**Juhayna announces sustainability-linked loan through HSBC**

**Cairo January 2024** – Juhayna Food Industries, in one of the first moves across industry, has partnered with HSBC to secure a sustainable linked loan agreement. This agreement doesn’t only bolster the company’s commitment to sustainability but also provides essential support for its practices and endeavors in this regard.

This landmark transaction demonstrates both Juhayna’s ongoing commitment to sustainable practices, and HSBC commitment to supporting Egypt’s businesses in their transition plans to a net zero carbon economy through sustainable financing.

The loan terms are linked to multiple Key Performance Indicators (KPIs) that are tied to the following ESG initiatives and will be independently assessed:

* Reduction of both direct and indirect emissions by 18.7% each by the year 2025 from a baseline year of 2021.
* Increasing Health and Safety training hours by 20% from a baseline year of 2022. Ensuring they possess the necessary knowledge and skills to uphold the highest standards of product quality and safety.

Mr. Seif Thabet, CEO and Vice Chairman of Juhayna, expressed his pleasure in cooperating with HSBC, emphasizing that the agreement reflects the company’s advanced position among the private sector in the environmental sustainability file. Mr. Thabet further stated: “We realize the current and future impact of climate change and its direct influence on the global eco-system.”

Thabet further added: “Over the past years, Juhayna has positioned itself as a responsible producer by prioritizing energy and water conservation, diversifying the resources used in its factories, farms, and facilities, and launching capacity-building initiatives related to applying environmental practices in all operations.

Thabet revealed Juhayna’s ambitious goals, pertinent to a 42% reduction in its carbon emissions by 2030 and shifting its products to be 100% recyclable. To achieve these goals, the company has taken significant steps, such as establishing a solar power plant in the New Valley governorate through a joint cooperation protocol with Karm Solar to supply its farms with energy and lower its dependency on diesel. Additionally, the company has joined the first Egyptian Pact for Used Beverage Cartons in COP27, which aims to support the local economy by maximizing the usage of recycled products. Thabet concluded that obtaining the loan from HSBC will further accelerate the company’s realization of these goals.

Commenting on the transaction Todd Wilcox, HSBC Chief Executive Officer and Deputy Chairman of HSBC Egypt said: “Sustainability is an increasingly critical business agenda across different sectors and industries. This facility agreement extends our long-term relationship with Juhayna to support their commitment to contributing to the low-carbon economy. As a leading bank in the sustainable finance market, we are keen to continue leveraging our expertise and comprehensive solutions to help clients navigate the net-zero transition.”

It is worth noting that Juhayna has been successfully tracking its carbon footprint and reducing its emissions, in addition to disclosing its greenhouse gas emissions over the past years and now is about to publish this year’s report as well.