seeking the following outcomes:




IR Content Elements	IBP
1. Strategy and Resource Allocation	<ul style="list-style-type: none"> • Integrate a financial perspective in every step. • Relate the 'top down' business agenda to the 'bottom up' plans.
2. External Environment and Outlook	<ul style="list-style-type: none"> • Introduce and integrate a Product & Portfolio Review • Implement bias measurement • Ensure all assumptions are documented
3. Risks and Opportunities	<ul style="list-style-type: none"> • Formalize inventory planning where to take the risk • Appropriate SLAs and lead times across the Supply Chain
4. Performance	<ul style="list-style-type: none"> • Guide and make recommendations to the MBR team • Assemble a journey plan over the following 9-12 months

As a result, the inputs and outcomes of the IBP generate one of Juhayna's most critical value creation and output: "public confidence in our brands".

IBP CYCLE - THE “BUSINESS AS USUAL” ENGAGEMENTS

Internal Stakeholders	Teams’ Duties and Engagements	Frequency of Engagement
 Top Management	<ul style="list-style-type: none"> • Aligned on all brand plans. • Informed on any marketing updates, such as new designs, promotion, ATL/BTL communication, budget increase needed, and proposed innovations, among others. • Top management involvement is embedded into our Integrated Business Planning (IBP) process. 	Daily
 Demand Planning Team	<ul style="list-style-type: none"> • Reviewing market shares, volume sales of products, assessing product performance, and aligning on new product launches. This includes hard decisions such as delisting a product for a period of time to ensure a more suited product for both the business and market condition. 	Weekly
 Sales Team	<ul style="list-style-type: none"> • Daily sales monitoring and analysis. • Consumer promotions. • Alignment on demand planning. • Conducting market visits: Market visits are particularly important to Juhayna, as it allows to directly interact with its customers and become more informed through on-ground feedback from the market. It helps us with insights on how to improve either the product or customer relationships, as well as areas where product availability can be improved in different regions and channels. 	Daily
 Activation and Digital Teams	<ul style="list-style-type: none"> • Align on all brands’ plans. • Execute brands’ on-ground activations. • Execute brands’ online communication. 	Daily
 Indirect Procurement Team	<ul style="list-style-type: none"> • Negotiate financial proposals shared by advertising, digital, design, activation agencies/events/sponsorship opportunities. 	Weekly
 Procurement Material Planning Team	<ul style="list-style-type: none"> • Critical to product availability and accessibility, material planning needs to be aligned with potential new launches or packaging updates. • The marketing department submits designs • The demand Planning department provides average monthly sales volumes • The procurement department can order the material. 	Weekly
 R&D Team	<ul style="list-style-type: none"> • Heavily Involved in IBP and in charge of working on product innovations, as well as adjusting formulas when needed. 	Biweekly
 Packaging Team	<ul style="list-style-type: none"> • Responsible for the approval cycle of any packaging (text, barcode, etc.). • Responsible for packaging development that would benefit the products • Propose new improved elements relevant to each product. This involves external engagements with our packaging partners (Tetra Pak, Combi Bloc, etc.) to align on any new designs and discuss new proposed packaging/machines. 	Monthly

IBP CYCLE - THE “BUSINESS AS USUAL” ENGAGEMENTS

Internal Stakeholders	Teams’ Duties and Engagements	Frequency of Engagement
 <p>Regulatory Team</p>	<ul style="list-style-type: none"> • In charge of reviewing products’ text (confirmation on ingredient lines and Juhayna’s guidelines). 	<p>Monthly</p>
 <p>Manufacturing Team</p>	<ul style="list-style-type: none"> • Handle new machine installments. • Review products’ text (confirmation on ingredient lines and Juhayna’s guidelines). • Inform the marketing team about machinery-related issues that require improved technologies or may cause production delays. • Inform the marketing team of opportunities to align with investment opportunities and/or capacity for production vs. market conditions/suitability. 	<p>Monthly</p>
 <p>Export Team</p>	<ul style="list-style-type: none"> • Align on product information or brand artwork. 	<p>Weekly</p>



Organizational Overview and External Environment



EGYPT'S LARGEST LISTED DAIRY COMPANY

Established in 1983, Juhayna Food Industries SAE ("Juhayna" or the "Company") is a leading Egypt-based producer, processor, packager and distributor of dairy and juice products. Juhayna's long-standing presence in Egypt, continued product portfolio evolution and focus on quality has cemented its position as the largest listed dairy company in Egypt.



Juhayna's operations encompass all stages of the value chain - from farm to consumer - through its state-of-the-art manufacturing facilities, comprehensive logistics infrastructure, and livestock business which supplies raw materials.

Juhayna Food Industries is a leading Egypt-based manufacturer specialized in the production, processing, and packaging of milk, yogurt, juice, and juice concentrate.

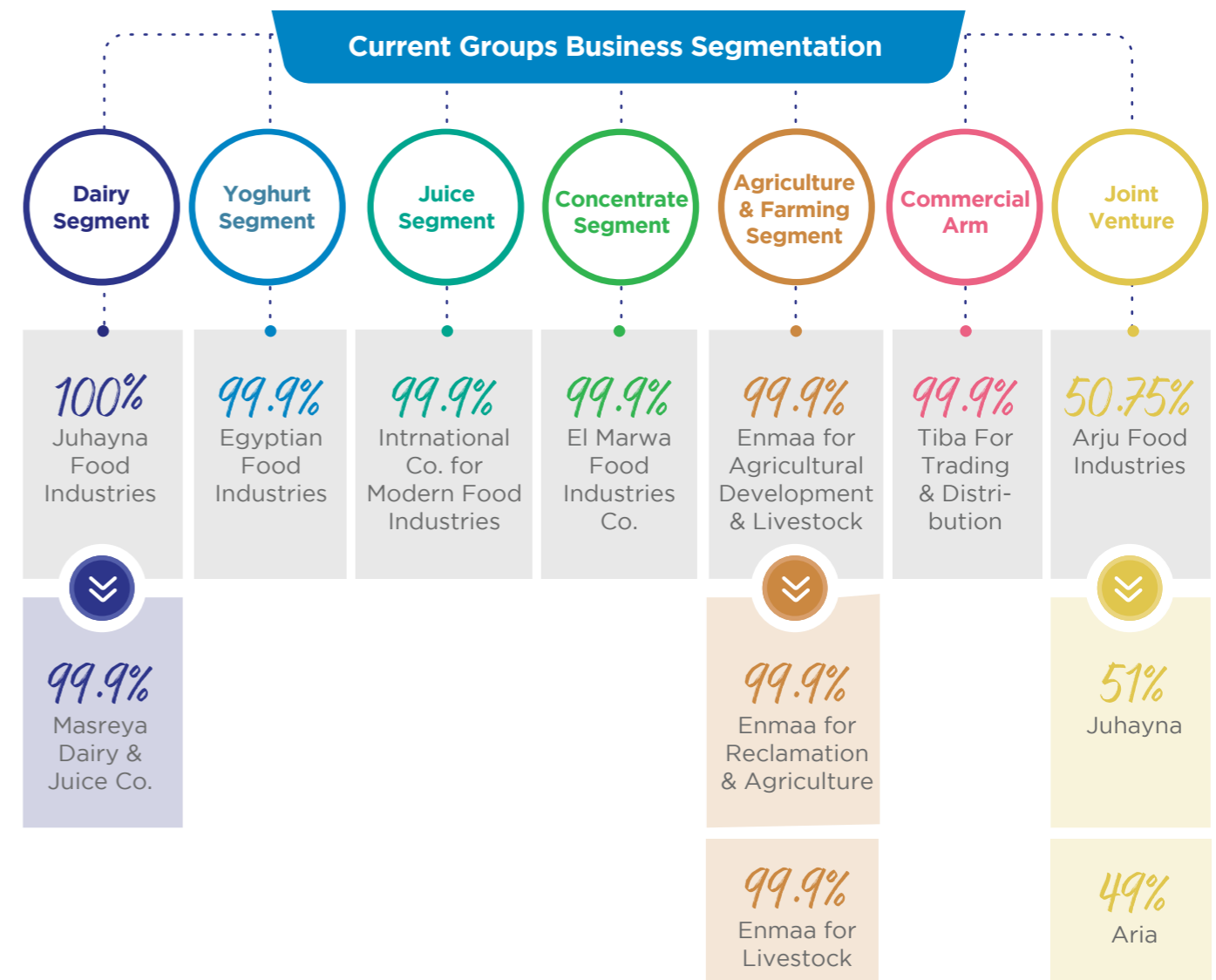
Juhayna utilizes the most up to date global technology to produce the highest quality dairy and juice products and has continued ever since to reinvent itself in response to both global trends and local market needs.

Today, Juhayna has a well-earned reputation as a trendsetter in both manufacturing know-how and product innovation. Recent market studies indicate that Juhayna enjoys a level of brand awareness that is

significantly more acknowledged than its leading competitors in the Egyptian market.

Juhayna has steadily increased production capacity while developing and expanding its product range, reaching more than 200 different products on the supermarket shelves produced at four separate manufacturing facilities.

With an eye for strategic investing, Juhayna has carried out several incremental expansions in line with its primary objective to offer the market a diversified bouquet of products.




Through its well-established and considerably the largest distribution network among its peers, Juhayna was able to reach a wider consumer base while adhering to their different habits and tastes. Juhayna has 29 Distribution centers, and an operated fleet size of over 1000 vans and trucks reaching over 65,000 retail outlets, allowing Juhayna to remain at the summit of its industry.

Juhayna has also taken major steps to expand its upstream business to secure supply of raw materials to ensure efficiency, deliver high-quality products, and avoid the ill-effects of production disruptions and fluctuations in commodity prices. In 1998, Al-Marwa Plant was established and Juhayna began producing its concentrates segment, used for internal and domestic consumption as well as export of juice products through the establishment of Modern Concentrate Co. (Modern Concentrate) and the acquisition of El Marwa Food Industries Co. (El Marwa).


In 2008, Juhayna established Al Enmaa for Agricultural Development & Livestock (Al Enmaa) to ensure the security and availability of agricultural resources, setting itself distinguished by using the latest farming technology to grow a rich variety of crops. In 2014, Juhayna inaugurated it's prominent Sixth of October City factory to produce spoonable and drinkable yogurt products.

MILK




- Milk | full / skimmed / 0% fat
- Milk | Lactose Free
- Milk | Flavored
- Milk | Bagged

YOGURT




- Yogurt | Plain / Fruit
- Yogurt Drinks | Rayeb / Fruit
- Cooking Creams
- Greek Yogurt

JUICE




- 100% Fruit Juice | Pure
- Fruit Juice | Drinks
- Oriental Ramadan Fruit Juice

CONCENTRATES & AGRICULTURE




- Citrus Fruit Concentrates
- Tropical Fruit Concentrates
- Tomato Paste
- Purée

HAPPY KITCHEN



- Happy Kitchen | Sour Cream
- Happy Kitchen | Cooking Cream
- Happy Kitchen | Whipping Cream
- Happy Kitchen | Tomato Purée

N&G (NUTS AND GRAINS)



- N&G | Hazelnut
- N&G | Almond Barista Edition
- N&G | Almond
- N&G | Coconut

THIRD-PARTY DISTRIBUTION



- 3rd Party distribution for leading international and regional players
- Arla Foods
- Rabea Tea



6 MILLION PACKS DAILY
 Juhayna has the capacity to produce 6 million packs daily



Outlook

REGIONAL AND EXPORT MARKET EXPANSION



- Juhayna continued to expand its regional and export market presence, primarily exporting juice concentrates and smaller volumes of milk, juice, and yogurt. Exported products to over 34 markets worldwide, including new markets in Qatar, China and Romania.
- Focused on expanding its client base in existing regions, minimizing procurement delays through strengthened relationships and new partnerships

OVERCOMING GLOBAL SUPPLY CHAIN CHALLENGES



- Faced significant supply chain challenges in 2022 due to ongoing global disruptions, exacerbated by global health and geopolitical uncertainties.
- Egyptian currency devaluation impacted domestic markets in the latter half of 2022.
- Challenges included port restrictions, delays, rising raw material and processing costs, declining consumer purchasing power, and FX availability issues in the local market.
- Despite these obstacles, Juhayna displayed remarkable agility and ensured uninterrupted market supply.

PERFORMANCE IN FRUIT INPUT CHALLENGES



- Despite challenging fruit input availability, Juhayna's export activities performed remarkably well.
- Capitalized on increased demand caused by supply shortages in other regions due to poor crop yields of orange, mango, and other fruits.
- Concentrates emerged as the fastest-growing segment in Juhayna's portfolio.
- Exports helped mitigate the impact of Egyptian currency devaluation in the second half of 2022 by securing foreign currency.

MARKET POSITION IN 2022



- Maintained its position as Egypt's leading manufacturer of packaged milk.
- Expanded market share in the packaged milk segment by 4% year-on-year, reaching a total market share of 63%.
- Maintained a dominant share of 56% in the flavored milk market.
- Commanded a significant 30% share of the domestic spoonable yogurt market.
- Held a 50% share of the domestic drinkable yogurt market.
- Sole producer of traditional-method Greek yogurt in Egypt.
- Represented 26% of the country's packaged juice consumption.
- Offered a comprehensive range of dairy-free milk through the Nut & Grain (N&G) line.

Financial Success Despite Challenges

Despite the multitude of challenges, Juhayna achieved a successful 2022, maintaining supply continuity and experiencing growth in both revenues and profitability.

Vertical Integration Impact



JUHAYNA'S "FARM TO CONSUMER" VERTICAL INTEGRATION STRATEGY PROVED INSTRUMENTAL IN OVERCOMING SUPPLY CHAIN DISRUPTIONS AND MARKET UNCERTAINTIES.



THE COMPANY ABSORBED RISING INPUT COSTS, MAINTAINED SUPPLY CONTINUITY, AND OPERATED AN ADAPTIVE PRODUCTION MODEL BY OWNING AND OPERATING ASSETS AND FACILITIES AT EVERY STAGE OF THE SUPPLY CHAIN.

Our Business Model

Juhayna’s business model reflects how our input material and collective resources are transformed through our business activities into products and services that fulfil our strategic goals of sustainable financial growth, service excellence, customer satisfaction and market leadership under our commitments to PEOPLE, PLANET and PURPOSE.

Our Business Model ensures that we create a perpetual value over the short, medium, and long terms to our business and stakeholders while conducting and governing our business responsibly across the SOCIAL and ENVIRONMENTAL values.

Our renowned business model has always been a landmark in the industry; where Juhayna’s unique vertical integration model has been designed to achieve multiple objectives: ensuring quality sourcing, supporting the communities that represent our main input providers, and enabling the business to withstand and adapt to emerging market changes without compromise to our values and the positive impacts that we aspire to continuously create and share.

Our vertical integration model governs all Juhayna’s business and highlights the key components of our business model including our entire value chain From Farm to Consumer and extending to consider the by-product output of our operations, such as waste and emissions.

Each of those components reflects an area where decision-making generates a direct impact on our capitals trade-offs (particularly on the long run) and ultimately enables Juhayna to implement its strategies, address its risks, and create positive impacts that inspire each of its stakeholders. Capitals and Value Creation is illustrated across each section of this report through an “input-output-outcome” approach.

OUR INPUT MATERIALS AND RESOURCES

Our input resources are segmented into six capitals. Each key element of those capitals represents the unique sources of differentiation of the Juhayna Brand by ensuring robustness and resilience of our entire business model.

Not all of our capitals are owned by Juhayna, such as the network of sourcing farms, our distribution fleet, among others. Yet we consider them as material and fundamental elements of our business model and our ability to create positive value over time. They are managed by Juhayna in a manner that achieves our strategic objectives and adheres to the code of conduct that governs all our operations.

Through this report, we present the main components of our capitals that have material bearing on our ability to create value to various stakeholders over time. Many interdependencies and inevitable trade-offs take place between our collective stock of capitals, to create value. Over our 40 years as “avant-garde” in the industry, Juhayna has managed to expertly navigate challenges and market disruptions to ensure that its value creation meets its stakeholders needs while remaining sustainable and impactful.

OUR BUSINESS ACTIVITIES

Juhayna has always strived to distinguish itself in the marketplace through our product innovation, our market presence across population segments and geographies, and through our unique customer relations that ensured reliable delivery channels. (Read on: Responsible Communication). We are proudly present in 27 governates across Egypt, as well as in 29 countries. Our products range provides special production lines to serve the specific needs of children, lactose-intolerant population, and those who do not consume dairy-based products.



Over the years, Juhayna has improved and perfected its operations through process improvement, adoption of innovation, robust quality control, advanced employees training, and long-standing suppliers’ relations. This continuous journey of improvement contributes to our sustainable and long-term success. (Read on: Integrated Business Planning). As presented along the report, our key activities include, but not limited to, Procurement, Quality Control, Production & Operation , R&D, Packaging,, Sales, Distribution, Customers Care, among others.

OUTPUTS

Over the years, Juhayna’s Portfolio has extended to reach 200+ SKU under its five categories of products. We are proud to equally highlight that our by-products, such as waste and emissions are considered major material issues for the company, and are measured and reported on this report.
(Read on: Circularity for Our Planet)

OUTCOMES

Throughout this report, we present both our key internal and external outcomes across the six capitals, including positive impacts and potentially areas where Juhayna may have improvement plans to ensure mitigating unavoidable negative outcomes or unachieved performance. We placed every effort to present the business outcomes in a balanced way to provide our stakeholders with an overview of our management and assessment of the use of and effects on our capitals through qualitative and quantitative information as applicable. Capitals inputs and their outputs are connected to our vertical integration components [From Farm to Consumer] and represent topics that are most critical to our stakeholders as per our stakeholders’ engagements.

While both our internal and external outcomes are the derivatives of the identified material topics of this reporting boundary cycle of 2022.

Our Stakeholder Engagement & Materiality

GRI DOUBLE MATERIALITY AND INTEGRATED REPORTING APPROACHES

Juhayna's commitment to sustainability is underpinned by our dedication to staying attuned to the ever-evolving understanding and impacts of material topics.

This year, Juhayna updates its materiality analysis based on the Double Materiality Concept in association with the new 2021 GRI Standards, as well as with the current emerging ESG reporting requirements of financial and non-financial reporting announced by the IFRS Standard 1 and 2.

This aligns with Juhayna's consideration to the Integrated Thinking Approach (of long-term value creation and capitals trade-offs that present the interdependency and connection of ESG and Financial impacts).

To provide a better understanding of the origination and progress of the Double Materiality concept and IR Materiality Principle, we chose to share key points on the integration process of those two methods to offer our stakeholders better insights on our reporting approach for this reporting cycle, followed by this report's materiality disclosures as per the 2021 GRI Standards and the Integrated Reporting Principles.

MATERIALITY OVERVIEW

The integrated reporting approach enables us to disclose information about matters that substantively affect our ability to create value over the short, medium, and long terms.

This materiality determination process involves:

- A** **Identifying relevant matters** based on their degree to affect value creation
- B** **Evaluating the importance of relevant matters** in terms of their actual or potential effect on value creation
- C** **Prioritizing important matters** based on their relative importance
- D** **Determining the information to disclose** about material matters

This aligns with the 2021 GRI Standards on the process of determining material topics, as follows:

- How we identified actual, potential, negative, or positive impacts on the economy, environment, and people, across our activities and business relationships.
- How we have prioritized the impacts for reporting based on the topics' significance.
- Finally, we specify the stakeholders whose views have informed the process of determining the material topics.



A **Identifying relevant matters** based on their degree to affect value creation

We took into consideration the following:

- Matters that potentially affect our ability to create value, including impact on strategy, governance, performance or prospects.
- Matters that may cause preservation or erosion of capitals.
- Matters that might be relatively easy to address in the short term but which may, if left unchecked, become more damaging or difficult to address in the medium or long terms.

This aligns with the 2021 GRI Standards in relation to:

- Describing how we have defined the threshold to determine which topics are material for reporting, including the involvement of stakeholders and/or experts in determining those topics:

A total of 10 key stakeholders' categories were considered (represented by internal proxies).

We internally interviewed our Chiefs Officers, engaged with investors, discussed with partners, and consulted external experts; then applied best judgment that align with our business model, ESG strategy, and plans.

- Explaining any changes to our initial selection of material topics:

We report no changes to the list of material topics compared to our past reporting period.

- The top management review and approval of the reported information:

Each chief officer or head of department has been involved in the review and approval of his/her relevant issues.

B

Evaluating the importance of relevant matters in terms of their actual or potential effect on value creation

Not all relevant matters are considered material. We only reported on those we consider to be sufficiently important in terms of its actual or potential effect on value creation in relation to:

- Magnitude of the matter’s effect.
- Certainty that the matter will occur.
- Likelihood of occurrence.

This aligns with the 2021 GRI Standards in identifying the negative or positive impact of a material topic by determining the severity of the impact (scale, scope, and irremediable character), as well as the likelihood of occurrence. We conducted in-depth interviews to address key stakeholders to strengthen our understanding on the relevance, probability of occurrence and potential severity of these impacts.

C

Prioritizing important matters based on their relative importance

Once importance was identified, matters were prioritized based on their magnitude in relation to their effects (financial, operational, strategic, reputational, and regulatory perspectives). **At this critical phase, the GRI “Double Materiality”** is placed in our materiality assessment cycle. Double materiality acknowledges the fact that risks and opportunities can be material from both financial and non-financial perspectives. As per the GRI, “Impacts on the environment and society cannot be deprioritized on the basis that they are not financially material, or vice versa. Accordingly, the company reports on:

- how its business is affected by sustainability issues (“outside in”).
- how their activities impact society and the environment (“inside out”).

Following the Double Materiality Methodology, we evaluated the potential impact of each material issue in terms of growth, cost, and risks for the company and stakeholders.

D

Determining the information to disclose about material matters

In line with the IR materiality principle, we report that we have disclosed all important matters related to this reporting cycle, while others may arise in future reporting cycles. Across the sections of the report, each material topic is addressed with the following disclosures (where applicable):

- Explanation of the material topic.
- Its effect on our ESG strategy implementation.
- Actions to manage it (management approach).
- The extent of our control over the topic.

We provided quantitative and qualitative descriptions and information, including comparative information for prior periods. Noting that targets for future periods are mainly focused on Carbon Emission Targets.

UNCERTAINTY

We had no cases of uncertainty in evaluating the importance of the different matters, nor uncertainty in reporting the outputs and outcomes of each material topic for this reporting cycle, however our main area of uncertainty heavily lies in the impact of the topic’s outcome on the long-term (long-term trade-offs) due to factors beyond our control related to the rapid changes in the external environment year on year.

ABILITY TO CONTROL OR INFLUENCE

It is our ability to control or influence certain social, climate, economic, or regulatory issues affecting our business. Some lie within our control, such as our internal risk culture. Others, such as market prices or regulations, are beyond our direct influence, but their impacts may be managed or mitigated to decrease the effect on both our business and our stakeholders.

INFORMED DECISION: BOARD AND BUSINESS CONSIDERATION BASED ON STAKEHOLDERS ENGAGEMENT

We rely on the long-standing relations between our stakeholders and the departments that interact with them. We consider our stakeholder-facing employees as the channel that best voices all mutual concerns and emerging interests and needs.

At the end of this process, the reporting managers and the Chief Officers consolidate their inputs through their regular internal engagement as part of Juhayna Integrated Business Planning (IBP) Cycle, where all issues are raised, analyzed, resolved or escalated to the concerned Board committee. Through this bottom-up approach, we were able to continuously capture our stakeholders’ feedbacks and work collectively on making informed decisions at the Board level.



STAKEHOLDERS DIALOGUE

	Our Employees	Our Customers	Our Suppliers	Our Shareholders
<p>Why We Engage?</p>	<p>Our people have been the solid footing of the Juhayna Brand since its inception.</p> <p>By engaging with our employees and developing memorable experiences for them, we created a culture of trust and a work-life balance. We motivate open dialogues across our management levels to foster innovative thinking.</p>	<p>Evolving consumer preferences and growing demand and markets require attentive care to our consumer's voice.</p> <p>To better identify their needs and anticipate market trends, we engage with them to secure new and innovative products that cater for customers of all ages, regions and preferences.</p>	<p>Our suppliers are the trusted partners in times of market tribulation. Our relationship is built on mutual care to grow together.</p> <p>We work closely to mitigate risks and find new opportunities that are mutually beneficial in a culture governed by fairness, ethical conduct, and quality.</p>	<p>Our shareholders have entrusted us with their investments, and we value their commitment to our company's success. Our engagement with shareholders is rooted in the principles of transparency, trust, and accountability.</p> <p>By actively involving them in our corporate activities, we aim to maintain their confidence in Juhayna's long-term growth prospects. Additionally, we believe that informed and engaged shareholders can provide valuable insights and perspectives that help us refine our strategies.</p>
<p>How We Engage?</p>	<ul style="list-style-type: none"> • Regular company -wide employee surveys. • I-Voice for grievance. • Performance and development reviews. • Training programs and workshops. • Awards and recognition schemes. • Day-to-day teams' interaction. • Internal digital intranet. 	<ul style="list-style-type: none"> • Consumer insights. • Customer satisfaction surveys. • On ground events. • Plants visits. • Call center. • Digital customer interfaces. 	<ul style="list-style-type: none"> • Regular Audits and Meetings. • Strategic Supplier Partnerships. • Annual Reviews. 	<ul style="list-style-type: none"> • General Assembly • Investor Conferences • Annual and Sustainability Reports
<p>Key issues discussed</p>	<ul style="list-style-type: none"> • Occupational Health, Safety & Well-being. • Talent Attraction, Development & Retention. • Employee Diversity & Inclusion. 	<ul style="list-style-type: none"> • Access to healthy or dietary, yet tasty, alternatives. • Affordable Products for low-income consumers. 	<ul style="list-style-type: none"> • Mutual Resilience to Economic Volatility. • Quality Supply of Raw Materials. 	<ul style="list-style-type: none"> • Resilience to Economic Volatility • Business Ethics & Transparency
<p>Selective Business Case on Value Creation</p>	<ul style="list-style-type: none"> • Created 1000+ outsourced job opportunities every year. • No operational down-time due to absenteeism. 	<ul style="list-style-type: none"> • Broad range of lactose-free, non-dairy, and 0% fat products. • BeKhero, a full range of lower-priced products 	<ul style="list-style-type: none"> • 75% of Raw Materials are locally sources. • 62.5% of our suppliers are local vendors. • 16% of total suppliers are new vendors. • Decreased sole suppliers from 80% in 2021 to 60%. • 20% increase in safety stocks. 	<ul style="list-style-type: none"> • 29% YoY Revenue • 15% YoY Gross Profit • Cash Conversion Cycle +12 days • Inventory +23 days
<p>Read More on the Value Creation</p>	<p>Read on:</p> <ul style="list-style-type: none"> • Juhayna's Family • Health & Safety 	<p>Read on:</p> <ul style="list-style-type: none"> • Nourishing The Bottom Line • Responsible Communication 	<p>Read on:</p> <ul style="list-style-type: none"> • Responsible Farming • Supply Chain Management 	<p>Read on:</p> <ul style="list-style-type: none"> • Economic Performance • Leadership through Governance

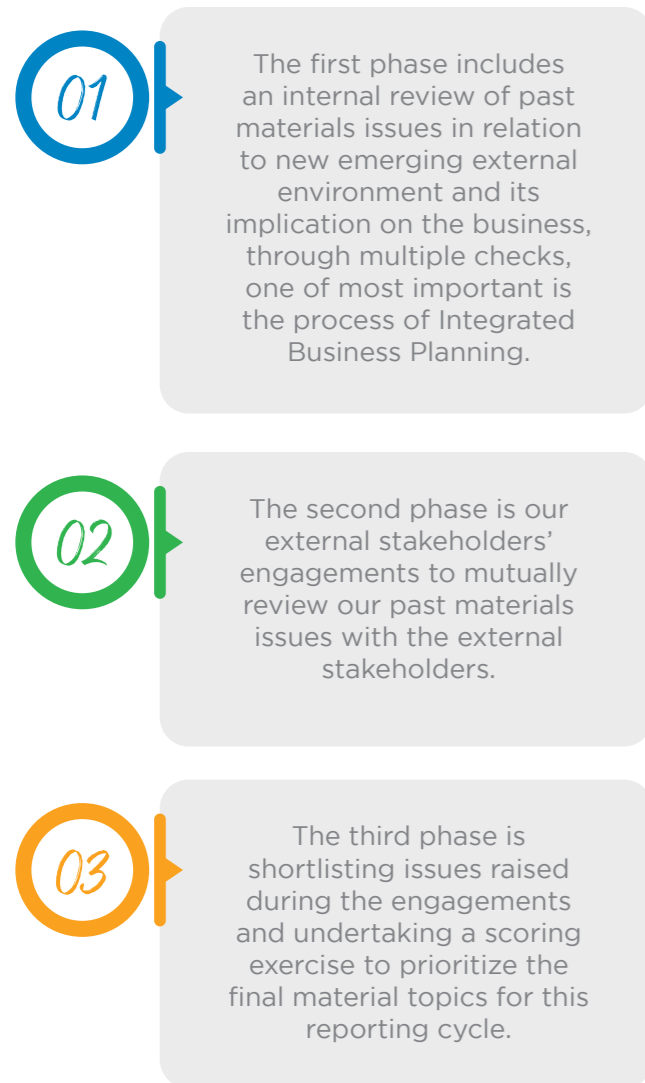
STAKEHOLDERS DIALOGUE

	Standardization Organizations	Our Local Community	Our Regulators	Our Industry and Trade Associations
<p>Why We Engage?</p>	<p>Standardization organization sets a benchmark for food and beverage industry.</p> <p>We work closely with these organizations to ensure that Juhayna is in compliance with industry standards and regulations on both a local and global scale.</p>	<p>Our local community is more than just a location; it's an integral part of our identity. Engaging with our local community is a commitment to fostering positive relationships and contributing to the betterment of the places where we operate.</p> <p>We engage with the local community to listen to their concerns, address their needs, and create shared value. Our goal is to be a responsible corporate neighbor, and community engagement is a cornerstone of that commitment.</p>	<p>As a publicly traded company, we recognize our responsibility to the Egyptian Stock Exchange (EGX) and to the Financial Regulatory Authority (FRA).</p> <p>Our engagement with these entities is primarily motivated by our commitment to transparency and compliance. By doing so, we not only maintain our listing but also contribute to the overall integrity and trustworthiness of the financial markets.</p>	<p>Collaboration within our industry is fundamental to addressing shared challenges and capitalizing on opportunities for growth and innovation.</p> <p>Our engagement with industry and trade associations is motivated by a desire to be at the forefront of industry developments and to stay informed about emerging trends and issues. By working together, we can collectively advance the interests of our sector, strengthen our competitive position, and ensure a sustainable and thriving industry ecosystem.</p>
<p>How We Engage?</p>	<ul style="list-style-type: none"> • Regular audits. • Report submissions 	<ul style="list-style-type: none"> • On ground visits. • Through partnering NGOs. 	<ul style="list-style-type: none"> • Disclosure requirements and mandates 	<ul style="list-style-type: none"> • Quality checks. • Regular audits. • Risk assessment. • Strategic Supplier Partnerships. • Regular Meetings.
<p>Key issues discussed</p>	<ul style="list-style-type: none"> • Product Quality & Safety • Occupational Health, Safety & Well-being • Environmental Management 	<ul style="list-style-type: none"> • Community Investment • Environmental Management 	<ul style="list-style-type: none"> • Resilience to Economic Volatility • Business Ethics & Transparency 	<ul style="list-style-type: none"> • Product Quality & Safety • Occupational Health, Safety & Well-being • Environmental management • Sustainable Agriculture • Human rights
<p>Selective Business Case on Value Creation</p>	<ul style="list-style-type: none"> • The first food and beverage manufacturer in Egypt to hold the BRCGS certificate. • ZERO sanctions. • ZERO Fatality. 	<p>Broad range of community investments focusing on Health & Nutrition, Sports Inclusiveness & Youths' wellbeing, Entrepreneurship & Leadership, Women in Action, and Environmental and Climate Action.</p>		
<p>Read More on the Value Creation</p>	<p>Read on:</p> <ul style="list-style-type: none"> • Quality • Health & Safety 	<p>Read on:</p> <ul style="list-style-type: none"> • Community Investment • Circularity for Planet 	<p>Read on:</p> <ul style="list-style-type: none"> • Economic Performance • Leadership through Governance 	<p>Read on:</p> <ul style="list-style-type: none"> • Quality • Health & Safety

PRIORITIZATION OF MATERIAL TOPICS

MATERIALITY ASSESSMENT PROCESS

Prioritizing Material Topics is both an internal and external process. As Juhayna has been reporting on its ESG and material issues for many years, the process takes place over multiple phases:



This prioritization exercise follows an internally developed "Materiality Assessment Methodology and Process" as presented in the following section.

UNDERSTANDING THE DOUBLE MATERIALITY MAP IN JUHAYNA'S CONTEXT:

The material topics and impacts that have been determined through this process inform ESG, Business, and Financial Value Creation through capitals' trade-offs. They provide crucial input for identifying financial risks and opportunities related to the company's impacts, and/or for financial valuation.

This in turn helps in making financial materiality judgments about what to recognize in financial statements along our future journey to advance in our ESG integration in financial statement.

While most, if not all, of the impacts that have been identified through this process will eventually become financially material, however ESG reporting is also highly relevant in its own merit and is independent of the consideration of financial implications.

These material topics cannot be deprioritized on the basis of not being considered financially material yet. Finally, ESG and Business implications mean that the topic carries potential ESG and/or financial consequences or requirements. Noting that, despite that a topic may be defined and placed at a certain level of ESG or Business impact within the map in this reporting cycle, however, their significance may undergo transformation over time.

MATERIALITY ASSESSMENT METHODOLOGY

- 01** ESG Impact of the Business on the Topic(inside-out) is determined according to the following:
- (A)** Assigning a weight to each of the following Impact Factors (inside-out, domestically, Research-based)
 - Company Size in the Market
 - Sector Contribution to GDP
 - Company EGX Weight
 - (B)** Assigning a score for the Business Impact of each topic based (inside-out, based on stakeholders' proxy exercise)
 - (C)** Calculating the Weighted Average of the Business on the Topic based on A and B above.
 - (D)** Assigning Score of the ESG Impact of the Business on the Topic (inside-out, based on research)
 - (E)** Calculating the Weighted Totals based on C and D.
 - (F)** Final Topic Raking/Prioritization of ESG BUSINESS IMPACT ON THE TOPIC based on the Weighted Total, where:
 - 1 - 3.5 is placed within the LOW Impact Map Quadrant
 - 3.6 - 5.5 is placed within the MEDIUM Impact Map Quadrant
 - 5.6 - 9.5 is placed within the MEDIUM HIGH Impact Map Quadrant
 - Above 9.5 is placed within the HIGH Impact Map Quadrant

- 02** Topic Impact on Business (outside-in) is determined according to the following:
- (A)** Assigning a weight to each of the following Impact Factors (experts judgment)
 - Magnitude (severity) of the matter's effect
 - Certainty that the matter will occur
 - Likelihood of occurrence.
 - (B)** Assigning a score for the Topic Impact on the Industry for each Impact Factor (outside-in, globally, Research-based)
 - (C)** Calculating the Weighted Average of Topic Impact on the Industry (outside-in, domestically) based on A and B above.
 - (D)** Assigning Score of the Topic Impact on the Business (outside-in, based on stakeholders' proxy exercise)
 - (E)** Calculating the Weighted Totals based on C and D.
 - (F)** Final Topic Raking/Prioritization TOPIC IMPACT ON THE BUSINESS based on the Weighted Total, where:
 - 1 - 3.5 is placed within the LOW Impact Map Quadrant
 - 3.6 - 5.5 is placed within the MEDIUM Impact Map Quadrant
 - 5.6 - 9.5 is placed within the MEDIUM HIGH Impact Map Quadrant
 - Above 9.5 is placed within the HIGH Impact Map Quadrant

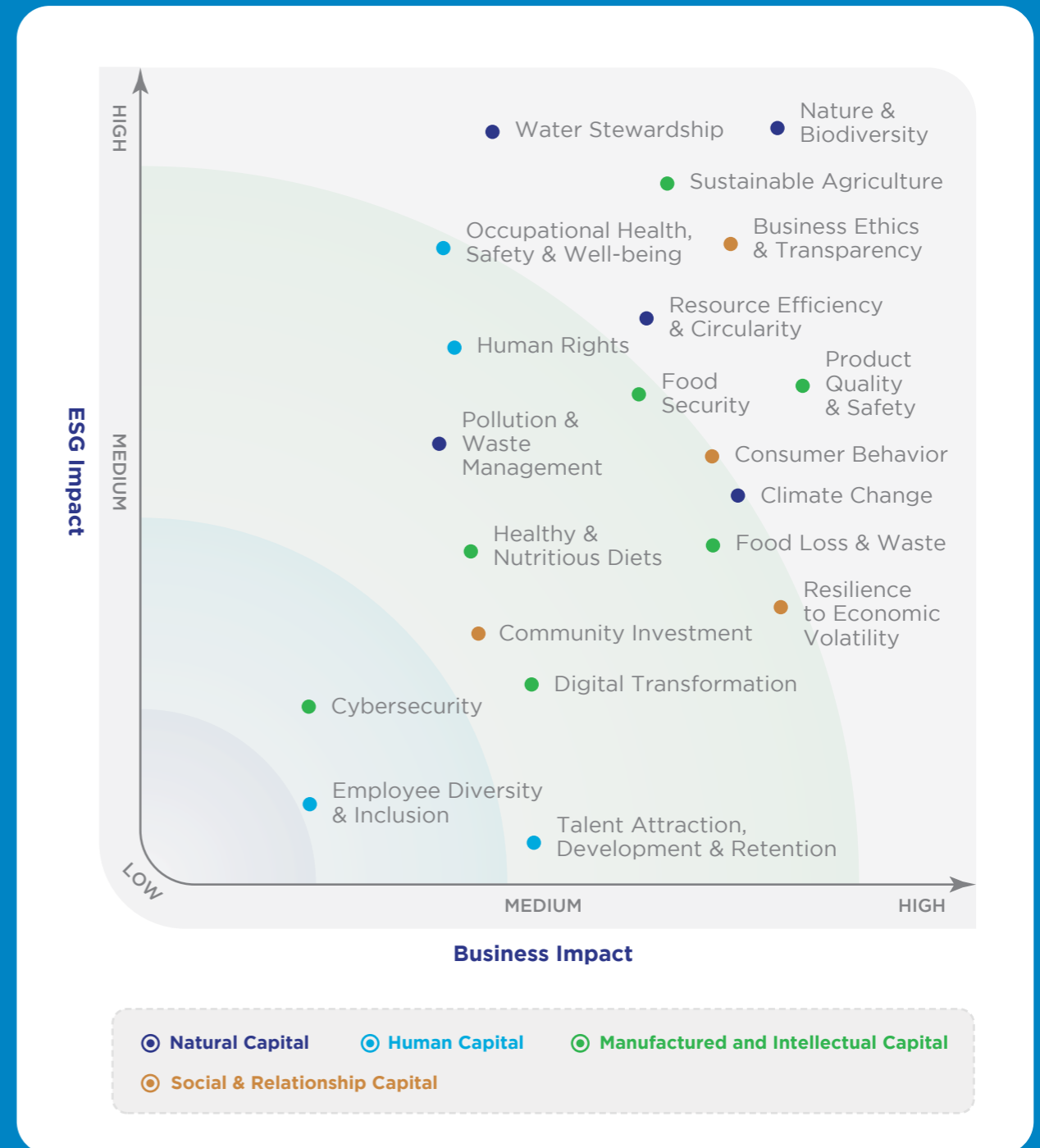
THE MAP QUADRANT

- The ESG Impact/Materiality (Y-axis) represents how our activities impact society and the environment (inside-out).
- The Business Impact/Materiality (X-axis) represents how our business is affected by sustainability issues (outside-in).

MATERIALITY REPORTING AND MAP

Capital	Material Issue	ESG Impact	Business Impact
Natural Capital	Climate Change	MH	H
	Nature & Biodiversity	H	H
	Resource Efficiency & Circularity	H	H
	Water Stewardship	H	MH
	Pollution & Waste Management	MH	MH
Human Capital	Human Rights	MH	H
	Occupational Health, Safety & Well-being	MH	H
	Talent Attraction, Development & Retention	L	MH
	Employee Diversity & Inclusion	L	M
Manufactured and Intellectual Capital	Sustainable Agriculture	H	H
	Food Loss & Waste	MH	H
	Healthy & Nutritious Diets	MH	MH
	Food Security	MH	H
	Product Quality & Safety	MH	H
	Cybersecurity	M	M
	Digital Transformation	M	MH
Social & Relationship Capital	Business Ethics & Transparency	H	H
	Resilience to Economic Volatility	MH	H
	Consumer Behavior	MH	H
	Community Investment	M	MH

MATERIALITY MATRIX



Our ESG Strategy

THE 3D VALUE CREATION MODEL OF JUHAYNA HERITAGE

Juhayna's Heritage has evolved and progressed along its 40+ Years of operations to create its three-dimensional Value Creation Model across "Pillars, Dimensions and Capitals".

Dimension 1:

The MODEL addresses Juhayna's Key Sustainability Pillars

- **PEOPLE:** Wellness of People
- **PLANET:** Circularity for Planet
- **PURPOSE:** Growth with Purpose
- **GOVERNANCE:** Leadership through Governance

Dimension 2:

The MODEL addresses Economic, Environmental, Social and Governance Dimensions by identifying 36 Strategic Objectives that address Juhayna's Key Material Issues.

Dimension 3:

As we serve our Purpose, People and Planet; Juhayna reports on its commitments and practices across those EESG dimensions by keeping vigilant eye on the tradeoffs between its six capitals on the short to the long term:

HIGHLIGHTS AND GLIMPSE OF OUR STRATEGIC OBJECTIVES

	 PURPOSE	 PLANET	 PEOPLE	 GOVERNANCE
	Growth with Purpose	Circularity for Planet	Wellness of People	Leadership through Governance
	Economic Objectives	Environmental Objectives	Social Objectives	Governance Objectives
 Financial Capital <i>Sustainable Services</i>		Climate Technologies Investment (Read on: Climate Action)		ESG Data-driven decision making. (Read on: Climate Action & Board Commitment to Sustainability)
 Human Capital <i>Sustainable Employer</i>	Fair and competitive wages, and benefits (Read on: Juhayna's Family)		Enabling Career Development (Read on: Juhayna's Family)	
 Natural Capital <i>Sustainable Resources</i>		Protected Biodiversity and Natural Habitat (Read on: Circularity for our Planet & Preserve The Land, Biodiversity, and Environmental Resources)		E&S and Climate Risk Management and Compliance (Read on: Climate Action)
 Intellectual Capital <i>Sustainable Solutions</i>	Expand global footprint (Read on: Climate Action & Carbon Footprint Report)		Innovation & Services Excellence (Read on: Technology & Automation)	
 Manufactured Capital <i>Sustainable Operations</i>	Sustainable Livestock and Responsible Farming and Production Models (Read on: Responsible Farming)		Food Quality, Safety & Security (Read on: Quality Control)	
 Social & Relationship Capital <i>Sustainable Society</i>	Sustainable Procurement (Read on: Supply Chain Management)			Responsible Conduct & Human Rights (Read on: Leadership through Governance)

Keeping Our Promises

Defining our Capitals and Impacts

PEOPLE

HUMAN CAPITAL

Represented by our People's competencies, capabilities, and experience, their motivations to innovate and their abilities to lead, manage, and collaborate through actions, alignment, and training to:

- Develop and implement Juhayna's business strategies,
- Conduct business as per our ethical values,
- Improve processes, products, and services,
- Respect and support proper governance and control the environment to manage risks and create value.

(Read on: The Wellness of People)

SOCIAL AND RELATIONSHIP CAPITAL

Represented by our long-standing relationships within and between our communities, stakeholders, and all other networks and partnerships that we are privileged to develop and continuously maintain and value.

It also includes our renowned roles of:

- Contributing to the development of our industry
- Investing in our communities
- Sharing information for enhancing individual and collective well-being and raising capacities across our trusted relations with our stakeholders.

It is most importantly represented by our shared business norms and values and code of conduct that have yielded the trust and willingness to engage, build, and protect our external stakeholders, preserving our brand and reputation.

(Read: Leadership through Governance)



PURPOSE

FINANCIAL CAPITAL

Represented by our ability to access capital & shareholders' equity, representing our pool of funds that enables us to provide all necessary inputs across all other capitals, run our business through its business activities, and deliver our benchmark products and services (go to market). Our funds are considered those that are financed (equity, grants, or others) and/or generated through operations (sales revenues) or investments.

(See Annual Report)

INTELLECTUAL CAPITAL

Represented by our knowledge-based intangibles, including our Brand Equity, Innovation and technology, Management Systems, Intellectual Property (patents, copyrights), Software, and rights & licenses.

Intellectual Capital also includes our "Organizational Capital" such systems, procedures and protocols, business tactics that addresses emerging market changes or ensure business continuity.

(Read on: A Growth with Purpose)

MANUFACTURED CAPITAL

Represented by our assets that are made available to conduct our business activities and production. It includes our factories, warehouses, distribution centers, other buildings or offices, equipment, fleet, and farms infrastructure. They are the assets purchased, developed, or retained by Juhayna for its business use.

(Read on: A Growth with Purpose)

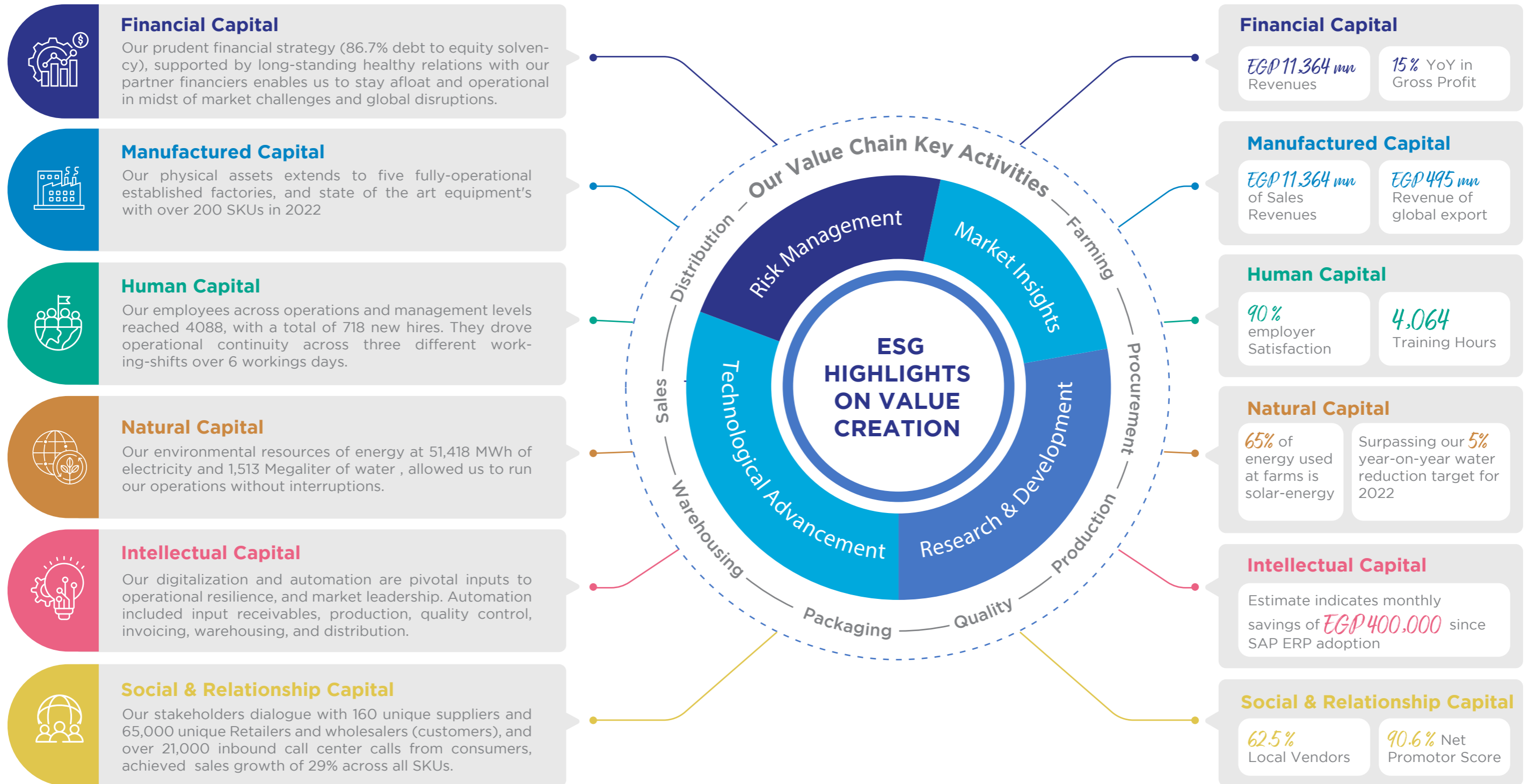
PLANET

NATURAL CAPITAL

Represented by Juhayna's usage of renewable and non-renewable environmental resources and processes that enable us to operate, produce and go-to-market to provide our products and services. It includes our impacts on climate (carbon footprint), air, water, land, minerals, biodiversity, and eco-system health, as well as being reflected in our Environmental investments.

(Read on: Circularity for our Planet)

Managing Our Capitals and Creating Value



Contribution to the SDGs

	Pillars	SDGs	Goals
PEOPLE	Occupational health and safety		3.3 - 3.4 - 3.6 - 3.8 - 3.9 - 8.5 - 8.8
	Talent attraction, development, and retention		4.3 - 4.4 - 4.5 - 4.7 - 5.5 - 8.5 - 8.8 - 12.8
	Human and labor rights		1.2 - 2.1 - 2.2 - 5.1 - 5.2 - 5.5 - 8.5 - 8.7 - 8.8 - 10.2 - 16.2
	Diversity and inclusion		4.5 - 5.1 - 5.5 - 5.c - 8.5 - 10.2 - 10.3
	Nutrition and healthy food		2.1 - 2.2 - 2.4
	Community dialogue and socioeconomic development		1.2 - 1.5 - 2.1 - 2.2 - 2.3 - 4.1 - 8.3 - 8.5 - 8.8 - 11.5 - 16.5
PLANET	Energy efficiency and renewable energy		2.4 - 7.1 - 7.2 - 7.3 - 8.4 - 9.4 - 12.2 - 13.1 - 13.2
	Climate change		2.4 - 6.4 - 7.1 - 7.2 - 13.1 - 13.2 - 13.3 - 15.3 - 15.5
	Water and effluent management		2.4 - 6.3 - 6.4 - 6.6 - 6.b - 12.4 - 13.1 - 13.2 - 14.1 - 15.3 - 15.5
	Safe and responsible use of pesticides and fertilizers		2.4 - 3.9 - 12.4 - 14.1
	Circular economy, waste and packaging		2.4 - 12.2 - 12.3 - 12.4 - 12.5
	Biodiversity		2.4 - 6.6 - 8.4 - 13.1 - 13.2 - 14.1 - 15.1 - 15.2 - 15.3 - 15.5
	Animal welfare		2.4

	Pillars	SDGs	Goals
PURPOSE	Profit and operational excellence		7.1 - 7.2 - 8.2 - 8.5 - 8.8
	Product quality and safety		2.2 - 2.4 - 3.9 - 7.1 - 7.2 - 12.a - 13.1 - 13.2
	Technological innovation, research, and development		2.5 - 2.a - 7.1 - 7.2 - 8.2 - 8.5 - 8.8 - 9.4 - 9.5 - 12.a - 17.6 - 17.7 - 17.16
	Supply chain and responsible management of suppliers		2.3 - 2.4 - 8.3 - 8.5 - 8.8 - 13.1 - 13.2 - 15.3 - 15.5
GOVERNANCE	Transparency and business ethics		16.5 - 16.6 - 16.7
	Legal compliance		16.5 - 16.6
	Good governance		16.5 - 16.6
	Stackholder engagement		16.6 - 16.7 - 17.7



CHAPTER 02

A Growth with Purpose

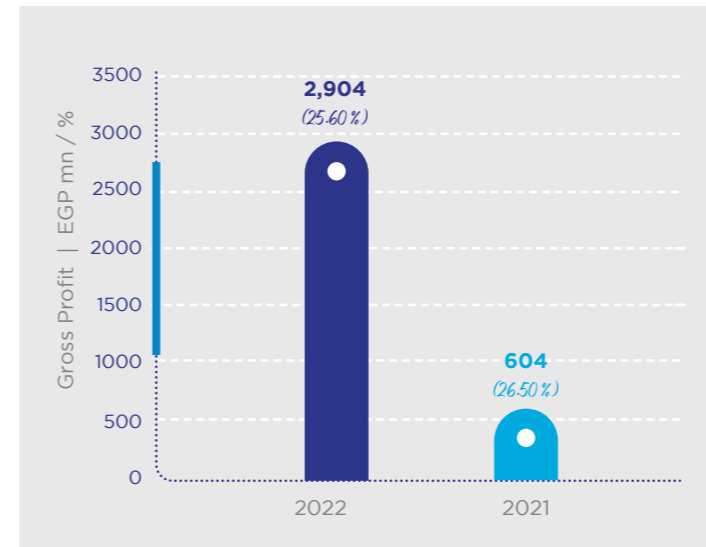
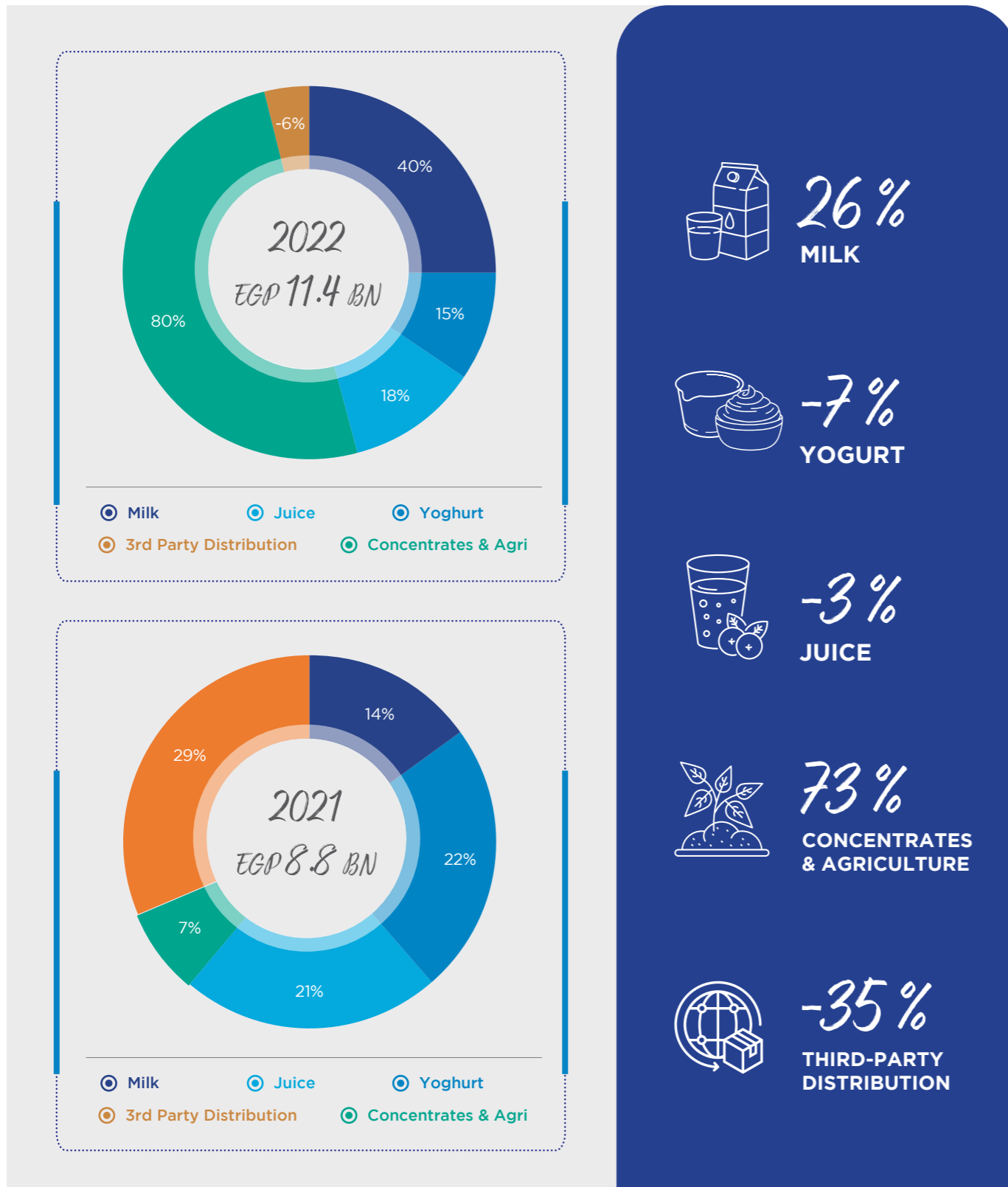
- » Economic Performance
- » Technology & Automation
- » Responsible Farming
- » Supply Chain Management
- » Production & Operation
- » Packaging and R&D
- » Quality Control
- » Sales & Distribution



Economic Performance

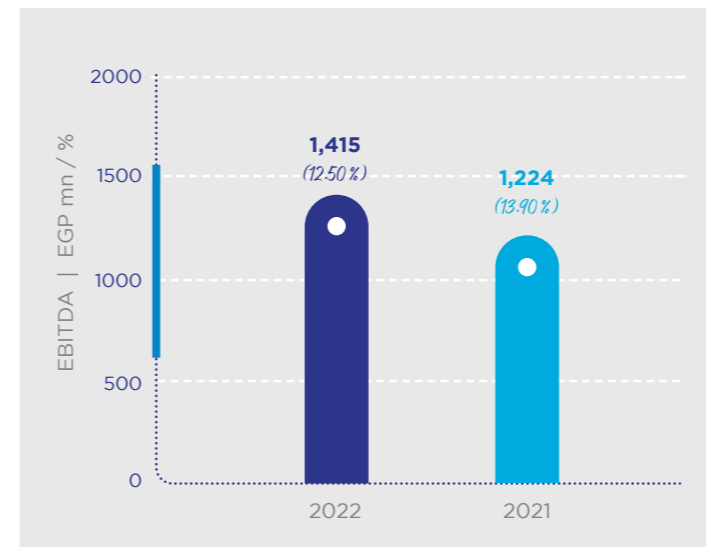


REVENUE BREAKDOWN



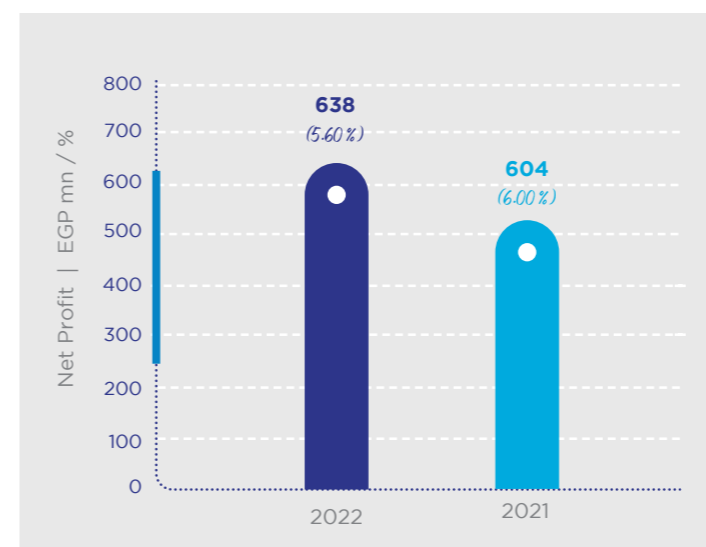
In 2022, gross profit margin decreased by 3.1 pps y-o-y to reach 25.6%.

The margin contraction witnessed in 2022 is a result of the continuous global increase in raw material and packaging material prices and challenging global supply chain disruptions.



SG&A margin slightly decreased by 2.2% y-o-y to reach 16.2% in 2022, as marketing spending was maintained, to support the launch of Juhayna's new Drinkable Flavored Greek Yogurt and a sizeable marketing campaign for Juhayna dairy, which featured movie celebrities and renowned athletes.

In 2022 EBITDA margin for the period decreased by 1.4 pps to reach 12.5%.

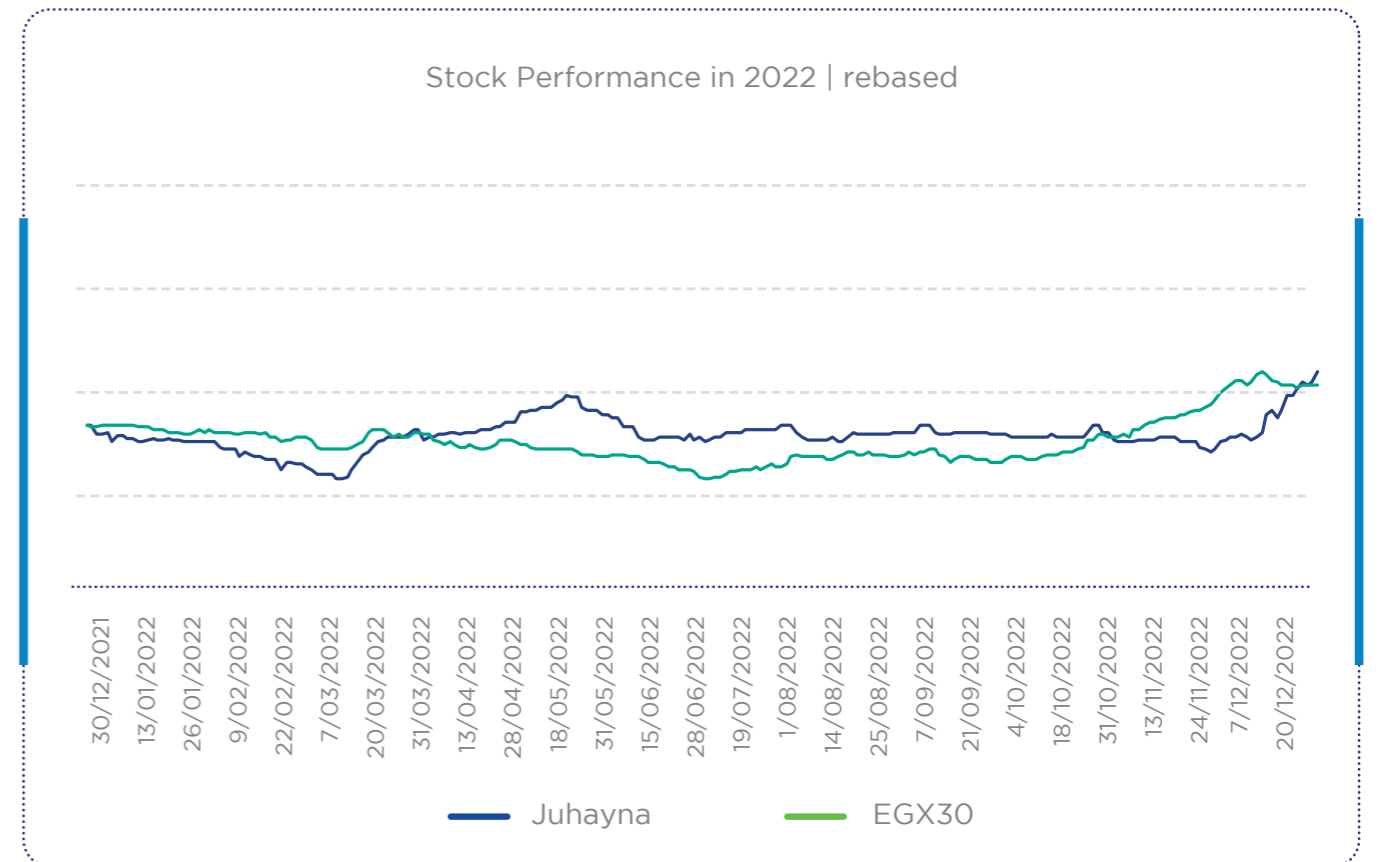
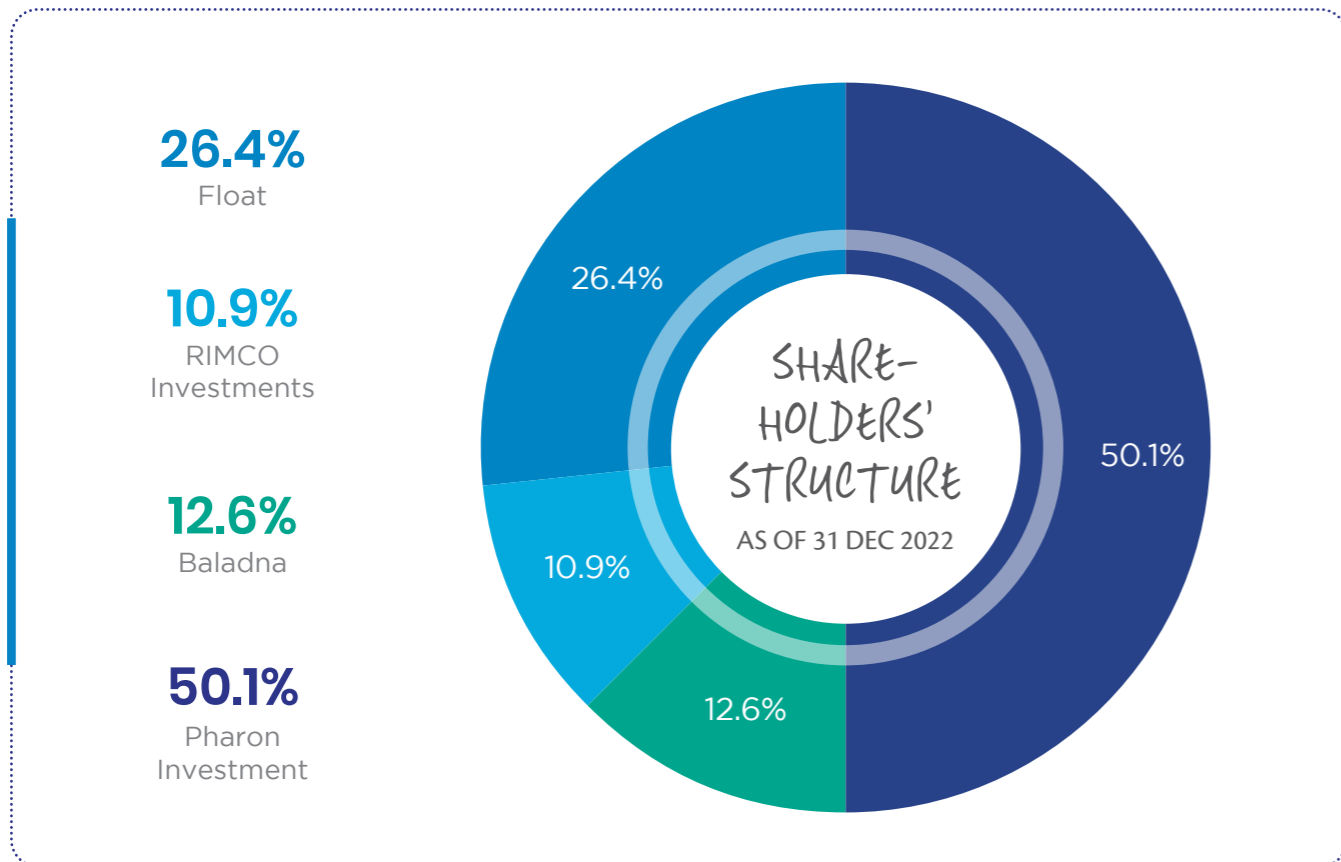
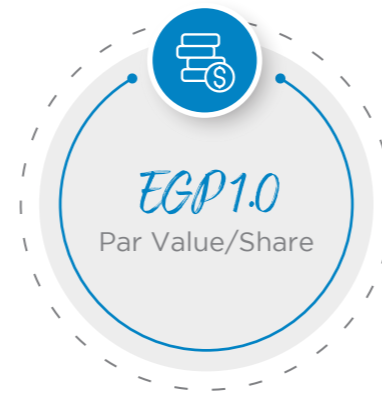


For 2022, net profit amounted to EGP 638 mn, realizing a modest decrease of 0.4%.

The Company's cost optimization strategy, vertical integration, and deleveraging (net debt increased by 129%, from EGP 294 mn in 2021, to EGP 673 mn in 2022) efforts helped ease the substantial margin pressure faced during the period, as net profit margin decreased by 3.1 pps reaching 25.6%.

SHARES AND SHAREHOLDER INFORMATION

Market	Stock Ticker	Date of Listing
The Egyptian Exchange (EGX)	JUFO.CA	18 May 2010





insights
on our key
activities



Technology and Automation

PROCESS INNOVATION

In the contemporary high-speed business landscape, where innovation and digitization hold paramount importance, Juhayna understands the critical role that intellectual capital plays in advancing sustainability as it pursues growth with a purpose.

Juhayna has started with “process innovation” as a pivotal facet of its intellectual assets, thus driving a transformation in its supply chain management by upholding and refining its long-standing vertical integration model across time. Optimal process efficiency and robust sourcing management are fortified by the large spectrum of automation, digitization, and technologies used across Juhayna’s operational life cycles while fostering societal and environmental well-being along the Value Chain: “From Farm to Consumer”

While “Process Innovation” has been initiated as the core of our vertical integration for an uninterrupted supply chain position, still, innovation’s long-term impact is only possible if it continues to echo across several social and Environmental objectives to serve People and the Planet. ; and along Juhayna’s sequential ten key business activities: Farming, Procurement, Production, Research and Development, Quality Control, Operations & Warehousing, and Sales & Distribution. Across this report, key milestones are presented to reflect Juhayna’s long-standing advancement in this landscape, while highlighting the impacts that occurred to the business and its values stakeholders.

In parallel, Research & Development presents the foundation of our unique Product offering. Throughout the report, we continue to feature the latest product innovations and their desired benefits and value propositions to our consumers in terms of food quality, safety, and availability in the market space.

ENTERPRISE RESOURCE MANAGEMENT

Since 2020, Juhayna embarked on a transformational journey to adopt full-fledged digitization and enhanced automation across its functions and activities. In 2022, this journey reached a significant milestone, which was the seamless integration of most of our activities with SAP ERP (Enterprise Resource Planning) software. This pioneering platform, became the bedrock of our digitization strategy, revolutionizing our communication network. It has brought automation to various facets of our business, including input receivables, production, quality control, invoicing, warehousing, and distribution.

The SAP integration yielded substantial benefits, streamlining manufacturing processes, amplifying planning accuracy, and elevating overall operational efficiency. Our conservative estimate indicates monthly savings of EGP 400,000 since the adoption of this transformative technology—a testament to its power in redefining our operations. Complementing our SAP integration, our journey towards automation continued with a comprehensive company-wide integration with SAP. This sophisticated software empowers us with real-time monitoring capabilities, seamless data recording, and inter-departmental communication. The result is heightened efficiency and precision across the breadth of our business landscape. Beyond our internal automation systems, Juhayna continued its collaborative efforts with external partners, such as Fawry, Egypt’s leading e-payment service, to automate retailers’ sales processes. Such strategic partnership heightens our capacity to navigate the dynamic market landscape with agility and optimize our performance.

The powerful synergy between the various capitals through cutting-edge technologies has transcended mere efficiency gains. It has fortified

our business resilience, allowing us to thrive even in the face of challenges. This symbiotic relationship ensures that every technological leap we take is not just a leap forward but also a step closer to realizing our commitment to responsible production and sustainable growth. Across the sections of this report, other technologies and automation milestones are also presented.



Future-looking Plans

Initiating the digitization of EgyFoods Plant, including:

- » Increasing stock optimization to decrease losses in stock value, increase cash flow, and improve mitigation of shortages throughout the year by accurately tracking real-time changes in stockpiles
- » Efficiently reducing packaging costs.
- » Increasing fleet utilization efficiency.
- » Introducing Freight on Board (FOB) or exworks (EXW) shipping practices, to achieve around 20% of its current shipping costs.

Responsible Farming

Our Connection to Dairy Farming is

DELIVERING SAFE AND TASTY MILK AND DAIRY PRODUCTS"



ENMAA DAIRY

Our ability to supply quality, safe and tasty milk and dairy products start with healthy dairy cows and depends on the production of high-quality raw milk by dairy farmers. The activity of Dairy Farming directly impacts our brand trusted relation with its consumers.

Therefore, "From Farm to Consumer" represents the fundamental perception on which Juhayna has established its vertical integration business model: the quality of

sourcing is instrumental to the end product that our brand shall deliver to its consumers.

From that belief emerged our efforts in building a highly developed network of farms that sustainably provide our operations with quality milk sourcing.

Extending over 500 fedans, Juhayna's owned farm is Enmaa Dairy. It is managed by its subsidiary, Al-Enmaa for Agriculture Development and Livestock Company.



THE FIRST FARM IN EGYPT TO BE LISTED ON THE NFSA WHITELIST.

ENMAA ALIGNS WITH UNSDGS 2 AND 15

HOLDS THE ISO 22000 CERTIFICATION FOR FOOD SAFETY MANAGEMENT.

ENMAA MILKING PARLORS ARE CONNECTED TO AN AUTOMATION SOFTWARE.

ENMAA ADOPTS THE FOOD AND AGRICULTURE ORGANIZATION (FAO)'S GOOD DAIRY FARMING PRACTICES.

ENMAA USES INNOVATIVE, STATE-OF-THE-ART PRACTICES IN ANIMAL CARE AND RAW MATERIALS PRESERVATION.

ANIMAL HEALTH

Through our health management program:

- We have secure boundaries/fencing.
- We avoid direct contact of visitors with animals.
- We take safety measures to avoid disease communication.

MILKING HYGIENE AND PROCESS

- We conduct milking routines to prevent injuring to cows or introduce contamination to milk.
- We separate milk harvested from sick or treated animals for appropriate disposal.
- We provide high-efficient coolers to minimize spoilage of milk after harvesting

ANIMAL BREED

We select the best breed of livestock (Friesian Holstein and Simmental breeds), taking into account market requirements, feed availability, resistance to diseases and environmental conditions.

NUTRITION (FEED AND WATER)

- We ensure that the nutritional needs of our animals are met.
- We use separate feeds for milking stage.
- We use safe chemicals on pastures and forage crops.

KAFA'A: SUPPORTING LOCAL FARMS ON A NATIONAL SCALE

KAFA'A A
CORNERSTONE
OF JUHAYNA'S
COMMITMENT

to continuously
maintain excellence
in its dairy farming



SUSTAINABLE FARMING STRATEGY "KAFA'A" (APTITUDE)

As our business grew and the need for quality and consistent sourcing is critical to address market and operational risks, our thriving sustainable farming strategy "Kafa'a" (means Aptitude in Arabic) came to light as an initiative to bolster rural farming and enhance the quality of dairy products integrated into the national food network.

After many years demonstrating success, today, Kafa'a has become the first of its kind in Egypt; a farming inclusion program that primarily aims to improve conditions across rural Egypt.

On an operational level, the initiative ensures that we receive high quality supplies of raw milk at all times, as all of Juhayna's supply network is required to operate under the program criteria,

while boosting national capacities in the milk sector where 45% of the network member-farms are able to supply the entire market and not limited only to Juhayna.

KAFA'A'S OBJECTIVES

1. Maintain unified sustainable farming standards across Juhayna's operations
2. Transfer knowledge from Enmaa and other experts to the rest of the network on sustainable farming practices
3. Provide access to credit and increase farmers' financial capital
4. Help farm owners to battle critical challenges in dairy farming

ORIGINATION

Kafa'a program was officially launched in 2017.

In 2019, Dutch dairy farms expert John Bonnier was invited to visit five farms from Kafa'a's network to review – and further improve - the program's KPIs and ensure correct implementation of its clauses across the sample. As a result, all of Kafa'a network are required to comply with the basic criteria as per contractual clauses, which entails maintaining sound quality and conditions and/or upgrading of:

1. Cooling systems for all the barns
2. Feeding mixer
3. Shades for the cows
4. Automatic parlor with software

They are also required to maintain comprehensive Herd Data, and to have a resident veterinarian and Engineer.

TODAY

In 2022, the network and inclusion program are now covering 132 local dairy farms (in addition to Juhayna's own Farm Enmaa Dairy), with practices and protocols improving regularly to optimize milk supply, herd wellbeing, farmer safety, and overall farm emissions.



JUHAYNA'S COMMITMENT AND OBJECTIVES



We ensure that farms maintain unified sustainable farming standards across Juhayna's operations



We provide ongoing transfer of knowledge and operational support from Enmaa and other experts to the rest of the network on sustainable farming practices.



We provide financial support to farms in the form of in-advance capital to develop their farms, purchase cows, and increase productivity.



We supply dairy farmers with long-term procurement contracts to secure their market entry and economic sustainability.



We support the farms in all environmental and animal welfare practices to reduce their exposure and vulnerability to climate-related extreme events and other economic, social, and environmental shocks and disasters.



We assist farms' owners to battle critical challenges in dairy farming

TRAINING

Periodic Training is conducted to farms managers and newly-onboarding farms on the principle of Good Manufacturing Practices (GMP) and Good Hygiene Practice (GHP). GMP Principles are intended to prevent the introduction of hazards to dairy products from the farm environment as well as the processing environment, while GHP are based on GMP principles and focused on food chain hygiene management and practices that are unique to on-farm operations to ensure food safety and suitability for consumption.

In 2022, a total of 6 technical training sessions were conducted with participation of 120 participants, training included Herd Health, Herds Nutrition, Reproduction Management in relation to farms revenue optimization.



These principles include, but not limited to:

Environmental hygiene

Hygienic production of milk

Handling, storage, and transport of milk

Documentation and record keeping

Equipment

Control of food hazards

Hygiene control systems

Incoming material requirements

Water Usage and Efficiency

Maintenance and cleaning

Personal Hygiene

Transportation

Product Information and Consumer Awareness

Labeling

Training

QUALITY ASSURANCE

Ensuring the highest standards of quality and compliance, Juhayna places an unwavering focus on quality assurance, farm development, and rigorous audits throughout its dairy farming operations.

These elements form the bedrock of our commitment to responsible farming practices, enabling us to consistently deliver superior products and uphold our pledge to environmental stewardship.

Quality assurance visits - totaling an average of 250 annually - are carried out by our expert team from Farms Development, in collaboration with external consultants who provide valuable technical support.

These visits encompass various facets of farm operations, including livestock management, milking procedures, and adherence to best practices.



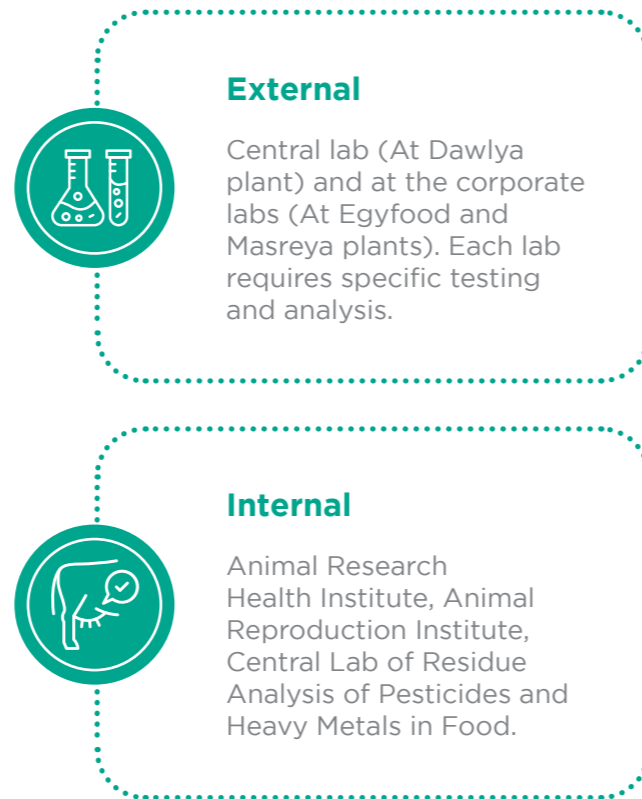
SOURCING CRITERIA OF RAW MILK

Juhayna sets sourcing criteria of Raw Milk from all farms as follows:

- ✓ Temperature: <4
- ✓ Free from Disease
- ✓ Natural color, taste, odor raw milk
- ✓ Acidity Percentage: not less than 0.12 and not more than 0.15%
- ✓ PH: not less than 6.6 and not more than 6.85
- ✓ Free from any impurities and debris
- ✓ Not pasteurized.
- ✓ Conforms to ESS (Egyptian Standard Specification).
- ✓ Seasonality (Winter & Summer): <15%

MILK ANALYSIS

Our Milk Analysis is mandatory and periodically monitored, it takes place both internally and externally:



Starting in 2017, in conjunction with quality assurance visits, our quality and farms teams have been conducting visits to the 22 Milk Collection Centers (MCCs) currently collaborating with Juhayna. MCCs are responsible for the collection and transport of sourced milk between the farms and the production plants. Their role ensures that milk collection and handling align with our rigorous standards, further reinforcing the quality of our raw milk supply.

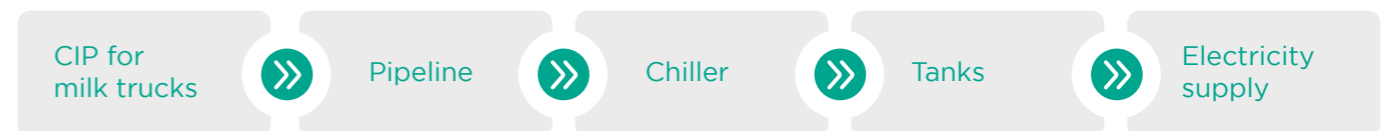
Our latest support to the MCCs included:

- Social loans without interest to acquire cooling systems
- Technical Support
- Protocol with agriculture engineers for milk analysis.



MILK HANDLING

The following periodic upgrade takes place at all our network farms:



Purchasing tools are improved and/or replaced with better environmental choices (such as stainless instead of plastic where applicable)

ANIMAL CARE & WELFARE

Our herd management takes into account best practices that address patterns of animal behavior. They consider:

- Husbandry procedures and Freedom of movement
- Preservation of gregarious behavior

Our Farmers Training on Herds Management is conducted to sustain the following “four” freedoms as promoted by the FAO:

Freedom from Thirst, Hunger and Malnutrition

- We manage and adjust stocking rates and/or supplementary feeding to ensure adequate water, and feed
- We conduct checks to protect animals from toxic plants Healthy, productive animals

Freedom from Discomfort

- Our farms (buildings, yards, and handling facilities) to be free of obstructions and hazards.
- We protect our cows from adverse weather conditions and ventilation
- We protect animals from injury and distress during loading and unloading Safe Environment

Freedom from Fear

- We conduct training on competent stock handling and husbandry skills which results in our animals are less fearful of people, their handling facilities, and their environment Safety of animals

Freedom from Pain, Injury, and Disease

- We follow appropriate birthing and weaning practices
- We protect our animals against lameness
- We process Milk lactating for our animals regularly
- We prohibit poor milking practices that may injure our cows.
- We conduct proper procedures for marketing our young cows

PRESERVE THE LAND, BIODIVERSITY, AND ENVIRONMENTAL RESOURCES

Focused on the integration of Agriculture and Livestock, we take into account that grazing of dairy animals help to preserve the ecosystem.

Land is planted with high-quality green feed and corn and converted into silage as a food source for animals.

In addition, aimed to manure-fertilize the cropland and grassland and improve biodiversity and topsoil formation, our barns washing process transfers water to a large lake where the deposition of solid materials (fertilizer) are relocated to agriculture.

Accordingly, it reduces both; the cost of agriculture and the use of industrial fertilizer, where the latter is critical to ensure environmental conservation.

VALUE CREATION - KAFA'A PROGRAM

Capital	Inputs	Outputs	Outcomes
Financial	Collaboration with EMPA (EGYPTIAN MILK PRODUCERS ASSOCIATION) to mitigate price volatility.	Set a fair price formula allow to secure mutual risk hedging for both the market, the business and the suppliers and meet the demand on quality milk.	9% Y-O-Y Increase in our raw milk supply from local farms
Natural	132 Dairy Farms 6,653 Herd Size	<ul style="list-style-type: none"> • Upgrade 70% of Parlors equipment. 	
Human	145 Farm workers Onsite Veterinarian Onsite Engineer	<ul style="list-style-type: none"> • 34,000,000 Milk production (m3/-year) 	
Social	Technical Training and Partnerships	<ul style="list-style-type: none"> • 6 Technical Training Sessions, with 120 participants across all ENMAA network farms. 	<ul style="list-style-type: none"> • 4-5% Reproduction rates
Intellectual	ISO 22000 certification for food safety management		<ul style="list-style-type: none"> • 0% Accident Rates
Manufactured	State-of-the-art rotating milking parlor where automatic registration takes place.	80 milking points for highest possible milking efficiency.	Milking around 450 cows per hour followed by a giant cooling system that can cool 10 thousand liters of milk per hour.
	Advanced Laboratory	Analysis of feeds and quality checks and bacteria count for each millimeter for diseases	Production of disease-free feed and dairy.
	100% Automated Parlors, 95% are computerized to Juhayna's Integrated Management System	High Quality Sourcing	<ul style="list-style-type: none"> • TPC: >50,000 CFU, with 10% increase of TPC total plate count/cfu • M1: < 34, with 37% increase of M1 aflatoxin/ppt

Supply Chain Management

To claim the ability to maintain a responsible and sustainable Supply Chain management, strategies are set across multiple functions: suppliers management, advanced procurement process, robust quality checks, continuous research and development, packaging enhancement, efficient warehousing, and distribution. In this section, we present the activities related to Procurement and Suppliers.



OVERVIEW:

COMMODITY PRICES AND SUPPLY CHAIN DISRUPTIONS| IMPACT ON BUSINESS CONTINUITY

CHALLENGES

Margin contraction due to increased commodity prices and devaluation of the EGP

Passing on price increases to the end-consumers

Global supply chain disruptions; border closures and repetitive delays in raw material arrival dates.

Securing the needed foreign currency for the imports of raw materials



OPPORTUNITIES

F&B companies became more rational and profit oriented, which resulted in a healthier competitive landscape

Further increase efficiencies and cost-cutting efforts and secure more favorable contracts with suppliers

Localization of raw materials to secure the needed raw materials

Procurement and Packaging R&D involved the management of multiple risks, some of the most pressing in 2022 included:

Material Issue	Risk on business	Our Management Approach	Outcome
Sole supplying of certain types of packaging	Production slow-down and shortage of products in market	Increase the number of backup suppliers by developing new competent suppliers.	In 2022, decreased the number of sole suppliers from 80% in 2021 to 60% in 2022. In 2022, we have acquired the services of around 10-15 new suppliers for our packaging requirements.
Global shortage of material		Increase number of back up materials by validating alternatives.	In 2022, we were able to develop around 10 new high-quality alternatives to current packaging.
Price increase for imported material	Costly production operation		
Unavailability of Foreign currency	Affecting SMR (Supplier Management relationship) due to delayed deliveries and payments plans, and uncertainty in market status.	More localization of our suppliers' base.	We were able to find around 6 of local sourcing for our production and packaging needs.
Currency Devaluation	Increased material prices; hitting target savings, Creating an environment of uncertainty	<ul style="list-style-type: none"> Increase number of back up materials by validating alternatives. Implementing payment facilities to reduce the inflated prices. 	Safety stocks prior to devaluation increased to 20% in 2022 vs. 2021 to maintain an average price.

SUPPLIER CONDUCT AND SELECTION

We assess our suppliers based on diverse criteria, encompassing quality and safety risks throughout our value chain.

More importantly, the assessment of our suppliers is aligned with Juhayna's own Code of Conduct principles, and we ensure suppliers adhere to the same ethical practices.

We encourage our suppliers to assess their own social and environmental risks. By the end of 2023, Juhayna is planning to update its Vendor Registration process with a comprehensive Code of Conduct which shall be communicated and signed by the Vendors.

New suppliers are screened in alignment with key sustainability criteria to identify those with potential negative social impacts.

Based on the assessment sample, 0% were found in breach of social impacts principles, including:

Protection of Child labor

Compliance with Social Security, Tax, and Social Health Insurance

Disposal of toxic, dangerous, and hazardous waste

BUSINESS EXPANSION AND SUPPLIERS

The increased diversity in our projects and products led to a shared value creation where we expanded the sourcing criteria and consequently the expansion of suppliers, which created more employment opportunities to vendors, higher service levels, and reduced prices.

INVESTING IN LOCAL SOURCING

We have allocated 61% of our procurement budget to local Egyptian suppliers, signifying a significant portion of our overall procurement expenditure. This commitment to local suppliers not only reinforces our support for them but also contributes to generating supplementary investments across diverse sectors within the local communities where our suppliers operate, while mitigating multiple risks to the business, such as scarcity of foreign currency, global export and import disruptions, among others.

Number of Suppliers:	2021	2022
Number of Local Suppliers	80	100
Number of Foreign Suppliers	50	60
Total Number of Suppliers	130	160
Percentage of Local Suppliers to Total Number of Suppliers	61.5%	62.5%
Percentage of New Contracted Local Suppliers to Total New Contracted Suppliers	28%	16%



SUPPLIERS PERFORMANCE MANAGEMENT

Our commitment to sustainable supply chain management is optimized by the application of global Supplier Relationship Management (SRM) guidelines.

These principles have been instrumental in shaping our success, fostering essential attributes such as continuity, transparency, and collaborative improvement across our supplier network.

At the very first phase of our supply chain management, suppliers' engagement takes place to ensure that they align to Juhayna's commitments to sustainability goals. Supplier performance encompasses both commercial and technical criteria. The quality department plays a pivotal role in monitoring and auditing the quality of materials, ensuring they meet our stringent standards.

From a commercial perspective, we rigorously review suppliers' adherence to agreement clauses, with a keen focus on achieving the expected service levels. This includes aspects such as material sustainability, adherence to delivery plans, and overall service excellence.

MEASURES FOR UNDERPERFORMING SUPPLIERS

We share nonconformance report with our suppliers to take corrective actions accordingly. The report includes detailed information of the incidents, as well as non-conformity description, root cause analysis, required corrective actions, follow-up, and completion. For 2022, all issues raised were resolved directly with the suppliers and corrective actions were taken. We are glad to report that we did not have underperforming suppliers throughout 2022.

PRODUCTS MANAGEMENT

Products Management include:



Products Traceability



Forecasting and Planning



Life-cycle Costing

All three streams are interconnected and impact one another, therefore digitizing and automating our processes was inevitable. Our end target is to respectively achieve three defined objectives:

- Operational efficiency
- Quality of the products we deliver
- Uninterrupted availability of products in the market

JUHAYNA EMPLOYS A MULTI-LEVEL SELECTION PROCESS WHICH INCLUDES:

- Preparing and receiving sign-off on a list of specifications for the raw material.
- Receiving raw material sample from the supplier (via technical data sheets and certificates of analysis).
- Testing and approving quality by R&D Department.
- Conducting industrial trials through large samples.
- Approving actual production quantities requirements.
- Confirming suppliers check for supply capacity, lead time, consistent quality, and service level.

To ensure that the above process does not economically burden suppliers and causes barrier to access Juhayna's Suppliers List, Juhayna bears the cost of raw materials needed for the trials, together with any additional cost related to shipping or clearance, among other costs.

We recognize the importance of long-standing relations with our suppliers, and we voice our appreciation





Products Traceability

At the foundation of an efficient supply chain management, we held the belief that positioning ourselves at the forefront of the continuous digital advancements within our industry is imperative. In line with this principle, we have committed to allocating the necessary investments to convert such requirement into reality.

The ability to detect and trace our supply movements and establish the necessary transparency levels across the various stages and stakeholders is crucial to guarantee both the quality and safety of our products along the process till their packaging; as well ensuring sound Forecasting & Planning.

Our system is in place to achieve three objectives:

- Enhance efficiency
- Enable a timely response to any possible risks
- Detect potential breach of compliance requirement



Life-cycle costing (LCC)

We conduct Life-Cycle Costing (LCC) which includes the following components:

- Purchase price and all associated costs (delivery, installation, insurance, etc.)
- Operating costs, including energy, fuel and water use, spares, and maintenance
- End-of-life costs, such as decommissioning or disposal.

MATERIALS CODING AND ROUGH CUT CAPACITY PLANNING (RCCP)

By using an integrated coding system, we streamline supply tracking and enhance stock optimization.

Our RCCP model allows us to foresee production needs, minimize shortages, and maintain economic growth for our vendors.

INTEGRATED BUSINESS PLANNING (IBP) PRACTICES

Through IBP practices, we optimize monthly forecasting processes, unifying channels across the supply chain. By integrating technology, we're automating Material Requirements Planning (MRP), achieving higher efficiency and accurate forecasts. IBP integration is planned to be fully live in 2024.

FUTURE PLANS AND INNOVATIONS

Our commitment to digitization is unwavering. We're launching an integrated supply chain dashboard, automating the Distribution Resource Planning (DRP), and enhancing collaboration with suppliers.

Indicators

2022 vs. 2021

On-time in-full (OTIF) Goods Delivery	99.99%
Percentage of stock Value (Stock Optimization)	99.99%
Percentage of Warehouse Utilization	100%
Percentage of Loading Efficiency and Shuttling Accuracy	99.99%
Percentage of Decrease in Spending on Heavy Fleet Rental	20%



Production and Operation

Our manufacturing stands as the core of our business, therefore it addresses key business and ESG strategic objectives, namely: food Safety and resources conservation and labor practices; all of which are part of the overarching commitment towards responsible production.



AL MARWA
A Circular Model

Established in 1998, Al Marwa has undergone a remarkable transformation, evolving into one of Egypt's foremost fruit manufacturers. Our steadfast dedication to technological advancements and vertical integration enabled us to process a diverse range of fruits, including citrus, mango, guava, tomato, and more.

This integration empowers us to deliver a wide array of customized fruit products, including purees, concentrates, pulps, compounds, oils, and syrups, all of which are testaments to our commitment to excellence. It has the capacity to supply a network of domestic and international food and beverage manufacturers.

In 2022, Al Marwa demonstrated its agility in leveraging technology to respond swiftly to supply gaps in regions facing poor crop yields. This proactive approach enabled us to meet the rising demand for mango, citrus, and tropical fruit concentrates, thus underscoring our commitment to providing high-quality products even in challenging circumstances.



AL MASREYA
Advancing Milk

Production with Technology

Acquired in 2005, El Masreya has since evolved into Juhayna's largest production capacity for milk. This strategic facility plays a pivotal role in not only meeting the growing demand for Juhayna products but also optimizing our milk production processes;

Cutting-Edge TBA-Edge Packaging Technology

One standout feature that distinguishes El Masreya is its adoption of state-of-the-art TBA-Edge packaging technology. This technology places us among the world's top-ranking companies in utilizing this innovative packaging approach.

Capacity Expansion for Sustained Growth

In December 2022, a new production line was seamlessly integrated into the facility, adding to our production capabilities and maintaining a consistent supply of high-quality milk products. The additional line upgrade at the factory will be completed in end of 2023.





AL DAWLEYA
Leading Sustainable
Packaging Innovations

Al Dawleya stands as a testament to Juhayna's commitment to excellence in the food and beverage manufacturing sector. Established in 2009, it has grown to become one of the largest industrial complexes in both Egypt and the broader MENA region, and currently operating through nine production lines, showcasing the efficiency that drives our success.

At the heart of its operations lies the production of fresh juices and a range of beverages, including beloved products like Bekhero Drink and seasonal Oriental beverages.

Efficiency and Sustainability

The plant's operations are fully automated and leverage cutting-edge technologies to minimize waste. This commitment extends to the packaging process, where we collaborate closely with industry leaders like GEA and SIG Combibloc. Together, we seek to reduce material usage, including recycling aluminum, and minimize environmental impact.

Innovative High-Bay Storage Warehouse

One of Al Dawleya's standout features is its fully automated high-bay storage warehouse. This state-of-the-art facility is the first of its kind in Egypt and ranks as the third in the entire region. It significantly enhances our efficiency by providing practical and efficient storage solutions, which in turn contribute to lowering operating costs.

Pioneering Sustainable Packaging

Collaborating with industry leaders, we worked to revolutionize our packaging to minimize material usage and eliminate unnecessary waste, contributing to a reduced environmental footprint.



EGYFOOD
A Hub of Yogurt
Innovation

Juhayna launched EgyFood 6th of October City, a 35,000 m2 facility, to expand the Company's yogurt production. Today, EGYFood operated through 14 production lines and a dedicated workforce of 215 individuals. Significant investments were made upon the plant's inauguration for state-of-the-art production lines, which are adaptive to produce the various products within the Company's yogurt segment. In line with the Company's strategy for product innovation with minimal investment, production lines were modified for the production of Juhayna's Greek Yogurt. In 2022, EgyFood marked a significant milestone by introducing flavored drinkable Greek Yogurt, expanding upon the resounding success of Juhayna's Greek Yogurt line launched in 2020 and further diversified in 2021 with spoonable flavored options. This step reflects EgyFood's agility in adapting to shifting market preferences and consumer demands, cementing its status as a yogurt innovator. Juhayna remains the only producer of traditional-method Greek Yogurt in Egypt.

Global Recognition for Food Safety

In 2022, Juhayna received the BRCGS Global Standard for Food Safety, it is the first food and beverage manufacturer in Egypt to hold the certificate. The Company's dairy plants, Al Masreya, and EgyFood, have received AA+ and AA ratings, respectively.

Expanding Reach and Serving Diverse Communities

Beyond its flagship facility in 6th of October City, EgyFood operates another cutting-edge facility in Assiut, a pioneering endeavor in Upper Egypt. While operating seasonally, this facility extends EgyFood's reach to diverse regions and communities, ensuring that its premium yogurt products reach a wider audience and contribute to Juhayna's mission of delivering dairy excellence.

VALUE CREATION - OPERATION

Capitals	Inputs	Outputs & Outcomes
Financial	<ul style="list-style-type: none"> Total EGP 243 mn of costs associated with maintenance and repair operations 	<ul style="list-style-type: none"> No operational downtime due to absenteeism Zero out-of-stock Availability of 24/7 emergency fleet cars for all factories
Natural	<ul style="list-style-type: none"> A total of EGP 700K worth of fuel 	<ul style="list-style-type: none"> 80% timely achievement of preventive maintenance
Social	<ul style="list-style-type: none"> Upgraded sanitization procedures 	<ul style="list-style-type: none"> 100% execution of planned transportation schedule OEE Analysis OEE 75% OEE Loss 25% Availability 80% Performance 93% Availability Loss 20% Performance Loss 7% Behavioral Observation Scale (BOS) at AL-Marwa Factory: Number of trainees 116% participants vs. planned
Manufactured	<ul style="list-style-type: none"> Stringent screening processes of raw ingredients through Juhayna Food Safety Culture Excellence Initiative 	<p>Over 4 million dairy samples and 100,000 juice samples in 2022.</p> <p>Unannounced quarterly visits across our facilities by external auditors.</p>
	<ul style="list-style-type: none"> 75% of raw materials from the local market 	<ul style="list-style-type: none"> 15% reduction in costs.



Packaging and R&D

Packaging R&D is a central function due to its critical role in relation to testing and validations across multiple processes from supply to distribution. Its role and internal engagement are summarized as follows:



Topics of Progress in 2022	Description
Material validation, quality checks,	The packaging team needs to ensure that packaging solutions meet quality standards and safety.
Line trials, packaging material validation, BOM losses	R&D packaging professionals need to work closely with manufacturing teams to ensure that packaging designs are compatible with production processes.
Back-up suppliers, alternative materials, and innovations.	Cooperation with supply chain and procurement functions is crucial for sourcing packaging materials, managing costs, and ensuring a consistent supply chain. These teams help identify cost-effective suppliers and manage inventory.
Material specification, transportation testing	Develop technical data that provides detailed information about the packaging materials, design, and specifications.
Artwork approval cycle,	The packaging team manages the artwork approval cycle to ensure that the packaging design meets regulatory requirements, branding guidelines, and quality standards.

Capital	Inputs	Outputs	Outcomes
Social	Suppliers' relations	<ul style="list-style-type: none"> Back-up suppliers based on Supplier Technical Assessment 	60% of the set target
Manufactured	Responsible efficient and consistent manufacturing processes	<ul style="list-style-type: none"> Negative material elimination 	None
	Recycled polyethylene terephthalate rPET packaging	<ul style="list-style-type: none"> Reduced BOM losses 	EgyFood 0.93% Al-Dawleya 0.08% Al-Masreya 0.08% Al-Marwa 1.75%
		<ul style="list-style-type: none"> lightweight, unbreakable and plasticizer-free packaging with potential 70+% fewer greenhouse emissions and less energy than Virgin PET 	None
Intellectual	Competent teams and distinct and consistent brand message	<ul style="list-style-type: none"> First Time Right for Artwork Development and Approval 	90% of the set target

Quality

QUALITY GOVERNANCE AND DIGITIZATION

Juhayna Corporate Quality Management System (JCQMS) was established in 2016. JCQMS incorporates all relevant global food legislations, laws, internal requirements, and guidelines set up by the National Food Safety Authority (NFSA). It was thoroughly evaluated and put to the test by SGS - a Global 3rd Party Certification body, NFSA, and a selective group of advanced and long-term customers. The JCQMS governs and manages the quality/food safety activities throughout the supply chain starting from the sourcing of raw/packaging materials to the delivery of products at the customer end. Thus, its main objectives are:

- To embed compliance with international and local standards across our value chain.
- To ensure full implementation of food safety & food defense measures and prevent food fraud in everyday work.
- To consolidate quality controls across Juhayna's different sites (manufacturing facilities, warehouses/distribution centers, and dairy farms) by replacing the multiple task forces across the group with a single entity that ensures a set of unified central control points and measures.

This digital automated governance structure and its associated platform embed regulations, client requirements, as well as international standard criteria. It allows multiple-dimension testing by covering:

- Checks made on incoming raw materials and packaging,
- Monitor of processing phases (semi-finished to finished products), and
- Product handling phases (storage/transport and distribution).

In addition, Critical Control Points (CCP) play a pivotal role in identifying and mitigating risks, ensuring the preservation of food safety at each stage of production.

QUALITY AUDITS ALIGNMENT AND COMPLIANCE

- GMP: Good Manufacturing Practices
- GLP: Good Laboratory Practices
- GWP: Good Warehouse Practices
- GHP: Good Hygiene Practices
- GAP: Good Agricultural Practices
- HACCP: Hazard Analysis Critical Control Point

- BRCGS Food ver. 9
- FSSC 22000
- ISO14001:2015
- ISO 9001:2015
- ISO17025:2017
- ISO 22000:2018
- ISO 45001:2018
- ISO 50001:2018



RESPONSIBLE QUALITY PACKAGING: JUHAYNA AND TETRA PAK

Tetra Pak's sustainability approach is shaped by its Brand promise "Protects What's Good: Food, People and Futures."

Tetra Pak has been a strategic Partner of Juhayna for many years, with the mutual goal to optimize the use of packaging solutions that are fully recyclable and renewable.

- Tetra Rex, currently used for Juhayna's Rayeb products.
- Tetra Brik Ultra Edge and Tetra Brik Edge packages, used for Juhayna milk, Happy Kitchen.

- Tetra Pak Packaging line technologies of the A3/Flex 0600 filling line for Juhayna milk brands in 1.5-liter formats (TBA 1500 Edge with one-step opening), reduce the environmental footprint of packing by 25%.

- Juhayna packaging material sourced from Tetra Pak is 100% FSC* labeled, which guarantees that the entire value chain is compliant with responsible forestry practices and forest management.

Responsible Packaging significantly reduces food waste by keeping dairy products fresh and safe for longer durations.

VALUE CREATION - QUALITY AND INNOVATION

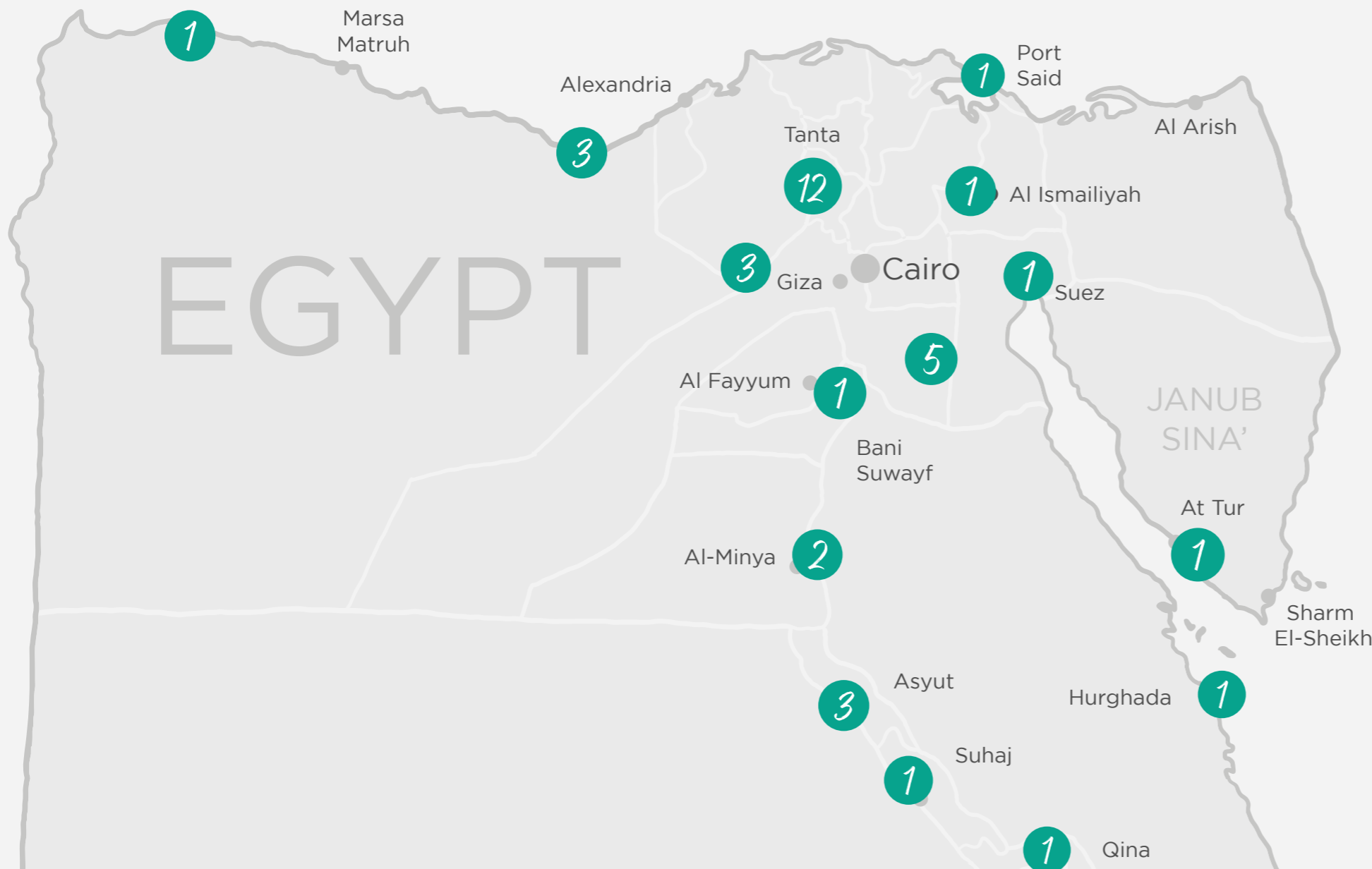
Capital	Inputs	Outputs	Outcomes
Human	Juhayna Quality Training Academy	Core programs designed to build competencies and further develop a quality mindset. On-the-job training and regular coaching and feedback sessions	<ul style="list-style-type: none"> • 15 technical training topics tailor-made to suit business needs. • 280 training sessions. • 3,000 participants. • 10 certified internal corporate auditors, and on-the-job trainers.
Intellectual	Juhayna Corporate Quality Management System	Compliance with international standards across Manufacturing Sites and Labs	<ul style="list-style-type: none"> • 60 External Audits took place. • Zero sanctions or penalties • 99% McDonalds audit Score • AA+ BRC • Certified Labs
Manufactured	Juhayna Food Safety Culture Excellence Initiative	Unannounced quarterly visits across our facilities by external auditors.	Over 4 million dairy samples and 100,000 juice samples analyzed.

*FSC: Forest Stewardship Council

Sales and Distribution

OVERVIEW

Launched in 2007, TIBA is Juhayna’s Commercial Arm and one of its greatest competitive advantages and a key force behind its viability as a vertically integrated entity is its distribution network — the largest amongst its peers in Egypt’s dairy and juice subsegments and the nation’s third-largest overall. Recognized as setting precedents with the NFSA, Tiba registered 10 of its branches on the NFSA whitelist in 2021, making it the owner of the highest percentage of whitelist-registered warehouses in Egypt’s FMCG sector.



ADVANTAGES OF DISTRIBUTION VERTICAL

FOOD SAFETY

Given the highly perishable nature of dairy-based products, transportation and distribution require careful management and logistics in order to effectively guarantee the continued freshness of our products by the time they reach our retailers.

TIBA guarantees that such traditional challenge turns into growing opportunities to reach all planned and targeted geographical locations without compromising on time and quality of deliveries.

STORAGE CAPACITY

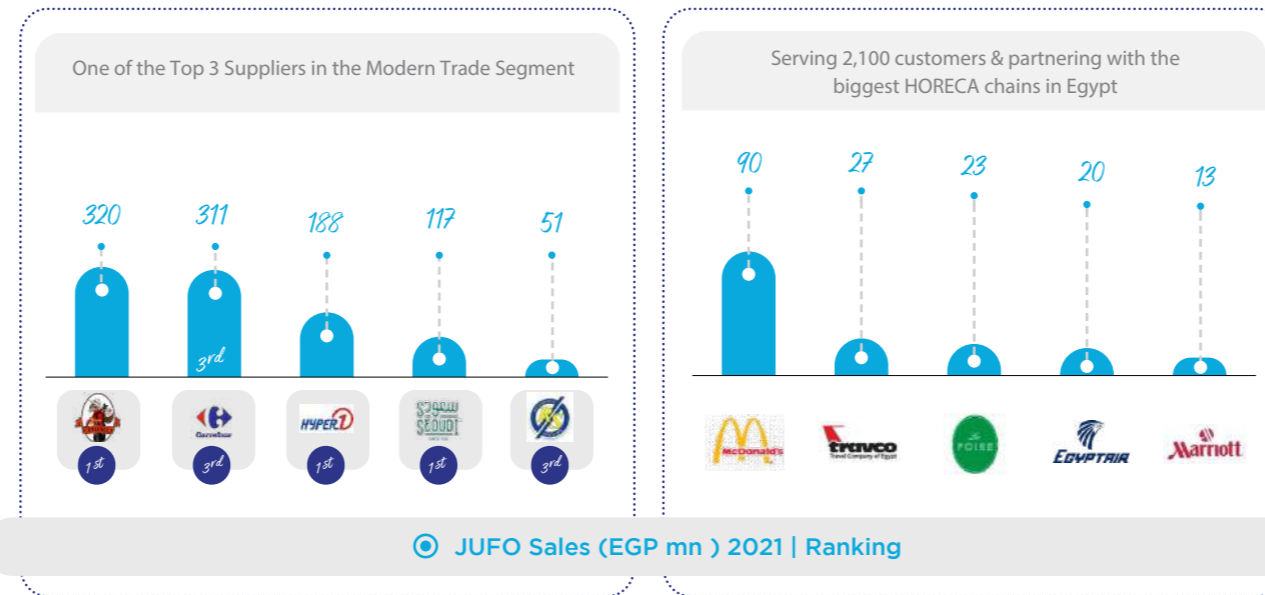
TIBA enables the company to benefit from one of the largest distribution fleets in Egypt’s F&B industry, with the core objective of continuously maximizing the storage capacity of Juhayna’s trucks and the bounds of its network.

THIRD-PARTY DISTRIBUTION

Through the continuous assessment of market opportunities via third-party distribution contracts and investment in TIBA's fleet to accommodate new business, JUFO's distribution division is expected to become a primary catalyst for the Group's growth in the medium term. The success of Juhayna's ongoing distribution agreement with Denmark-based Arla Food, which began in 2015, underlines our commitment to bringing innovative new brands and products to the Egyptian market. TIBA enabled Juhayna to extend its distribution services to Arla since 2015, and its newly-inked contract with KSA-based AMS Baeshen for the distribution of Rabea Tea was signed in June 2020.

Through effective strategic planning, market-leading distribution capacity and industry know-how, our vertical distribution is able to market a wide variety of Arla's products through multiple sale channels at optimal price points, increasing Arla products' visibility and ultimately enhancing its product revenue. Going forward, the company intends to focus on securing new contracts in this promising revenue stream, utilizing its existing distribution capacity at minimum additional CAPEX.

TIBA | A Preferred National Supplier



VEHICLES PERFORMANCE CHECKLIST

Toward mitigating our fleet's emissions, we:

- ✓ Annually renew environmental compliance reports for each vehicle from the traffic department.
- ✓ Maintain any vehicle that is suspected of burning gas outside the car.
- ✓ Perform annual environmental audits for vehicles that have been overhauled to ensure that no additional emissions are being produced.
- ✓ Require drivers to perform daily checkups to make sure there are no oil leaks.
- ✓ Regularly service and maintain worn-out vehicles, unclog fuel injectors, and replace bad oil.
- ✓ Monitor tire pressure to decrease rolling resistance and fuel consumption.
- ✓ Do not overload vehicles so that their motors remain unaffected.

All Juhayna vehicles are substituted after 10 years of use. During their lifetime, monthly consumption cards are updated to assist us in tracking each vehicle's operation and consumption levels, which are benchmarked against a preset average. Preventative and corrective maintenance is conducted to mitigate deviations.

EL COMMANDA

Products delivered by El Commanda drivers—who are all members of rural communities—are sold at more competitive prices, and we aim to extend the reach of our nutritious products to underserved villages and remote areas through them.

The UN started backing El Commanda in mid-2021. Sales in Beni Suef and Minya, our governorates for the program, have increased by 138%, with over 13 women drivers now leading the program in the area.

CUSTOMER RELATIONS

We partnered with Fawry to introduce a creditworthiness system that facilitates digital payments for traders (small retailers vs. hypermarkets), this has led to a significant improvement in payment rates where reparative or failure delays were two of the main reasons that a trader may be excluded from our distribution plan if the issue persists.

Since 2023, we had 0% termination as the impact of this payment facilitation method has proven most efficient to the business and the traders.

Juhayna holds high standards of selection criteria of its traders in relation to the consumer base they serve to ensure that Juhayna's products are well stored, displayed, handled, and made always available in proper conditions and sufficient stock. Therefore, its main criteria include traders' warehouse capacity, customer meter square, number of cashiers, and display as per AC Nielsen classifications.

Training, quality checks, and monitoring are conducted for our wholesalers by our teams for particular issues such as measures of pest control, product handling, and proper storage measures. We also take charge of our Chillers' maintenance at the traders' locations to ensure product safety at the time of sale to consumers.

VALUE CREATION – DISTRIBUTION AND SALES

Capitals	Inputs	Outputs	Outcomes
Financial	Investment and financing for vehicle upgrades and maintenance, drivers' wages, and other distribution-related cost.	<ul style="list-style-type: none"> The ability of transporting both refrigerated and non-refrigerated products nationwide. Distribution to 27 locations across Egypt. Third-party distribution agreements. Fuel consumption and emission. Selling & Distribution Expenses represent 15.9% of revenues, down 0.2 pps y-o-y. Milk: 6% growth in market share Yoghurt: sales growth by 18% Juice: sales growth by 21%. Concentrates: decreased contribution to total revenue by 0.2pps to become 3%. 	<ul style="list-style-type: none"> Serving 65,000 customers (retail and wholesale) Distribution of 330K tons of products, with total sales of EGP 8.4 mn. Boost Top Line Growth with Minimal CAPEX Investment. Third-party's Total Gross Sales of EGP 421mn. Leading market shares by volume: <ul style="list-style-type: none"> - In plain and flavored milk: 63% and 56% respectively (ranked 1st in both). - In spoon-able yoghurt and drinkable yoghurt: 30% and 50%, respectively (ranked 1st and 2nd). - In juice: 26% (ranked 2nd). Total of EGP 8 billion of payment through Fawry Fintech system. ZERO road accidents. 5.5% vehicle emission reduction in 2022 vs. 2021 as a result of vehicle management, as part of Juhayna's 5-year-plan.
Human	1001 Drivers		
Social	Bi-weekly meetings with retailers by sales representatives visits to discuss inquiries or challenges.		
Manufactured	<ul style="list-style-type: none"> 1000 Vans and Trucks 38 Distribution Centers 120 sub-depots across Egypt 16,000 coolers 		
Intellectual	<ul style="list-style-type: none"> ISO 22000 certification for food safety management. FAWRY Partnership for POSs and creditworthiness system to facilitate digital payments for traders. 		

CODE OF CONDUCT

Our sales representatives, in charge of our relationship with retailers, are accountable and committed to conducting themselves per our Code of Ethical and Responsible Conduct.

CHAPTER

WELLNESS OF PEOPLE

- » Juhayna's Family
- » Health & Safety
- » Nourishing The Bottom Line
- » Responsible Communication
- » Community Investment



JUHAYNA Family



We proudly have
+4000
members in Juhayna Family



We Create
+1000
outsourced job opportunities every year



We conducted a Total of
4064
Training Hours



30
A Total of 4 technical training topics, 13 soft skills, and 30 training sessions

STRATEGIC OBJECTIVES

Our strategy defines the core strategic objectives to care for our People and, together, grow our business:

Employ with fair and competitive wages and benefits

Foster an inclusive, diverse, and protective work environment

Acquire and maintain talents

Enhance Career Development programs

The following are the key insights into our culture and practices on which we execute our strategic objectives by assessing risks and creating value:

1. We recognize that our responsibility is to ensure economic stability for our employees, thus wages, compensations, and benefits reflect our dedication to our responsibility.
2. We are committed to creating an empowering and safe work environment through policies and procedures, audits, and preventive actions.
3. We consider each of Juhayna's families to be an individual exceptional talent, thus each has an input to add to the collective team effort and the business.
4. We consider our age diversity to be one of the right balances we maintain in Juhayna, as they maintain the balance of innovation and expertise.
5. We believe that attracting and retaining the best fit for our culture is what sustains the uniqueness of our identity. A like-minded innovative task force establishes loyalty and belonging to the Juhayna Brand to overcome market disruptions and exceed our stakeholders' expectations.

KEY INDICATORS

Juhayna's human capital is one of its greatest assets, it is both a driver for innovation, an enabler of sustainable conduct and business growth, and above all a goal in itself.

Our Employee Profile Disclosure 102-7 / 102-8/ 405-1	2022	
	Male	Female
Number of Employees (Permanent Contract)	989	26
Number of Employees (Temporal Contract)	2993	71
Number of Employees (Part-time)	6	3
Number of Employees per Gender (Excluding Outsourced)	3988	100
Our Human Capital (Excluding Outsourced)	4088	
Number of Outsourced Workers	1020	
Percentage of Females	2.44%	
Percentage of Males	97.5%	



It is noticed that the female percentage is at a low ratio, it is since by nature of the industry, Juhayna, as a Manufacturing and Distribution company, requires that most of its work involves heavy lifting, late night shifts, and/or drivers and regional representatives in remote areas.

Both culturally and socially, we take into consideration the social well-being of women and the effect of certain positions that may cause disturbance to them and to their extended families where women are the natural caregivers.

Our Employee Profile by Age Categories 405-1	2022		
	Below Age 30	30 -50	Over Age 50
Number of Employees (Males)	894	2984	110
Number of Employees (Females)	38	59	3
TOTAL Number of both Genders (per age)	932	3043	113
Percentage of Total Employees	22.70%	74.40%	2.70%

Percentage of New Hires by Age Categories 405-1	2022
Below Age 30	60%
30 to 50	40%
Above Age 50	0%



RISKS AND MANAGEMENT APPROACH

Material Issue	Risk on business	Our Management Approach	Capitals
The educational level of the available workforce	The lack of a workforce in the labor market with a degree of knowledge and culture appropriate to the nature of the company's work results in some occasional operational inefficiency	Corrective and preventive actions were taken for each type of incident and increased training and auditing. Right utilization to release the pressure. Proper onboarding, job shadowing, and heavy monitoring of employees during the probation period	<ul style="list-style-type: none"> Internal training Program through Juhayna Academy for the following specific topics: Quality, Sales Academies, 7 Habits, Healthy and Safety
Culture of some employees	The presence of negative behaviors that may negatively impact the proper application of instructions in different management systems		<ul style="list-style-type: none"> With the participation of 760 employees from the manufacturing department and 316 employees from the sales department.
Workload	Failure to perform tasks accurately or not completing them on time leads to a potential negative impact on operational efficiency and/or increased injuries or occupational diseases.		<ul style="list-style-type: none"> The Rotation Program led to corrective or preventive changes in the roles and responsibilities of the large number of employees in 2022.
Non-compliance with safety and health standards in factories	Injuries that may reach death in some cases		<ul style="list-style-type: none"> Zero incidents in 2022. No fines nor sanctions related to incidents caused by any of these presented risks.

VALUE CREATION - EMPLOYEES

Capitals	Inputs	Outputs	Outcomes
Financial	<ul style="list-style-type: none"> Fair and equal compensation Policy 	<ul style="list-style-type: none"> Frequent surveys confirm that our pay packages remain competitive within our industry, consistently surpassing the government-mandated minimum wage. 	Total EGP 36,212,761 in employees' wages for indirect labor.
	<ul style="list-style-type: none"> Profit Share Benefits 	<ul style="list-style-type: none"> Employees are entitled to an annual bonus on a percentage of the company's annual profits. The bonus is granted based on performance appraisal 	
Human	<ul style="list-style-type: none"> Life insurance policy 	<ul style="list-style-type: none"> Our life insurance policy has been in place since 2012. 	100% of employees subscribe to the policy. We are thankful that none was used, and that we still have all our employees well and safe.
	<ul style="list-style-type: none"> Maternity Leave 	<ul style="list-style-type: none"> Paid Maternity leave for our female employees is up to 12 weeks per child, with an additional 12 unpaid leave on the recommendation of the reporting manager. 	2.44% of female employees were entitled to leave in 2022. Only 7% of those took the leave. 1/7 of those returned to work.
Social	<ul style="list-style-type: none"> Medical Care and Benefits 	<ul style="list-style-type: none"> Medical coverage to all employees and their families under the 2018 initiated program: "Towards a Healthy Lifestyle". 	100% of our employees have medical insurance
	<ul style="list-style-type: none"> Flexible Working Hours 	<ul style="list-style-type: none"> Reduction in the need to request sick leave due to this healthy balanced culture 	Last year's sick leave rate was reported in only 2.89% of the total number of working days
Intellectual	<ul style="list-style-type: none"> Oracle system aligns employee objectives with overall company goals. 	<ul style="list-style-type: none"> Appraisal Criteria and Performance Feedback process across the company. This process is facilitated by the Oracle System, through Continuous evaluation, feedback channels, and self-assessment are integrated into the system, effectively boosting motivation, and consistently driving us toward our business objectives and individual growth. 	100% of employees receiving annual performance reviews
	<ul style="list-style-type: none"> At 74.4%, are our employees between the age of 30 to 50. 22.7%, are our younger generation under 30. 2.7% are gurus over 50 of age, 	<p>An age diversity culture:</p> <ul style="list-style-type: none"> Age of 30 to 50. This is a task force that is at the prime of its professional maturity and experience, they provide the company with stability and hands-on expertise. Under 30. The teams that bring innovation and generational continuity to Juhayna's long-standing history. Above 50 of age, where direction, guidance, and wisdom are offered by them across all levels of employment 	138 key positions we filled by internal successors.

Health and Safety

Monitored Safety Indicators on Sites	2021	2022
Total Case Incident Rate (TCIR) and Lost/Restricted Case Incident Rate (LCIR)	1.11	0.51
Near misses Lost/Restricted Case Incident Rate (LCIR)	1.11	0.51
Lost Day Case Frequency Rate (LDFR)	1.11	0.51
Lost Day Case Severity Rate (LDSR)	43.97	22.95
Recordable Work-Related Ill Health Cases	None	None
Work-Related Absentee Rate	None	None

Rates were calculated based on 200,000 hours worked

ZERO
Fatality

4630
of Total Training Hours

STRATEGIC OBJECTIVES

Our strategy defines the core strategic objectives to care for our People and - together - grow our business:

- OHSE Risks Assessment
- Responsible Labor Practices
- Stakeholders and Community Consideration

Our core OHSE activity revolves around:

- The prevention and mitigation of OHSE impacts directly linked to business relationships
- The elimination of the possibility of injuries and ill health related issue in the work environment, with applicability to:
 - All sites, all individuals, and employed personnel working on site (permanent and temporary workers, visitors, and contractors)
 - All activities and processes that have an impact on the environment.
 - All aspects of production (raw materials, formulation, packaging, procurement, manufacturing, storage, transportation, and display at retail points).



KEY SYSTEM ASPECTS

The following are the key insights on the system, based on which we execute our strategic objectives by assessing risks and creating value:

1. H&S Policy mandate as per the ISO 45001, covering: All relevant legislations, laws, legal annexes, internal requirements (Egyptian Labor Law No. 12/2003, and all terms of the standard are applied).
2. H&S Standards apply to all contractors, visitors, group visitors, and community through Procedure No. EHS.P.08 and Work Instruction No. EHS.WI.06/Issue No.02/Jan.2020.
3. Audit and Controls Activities cover 100% of the processes through:
 - conducting Internal Audit through “Juhayna Internal Assessment Program” aimed to demonstrating conformance with “Juhayna Integrated Management System”.
 - Audit Independency.
 - The evaluation of the internal audit team’s performance by the Corporate Compliance.
 - Training all internal auditors to be capable of auditing as per the ISO19011:2018
4. Hazard Identification, Risk Assessment, and Incident Investigation are regulated as per Juhayna’s Procedure (No. EHS.P.05), last updated in 2020.



STAKEHOLDERS APPROACH

OHSE COMMITTEE

- The Committee consists of Site Manager, Safety Specialist, Department Managers, and workers.
- The Committee conducts monthly meetings in all site locations.

OHSE COMMUNICATION TO WORKERS

The following is communicated through bulletin board, training courses, shared files, or e-mails.

- The OHSE Policy.
- Objectives, programs, requirements, and results of key performance indicators.
- Issues related to management systems.
- Daily Operational outcomes and reviews.

OHSE STAKEHOLDERS PARTICIPATION

- Records, internal and external communications
- Participation of workers in the monthly occupational safety and health committee meetings.
- The participation of workers in the behavior observation system, on matters related to any deviation that may occur.

WORKER PARTICIPATION, CONSULTATION, AND COMMUNICATION ON OCCUPATIONAL H&S

They include the following scopes:

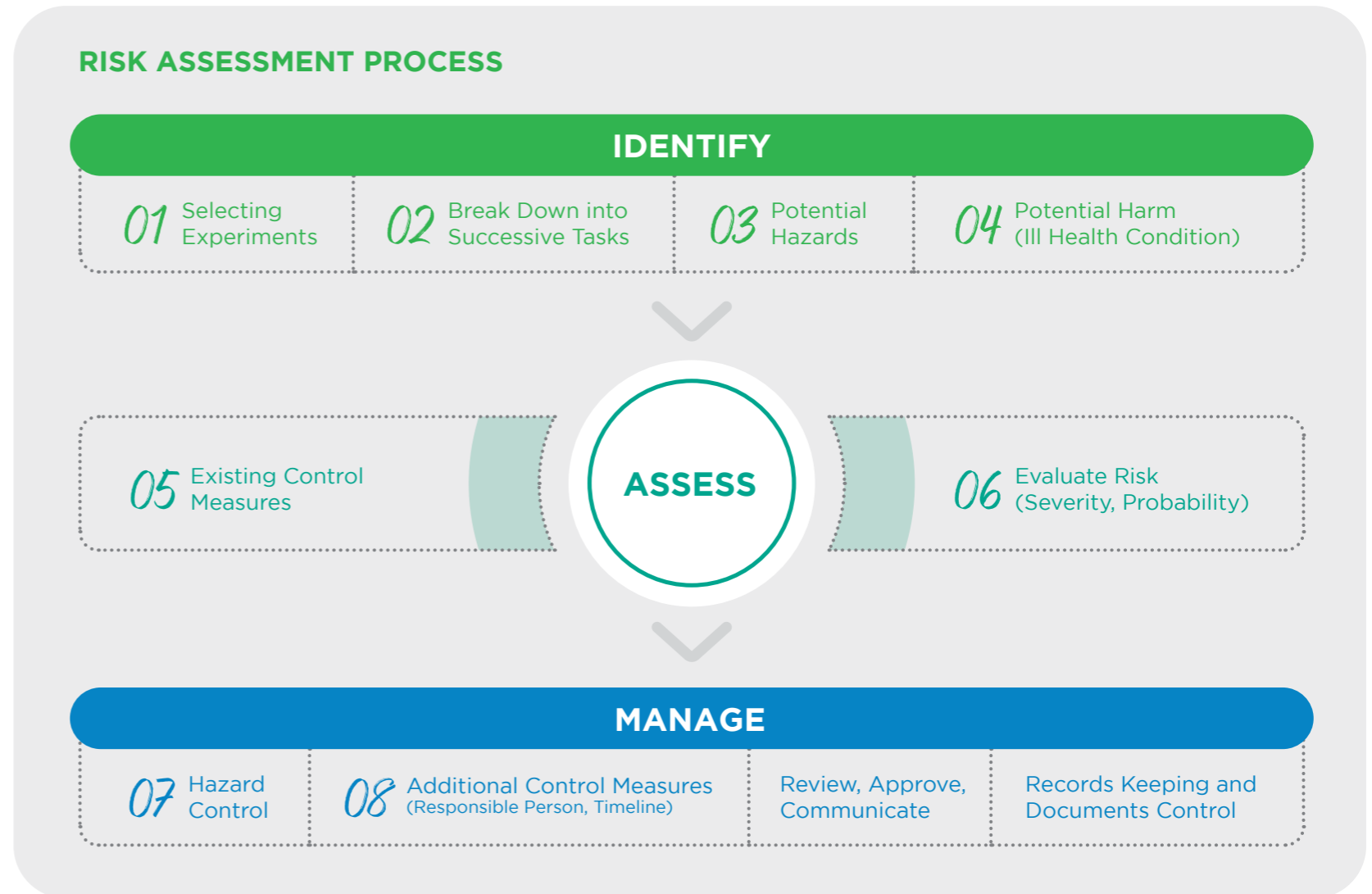
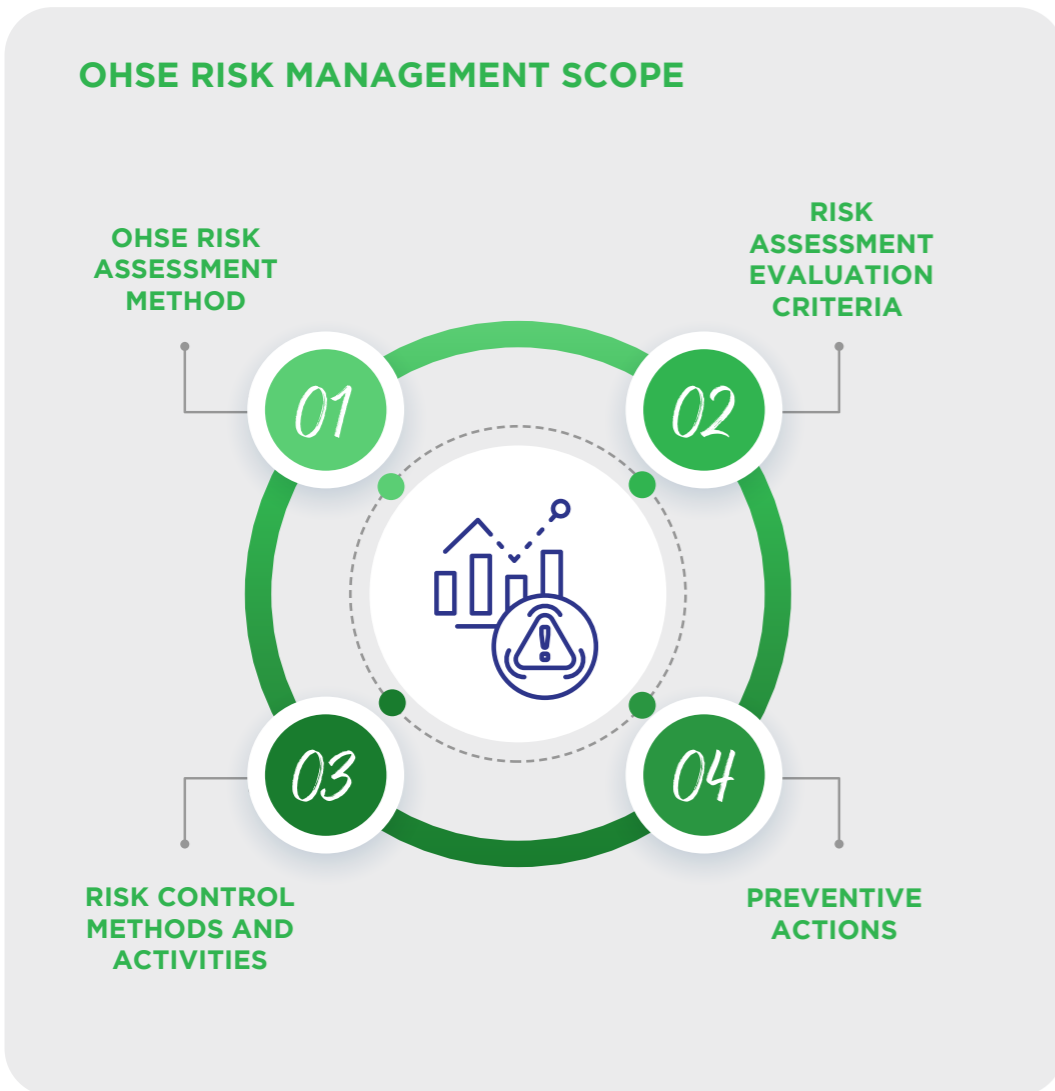
1. **Issues related to OHSE, like:**
 - Identifying H&S Hazards
 - Assessing the degree of risk.
 - Determining means of control.
 - Investigating events.
 - Reviewing the policy and objectives of management systems.
2. **Issues related to changes at the work site:**
 - Construction work or a change in raw materials or manufacturing methods, which may affect the safety and health of workers.

IMPROVEMENT OF THE MANAGEMENT SYSTEM

- Participation of workers in the implementation processes.
- Communicating the results of continuous improvement to workers.
- Maintaining and retaining documented information as evidence of continuous improvement.



RISKS MANAGEMENT APPROACH



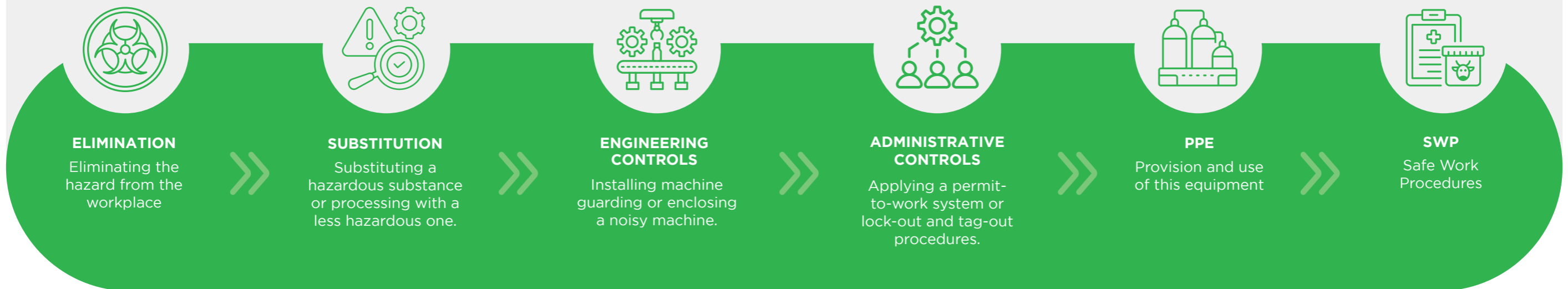
OHSE RISK MANAGEMENT APPLICABILITY

- All activities and processes that have specific risks on H&S of employees.
- All activities and processes that have any impacts on the environment.

RISK CONTROL METHODOLOGY

- Using Hierarchy of Controls to reduce the risk
- Using the concept of As Low As Reasonably Practicable (ALARP)

RISKS CONTROL MEASURES IN THE WORKPLACE: (FROM MOST TO LEAST)



LIKELIHOOD CATEGORIES & DESCRIPTION

REMOTE

Undesired event which may occur but unlikely, once in 5 years

POSSIBLE

Undesired event, which is probable, once in a year

FREQUENT

Undesired event which probably occur in most circumstances, once or more per month

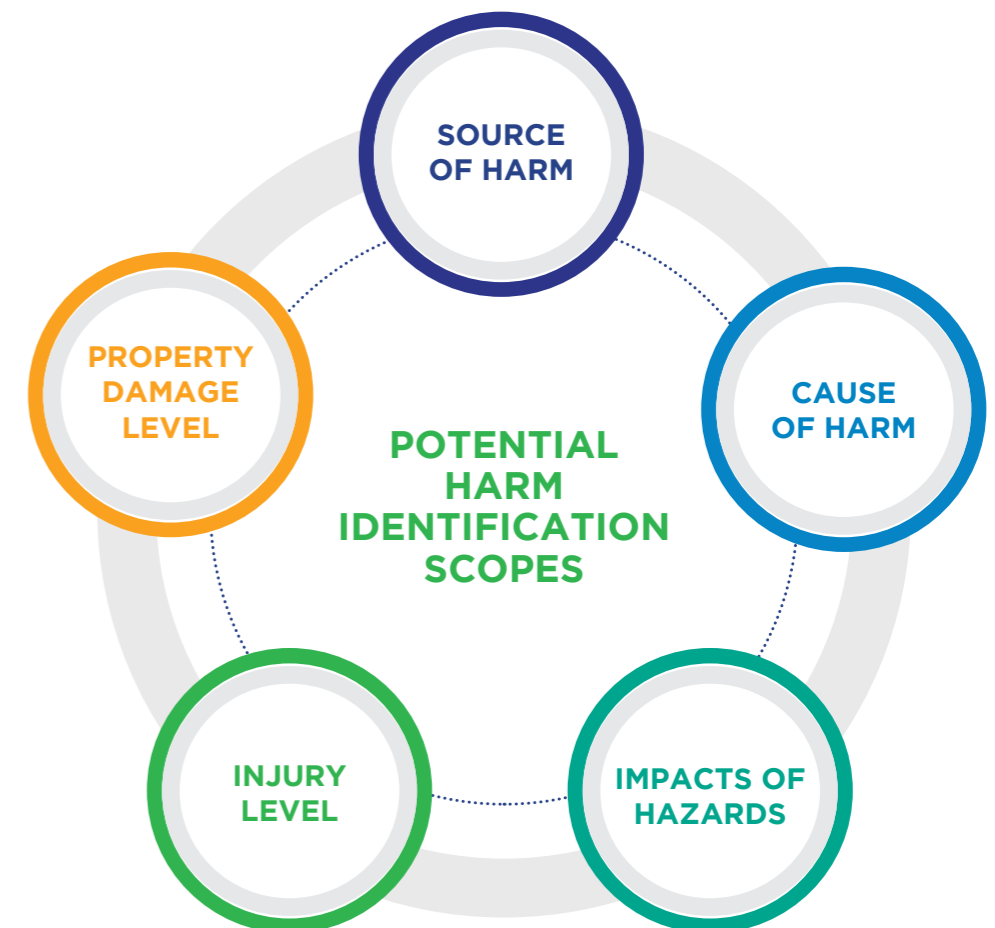
SEVERITY CATEGORIES & DESCRIPTION

BIOLOGICAL IMPACT

- May not cause human disease, but spreadable to the community
- Can cause severe human disease, and not ordinarily spread by casual contact
- Can cause lethal human disease, may be readily transmitted.

ENVIRONMENTAL DAMAGE

- Reversible
- Reversible but takes years
- Irreversible





VALUE CREATION - HEALTH AND SAFETY

Inputs

- The Occupational Health and Safety Manual and Policy were both established in 2015, are reviewed annually, and were last updated and approved in June 2022.
- Integrated OHSE Management System.
- Occupational Safety and Health Committee held monthly on all sites.
- Workers Participation on OHSE Issues.
- Training sessions for all site employees, corporate team and H&S Committee

Outputs

- Continual improvement monitored and managed through the Integrated Management System.
- Information and necessary resources are available to achieve implemented Management Systems Objectives.
- Identification of OHSE Hazards and Risks
- Effective Control Measures established.
- Developing workers' skills and competencies, ensuring implementation of Integrated Management System
- Programs provided for Contractors to reduce OHSE risks.
- Prioritizing energy efficiency in the purchasing of equipment and approving new investments to ensure optimal use of all resources.

Outcomes

Training has increased up to four-folds

- 200 Training Sessions
- 4630 Total Training Hours
- 2072 Trainees (against target set at 950 for 2022)

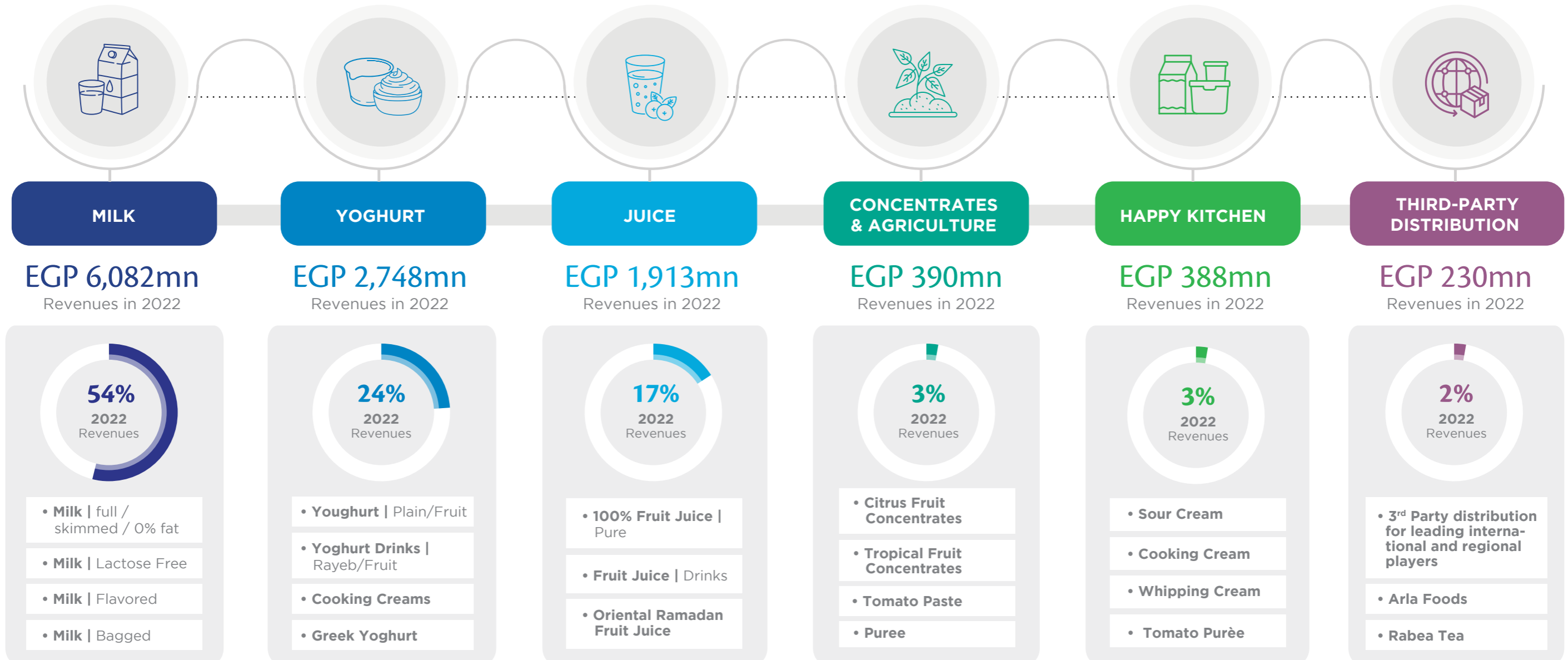
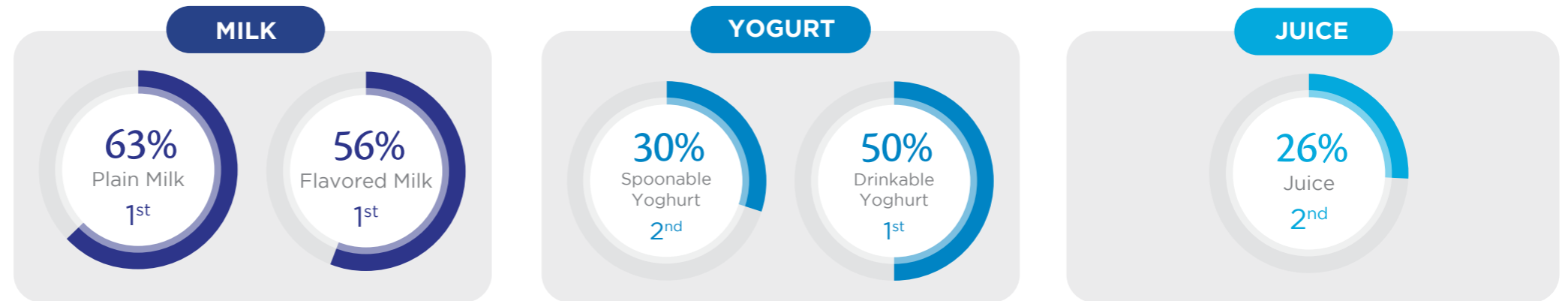
Reduction of Work-related injuries in 2022 vs. 2021

- Number of injures reduced by 60%
- Lost Days reduced by 23.7%
- TCIR reduced by 54.1%
- LDSE reduced by 47.8%

The rates were calculated based on 200,000 hours worked.

Nourishing The Bottom Line

MARKET LEADER ACROSS FAST-GROWING SEGMENTS



Milk



EGP 6,082 MN
Revenue

+40%
y-o-y revenue growth

63%
Plain milk market share

56%
flavored milk market share

+4%
y-o-y plain milk market share



In 2022, Juhayna strengthened its market dominance in the Egyptian packaged milk sector, capturing a significant 63% market share in the plain milk category. This marked an increase of 4% compared to 2021. Additionally, we maintained a consistent 56% share of the domestic flavored milk market. Juhayna's core revenue source remains its mass-market milk offerings, which encompass Juhayna plain full cream, half cream, skimmed milk, and Juhayna Mix flavored milk. These products collectively contribute to 40% of the company's sales within the dairy segment.

FIGHTER

Bekhero Full Cream Milk

Bekhero Flavored

MASS

Juhayna Plain Milk Full Cream

Juhayna Mix Flavored Milk

Juhayna Plain Milk Half Cream

Juhayna Plain Milk Skimmed

PREMIUM

Juhayna Plain Milk Skimmed

Juhayna Plain Milk 0% Fat

Yogurt



EGP 2,748 MN

Revenue

+15%

segment growth

30%

spoonable yogurt market share

+1%

y-o-y spoonable yogurt market share

50%

y-o-y plain milk market share

Juhayna market shares in Egypt in both the spoonable yogurt and drinkable yogurt subsegments were 30% and 50%, respectively in 2022. Juhayna launched “Flavored Drinkable Greek Yogurt” line in April 2022, further boosting revenue growth during the year.

MASS

Juhayna Plain Yogurt

Juhayna Light Yogurt

Juhayna Flavored Yogurt (strawberry)

Juhayna Drinkable Yogurt “Zabado” (4 flavors)

Juhayna Rayeb (4 flavors)

PREMIUM

Plain Greek Yogurt (7 SKUs)

Flavored Greek Yogurt (4 favors)

Drinkable Greek Yogurt (3 flavors)

Happy Kitchen (Sour/cooking/whipping cream)



Juice



EGP 1,913 MN

Revenue

+18%

y-o-y revenue growth

26%

market share

+1%

y-o-y market share

Juhayna's juices and juice products account for 26% of Egypt's domestic packaged juice consumption.

Juhayna continues to demonstrate excellent navigation of market dynamics as proven by the 18% growth in the Company's juice revenues in 2022 compared to 2021.

FIGHTER

Bekhero Drink (4 flavors)

MASS

Juhayna Classics (10 flavors)

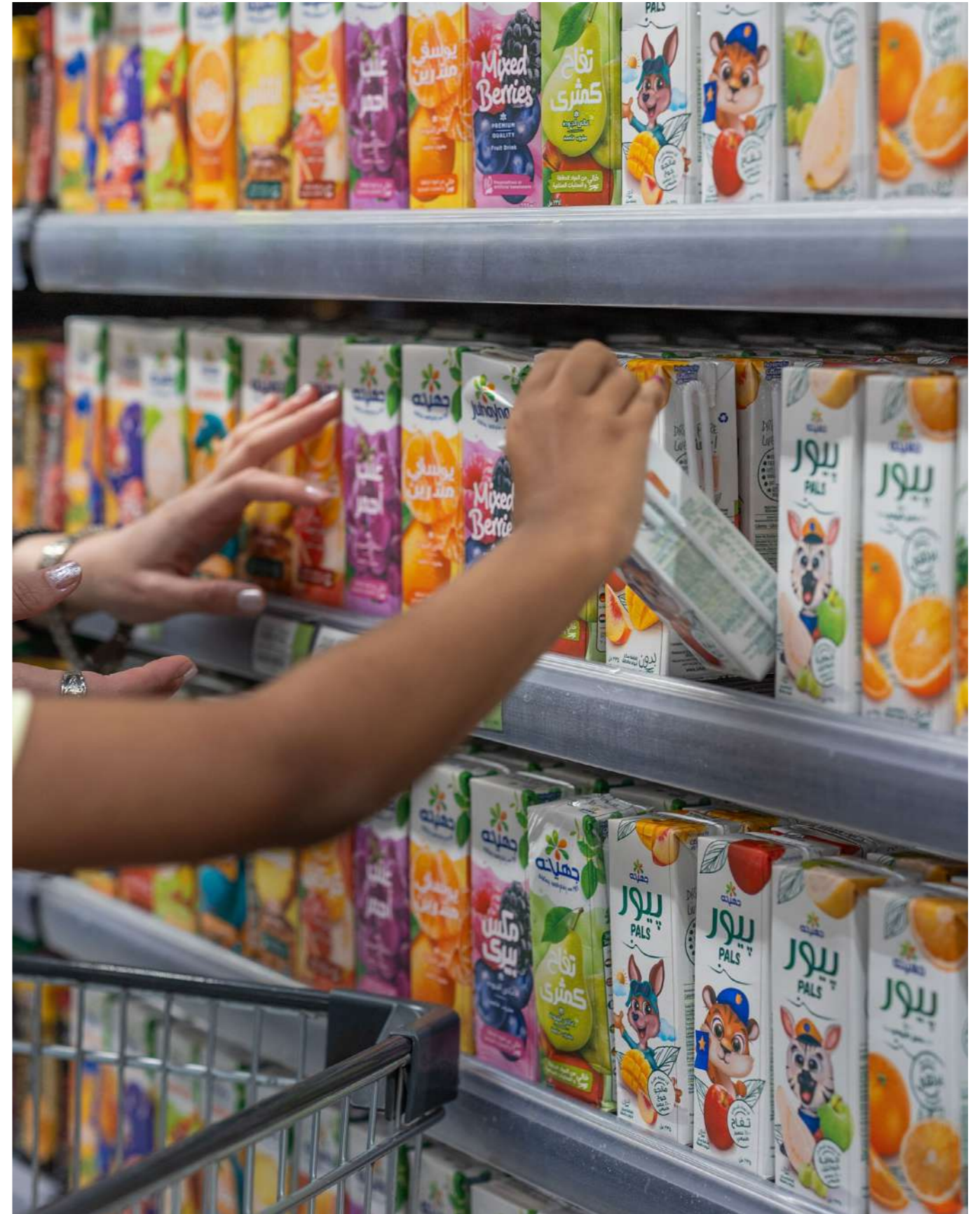
PREMIUM

Juhayna PURE 100% juice (10 flavors)

Tomato Puree

ORIENTAL

Oriental Juices (3 Flavors)



Concentrates



EGP 369 MN
Revenue

+85%

y-o-y revenue growth,
USD value

100%

y-o-y revenue
growth

Juhayna sells its concentrates and pulps to a growing number of export markets around the world.

The growing demand for fruit and vegetable juice in Egypt's beverage industry, driven by health-conscious preferences, prompted Juhayna to initiate a 2020 promotional campaign. This campaign centered on the sugar-free Pure range.



VALUE CREATION - NUTRITION AND PRODUCTS

Inputs	Outputs	Outcomes
<ul style="list-style-type: none"> Dairy-free milk alternatives with nutritional value 	<ul style="list-style-type: none"> Nuts & Grains (N&G) range 	<p>Address the needs of lactose-intolerant consumers or who follow a non-dairy diet.</p>
<ul style="list-style-type: none"> Vegan milk with foaming properties 	<ul style="list-style-type: none"> N&G Almond Barista edition 	<p>Provide choices for specific customers' demands.</p>
<ul style="list-style-type: none"> Sugar-free juice range 	<ul style="list-style-type: none"> "Live Pure" 	<p>Provide choices of fruit and vegetable juice for consumers with health-conscious preferences.</p>
<ul style="list-style-type: none"> No-preservative juice 	<ul style="list-style-type: none"> PURE 100% juice (10 flavors) 	<p>Hygienically packaged milk that eliminates health risks associated with consuming loose milk, With High-quality ingredients, effectively maintaining the nutritional value of liquid milk, while affordably addressing Egypt's mass lower-income segment.</p>
<ul style="list-style-type: none"> High concentration of vitamins and minerals that are fused into a rich and creamy taste. 	<ul style="list-style-type: none"> Bekhero Full Cream Milk 	
<ul style="list-style-type: none"> Finest local fruits and provides an alternative to fizzy drinks. 	<ul style="list-style-type: none"> Bekhero Juice 	
<ul style="list-style-type: none"> Sweetened Alternatives 	<ul style="list-style-type: none"> Bekhero Sweetened Alternatives 	
<ul style="list-style-type: none"> Low-fat milk alternatives 	<ul style="list-style-type: none"> Juhayna Rayeb Light Juhayna Plain Milk Skimmed Juhayna Plain Milk 0% Fat 	<p>Provide choices of milk variety for consumers with health-conscious preferences.</p>

Responsible Communication

There is no greater mission than serving people with their most fundamental right: The right to Nutrition, and no weightier duty than to serve them equitably, responsibly, and sustainably. To make knowledge of our products accessible to all, consistent communication is key.

In this age of ever-evolving technological landscapes and digital platforms, clients are frequently overwhelmed with an overflow of information. For that reason, internal and external stakeholders' engagements and communication at Juhayna play a critical role in conveying messages that are pertinent, transparent, and comprehensive for each of its customer segments. We recognize the delicate line between promotion that best serves the business, and communication that ensures sufficient information about product details and business practices. Through this section, we provide insightful information on how our marketing and labeling are deemed ready to meet our public.



FIRST RIGHT TO KNOW

Responsible internal communication plays a vital role in Juhayna, as we firmly believe that our employees always have the “first right to know.” We prioritize keeping our employees informed about any news or updates before public announcements, including marketing campaigns, financial performance and/ or any other crucial news. This practice ensures alignment within the organization and gives our employees a sense of ownership. By involving them early on, we foster a culture of transparency and encourage their active participation in the company’s success.

RESPONSIBLE GOVERNANCE OF OUR MESSAGES

Our practices adhere to a set of principles inspired by the nature of our industry and our corporate values, all guided by global standards designed to safeguard clients and business relationships.

JUHAYNA ALIGNS WITH:

The “ICC Advertising and Marketing Communication Code,” the most widely referenced and utilized standard, providing an internationally self-regulated framework of values for companies to conduct their business.

JUHAYNA ADHERES TO:

- Egyptian Standard ES 1546/2011, General Standard for the Labeling of Prepackaged Foods
- Codex Standard CXS 1-1985, General Standard for the Labeling of Prepackaged Foods
- Policy and regulations for ethical marketing and advertising practices set by NFSA, EOS, CFI, and MoH

SUPERIOR TASTE AWARD 2022
By the International Taste Institute



KNOW YOUR WAY AROUND

Internal branding plays a crucial role in our internal communication strategy. We understand that visual cues can have a significant impact on employee behavior and engagement. Therefore, we have implemented internal branding across our premises. Safety signs, particularly in our factories, are essential for ensuring the well-being of our employees. Additionally, educational signs about energy-saving practices and hygiene serve as reminders of our commitment to sustainability and the health of our workforce. These visual cues, along with other important instructions or directions, contribute to a cohesive and informed work environment.

“KAIZALA”, THE INTERNAL HUB

To cater to the diverse needs of our 4000+ employees, we have established various communication platforms. From our intranet and email systems to our messaging platform “Kaizala”, we ensure that our messages reach every employee through the most relevant channels.

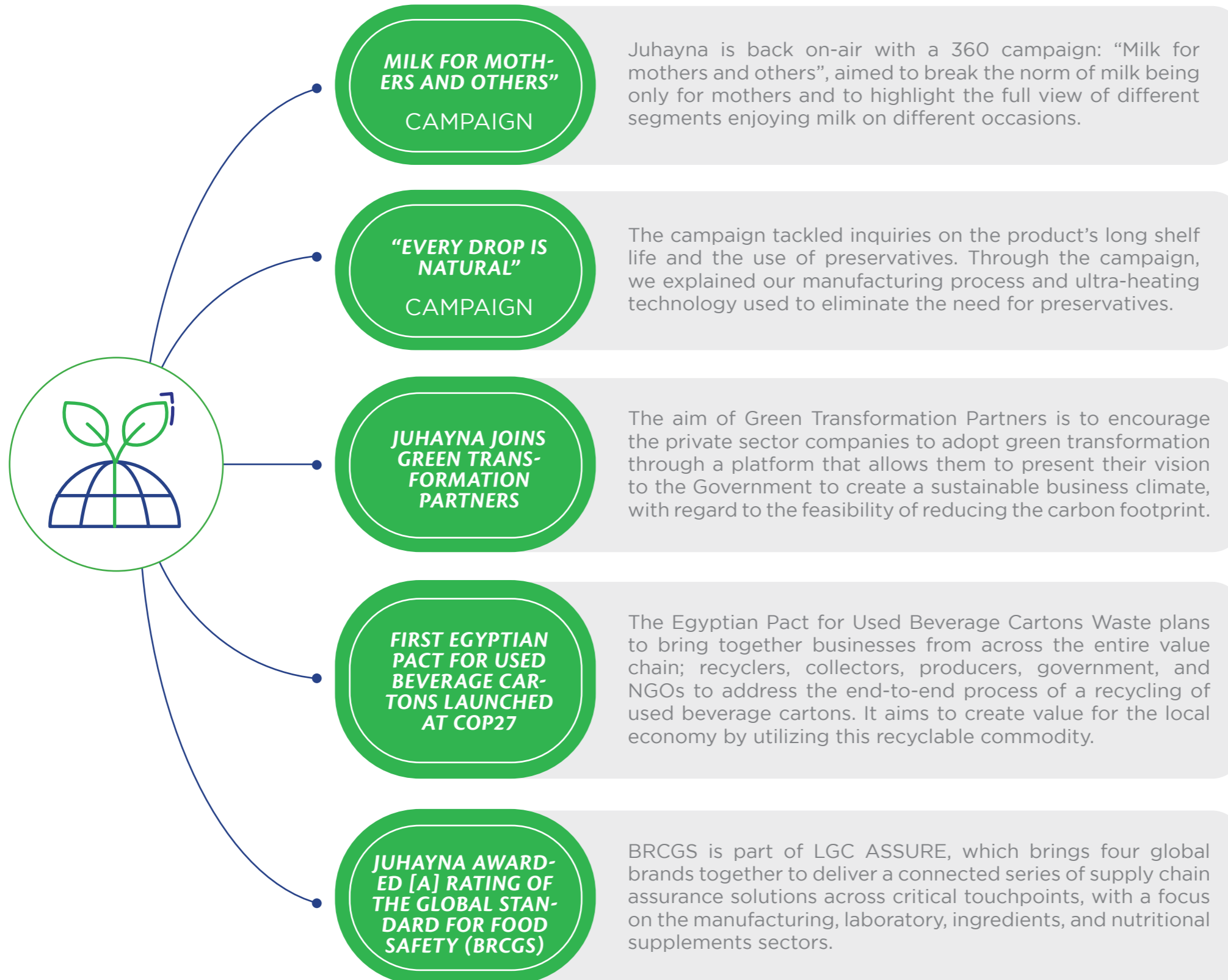
We carefully consider the tonality and language used in our communications to ensure effective and meaningful engagement. This approach allows us to connect with our employees on a personal level and promote a sense of belonging within the organization.

In conclusion, responsible, clear, open, transparent, and consistent communication with our employees is of utmost importance to us. By prioritizing internal communication, we ensure alignment, foster a sense of ownership, and boost positive morale within the organization. Our commitment to keeping employees informed, providing diverse communication channels, and implementing internal branding initiatives reflects our dedication to creating a supportive and engaged workforce at Juhayna.

VALUE CREATION - MARKETING AND LABELING

Capitals	Inputs	Outputs	Outcomes
Intellectual	<ul style="list-style-type: none"> Juhyana Integrated Business Planning Process 	Internal stakeholders' engagements, briefings, reviews, and decision-making sessions. Reduced need for a marketing budget.	<ul style="list-style-type: none"> A total of 1,311 external communication activities focused on Juhayna's governance, sustainability performance, and outputs through prints, online, social media, and newswires.
	<ul style="list-style-type: none"> State-of-art machinery and packaging 	Responsible product labeling. New packaging innovation.	<ul style="list-style-type: none"> Inclusion of more languages on labels. new 1-Step opening cap. Plain yogurt labels 100% adhere to global clean label practices, with plans in place to expand this endeavor to include all capped products
Manufactured	<ul style="list-style-type: none"> Traceability codes on product packaging 	Pre and post-distribution elimination of faulty products by identifying, authenticating, and tracking products across our supply chain.	<ul style="list-style-type: none"> The lowest level of products recalls.
	<ul style="list-style-type: none"> Protected Digital services, supporting data centers, back-end technological software and applications, operational 24/7 	A hybrid model of human and digital interactions across	<ul style="list-style-type: none"> Seven omni channels <div style="display: flex; justify-content: space-around; text-align: center;"> <div>Digital Applications (e-commerce and POS)</div> <div>Social Media</div> <div>Website Assistance</div> </div> <div style="display: flex; justify-content: space-around; text-align: center; margin-top: 5px;"> <div>Site Visits</div> <div>Call Center</div> <div>Facebook Messenger</div> <div>WhatsApp</div> <div>Digital Assistance</div> </div>
Social and Relationships	<ul style="list-style-type: none"> Extended Customer Channels 	Increased Campaigns Reach and Viewership & GRPs	<ul style="list-style-type: none"> Revenue increased by 29% to EGP11,364 mn.
		Business Transparency. Solidifying customers' trust.	<ul style="list-style-type: none"> 1350 visitors (from Schools, universities & nurseries as well as 10 VIP visits from media specialists/journalists, Public figures/social media influencers, ambassadors, Business professionals, investors; among others.
	Brand loyalty and customer engagement. Increase reach among young, tech-savvy audiences	<ul style="list-style-type: none"> Social Media Status <div style="display: flex; justify-content: space-around; text-align: center;"> <div>130+ social media posts</div> <div>FB interactions is 1,043 shares and 27.850 reactions</div> </div> <div style="display: flex; justify-content: space-around; text-align: center; margin-top: 5px;"> <div>254,969 Facebook followers</div> <div>216,508 LinkedIn followers</div> <div>FB page reach is 22,916,046</div> </div> <div style="display: flex; justify-content: space-around; text-align: center; margin-top: 5px;"> <div>Over 21 thousand inbound and outbound calls through our call center</div> <div>19,547 IG followers</div> </div>	
	Call Centre performance monitoring	<ul style="list-style-type: none"> Average Handle Time (AHT) is 200 seconds. Service Level Agreement (SLA) is 2.15 working days to visit consumer's complaints. On peak days, calls can reach up to 150 daily calls. 	
	Marketing and labelling Grievance mechanism and Complaints Handling	<ul style="list-style-type: none"> Complaints ratio represented an average of 21% of total calls answered. 	
	Customer Satisfaction Score	<ul style="list-style-type: none"> Our customer satisfaction rate during was 90.6% 	

KEY SUSTAINABILITY-RELATED NEWS



Community Investment

OUR COMMUNITY PURPOSE:

FOR THE PEOPLE, BY THE PEOPLE

Each section reflects: Capitals, Strategic Objectives presenting Juhayna's heritage.

The impact on our society, the value we aim to create and the heritage we insist on leaving behind are the core values that we follow and historically have addressed =.

Not only do we believe and support the innovation in our business value chain, but we also promote adopting agile methods while choosing, monitoring, and implementing sustainable developmental projects that are beneficial for the society and fits the needs of our community 'today' while still protecting future generations.

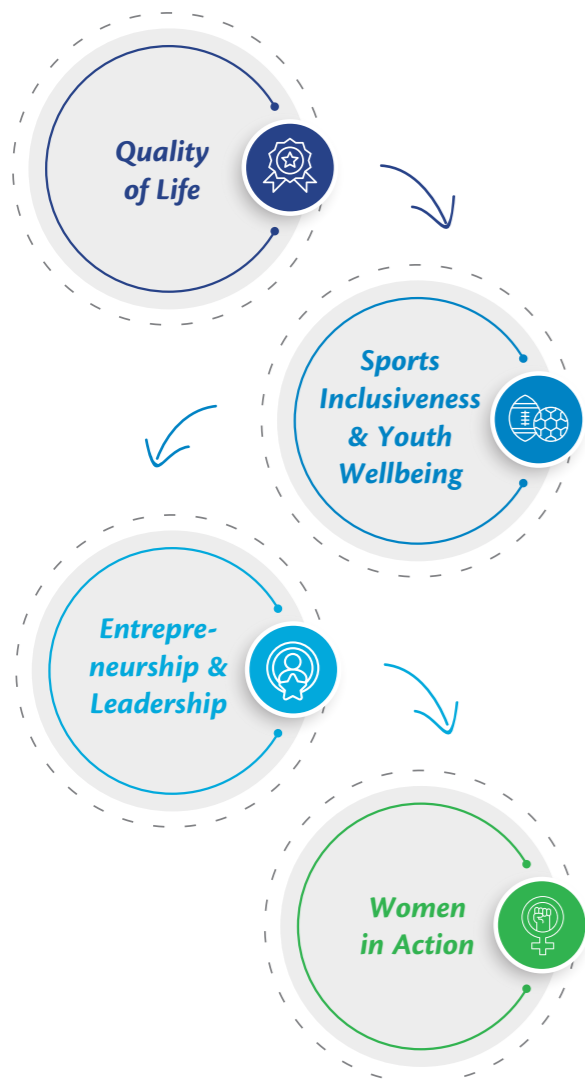


Juhayna's Legacy: The people own today's story and are protecting tomorrow's legacy.

OUR FOCUS IS ON PAYING BACK TO THE PEOPLE WHO HAVE CONTRIBUTED TO JUHAYNA'S GROWTH; BE IT A SMALL-HOLDER FARMER, A CONSUMER, A SUPPLIER IN OUR FAMILY OF VALUE CHAIN, OR SIMPLY A CHILD STRIVING FOR EDUCATION.

DRIVING VALUE TO OUR COMMUNITY

Giving back is our recognition to every community member, including children who are paramount to Juhayna's heritage., ensuring a vibrant legacy for generations to come, We aim to nurture employment creation for future generations and cultivate a stronger bond with the community that supports us. Strategic Focus.



Through this report, we share with our community part of the efforts that we have done in partnership with many longstanding partners in the civil society trusted organizations.



HEALTH & NUTRITION

FOOD QUALITY FOR ALL

Juhayna has been partnering with various stakeholders to improve the quality of food processing and packaging

. More importantly, demonstrating their own belief in the importance of food quality for all. We Juhayna commit to providing products that are applicable and affordable for every segment of the community without compromising quality. In line with this commitment, Juhayna collaborated with GIZ on a supplier training program that extends to both our own supply chain and external suppliers. As we have started the communication with our partners, we will launch the training program in 2023.

The program aims to support Egyptian food processing and packaging suppliers in elevating their food handling, processing, and production safety to internationally recognized standards such as BRCGS-Standards and FSSC 22000. By meeting these standards, suppliers can enhance their competitiveness in the international market. This program aims to supporting Egyptian SMEs and suppliers in improving their process and product quality, as well as facilitating their integration into supply chains. As part of the partnership with GIZ, a series of projects will be initiated, commencing with visits and gap assessments to the participating suppliers. The purpose of these visits is to gather relevant information about their specific needs, ensuring that program deliveries are tailored to address real requirements rather than relying solely on theoretical and irrelevant information.

Additionally, a comprehensive four-day workshop will take place at Juhayna's headquarters, facilitated by the International Finance Corporation (IFC) in collaboration with Juhayna's own experts. The aim of the workshop is to provide valuable training and knowledge sharing opportunities for the participants. Juhayna is actively contributing to the program's success by providing in-kind services, including offering the utilization of Juhayna Academy for training sessions, as well as providing its in-house professionals and resources to support the program's implementation. This commitment showcases Juhayna's firm dedication to promoting the highest quality standards within the food packaging industry in Egypt.

SPORTS INCLUSIVENESS AND YOUTH'S WELLBEING



DEVELOPING
HEALTHY FUTURE
GENERATIONS

Juhayna firmly believes in the positive influence of sports on the well-being and skill development of young individuals. Our organization is dedicated to actively engaging in projects and initiatives that support various sports, consistently striving to make a difference.

Aligned with SDG3 (Good Health and Well-being) and SDG4 (Quality Education), we aim to contribute to physical fitness, mental well-being, educational outcomes, and the overall quality of life for youth through our continuous support for sports.

By harnessing the power of sports, we can significantly contribute to a healthier and more educated youth population. Egypt's Vision 2030 recognizes the great potential of sports in achieving both Goal 3 and Goal 4 of the SDGs, and we closely observe this in our approach. Egypt aims to integrate sports into national health and education initiatives, strategically investing in sports infrastructure, training programs, and inclusive participation opportunities.

By aligning sports with the SDGs, Egypt's Vision 2030 aims to cultivate a healthier, more educated, and empowered generation that can effectively contribute to the sustainable development of the nation. At Juhayna, we wholeheartedly commit to utilizing our resources to fulfill these objectives.



HIGHLIGHTS OF
"PAY IT FORWARD"
CAMPAIGN



An event for children was organized to help in preparing the packaging of clean shoes in one of the participating private clubs.

The children learned the importance of making sure that the donated shoes are clean and delivered in good condition before donating them.

The campaign also witnessed the organization of an educational and entertaining day for a number of young people from youth centers in KidZania Education City, who were able to experience more than 70 activities and crafts from real life along with a football match that was held between a number of them.

The closing ceremony included a match between a few football players in the participating youth centers, who were able to play using the new sports shoes that were delivered to them.

I am proud to be launching the "Pay it Forward" sports campaign, which comes in line with Juhayna's belief in the importance of supporting and developing the sports field to ensure the preparation of new generations with good health.



Passant Fouad,
External Communication
Director, Juhayna

“Pay it Forward” campaign comes under the umbrella of “All will play football” sports platform, in cooperation with the Egyptian Clothing Bank and The Maker Company. The campaign aimed to collect 10,000 sports shoes to be distributed to several youth centers across Egypt to provide them with the opportunity to play football. “Pay it Forward” campaign managed to collect 12,700 sports shoes which surpassed the target of collecting 10,000 shoes, distributed to 26 youth centres across 25 governorates.

The outcomes of the initiative were announced during a closing ceremony organized by Juhayna in cooperation with its partners, which witnessed the presence of Ms. Passant Fouad, External Communications Director of Juhayna, Ms. Manal Saleh, CEO of the Egyptian Clothing Bank, and Captain Omar Marmoush, the Egyptian football player. The ceremony witnessed the participation of football players who donated their sports shoes, including Captain Wael Reyad and Captain Mohamed Nagy Gedo. The public (our community) donated their shoes as well as captain Hossam Mido who donated his kids’ shoes and captain Marmoush who donated his own shoes.

I am confident that the campaign will discover various sports talents and our role is to empower them to bring out a new generation of football stars. I hope that we can achieve the main goal of the campaign, which is to make thousands of Egyptians happy.”

Captain Ahmed Hossam Mido



“Everyone plays football, but there are those who are deprived of playing it. I am very happy to see the dream become a reality I am sure that Egyptians will rush into participating in the campaign, and we will double this number in a short time after the launch.” Marmoush hopes replicating similar campaigns as a success model in other sports

Omar Marmoush



Continuing our efforts to capitalize on our achievements in youth sports, Juhayna participated in the largest football event, known as the Football Expo. Our aim was to shape the mindset of young individuals towards sports and provide them with enhanced opportunities. Through engaging in seminars and activities featuring renowned athletes and sports content creators, we sought to inspire and empower the youth.

ENTREPRENEURSHIP & LEADERSHIP

“Thematic Competition on Capacity Building through Effective Empowerment”

Since 2008, we have been steadfast supporters of ENACTUS, acknowledging the organization’s impactful initiatives and the positive influence they have on our collective future to better tailor the businesses of new generation of entrepreneurs and projects to fit society’s needs and requirements.

Juhayna has been a member in Business Advisory Council Members since 2010, giving strategic directions for the growth of Enactus Organization, which helped Enactus Egypt to expand in 58 universities covering most of the Egyptian governorates.



ENACTUS, an international non-profit organization that promotes entrepreneurship and provides a platform for private and public university students to interact and collaborate with business and academic leaders on community development projects.

WOMEN IN ACTION

“HEYA ELCOMMANDA” PROGRAM

We firmly believe in showcasing our organizational DNA as one that equally supports men and women. However, we recognize that providing equal opportunities may require different enabling tools that are tailored to each candidate's unique circumstances and needs. The transformation of our project EL Commanda into Heya EL Commanda stands as a living example of Juhayna's core values and principles.

The “Heya ELCommanda” program strives to support and empower women while also creating a sustainable source of income for them. The partnership between Juhayna and UN Women on Heya EL Commanda has led to a highly successful initiative which involves conducting training workshops for participants, where they learn essential skills such as product handling, pricing, capital management, and understanding income/expense statements.

The results have been truly remarkable, as the participating women were able to achieve an impressive 137% increase in total sales within just eight months. Not only we were able to contribute in improving the lives of individuals, but they have certainly become part of Juhayna's story by allowing Juhayna to provide its products and access untapped markets and areas.

We strongly emphasize the implementation of robust monitoring and evaluation procedures for our CSV KPIs. These processes enable us to adapt our projects dynamically. For instance, through monitoring the ‘HEYA EL Commanda’ initiative, we identified a communication gap between us and our beneficiaries.

This observation prompted us to find an immediate solution by establishing a direct channel of communication. Additionally, based on the outcomes of lessons learned, we have also adjusted the incentive scheme for participants, resulting in improved engagement and participation from our beneficiaries.

We developed the “Heya Al-Commanda” initiative to encourage women’s economic empowerment and assist them in becoming effective members of their families and society at large.

Passant Fouad,
External Communication Director,
Juhayna



Juhayna believes in the vital role that women play and the importance of their participation in the development of society. In this light, the company is intensifying its efforts to empower women both inside and outside the company.



.. Juhayna Food Industries celebrated International Women’s Month with a variety of activities, including its participation in the seventh edition of the “She Can Forum” for female entrepreneurs.

During the first edition of the Micro-insurance Conference, organized by the Egyptian Insurance Federation, a strong emphasis was placed on empowering women inside and outside companies within the framework of Financial Inclusion and Sustainability.

‘Heya ELCommanda’ program also provides us with the opportunity to reach a larger number of consumers corresponding to their demands and level of consumption. We hope to expand the number of beneficiaries, and we plan to introduce numerous phases of the program over the next few years until it becomes a pioneering and unique model for women led small enterprises programs.

HEALTHIER WOMEN IN ACTION

To educate women on responsible awareness of the importance of their wellbeing, health, and their overall empowerment as working women, housewives, or mothers, Juhayna continues to be the main supporter of Baheya Foundation for Early Detection and Treatment of Breast Cancer, contributing to receiving 162,000 cases over the past six years.

Juhayna and Baheya Foundation share a strong partnership that has allowed us to join forces in the development of this dream-turned-reality project. Since 2015, Juhayna has been dedicated to supporting the foundation in the fight against breast cancer, and our partnership promises to keep on raising awareness.

We will keep on using our platforms for continuous digital campaigns around the importance of early detection and support Baheya in raising donations and fulfilling its mission, through working together to complete the construction of Baheya Hospital in Sheikh Zayed.

We also continued to advocate against breast cancer by using the accessibility and availability of our pink packaged products in almost every house in Egypt for breast cancer awareness month while in parallel dedicating our internal communication to raise awareness for our employees. Juhayna utilized the power of another partnership with Al Ahly sports club and created #JuhaynaSupportsBaheya campaign. The campaign collected EGP 19 million in donations for Baheya Hospital - funding the free treatment of nearly 5,000 women - and raised awareness on the importance of early and periodic detection for breast cancer.

Building on that and dedicated to use all applicable resources, our trucks proudly showcased Baheya's logos, advocating for the institution and the campaign across the Egyptian streets. Due to our commitment and spearheading vital campaigns, Juhayna successfully increased donations for Baheya Sheikh Zayed Hospital' construction phase, resulting in the participation of over 250,000 women in the early detection and medical tests. To build up on what we achieved, we decided to increase our own donations by 25% to Baheya for the years 2023/2024.



TENACIOUS WOMEN IN ACTION

We support women's working rights towards equal participation in the workforce in and outside Juhayna. In addition to our implementation efforts, we are also holding ourselves accountable and responsible for what we claim by also becoming a signatory of the Women's Empowerment Principles (WEPS) in 2023. This allows us to assess any gaps in gender equality and women's empowerment, enabling us to create a comprehensive plan to address these areas accordingly. We strive to adhere to as many KPIs as doable and as outlined in our strategy. Furthermore, we are actively working towards applying for Egypt's Gender Equity Seal (EGES), which signifies our dedication to promoting gender equality and inclusivity within our organization and community. We aim to foster a work environment that supports and empowers men and women with the right enablers for each caliber.

In our commitment to the well-being of women, men, and children, we continue to support the Egyptian National Council for Women (NCW) in their strategy "Violence Against Women & Girls" (VAW&G). Our belief is that such initiatives do not only protect women in both the workplace and the community, but also create a safe environment for children and contribute to the overall well-being of families. We actively participate in relevant initiatives, and we shall annually stand in solidarity with the international 16 Days of Activism against Gender-Based Violence and the International Day for the Elimination of Violence against Women through robust activities, digital, online, and offline campaigns alongside our ongoing partnerships since 2021 with NCW. Our latest collaboration involved conducting a workshop on violence and sexual harassment against women for our employees.



STRONG BELIEVERS in EMPOWERING
COMMUNITY MEMBERS BOTH
WITHIN AND OUTSIDE OF JUHAYNA.

CHAPTER 04

Circularity for Planet

- » Climate Action
- » Circular Economy
- » Biodiversity



ALL JUHAYNA
PLANTS ARE:



ISO 14001
Environmental
Management
System
Certified



ISO 50001
Energy
Management
Certified



STRATEGIC OBJECTIVES

Our strategy pillars define the core strategic objectives to care for our planet while responsibly growing our business:



Climate Action

ENERGY AND EMISSION OVERVIEW MANUFACTURING SITES IN 2022

In this report, we have disclosed only Scopes 1 and 2 emissions of our four manufacturing plants, and we have consolidated Scope 3 emission data. Further details, breakdown data, and assessments will be published in our upcoming carbon footprint report for operational and organizational boundaries.

Manufacturing Plant	Energy Consumption	
	Natural Gas (m ³)	Purchased Electricity (MWh)
Al-Dawleya	1,168,642	14,966
Al-Marwa	3,222,006	2,666
Al-Masreya	3,087,179	17,490
Egyfoods	1,753,830	19,296

Manufacturing Plant	Emission		
	Scope 1 (mtCO ₂ e)	Scope 2 (mtCO ₂ e)	Scope 3 (mtCO ₂ e)
	Natural Gas Consumption	Electricity Consumption	
Al-Dawleya	2,374	6,865	14,087
Al-Marwa	6,546	1,223	9,765
Al-Masreya	6,272	8,023	17,239
Egyfoods	3,563	8,851	16,354

SCOPE 1 - DIRECT EMISSIONS (mtCO ₂ e)		2019 (mtCO ₂ e)	2020 (mtCO ₂ e)	2021 (mtCO ₂ e)	2022 (mtCO ₂ e)	Change Rate (2022 vs. 2021)
Mobile Combustion	Fuel-burning: Owned vehicles (Prev. Owned vehicles+ downstream transport.)	20,296	19,952	16,021	18,051	+13%
	Livestock and Fertilizers					
Livestock and Fertilizers	Livestock and Manure Management	12,248	13,161	41,030	41,030	0%
	Fertilizers	4	0.7	4	5	+9%



JUHAYNA'S EMISSION REDUCTION GOALS

At Juhayna, we fully acknowledge the responsibility of the industry to address climate change, thus Juhayna's commitment to be a leader for change. In alignment with global efforts aimed at limiting global warming to the 1.5°C scenario, we have set ambitious targets for emission reduction. By 2030, our ambitious goal is to achieve a 42% reduction in our total Scopes 1, 2, and 3 emissions.

To achieve our 42% emissions reduction goal by 2030:

- Juhayna collects and analyzes data from its diverse operations.
- Detailed progress for 2021 and 2022 will be available in the upcoming Carbon Footprint report, promoting transparency.
- Juhayna's commitment extends across all dimensions, including Scope 1 and 2 emissions.

JUHYANA'S COMMITMENT FOR NATURAL CAPITAL PRESERVATION

Our dedication to mitigating the industry's environmental impact starts within our own operations:



Icon: Sun and leaves

We have meticulously implemented an array of programs, systems, and policies rooted in comprehensive research, which includes both internal and external environmental impact assessments.

Icon: Tree and leaves

Our carbon footprint reports reaffirm our commitment, showcasing that our emissions remain below the industry average. However, our unwavering resolve to further reducing these emissions persists. Our overarching aim is to set an exemplary standard for our peers and partners, demonstrating the vital importance of safeguarding natural capital.

Icon: Dollar sign and leaves

These efforts are wholly directed at effective resource conservation, efficient energy management, and, most importantly, preserving our planet's invaluable natural capital.

CLIMATE-RELATED RISKS

Our ability to adapt and thrive amidst climate-related challenges, namely Climate change-induced temperature fluctuations, underscores our commitment to sustainability and our dedication to providing quality products to the market.

Material Issue	Risk on business	Our Management Approach	Outcome
Reduced crop yields of oranges, mangoes, and other fruits	Limited fruit supply	We capitalized on increased demand stemming from supply shortages in various regions, by sourcing locally produced inputs and taking advantage of the growing global demand for end products.	<ul style="list-style-type: none"> Our global exports generated EGP 495 mn revenue. In 2022, Al Marwa's concentrates production played a pivotal role in leveraging favorable Egyptian fruit prices and increased demand resulting from poor crop yields in other markets and profited from demand for our mango, citrus, and tropical fruit concentrates. Juhayna's concentrates and pulps business doubled in 2022, generating EGP 369 mn revenue.
Reduced milk yield	Costly alternative compared to our own sourcing.	Cooling systems established across our supplying farms to improve herb productivity.	Juhayna maintained the affordability of its dairy and expanded dairy segment revenue by 40% in 2022.

VALUE CREATION - ENERGY AND EMISSION

Capital	Inputs	Outputs	Outcomes
Manufactured	Solar Energy Plant was established through a partnership with Karm Solar in 2016, and renewed in 2022.	Expanding our infrastructure to create a state-of-the-art central station with: <ul style="list-style-type: none"> 8.3 MW solar production capacity 10.8 MW diesel generation capacity 27.5 MW per hour battery storage system 	Our farm derived 65% of its energy from solar power, resulting in an annual reduction of approximately 600,000 liters in diesel consumption and a significant decrease of 1,620 tons of CO2 emissions.
Intellectual	Participation in the UNIDO MED TEST II program	Gained insights into resource efficiency and environmental management, leading to enhanced production and profitability while reducing environmental impacts.	<ul style="list-style-type: none"> 5% reduction in total energy consumption at Al Marwa Plant.

Water and Waste Management

WATER AND WASTE OVERVIEW: MANUFACTURING SITES IN 2022

Manufacturing Plant	Water Consumption (megaliters)	
	2021	2022
Al-Dawleya	506	394
Al-Marwa	341	107
Al-Masreya	500	628
Egyfoods	359	384

Manufacturing Plant	Solid Waste Disposed in Weight (metric/tons)				
	Construction	Metal	Plastics	Paper and Board	Total Waste
Al-Dawleya	21	2	2	40	65
Al-Marwa	143	46	4	30	223
Al-Masreya	10	-	25	18	53
Egyfoods	135	11	299	244	690

JUHYANA'S COMMITMENT: NATURAL CAPITAL PRESERVATION IN A WATER-SCARCE NATION

The following are key insights into the drivers and impacts of water management on our business:



In Egypt, water scarcity is a national concern that demands vigilant attention and thoughtful consideration.



We source our water from the external public network; therefore, it is important for us to adopt attentive and responsible measures.



Our water usage profoundly affects our farms and facilities, directly influencing our production capabilities.

We exercise vigilant care in managing our water resources, seeking alternatives when feasible to reduce our reliance on natural resources.



Water is at the heart of our operations, essential for producing juices, beverages, farming, and manufacturing.



Our entire operations take place in Egypt.





WATER-RELATED RISKS

Material Issue	Risk on Business	Our Management Approach	Outcome
Water scarcity	Directly influencing our production capabilities	Strategically positioned tanks for water storage to efficiently manage and optimize our water resources at every facility.	Al Marwa <ul style="list-style-type: none"> Water storage tanks provided 83% of max. daily consumption of our water needs. 52% Improvement in water efficiency. El Dawleya <ul style="list-style-type: none"> Water tanks provided 500% of our water needs. 25.3% improvement in water efficiency 22% less YTD EgyFood <ul style="list-style-type: none"> Water storage tanks provided 80% of max. daily consumption of our water needs. 15% Improvement in water efficiency.
Water Quality	Food Safety	Water quality audits and analysis to meet the highest standards of water quality and safety across all our plants.	Water quality audits were conducted on daily basis.

VALUE CREATION - ENERGY AND EMISSION

Capital	Inputs	Outputs	Outcomes
Natural	Collaboration with TIA Germany to treat its factory wastewater	Wastewater Treatment	Repurpose 1 mn liters of water daily for irrigating our factory landscaping, resulting in monthly water savings of 4,500 m3, surpassing our 5% year-on-year water reduction target for 2022
Manufactured	Homogenizers cooling water circulation and reuse of irrigation water from Al-Dawleya wastewater station Condensate water from evaporating process and reuse it in washing fruits and floors at Al Marwa	Wastewater recycle	72 m3 / year of wastewater reuse at Al-Dawleya. At Al Marwa, 23,197 m3 of water were saved due from total consumption 356,214 m3 with savings 6.5%

CHAPTER 05

Leadership Through Governance

- » Culture & Business Ethics
- » Engaged Leadership
- » Consumers Rights & Protection
- » The Right to Nutrition and Well-being is a Human Right





Responsible Culture & Business Ethics

CODE OF CONDUCT

OBJECTIVE

Juhayna's Code of Conduct aims to promote and ensure ethical behavior, integrity, honesty, and professionalism throughout the organization.

APPLICABILITY

Our Code of Conduct, along with its associated procedures and measures, applies to all employees, including senior executives and officers.

ACCESSIBILITY

We provide our policies and procedures in both Arabic and English, ensuring accessibility and understanding for all.

SCOPE

Covering issues that include, but are not limited to:

- Conflict of Interests
- Grievances
- Insider Trading
- Confidentiality of Information
- Non-Discrimination and Anti-Harassment Policies
- Employment of Relatives
- Outside Activities or Employment
- Violence in the Workplace
- Political Activities
- Company Property
- Use of Social Media

A STURDY AND ADAPTABLE CORPORATE GOVERNANCE PROVIDES US WITH THE NECESSARY AGILITY IN THE WAY WE DO BUSINESS, A CULTURE OF PARTICULAR IMPORTANCE, as we respond to the significant disruptions on the global scene, impacting all regions.

CONFLICT OF INTERESTS

OBJECTIVE

Juhayna's Conflict of Interests Policy ensures they are avoided and managed.

SCOPE

Outlining the Board's expectations of conduct, and the consequences for misconduct, for the people involved with the organization and identifying all types of conflicts of interests and how they are identified, disclosed, and managed.

APPLICABILITY

The Internal Audit Department, HR Department, and Legal Affairs Department coordinate any suspected incident or misconduct that arises and needs investigation.

The policy explicitly states and requires disclosures of Conflicts of Interest related, but are not limited to:

1. Conflicts with the company's suppliers.
2. Conflicts with the company's competitors (including holding a financial stake that can significantly affect an employee's behavior decision within the company).
3. Personal relationships between employees influencing the recruitment, selection, appointment, or promotion of employees.
4. Personal benefits, and financial or commercial conflicts of interest of all types.
5. Conflicts with outside duties.
6. Competing interests or loyalties.

SUCCESSION POLICY

OBJECTIVE

Juhayna's Succession Policy ensures that the company is able to benefit from the uninterrupted leadership across all departments and units by building the capacities of talented employees across the company.

SCOPE

Offering learning and development opportunities to employees demonstrating potential expertise, and leadership qualities.

APPLICABILITY

Applies to all employees, where our development strategy seeks to optimize their experience through on-the-job training and motivation to prepare them for more senior roles when the opportunity arises.

GRIEVANCE AND WHISTLEBLOWING POLICY

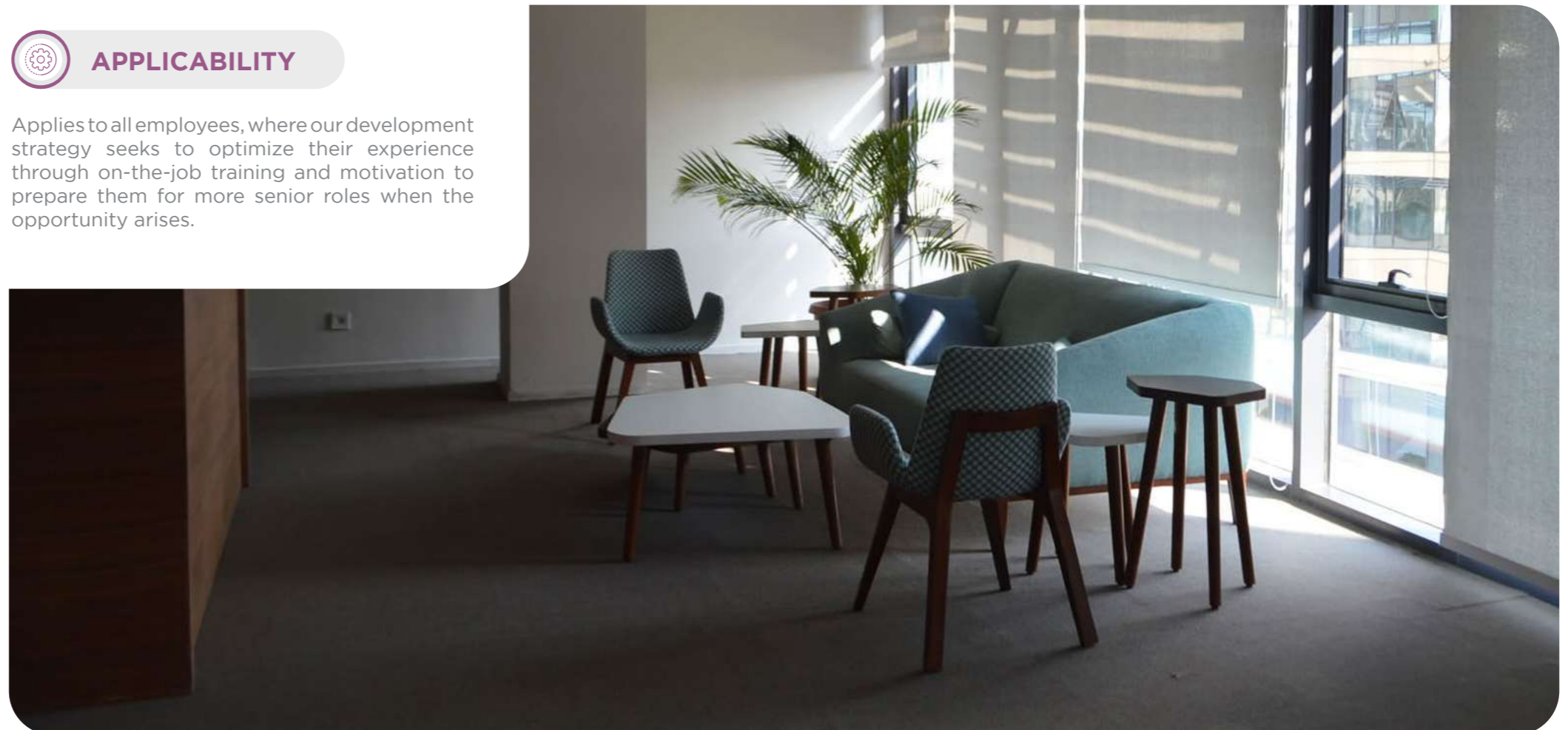
OBJECTIVE

Juhayna's Grievance and whistleblowing Policy represents the grievance resolution techniques that are introduced to foster a fair and ethical work environment and to contribute to building high workforce morale. During 2022 the company has applied an automated system for whistleblowing named iVoiceUp to facilitate receiving complaints from any of our employees all over Juhayna sites, enabling employees to effortlessly report workplace grievances through a secure and reliable channel. The investigation of these complaints are carried out by the Internal Audit, HR, and Legal Affairs in a very confidential manner.

SCOPE

Representing a formal communication channel extended to all employees to report on any ethical or professional violations, and/or to professionally resolve interpersonal conflicts with their colleagues and superiors.

Concerns regarding suspected fraud or unethical behavior within the company are collaboratively managed by our Internal Audit, Human Resources, and Legal Affairs departments, which conduct confidential investigations.



APPLICABILITY

Applies to all employees.

It is communicated to the employees during the process of hiring.

A problem facing an individual employee should not be kept unresolved until it reaches a distressful point where the employee will have no choice but to raise a grievance.

In circumstances where an informal resolution of the employee's problem has become impossible, there is a formal procedure that the employee should follow.

Any employee could report a grievance against his/her direct reporting line or a coworker regarding any issue, provided sufficient supporting evidence is presented, to maintain a positive work relationship.

Employees who choose to report grievances can do so without the risk of retaliation or harm.



CONFIDENTIALITY OF INFORMATION POLICY

OBJECTIVE

Ensures confidentiality of information by all Juhayna's employees in regard to Juhayna's workplace policies, rules, regulations, practices, procedures, and guidelines, as amended or issued from time to time, as well as any implied confidentiality of information.

SCOPE

Includes, but is not limited to, trade secrets, business, marketing, and service plans, consumer insights, manufacturing ideas, product recipes, designs, databases, records, salary information, and any non-published financial or other data to which employees have access. This information is to be shared only as appropriate and only as required by the company's business needs.

APPLICABILITY

Juhayna respects third parties' similar interests in protecting their confidential information.

In case third parties, such as joint venture partners, suppliers, or customers, share with Juhayna confidential information, such information shall be treated with the same care and confidentiality.

In that same spirit, employees shall protect confidential information that they have obtained in the course of their prior employment.

EQUAL OPPORTUNITY AND ANTI-HARASSMENT POLICY

OBJECTIVE

Ensuring respect and application of Juhayna's core values that are centered on diversity and respect for the personal dignity, privacy, and the rights of each of its employees. The company is committed to providing a workplace that is free from discrimination and harassment to allow its employees to meet their full potential.

SCOPE

Under this policy, every member of Juhayna has the right to learn and work in a safe and inclusive environment that is free from discrimination, harassment, bullying, vilification, and victimization. Our Gender Equal Opportunity Committee (GEOC) regularly reviews the policy and gets it ratified by the CEO. Our Human Resources Department is responsible for investigating and addressing any issues that fall under this policy, and also setting procedures that directly update the "GEOC" on any violation cases, to initiate the appropriate programs and awareness. The Human Resources Department may also involve the Internal Audit and Legal Affairs Departments in cases where serious violations might occur and special investigations are needed.

APPLICABILITY

The company does not tolerate any sort of discrimination on the basis of origin, nationality, race, religion, gender, or age against its employees. Any employee facing verbal or physical harassment based on the aforementioned reasons or others is asked to bring their concerns to the HR department for the complaint to be dealt with accordingly.

FREEDOM OF ASSOCIATION

OBJECTIVE

Upholding our commitment to the rights of our employees to freedom of association and collective bargaining, including the right to freely form and/or join independent trade unions, and this commitment is clearly communicated to all employees as per National Laws.

APPLICABILITY

All our employees, across all operations, are represented through their elected committees and trade unions. Our "Employees Representation" body plays a vital role in establishing a communication channel with the top management.

Our trade union covers 100% of our employees and their representatives are regularly informed of any strategic direction for the company.

We also work closely with the trade unionists to receive any concerns and recommendations regarding any business decisions, ensuring those concerns are well considered.

Collective agreements also take place at the industry level through the Federation of Egyptian Industries (Food & Beverage Sector), in which Juhayna is a member through its CEO.

Our due diligence has been in practice for years through our close collaboration with the Egyptian Milk Producers Association (EMPA), an official platform promoting the right to freedom of association and collective bargaining at the industry level and where all concerns by the industry's stakeholders are raised and discussed.



INSIDER TRADING

Juhayna prohibits the purchase and sale of JUHAYNA shares on the basis of potentially share price relevant information that is not yet public. Non-compliance may not only entail disciplinary sanctions but also result in criminal charges.

Board of Directors

Juhayna places a strong emphasis on effective leadership and governance as the foundation of our dedication to sustainability and responsible corporate behavior. Our leadership team and governance system are carefully designed to ensure transparency, accountability, and the alignment of our activities with our fundamental principles.

Our highest governing body is the Board of Directors (BoD), which is comprised of an Independent Chairman, four non-executive directors, including an independent director, and two executive members.



BOARD OVERVIEW

OUR BOARD'S ROLE IS OVERSEEING THE COMPANY'S LONG-TERM BUSINESS STRATEGY, WHICH INCLUDES PROVIDING A REVIEW AND GUIDANCE FOR OUR ONGOING TRANSFORMATIONAL INNOVATION AND BUSINESS PLANS.

THE BOARD CONVENES AT LEAST FOUR TIMES EACH FISCAL YEAR, ENSURING ACTIVE ENGAGEMENT.

BOARD COMMITMENT TO SUSTAINABILITY

Operational and supervisory functions within our extensive Supply Chain are overseen by the CEO and department heads.

We have a long-standing established and dedicated Sustainability Department to consolidate and supervise operations with sustainability implications, ensuring alignment with our ESG Strategy.



The Board actively engages in discussions and briefings. These efforts enhance the collective understanding of economic, environmental, and social topics among our Board members, ensuring alignment with global practices.

This understanding drives our ongoing integration of sustainability into our corporate strategy, establishing it as a core principle for creating shared value and securing our progress in sustainability endeavors.

NOMINATION AND SELECTION OF THE BOARD

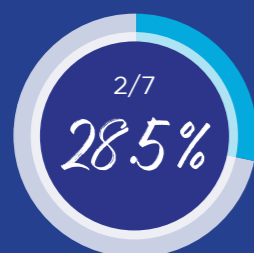
- Board members are appointed for a term of three years.
- The Board is composed of representatives selected from different shareholder groups, however, whenever a BoD member is appointed to such a position, he/she shall consider him/herself as a representative of all the shareholders. The member shall be committed to the company's best interest in general, and not only to that of the corporate he/she represents or to that which voted in favor of his appointment in the board.
- In November 2021, eight members were elected by the General Assembly to serve for three years (7 natural persons and 1 Legal person). Egyptian law stipulates that the company's BoD is elected to represent the shareholders and consider capital distribution. However, the voting rules allow the majority in the general assembly to individually select the entire board.
- To ensure effective corporate governance, it is advisable to adopt a cumulative voting method or an alternative approach that takes into account capital distribution, ensuring that the final board composition accurately reflects the proportional representation of shareholders. This approach promotes fair and balanced governance within the company, and it was adopted and amended among the company's articles of association in 2022.



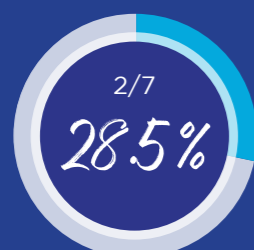
KEY STATISTICS ABOUT OUR BOARD



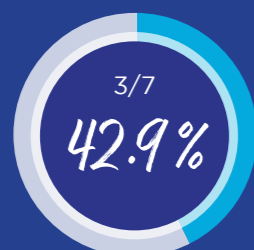
FEMALE



DIVERSITY/DIRECTORS WITH A NON-EGYPTIAN NATIONALITY



INDEPENDENT



NON-EXECUTIVE

BOARD LEADERSHIP STRUCTURE

In making determinations about the leadership structure, the Board considers many factors, including the specific needs of the business and what is in the best interests of the Company's shareholders. In 2021, Juhayna made significant changes to its leadership structure by separating between the roles of Chair and CEO. Independent Director Ahmed El-Wakil now serves as the Chair, while our CEO is Niels Thomsen. The Board believes that this strategic adjustment enhances our corporate governance and reinforces our commitment to transparency and effective leadership.



BOARD COMMITTEE MEMBERSHIP KEY



Audit Committee



Committee Chair



Seif Thabet

Deputy Chairman and CEO

Chairman Since: 2006

Manager Since: 2004

- Mr. Thabet was admitted to the Board of Directors in 2006.
- He is currently Chief Executive Officer at Juhayna, and previously worked as Operations and Human Resources Director.
- Thabet began his career at Juhayna in 2004, holding a number of managerial positions, including Sales and Marketing Manager and Project Manager. He also previously worked at the German Dairy Company; Müller which contributed to his appointment as Manager of El Dawleya (Juhayna's Juice Factory).
- He currently holds the position of Vice President of the Chamber of Food Industries and former Treasurer at the Food Export Council in 2016. Furthermore, in 2016, Thabet was appointed as CEO and Vice Chairman of the Board of Directors.



Ahmed El-Wakil

Independent Chairman

Chairman Since: November 2021

Director Since: January 2021

- Chairman of the BoD in November 2021 and previously appointed as an independent Non-Executive Board Member in January 2021.
- He was a member of the Board of Trustees of the "General Authority for Investments".

Key Current Appointments:

- President of the Egyptian Chamber of Commerce in Alexandria.
- President of the Federation of African Chambers of Commerce, Agriculture, Industry and Professions.
- Owner and Chairman of the Board of Directors of "Wakalex", one of the largest import, export, and manufacturers in Egypt.



Jan Anders Lindgren

Independent
Non-Executive Director

Director Since:
June 2021

- Joined Juhayna Food Industries in June of 2021 as a Non-Executive Independent Board Member.
- Mr. Lindgren was Tetra Pak Egypt's Managing Director and Regional Leader for Sales Management from 2011 to 2016.
- Mr. Lindgren was Tetra Pak Kenya's Managing Director and Regional Leader for Marketing from 2006 till 2011.

Key Current Appointments:

- Safal Group's CEO in 2020, the largest steel roofing company in Africa.



Mahmoud Abd El-Wahab

Non-Executive Director

Director Since:
November 2021

Key Current Appointments:

- Executive Vice Chairman and CEO of Academic Bookshop Company.
- Board Member of Mitterrandian Publishers Services.
- Board Member of the Scientific Center of Documents and Information at Cairo University.
- Member of the Culture and Publishing Committee at the Ministry Of Culture.



Amr Madany

Executive Director

Director Since:
June 2021

- Joined Juhayna in 1998, and moved up in the organization through various leadership roles with responsibility for procurement, supply chain, and Export.
- In 2012, he became the Director of the fruit juice concentrate Business unit (El Marwa Food - a Subsidiary of the group).
- Currently, he is the External Markets Director since 2020. He holds a master's degree in business administration from ESLSCA.

Key Current Appointments:

- Board member of Bonyan.



Mesheal Al-Doghiem

Non-Executive Director

Director Since:
November 2021

Key Current Appointments:

- General Manager of Al-Doghiem Bakery since 2015.
- Founder and owner of Al-Doghiem Real Estate Agency since 2017.
- Co-founder of 7 Lakes Real Estate Agency in 2017



Heba Thabet

Executive Director

Director Since:
February 2006

- Executive member of the Board since 2006 and Head of Business Development.
- Previously handled marketing and communication projects for the company since 2001.

Key Current Appointments:

- Member of the Business Advisory Board for SIFE Egypt, the International Public Relations Association, and the Committee for Social Responsibility at the American Chamber of Commerce in Egypt.



Mariam Thabet

Non-Executive Director

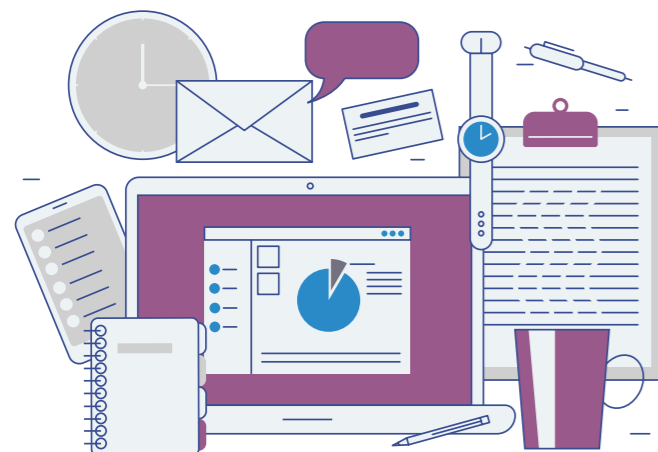
Director Since:
2010

- She previously held the title of Assistant Procurement Manager for the Group.

Committees and Controls

BOARD COMMITTEES

- ✓ The Board is entitled to form committees composed of either its members or others to execute certain tasks and for certain durations.
- ✓ Such committees are considered as a means of assistance to the board that enables it to carry out its tasks, and not to be used as a pretext by the Board to renounce its liability or to transfer such liability to another entity.
- ✓ Forming the committees affiliated with the BoD shall comply with general proceedings developed by the Board, which include the committee's mission, its duration, the privileges granted to it during such period, and how the Board shall supervise such committee.
- ✓ The committee shall inform the Board of its activities, the results reached, or the resolutions issued with absolute transparency, where the Board shall check the actions of the committees regularly, to make sure they execute the tasks assigned to them.



As per the Egyptian Law, Juhayna holds an Audit Committee formed as follows:

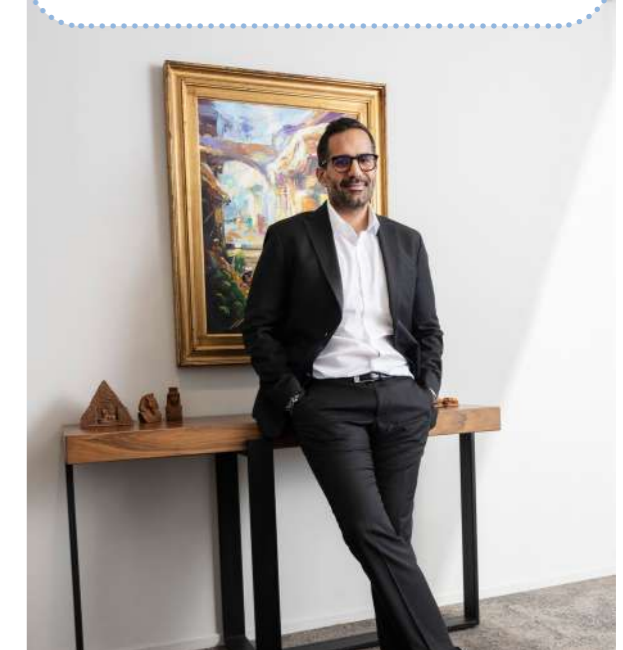


ROLES AND RESPONSIBILITIES

Assists the Board in its oversight of the integrity of the company's financial statements, oversees the financial reporting process, and monitors the independence of both the company's internal and external auditors as well as general compliance with all binding legal and regulatory requirements.

BOARD MEMBER CHAIRING THE COMMITTEE

- Jan Anders Lindgren
- Amr Madany
- Mahmoud Abd El-Wahab



INTERNAL AUDIT

- The Internal Audit Department holds multiple central functions, providing independent, objective assurance and consulting services using a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes, as designed and represented by management.
- The Internal Audit Department has unrestricted access to all functions, records, property, and personnel. As an independent consulting function, the Internal Audit Department reports directly to the Chairman on all critical concerns of a sensitive nature.
- The objectives of internal control (considered by Internal Audit) are:

Compliance with policies, procedures, plans, rules, regulations, and laws

Reliability and integrity of information

Economical and efficient use of resources

- The Internal Audit assignments include:

Operational and Financial Audits

Consultancy

Investigation of fraud, corruption, and violation of laws and regulations

RISK MANAGEMENT

- The BoD places a strong emphasis on fostering an efficient and sustainable risk management system.
- They hold the overall responsibility for the establishment and oversight of Juhayna’s risk management framework and are responsible for developing and monitoring the company’s risk management policies.
- These systems are subject to regular reviews to adapt to changing market conditions and our evolving activities.
- The Board oversees how management maintains compliance with the company’s risk management policies and procedures while also evaluating the adequacy of the risk management framework concerning the company’s specific risks.
- Although Juhayna does not maintain a dedicated risk committee, executive members of the Board and executive directors across all departments assume these crucial responsibilities.
- As highlighted throughout this report, each department within the company is tasked with identifying, reporting, and implementing risk prevention and mitigation measures relevant to their respective responsibilities.
- These measures aim to reduce various risks, including market risks, credit risks, information systems risks, and any other risks that may impact the company’s operations and long-term sustainability.



The Right to Nutrition and Well-being is a Human Right



“Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

THE INTERNATIONAL BILL OF HUMAN RIGHTS

Universal Declaration of Human Rights

OUR HERITAGE

At the very core of human rights is the right to nutrition, employment opportunities, fair compensation, and responsible labor practices. Juhayna’s Heritage has always been part of the daily lives of Egyptians. For 40+ years, Juhayna has been a provider of essential products that fulfill the fundamental right to nutrients from early childhood and throughout all ages. In parallel, our commitment starts at the earlier stages of our products’ life cycle. Through our supply chain, we have created Kafa’a, the network of Farms and Farmers, where the right to employment opportunities, fair compensation, and care for workers were part of its primary goals. Through such firm belief, we have become the trusted household name in the Egyptian market since 1983.

OUR HISTORICAL PRINCIPLES

COMMITTING TO GUARANTEEING ESSENTIAL NEEDS

By making our products affordable, we stand for the fundamental right to well-being and dignity. Access to safe and nutritious food is a matter of convenience and an essential human right.

COMMITTING TO PROTECTING HEALTH AND WELL-BEING

By manufacturing and distributing quality products, we contribute to preventing and controlling diseases and improving sanitation and hygiene practices throughout our whole value chain. We actively contribute to advancing human health, thereby safeguarding our right to a healthy existence.

COMMITTING TO EMPOWERING CONSUMER CHOICE

By providing our consumers with a diverse range of products, we give them the freedom to make choices based on their needs, preferences, and values. This freedom of choice is essential to human rights, reflecting our autonomy and individual agency.

We utilize and dedicate all our efforts and resources while supporting and funding innovation, research, and development efforts continuously to meet evolving consumer demands and address societal challenges.

We work on empowering consumers to make informed decisions, enhancing their overall well-being and satisfaction.

COMMITTING TO ADVANCING ECONOMIC EMPOWERMENT AND SOCIAL PROGRESS

By creating jobs, supporting livelihoods, and empowering individuals with income-generating opportunities, we aim to contribute to poverty reduction and social well-being.

The right to existence encompasses not only survival but also the ability for both men and women to thrive and participate in society, creating the conditions necessary for individuals to exercise their rights, fulfill their potential, and contribute meaningfully to their communities.

UN GLOBAL COMPACT

Juhayna protects and promotes human rights within its sphere of impact. By joining the UN Global Compact, it commits to supporting and respecting responsible practices across its operations within its control.

It also commits that its vendors acknowledge and operate similarly; therefore, it passes such commitment to them by recognizing human rights in our contract terms. If there is a reasonable suspicion that a supplier intentionally violated such terms or fails to adequately comply with its obligation to clarify and cooperate in the event of suspicion, Juhayna may terminate the business relationship.

HUMAN RIGHTS GOVERNANCE

- Juhayna incorporates human rights within its Sustainability Strategy, Human Resources Policies, Farming and Manufacturing code of ethics, and all internal conducts.
- Juhayna abides by all applicable national labor laws, regulations, and human rights principles.
- Juhayna has a set of internally developed policies and procedures to ensure human rights and labor rights in the workplace, which the audit committee oversees and reviews.
- Juhayna is adamant about monitoring workplace human and labor rights and ensuring that all vendors apply the same standards to their workers.
- Management teams, supervising consultants, and suppliers share collective responsibility for ensuring compliance with all relevant regulations within their respective roles and responsibilities.
- Every employee and vendor associated with Juhayna is responsible for promptly reporting any human rights violations or concerns regarding health and safety in the workplace.
- Juhayna secures the creation of a safe environment where stakeholders are actively encouraged to report any incidents of human rights violations.

JUHAYNA bases its human rights and health practices on the United Nations Global Compact (UNGC), the Global Reporting Initiative (GRI) 2021. Each framework approaches disclosure or principle from a unique perspective, with key similarities tying them all together.

MATERIALITY

In alignment with the UNGC Human Rights, we identify the following main topics as material human rights topics connected with our operations and value chain based on their salience (the most severe potential negative impacts on people):

- Freedom of association**
- Child labour**
- Forced labour**
- Non-discrimination in employment and occupation**
- Safe and healthy working environment**
- Working conditions**
- Inclusion, gender equality, and women empowerment**

Based on the top ten human rights topics as per our above materiality, each topic has its nature of mitigation, assessment training, and target setting.

Human Rights Material Topics	Mitigation, assessment, and target setting
Freedom of association	Freedom of association is mainly related to workers under the control of suppliers, which is governed by the national law that entitles workers to their collective bargaining rights under trade unions where applicable.
Child labour	Our target is to maintain 100% compliance. The same national laws bind our vendors.
Forced labour	
Non-discrimination in employment and occupation	Our Code of Conduct prohibits all forms of discrimination across all employment types and levels. Our Audit Committee oversees compliance with all material issues related to the Code of Conduct.
Safe and healthy working environment	Our target is to maintain zero incidents of injuries. Our H&S Manuals govern our OHSMS. Standardized daily reporting ensures a close monitoring procedure over our projects. Juhayna's plans managers conduct direct inspections, monitoring, and assessment of all measures related to safe conditions by examining, measuring, and testing.
Working conditions	<ul style="list-style-type: none"> • Vendors are mandated to respect minimum wage obligations according to Egyptian Labor Law. • Access to emergency response, medical, and health care is provided to all employees and workers.
Inclusion, gender equality, and women empowerment	Equal employment opportunities protect all our employees and pay among men and women. We welcome and employ persons with disabilities and diverse skill sets, in consideration to the choice of roles where they can thrive and feel empowered while providing them with the needed accommodations.

COMMITMENT

Across the various Human Rights aspects, each aspect is identifiable through a relevant policy based on the stakeholder, such as the Health & Safety Policy and our comprehensive Code of Conduct. All our practices are reported across the various sections of this report. We focus on the most vulnerable or likely impacted groups, such as outsourced workers by our suppliers, employees returning from injuries, women returning to work after maternity, and younger generations of employees. We can confidentially state that Human Rights aspects stipulated across our policies are:

- Aligned with international human rights standards.
- Integrated into our policies where applicable.
- Approved at most senior level of the company.
- Applies to the company's operations and suppliers and where it is critical in other emerging business relationships.

PREVENTION AND MITIGATION

We engage with all our employees and outsourced workers through the proxy stakeholder that represents them. Engagements include:

- Discussion on existing or potential risks/impacts as they arise.
- Discussion on prevention or mitigation solutions
- Developing scenario measures.

Our prevention and mitigation measures are conducted through multiple formats and channels that are defined based on the particular risk or impact.

Those measures include, but are not limited to:

- Providing internal training and capacity building to the workforce.

- Developing implementation measures for corrective actions.
- Conducting audits, monitoring & re-assessing outcomes of risks and impacts.
- Collaboration with regulatory bodies where applicable or needed.

TRAINING AND ASSESSMENT

The assessment for preventing/mitigating the risks and impacts has four levels, according to the UNGC:

- No monitoring of progress
- Review topics on an ad hoc basis

- Set annual targets/goals to track progress over time (internal programs only)
- Set annual targets/goals to track progress over time (internal and external programs)

Training is conducted for all health and safety measures on farming and manufacturing sites.

RESPONSE

During the reporting period, no human rights violations were detected or reported within our direct scope of control.

Thus, no remedy was required against any negative impact associated with our material human rights topics.



GRI Index

CODE	DISCLOSURE	Read On	Page Number
GRI 2: GENERAL DISCLOSURES 2021			
2-1	Organizational details	Organizational Overview and External Environment; SHARES AND SHAREHOLDER; INFORMATION	10, 27
2-2	Entities included in the organization’s sustainability reporting	Organizational Overview and External Environment	10
2-3	Reporting period, frequency and contact point	<p>This report covers fiscal year 2022 (01 January 2021 to 31 December 2022); content that describes efforts outside this period is indicated as such.</p> <p>Reporting Cycle: Annual</p> <p>Contact Point: Passant Fouad Director – External Communication passant.fouad@juhayna.com</p> <p>Farah El Labbad Public Relations, CSR & Sustainability farah.ellabbad@juhayna.com</p>	
2-4	Restatements of information	No restatments done for the Sustainability Report 2022	96
2-5	External assurance	External assurance	10
2-6	Activities, value chain and other business relationships	Organizational Overview and External Environment	48
2-7	Employees	JUHAYNA Family	48
2-8	Workers who are not employees	JUHAYNA Family	81-86
2-9	Governance structure and composition	Board of Directors	81
2-10	Nomination and selection of the highest governance body	NOMINATION AND SELECTION OF THE BOARD	82
2-11	Chair of the highest governance body	BOARD LEADERSHIP; STRUCTURE	81-86
2-12	Role of the highest governance body in overseeing the management of impacts	Board of Directors	77-85
2-13	Delegation of responsibility for managing impacts	Leadership through Governance	81-86
2-14	Role of the highest governance body in sustainability reporting	Board of Directors	78
2-15	Conflicts of interest	CONFLICT OF INTERESTS	77-78
2-16	Communication of critical concerns	GRIEVANCE AND WHISTLEBLOWING POLICY	81-86
2-17	Collective knowledge of the highest governance body	Board of Directors	20
2-22	Statement on sustainable development strategy	Our ESG Strategy	77-85

CODE	DISCLOSURE	Read On	Page Number
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2-23	Policy commitments	Leadership through Governance	77-85
2-24	Embedding policy commitments	Leadership through Governance	77-85
2-25	Processes to remediate negative impacts	Sustainability Report 2022	
2-26	Mechanisms for seeking advice and raising concerns	GRIEVANCE AND WHISTLEBLOWING POLICY	78
2-27	Compliance with laws and regulations	INTERNAL AUDIT	85
2-28	Membership associations	Responsible Farming	30-34
2-29	Approach to stakeholder engagement	Our Stakeholder Engagement & Materiality	14-19
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GRI 3: MATERIAL TOPICS 2021			
3-1	Process to determine material topics	Our Stakeholder Engagement & Materiality	14-19
3-2	List of material topics	Our Stakeholder Engagement & Materiality	14-19
3-3	Management of material topics	Our Stakeholder Engagement & Materiality	14-19
GRI 201: ECONOMIC PERFORMANCE 2016			
201-1	Direct economic value generated and distributed	Economic Performance	25-26
201-2	Financial implications and other risks and opportunities due to climate change	CLIMATE-RELATED RISKS	73
GRI 203: INDIRECT ECONOMIC IMPACTS 2016			
203-2	Significant indirect economic impacts	Sustainability Report 2022	-
GRI 204: PROCUREMENT PRACTICES 2016			
204-1	Proportion of spending on local suppliers	INVESTING IN LOCAL SOURCING	36
GRI 207: TAX 2019			
207-2	Tax governance, control, and risk management	RISK MANAGEMENT	85
207-3	Stakeholder engagement and management of concerns related to tax	Our Stakeholder Engagement & Materiality	14-19
GRI 301: MATERIALS 2016			
301-2	Recycled input materials used	Packaging and R&D	42

CODE	DISCLOSURE	Read On	Page Number
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302-1	Energy consumption within the organization	Climate Action	72
302-3	Energy intensity	Carbon Footprint Report	to be Published Soon
302-4	Reduction of energy consumption	Carbon Footprint Report	to be Published Soon
302-5	Reductions in energy requirements of products and services	Carbon Footprint Report	to be Published Soon
GRI 303: WATER AND EFFLUENTS 2018			
303-5	Water consumption	Water and Waste Management	74
GRI 304: BIODIVERSITY 2016			
304-2	Significant impacts of activities, products and services on biodiversity	PRESERVE THE LAND, BIODIVERSITY, AND ENVIRONMENTAL RESOURCES	31
GRI 305: EMISSIONS 2016			
305-1	Direct (Scope 1) GHG emissions	Climate Action	72
305-2	Energy indirect (Scope 2) GHG emissions	Climate Action	72
305-3	Other indirect (Scope 3) GHG emissions	Climate Action	72
305-4	GHG emissions intensity	Carbon Footprint Report	to be Published Soon
305-5	Reduction of GHG emissions	Carbon Footprint Report	to be Published Soon
GRI 306: WASTE 2020			
306-1	Waste generation and significant waste-related impacts	Water and Waste Management	74-75
306-2	Management of significant waste-related impacts	Water and Waste Management	74-75
306-3	Waste generated	Water and Waste Management	74-75
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401-1	New employee hires and employee turnover	JUHAYNA Family	48-50
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403-1	Occupational health and safety management system	Health and Safety	51-55
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety	51-55

CODE	DISCLOSURE	Read On	Page Number
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018			
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety	51-55
403-5	Worker training on occupational health and safety	Health and Safety	51
403-6	Promotion of worker health	Health and Safety	51
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety	51-55
403-8	Workers covered by an occupational health and safety management system	Health and Safety	51-55
403-9	Work-related injuries	Health and Safety	51
403-10	Work-related ill health	Health and Safety	51
GRI 404: TRAINING AND EDUCATION 2016			
404-1	Average hours of training per year per employee	JUHAYNA Family	48-50
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404-3	Percentage of employees receiving regular performance and career development reviews	JUHAYNA Family	48-50
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016			
405-1	Diversity of governance bodies and employees	JUHAYNA Family	48-50
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	FREEDOM OF ASSOCIATION	80
GRI 408: CHILD LABOR 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	The Right to Nutrition and Wellbeing	86-88
GRI 409: FORCED OR COMPULSORY LABOR 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	The Right to Nutrition and Wellbeing	86-88
GRI 413: LOCAL COMMUNITIES 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Community Investment	64-69
413-2	Operations with significant actual and potential negative impacts on local communities	Community Investment	64-69
GRI 416: CUSTOMER HEALTH AND SAFETY 2016			
416-1	Assessment of the health and safety impacts of product and service categories	Quality	43
GRI 417: MARKETING AND LABELING 2016			
417-1	Requirements for product and service information and labeling	Responsible Communication	61-63

SASB Index

TOPIC	METRIC	Read On	Page
AGRICULTURAL - PRODUCTS - STANDARD			
Greenhouse Gas Emissions	Gross global Scope 1 emissions	Carbon Footprint Report	to be published soon
Greenhouse Gas Emissions	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Climate Action	72-73
Greenhouse Gas Emissions	Fleet fuel consumed, percentage renewable	Carbon Footprint Report	to be published soon
Energy Management	Percentage renewable	Climate Action	72-73
Water Management	Total water consumed (all of Egypt is High Baseline Water Stress)	"Water and Waste Management"	74-75
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks	"Water and Waste Management"	74-75
Workforce Health & Safety	(1) Fatality rate, and (2) near miss frequency rate (NMFR)	Health and Safety	51
Ingredient Sourcing	Identification of principal crops and description of risks and opportunities presented by climate change	Climate Action	72-73
agricultural-products-standard	Number of processing facilities	Organizational Overview	10
agricultural-products-standard	Total land area under active production	Annual Report	32
FOOD RETAILERS & DISTRIBUTORS			
Air Emissions from Refrigeration	Fleet fuel consumed, percentage renewable	Carbon Footprint Report	to be published soon
Air Emissions from Refrigeration	Gross global Scope 1 emissions from refrigerants	Carbon Footprint Report	to be published soon
Energy Management	"(1) Operational energy consumed (Read more on Carbon Footprint Report - soo to be published)"	Climate Action	72-73
Product Health & Nutrition	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Milk Analysis	33
Labour Practices	Percentage of active workforce covered under collective bargaining agreements	Freedom of Association	80
Labour Practices	(1) Number of work stoppages and (2) total days idle ⁵	Value Creation-Operation	41
Labour Practices	Total amount of monetary losses as a result of legal proceedings associated with: (1) labour law violations and (2) employment discrimination ⁶	Risks and Management Approach	49
Management of Environmental & Social Impacts in the Supply Chain	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	Responsible Farming	30-34

TOPIC	METRIC	Read On	Page
FOOD RETAILERS & DISTRIBUTORS			
Management of Environmental & Social Impacts in the Supply Chain	Discussion of strategies to reduce the environmental impact of packaging	Packaging and R&D	42
Food Retailers & Distributors	Number of (1) retail locations and (2) distribution centres	Sales and Distribution	44-46
Food Retailers & Distributors	Number of vehicles in commercial fleet	Sales and Distribution	44-46
MEAT, POULTRY & DAIRY			
Greenhouse Gas Emissions	Gross global Scope 1 emissions	Carbon Footprint Report	to be published soon
Energy Management	"(1) Total energy consumed (Read more on Carbon Footprint Report - soo to be published)"	Climate Action	72-73
Water Management	Total water consumed (all of Egypt is High Baseline Water Stress)	Water and Waste Management	74-75
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks	Water and Waste Management	74-75
Land Use & Ecological Impacts	Percentage of pasture and grazing land managed to conservation plan criteria	Land and Biodiversity	34
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate	Health and Safety	48
Meat, Poultry & Dairy	Number of processing and manufacturing facilities	Organizational Overview	10
Energy Management	"(1) Total energy consumed (Read more on Carbon Footprint Report - soo to be published)"	Climate Action	72-73
Water Management	Total water consumed	Water and Waste Management	74-75
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks	Water and Waste Management	74-75
Health & Nutrition	Revenue from products labelled and/or marketed to promote health and nutrition attributes	Nourishing The Bottom Line	56-60
Health & Nutrition	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Milk Analysis	33
Packaging Lifecycle Management	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	Responsible Packaging	43
Packaging Lifecycle Management	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Responsible Packaging	43
Sourcing	Number of production facilities	Organizational Overview	10

TOPIC	METRIC	Read On	Page
NON-ALCOHOLIC BEVERAGES			
Fleet Fuel Management	Fleet fuel consumed, percentage renewable	Carbon Footprint Report	to be published soon
Energy Management	"(1) Operational energy consumed (Read more on Carbon Footprint Report - soo to be published)"	Climate Action	72-73
Water Management	Total water consumed (all of Egypt is High Baseline Water Stress)	Water and Waste Management	74-75
WaterManagement	Description of water management risks and discussion of strategies and practices to mitigate those risks	Water and Waste Management	74-75
Health & Nutrition	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Milk Analysis	33
Packaging Lifecycle Management	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	Responsible Packaging	43
Non-Alcoholic Beverages	Number of production facilities	Organizational Overview	10

Integrated Reporting Principles Index

IR Content Elements	Read On	Page
1. A Organizational overview and external environment	Section 1	Page 10-11
2. B Governance	Chapter 5	Page 81-84
3. C Business model	Section 1	Page 13
4. D Risks and opportunities		Across the report within the relevant sections and topics
5. E Strategy and resource allocation	Section 1	Page 20 page 25-26 (Economic Performance)
6. F Performance	Section 1	page 22 page 25-26 (Economic Performance) & Across the report through the Value Creation tables on pages 31-38-39-40-43-47-52-57-61-72 & 74
7. G Outlook	Section 1	Page 12
8. H Basis of preparation and presentation	Section 1	Page 12-13 & 16-17

IR Guiding Principles	Read On	Page
1. A Strategic focus and future orientation	Section 1	Page 20 and across the report
2. B Connectivity of information	Section 1	Page 20
3. C Stakeholder relationships	Section 1	Page 14-17
4. D Materiality	Section 1	Page 14-15 & 16-17
5. E Conciseness	Section 1	Page 14-15 & 16-17 & Across the report through the Value Creation tables on pages 31-38-39-40-43-47-52-57-61-72 & 74
6. F Reliability and completeness		
7. G Consistency and comparability		

Independent Assurance Statement



TO THE BOARD OF DIRECTORS JUHAYNA FOOD INDUSTRIES S.A.E - EGYPT

space. DCarbon is a leading sustainability and environmental consultancy based in Egypt and registered under the Egyptian law no. 159 for the year 1981 and its executive regulation. DCarbon assists public and private organizations in understanding and addressing their economic, environmental, and social impact. DCarbon is a member and partner with multiple global establishments in the field of corporate sustainability. It is a certified training partner of the Global Reporting Initiative (GRI), a GRI Gold Community member, and an official supporter of the Task Force on Climate-related Financial Disclosures (TCFD).

DCarbon was engaged by Juhayna Food Industries S.A.E (Juhayna or the Company) to perform an independent assurance on its Sustainability Report and reporting process ('the Report') for the year 2022. As an independent assurance provider, we were asked to assist the company in assessing and enhancing its value creation strategic framework by conduction a company-wide assessment of its ESG practices for the purposes of ensuring the adherence of reporting to Global Reporting Initiative (GRI) 2021 reporting principles, contents elements, disclosures and sector-specific key performance indicators, taking in consideration the GRI new double-materiality assessment and approach.

Furthermore, the company aligned its reporting to sector specific metrics as per the SASB Standards and adopted the Integrated Reporting Framework by addressing the value creation model across the six capitals along its key business activities.

ASSURANCE SCOPE AND BOUNDARIES

For this report, the scope of assessment and assurance focused on the 1) reporting process, the 2) quality of the reported indicators, the 3) advice on analysis of performance, 4) efficient involvement of management, 5) advice on strategic future goals where applicable, 6) advice on integration of value creation methodology, 7) GRI double materiality, 8) adoption of the Integrated Reporting approach, 9) cross-functional and sector specific SASB metrics and, 10) advice on necessary/required report content elements and structure.

The scope of assurance has included data and information for the period between January 1, 2022, to December 31, 2022, for operations in Egypt, based on the GRI Standards 2021, Integrated Reporting and the SASB Standards.

SASB Sector Specific Assurance Scope and Boundaries

Given the nature of the sector and the company business model, the data and performance alignment was conducted according to four scopes of the SASB benchmark, including Meat, Poultry and Dairy, Agriculture products, Food Retailers and Distributions, and non-alcoholic beverages.

Topic Specific Assurance Scope and Boundaries

The report featured a specific section related to carbon footprint, as a summary of the company's standalone carbon footprint reporting performance which will be published independently.

While the scope and boundaries of the carbon footprint is not entirely detailed in this sustainability report, assurance included the verification of substantiated evidence of internal company process to ensure an acceptable status of the validity of acquired data. The report scope also included alignment to the United Nations Global Compact (UNGC) on which Juhayna is required to report on. The Human Rights Section is aligned to the latest UNGC version of August 2022.

This Report contains forward-looking statements on various future estimation or considerations that are expected to take place, particularly in the climate action front. The report doesn't constitute a commitment into the future, it only reflects actions taken during the reporting period and its subject to change according to national regulations and arising materials issues.

GRI Assurance Scope and Boundaries

The assurance considered the GRI 2021 for all disclosures and materiality process. The assessment of impacts and identification of topics where performance and assured according to the severity and likelihood. The Severity of Impacts considered - where possible - the GRI pre-set characteristics of scale, scope and irremediable character. With focus on actual negative impact, material topics were determined by their severity and likelihood, which is translated into detection of specific ESG risks. Not all risks were reported nor assurance, however, as affirmed by the company, they are part of the company traditional business process which is presented through the Integrated Business Plan (IBP) Process presented in details in the report, as part Juhayna risk management approach and yearly planning and forecasting process.

Integrated Reporting Assurance Scope and Boundaries

The report integrates the required IR content elements: Organizational overview, Business Model, ESG Strategic Goals, and a highlight of Juhayna's Value Creation across the six capitals. With an outlook on externalities, national priorities are included where applicable. The report also presented risks management approach towards specific material issues.

Materiality and Stakeholders Engagements were presented in the report to serve both the requirements of the IR and GRI.

The report captured the agility of the business model and reflected in the focus on all value chain activities and the value propositions to its stakeholders. Accordingly, a consistent Value Creation Model was presented on each section of the report where a key activity is reported (Farming, Quality, Supply Chain, Production & Operation, and Sales & Distribution, among others).

Value Creation included non- financial capitals (human, natural, social, intellectual, and physical) as part of the company's operations and their impacts on stakeholders. This required expert judgment to empathize areas of interaction and to assert the quality of reporting.

The purpose of such a multi-facet optimization of multiple standards was to establish the most possible comprehensive performance assessment in alignment with the anticipated requirements of IFRS S1 and S2 adoption, particularly for listed companies in Egypt.

Considering the scope of assurance, and the company's refining and updating of its ESG strategic objectives for operations in Egypt as per the scope of the report, and the reporting framework adopted, our Assurance Boundaries focused - within the availability or limitations of data provided - on the following:

- Connectivity of the business activities and the proper focus on material issues,
- Consistency and comparability of results year over year,
- Completeness and conciseness of data through verification of Stakeholders Engagement Plan and Implementation,
- Reliability of information through verification of data collection process,
- Alignment of material issues to internal/ external risks, anticipated threats, opportunities and strategic objectives,
- Sound analysis of Materiality Identification process, including stakeholders' inclusiveness, magnitude of impact on the company's Value Creation,
- Review of disclosures on the various topics represented through quantitative and qualitative indicators to ensure, both, future comparability, and context.

The assurance scope did not cover:

- Data and information outside the reporting period indicating looking-forward statements by the company.
- Verification statements indicating testimonials, opinions, success stories, and / or aspirations.
- Verification of claims (limited to data and information presented)

ASSURANCE PROVIDER'S ROLE

Juhayna's Assurance Plan for this reporting cycle included all assurance duties as described in the "Assurance Scope and Boundaries" of this document. We have ensured that the report narrative and data provided represented adequate view to stakeholders (through internal proxies' exercise), in order to support the decision-making process through the completeness and connectivity of non-financial data and complemented by the company's financial assurance where applicable.

We engaged in designing the procedures that allowed the gathering of appropriate evidence to support value creation models for specific functions, particularly those that required qualitative considerations.

Given it is the base year report for an Integrated Reporting approach, we ensured the company's streamlining of adequate and necessary degree of comparability of indicators year over year, as well as alignment with the yearly GRI reporting principles, disclosures and key performance indicators. Our focus was more inclined to determine that the definitions of used terms are applied consistently in this single report and as per the company's terms, while addressing national directives and global practices.

RESPONSIBILITIES OF THE MANAGEMENT

The management was responsible for the preparation and fair presentation of the selected information included in this report, in alignment/ accordance with the various Standards indicated in the Assurance Scopes and Boundaries. It was responsible to assert that the internal controls enabled the preparation of narrative and information, free from material misstatement.

Through our prolonged engagement with the company, we have observed that the leadership and management that governed the release of this report have actively proven their periodical oversight of the process and the departmental focal persons involved in the process.

ASSURANCE PROCEDURES

Our responsibility was to express a conclusion on the selected information included in this Report, based on assurance engagements. Back-end reviews and data auditing were conducted taking into consideration the Corporate Strategic Directions, the company's adherence and/ or compliance to sector-specific regulations, policies or certifications, national context, and the governing national laws and regulations.

The nature, methodologies, timing and extent of procedures selected depended on our engagements with the company and its teams, the data provided, the oversight and review check-points by the delegated top-management representatives.

Our limited assurance engagement included inquiries to Juhayna's professionals who were involved in the preparation of reported data.

ASSURANCE TEAM

The assurance was conducted by a multidisciplinary independent team including researchers for auditing environmental, social and economic information and abiding to our values of integrity, confidentiality, professional competence, objectivity, and due attention:

Ms. May Elwany :

Integrated Reporting Content Elements and Reporting Principles Reviews, ESG Strategy and Value Creation Modeling, ESG Risk Assessment Review, and Materiality Audits.

Ms. Lujine Shokri:

Sector-specific Data Metrics Analysis, Double-materiality Assessment, Verification of ESG Management Oversight, Environmental Data & Carbon Footprint Data Collection.

Ms. Jumana Al-Maraghi:

UNGC & Human Rights Review, Community Investment Impact Review/Analysis, Technical Review of Design.

The Report outcome was supported by:

Ms. Doaa Wareth:

On Stakeholder Engagement and Organizational Overview Review, ESG Strategy Research.

Ms. Shaza Elewa:

for Professional Proofreading and Editing

Ms. Mariem Hamza:

for Specialized Sustainability Reporting Design.

CONCLUSION

We have reviewed the Sustainability Report of Juhayna Food Industries S.A.E. Considering the risk of material error, we received all necessary explanations from the company to support sufficient evidence to our assurance conclusion. Based on the activities performed and evidence received, in our opinion, Juhayna has complied, in all material respects, with the GRI Standards 2021 and its Principles for sustainability reporting criteria, as well as the Integrated Reporting Content Elements and Guiding Principles, and the SASB sector-specific metrics where applicable.

May Elwany
Board Member Advisory
& Report Auditor

Ehab Shalaby, Ph.D.
Chairman & CEO



Villa 78, road 282, Investment Village, Cairo, Egypt.
www.dcarboney.com

