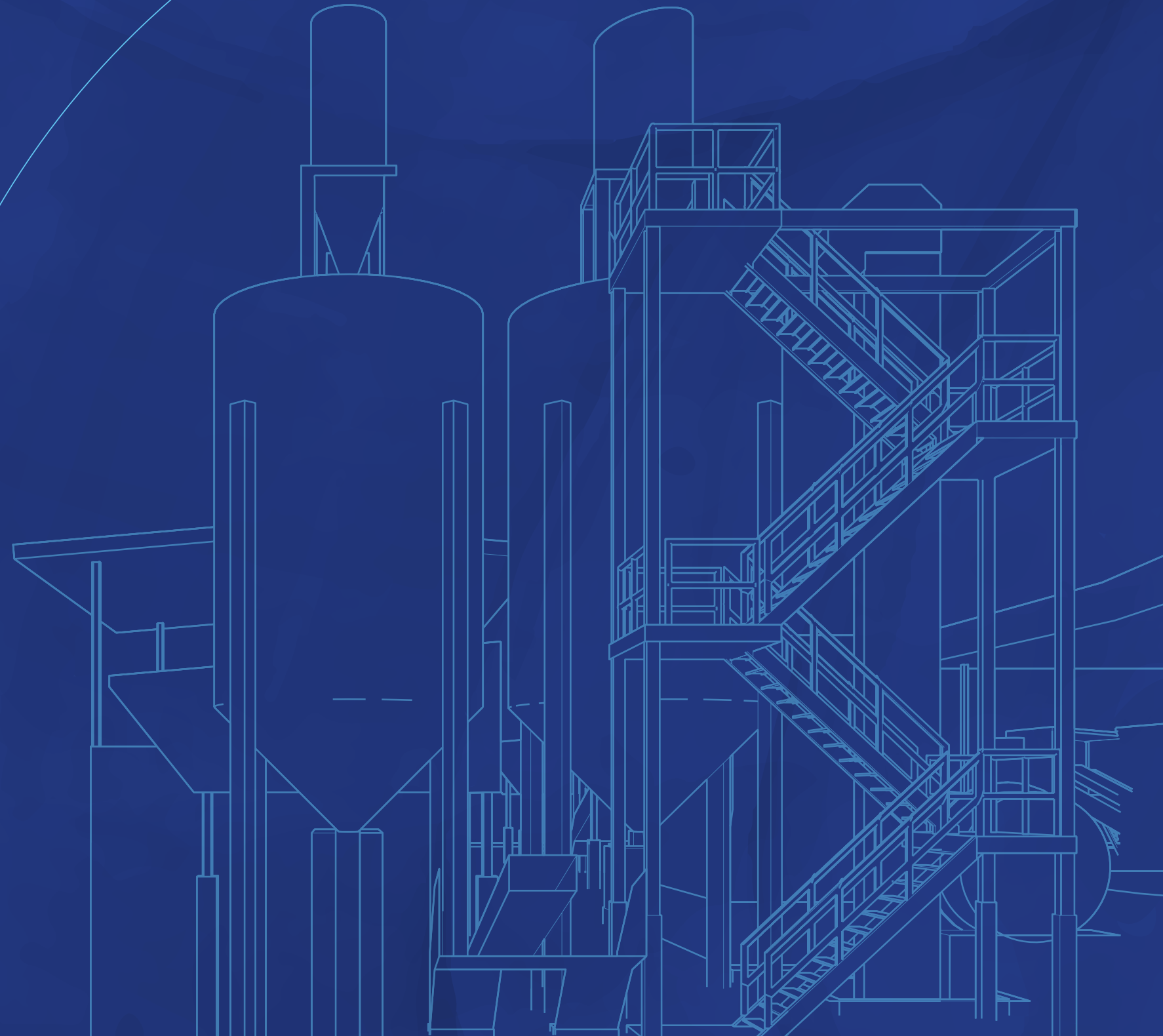


# SCALING UP

*Advancing ESG at Juhayna*

2023



# Table of Contents

## Sustainability at JUHAYNA

- 10 *Scaling Up Sustainability at Juhayna*
- 11 *International Guidelines*
- 12 *Organizational Overview*
- 15 *Outlook*
- 19 *Our Stakeholder Engagement & Materiality*
- 23 *Our ESG Strategy*
- 24 *Managing our Capitals and Creating Value*

## Growth with Purpose

- 26 *Economic Performance*
- 30 *Product Innovation*
- 39 *Sustainable Farming*
- 46 *Responsible Procurement*
- 49 *Responsible Manufacturing*
- 75 *R&D Packaging*
- 79 *Quality Control*
- 82 *Administration & Facilities Management*
- 85 *Sales & Distribution*

## The Wellness of People

- 91 *Juhayna's Family*
- 97 *Health & Safety*
- 102 *Right to Nutrition*
- 106 *Responsible Communication*
- 113 *Community Investment*

## Circularity for Our Planet

- 119 *Climate Action*
- 122 *Water Management*
- 124 *Waste Management*

## Leadership Through Governance

- 126 *Our Governance Philosophy*
- 127 *Our Board of Directors*
- 129 *Governance Safeguarding of Our ESG Strategy*
- 129 *Harnessing Board Leadership for Sustainability*
- 130 *A Dedicated Sustainability Committee*





# CEO Message

## *To our esteemed stakeholders,*

As we look back on 2023, we at Juhayna are proud to have strengthened our commitment to sustainable growth while embracing a global perspective. This year has brought new challenges and opportunities, fueling our mission to create positive impacts for people, communities, and the planet.

Our approach to sustainability is ever-evolving, driven by three guiding pillars: People, Planet, and Purpose. These core pillars shape every aspect of our work, from supporting local communities and advancing environmental stewardship to innovating our product range in line with global trends. We believe that sustainability is more than a goal—it's a responsibility, and we are dedicated to embedding it deeply into our everyday operations to create lasting value.

We see our role as more than a producer—we are community partners, contributors to economic progress, and advocates for environmental health. From supporting farmers through capacity-building programs to empowering women in local communities, our initiatives this year have underscored our belief that shared success is the key to sustainable growth.

This year, we have expanded our global footprint, now reaching 62 countries and bringing Egyptian-made products to the world stage. With each milestone, we renew our dedication to delivering quality, reducing our environmental impact, and fostering trust among our partners and consumers. Our team is continuously exploring ways to reduce resource usage and invest in renewable solutions, ensuring we are part of the solution to global climate challenges.

Looking ahead, our ambition is clear: to lead with integrity and innovation in every market we serve, making positive contributions to society while setting benchmarks for responsible business practices in our industry. We are excited about the road ahead and the progress yet to come, and we invite you to join us on this journey.

Thank you for your continued trust and support.

Sincerely,

**Seif ElDin Thabet**

# Our Heritage

*For over 40 years, we have witnessed people's lifestyles and tastes evolving, markets growing, economic and climate risks unfolding, yet Juhayna has continued to anticipate and innovate to meet people's needs.*

Since inception, Juhayna has always been recognized for its heritage of social impact that is historically twining with its business growth.

As the world continues to experience unprecedented levels of environmental & demographic transitions and fragmented supply chains, those changes are manifesting through major social changes and technological advancement that are in perpetual movement at a global level, and expected to continue to shift and evolve for generations to come.

For that reason, it has never been more evident nor more critical that the social commitments and the bidding ethical contract between businesses and society needs renewal and reinforcement as bushinesses grow.

At Juhayna, we have always reaffirmed our commitments and played a meaningful role into our communities.

This has only been possible due to our ability to adamantly curate, efficiently maintain and powerfully hold control over our business model. From breaking ground of our agricultural development farm in 2008 to bringing together local farmers, to quality health standards to employee's family and farmers, and to the integration of social objectives into company bylaws, our social heritage has forged a unique culture within our brand identity, where purpose is deeply integrated into how we do business.

As our business model matured, it enabled us to build a unique health-focused portfolio of products, with ONE unchanged focus of "wellbeing and health" as the cornerstone of our impact. Today, we do not share with our stakeholders a traditional Company history, but we focus on presenting the significant milestones of our products history as we brought to Egypt the first packaged milk in 1987, backed with our manufacturing and farming history that has grown since breaking ground in 1983 at Egypt's first industrial region - back at the time - at 6th of October City.

Over the last decade, Sustainability has grown as a global need to meet those needs, yet at Juhayna, it was always considered as the natural continuation of its Heritage. Therefore, as we SCALE UP ESG in Juhayna, we have welcomed new generations into Juhayna's family, who have learned and were mentored by our distinguished pool of Senior Management allowing our stakeholders to know about our Company history that has grown since breaking ground in 1983 at Egypt's first industrial region - back at the time - the 6th of October City.

Today, we wish to zoom on selective and significant milestones of that History: Our Products History as we brought to Egypt the first packaged milk in 1987, backed with our Manufacturing and Farming History that enabled Juhayna's sustainable growth, and drove its expansion year over year, while creating meaningful sustainable impacts into the lives of our stakeholders.

## SCALING UP Sustainability through Our Ambassadors as part of our Heritage

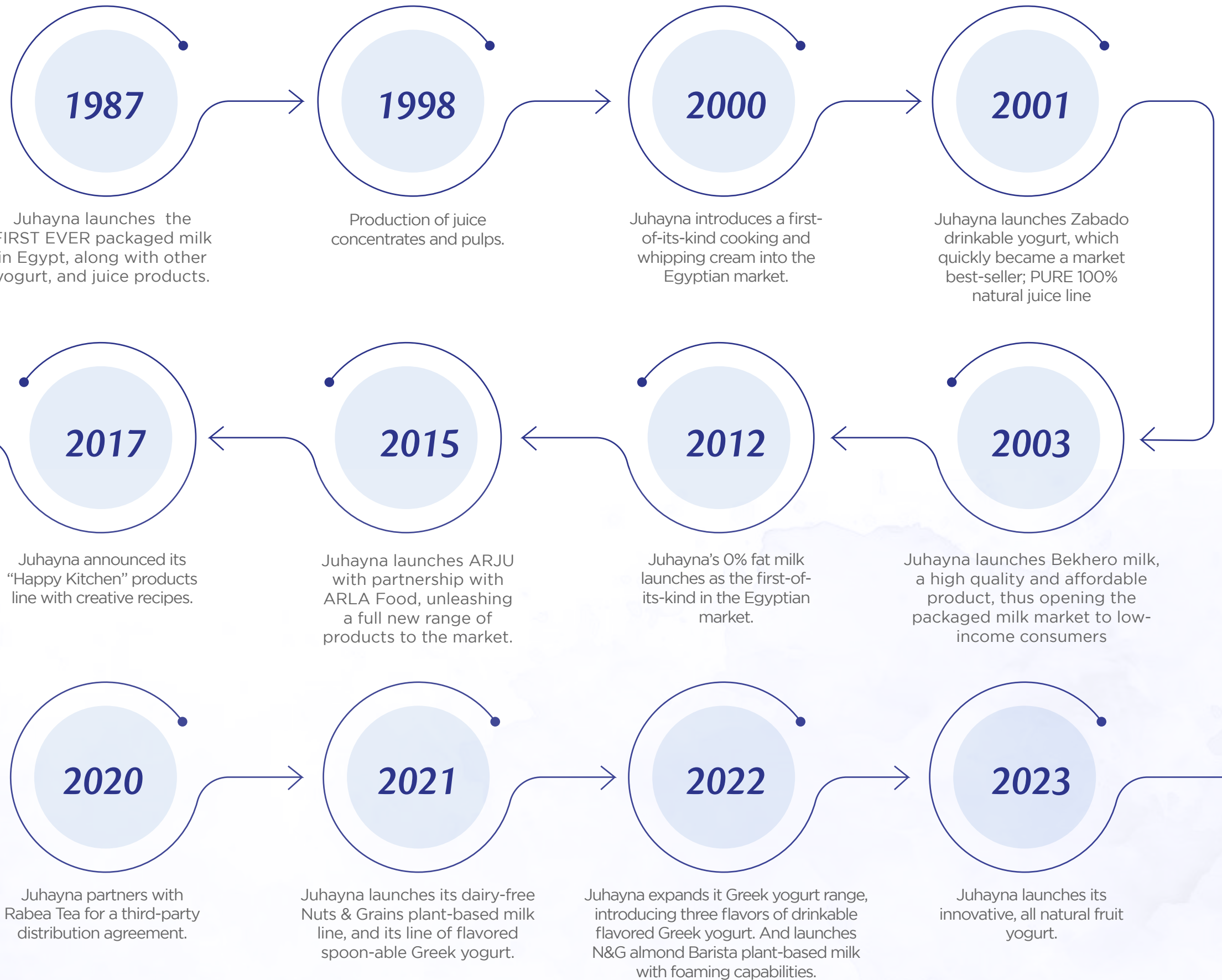
To drive our impacts forward across Juhayna's 4000+ members, we are proud to delegate the internal ESG actions to a selective group of Sustainability Ambassadors, dedicated to monitor and assess the implementation of our ESG Strategy and report to our newly established Sustainability Committee.

<ul style="list-style-type: none"> <li> <b>Sustainability:</b> Farah Ellabab</li> <li> <b>Farms:</b> Mahmoud Abouzeid, Tamer Abdelkareem, Omar Abdelrahman, Gamal Hoda</li> <li> <b>Product Development:</b> Maram Hesham</li> <li> <b>Manufacturing:</b> Ahmed Mostafa Soliman, Mohamed Fouad, Abdelrahman Hassan, Nader Rayhan</li> <li> <b>Packaging Development:</b> Yosra El Shimy</li> <li> <b>Quality:</b> Ahmed Salamony</li> <li> <b>Operations:</b> Sherin Sedky</li> </ul>	<ul style="list-style-type: none"> <li> <b>Sales &amp; Distribution:</b> Mariam Khalil</li> <li> <b>Finance:</b> Mohamed Mortada, Mostafa Abdelrehim, Mahmoud Mahmoud</li> <li> <b>HR:</b> Mariam Tarek,</li> <li> <b>H&amp;S:</b> Mohamed Ragab</li> <li> <b>Marketing &amp; Business Development:</b> Ahmed Salem and Norhan Yousry, Razan El Meligi , Menna Salah</li> <li> <b>Customer Care:</b> Ameer Amgad</li> <li> <b>Community Investment:</b> Farah Ellabab</li> </ul>
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They helped identifying our ESG practices across the value chain through an unprecedented representation of each functions' workflow process and the ESG initiatives, actions and impacts our internal processes create.

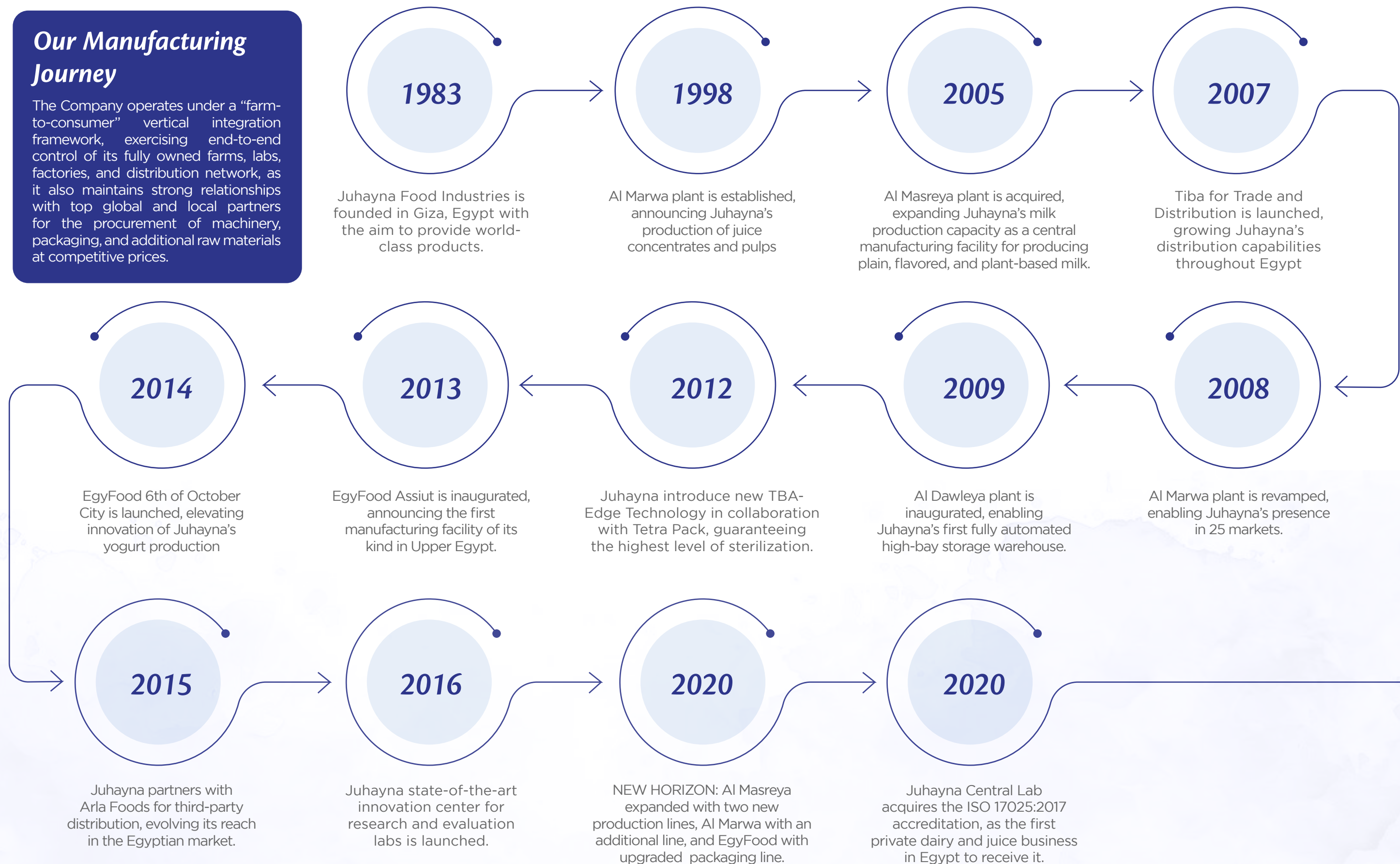
## Our Products Journey

A Products History that continues to introduce innovative production methods for packaged milk, dairy, and juice products. With a mission centered on innovation, the Company has successfully developed an extensive portfolio of products, introducing new competitive segments of production to domestic and cross-border markets.



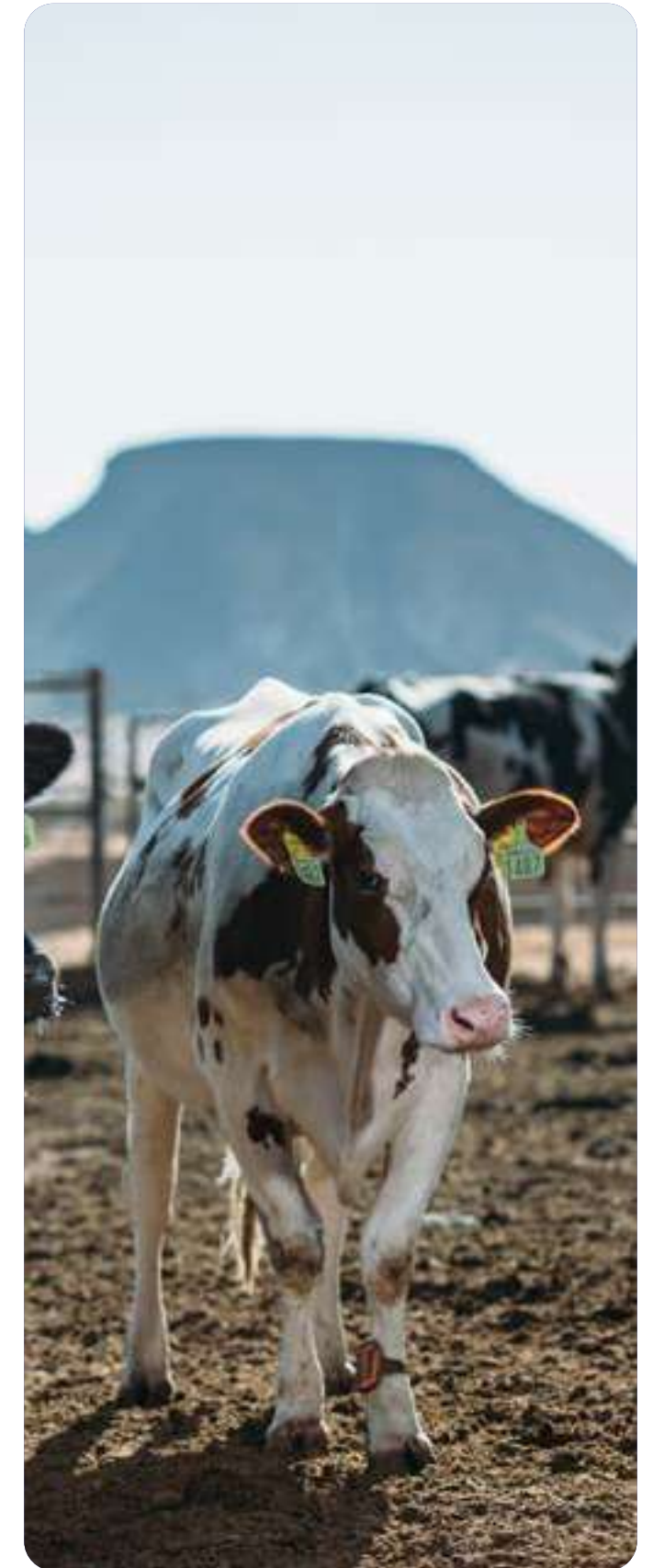
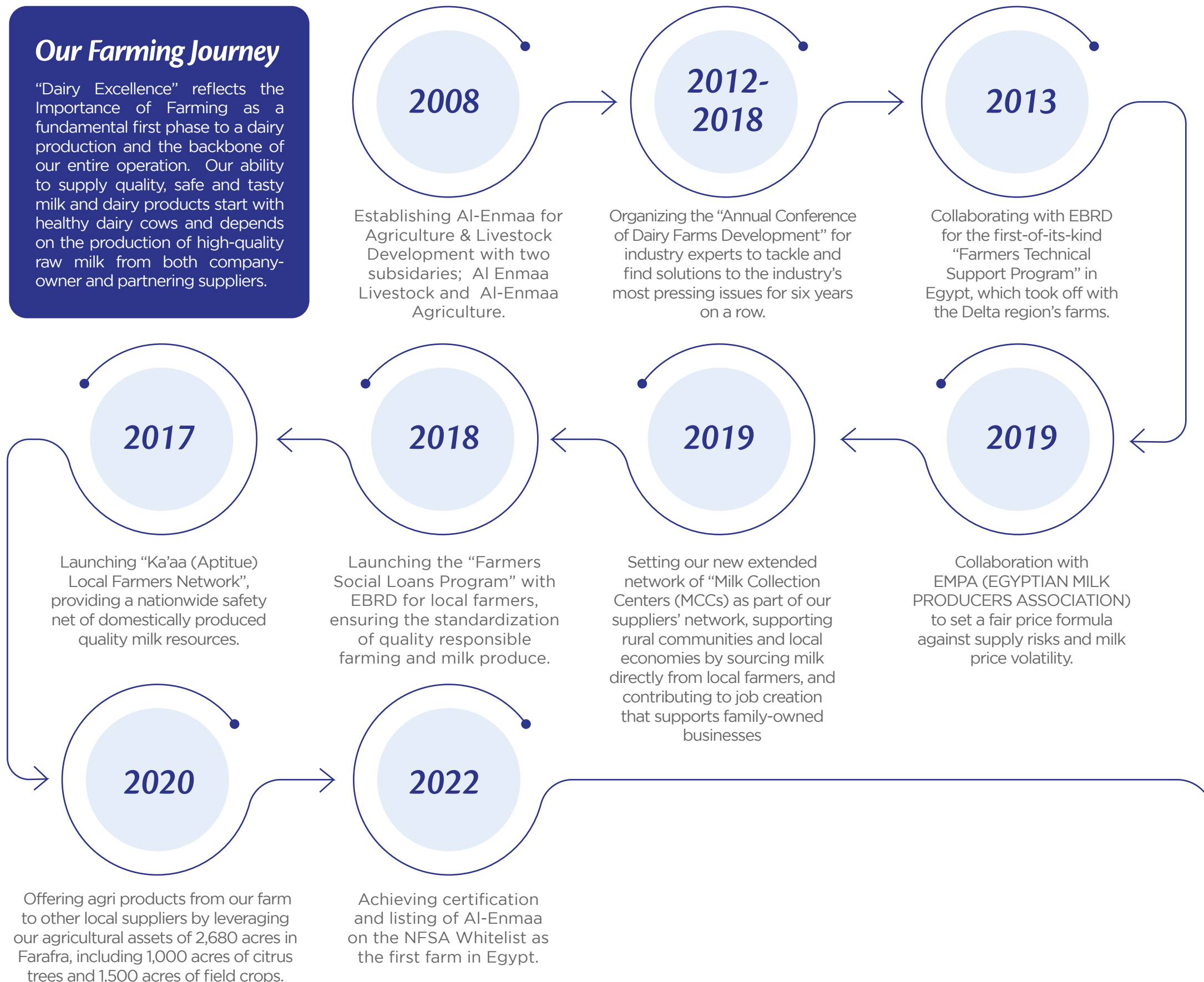
## Our Manufacturing Journey

The Company operates under a “farm-to-consumer” vertical integration framework, exercising end-to-end control of its fully owned farms, labs, factories, and distribution network, as it also maintains strong relationships with top global and local partners for the procurement of machinery, packaging, and additional raw materials at competitive prices.



### Our Farming Journey

“Dairy Excellence” reflects the Importance of Farming as a fundamental first phase to a dairy production and the backbone of our entire operation. 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 from both company-owner and partnering suppliers.



# About This Report

## Past to Present

In 2023, Juhayna Food Industries celebrated its 40 years in the market and the completion of its 4th edition of Assured Sustainability Reporting in accordance with the latest global ESG Frameworks.

Past reports, despite reporting on specific periods of time, yet they consistently revealed Juhayna’s long-standing legacy of a “Responsible Business” through Caring for People, Planet and Purpose since its establishment in 1983, a legacy that was witnessed long before the notion of Sustainable Development came to life.

To capture the fundamentals of Juhayna’s sustainable business practices, while assessing and demonstrating its environmental, social and economic impacts, the leadership has adopted a tailored Sustainability Reporting methodology in 2022, one that can best represent the Company’s EESG Strategy and its Value Creation across its business model components.

Accordingly, last year’s Report has set the parameters of Juhayna’s reporting model with the purpose to provide consistency, reliably and transparency of information through a Value Creation Blueprint and Matrix, connecting the six capitals (1), intersecting with its EESG(2) Strategy Pillars, while staying focused on Juhayna’s Mission towards People, Plant and Purpose. It is a multidimensional model aimed to be carried-out over the short, medium and long terms.

## This Report

Building on such a transformational (transitional) approach, this 2023 Sustainability Report (representing the annual cycle of January 1st to December 31st, 2023) continues to adopt that blueprint, aiming to provide stakeholders with a consistent structure year-on-year that facilitates easy tracking and assessment of our sustainability journey. Furthermore, in this year’s iteration, we provide more in-depth information on Risks and Opportunities, and our EESG Strategy Progress along our vertical integration business model: from Farm to Consumer.

To ensure a granule level of information and consistency across our departments, this sustainability report leaps beyond the conventional aggregate information, and presents the profound financial, economic, social and environmental impacts through a mapping of each of our business workflows.

This significant advancement in this year’s reporting process was made possible through the enhanced involvement of every function within Juhayna.

Over 100+ hours of in-depth internal stakeholders’ engagement and capacity building sessions were dedicated to inspect, identify and analyze Juhayna’s risks, management approach and impacts of each workflow in our farms, factories, supply chain, quality & auditing, packaging, product innovation & development, sales & distribution, facilities & operations.

The collaborative effort is vividly depicted through the workflow charts visualized across the different section of the report, highlighting significant material issues and critical impacts for each function, and for the organization as a whole. Through this approach, and with the expert-lenses of our Sustainability Ambassadors, the report presents the interconnectivity - yet the seamless integration of business operations, with focus on critical issues and industry insights. Furthermore, they outlined the method for identifying and prioritizing significant issues. This consistent focus and reporting methods on critical matters across the business functions allows the company and stakeholders to compare performance from year to year.

**The 2023 Innovative Reporting Representation of our Business Workflows aims to offer our readers a seamless understanding of our processes and their impacts across our functions, with consistent and comparative information across years to come.**

This report is developed in compliance with the Global Reporting Initiative 2021 Standards and the principles of Integrated Reporting, marking our second year under this enhanced reporting methodology. A set of selective key indicators are presented as per the SASB sector specific metrics. By implementing these frameworks, we also integrate forward-looking statements to guide future expectations beyond 2023.

As part of this Report Development process, and in deciding what information to present, careful judgment was used, and taking into account the perspectives of external stakeholders, ensuring our integrated reporting approach fulfills its fundamental objectives.





# SUSTAINABILITY AT JUHAYNA

- 01 *Scaling Up Sustainability  
at Juhayna*
- 02 *International Guidelines*
- 03 *Organizational Overview*
- 04 *Outlook*
- 05 *Our Stakeholder  
Engagement & Materiality*
- 06 *Our ESG Strategy*
- 07 *Managing our Capitals  
and Creating Value*

# Scaling Up Sustainability at Juhayna

## A zoom-in on our Workflow Process

Scaling UP Sustainability in Juhayna refers to the full ESG integration by anchoring environmental and social performance into the business model. The 2023 Report brings an unprecedented transparent and in-depth insight into the workflow process of each of our core business and supporting function , and how this integration takes place - currently or gradually - across each of those processes. *For more information, refer to the Workflow Processes included in each section of the Report.*

## A zoom-in on our Product Innovation

Scaling UP Sustainability in Juhayna refers to ensuring that consumer behavior change does not only drive innovation, but it actively triggers the needs to promote consumer education on healthier lifestyles and diets. Juhayna notably partners with local authorities and organizations, as well as retailers, in provide knowledge on its products and health. At Juhayna, we curate products that places people at the heart of everything we do. We pioneer products with specialized nutritional value that speaks for their needs and cater for their health as part of our Social Value Creation. The 2023 Report brings a summary of our Value Creation through nutritional values of selective products on our portfolio.

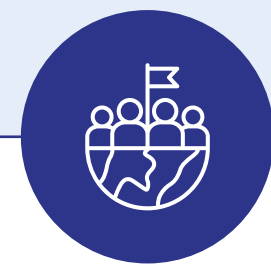
*For more information, refer to the Product Innovation Section.*

## A zoom-in on our Capitals

Scaling UP Sustainability in Juhayna refers to the ability of looking at the value created across all capitals, rather than only the financial capital. Moreover, we look into how a good investment into sustainable practices has led to undeniable business gains and growth. *For more information, refer to the Value Creation tables included in each section of the Report.*

As we are presenting our 7th Sustainability reporting cycle since 2017, we are no longer merely monitoring our capitals performance, but we are seeking to strengthening them through stronger policies and progressive performance indicators, with focus on more material issues and value creation outputs year-on-yeer, governed today by our newly established and dedicated Sustainability Committee.

*For more information, refer to the Leadership Through Governance section.*



### Human Capital

- Diversify our pool of age variant knowledge and expertise.
- Increase investment in employee development



### Social Capital

- Maintain our historically brand culture and healthy work environment.
- Optimize and sustain the value of milk through high nutritional products.



### Natural Capital

- Maximize usage ratios for energy and water resources.
- Maintain strong waste management practices.



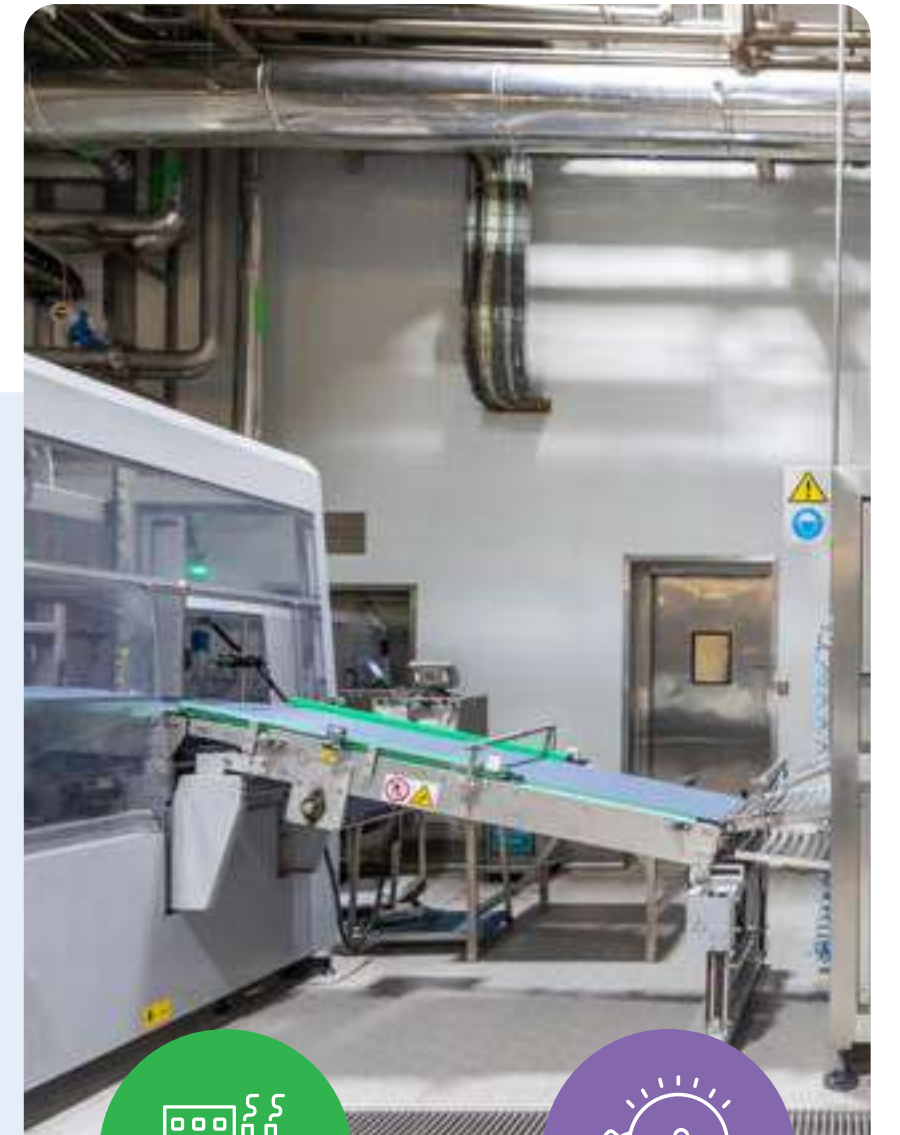
### Manufactured Capital

- Expand growth and environment-related capex .
- Increase the use of environmentally friendly raw materials.



### Intellectual Capital

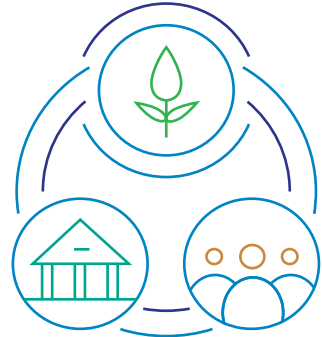
- Develop materials that help to solve food and health issues.
- Focus on research and innovation activities and overseas operations.



# International Guidelines

## 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



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)

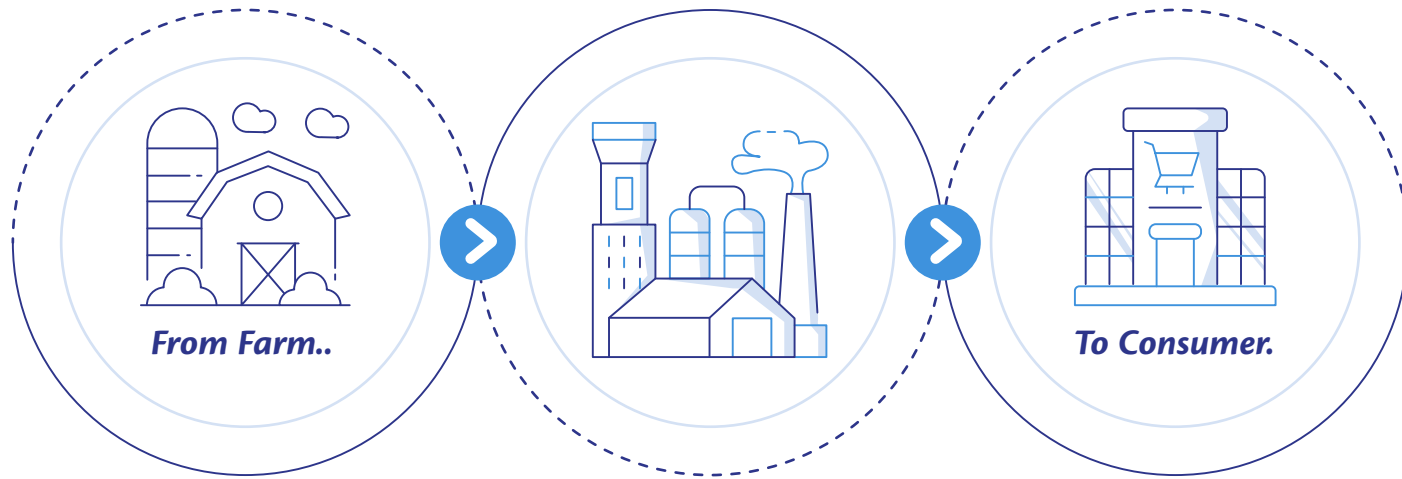
For more information on the IR Content Elements and Guiding Principles, refer to Appendix 1.



# Organizational Overview

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.

“**Egypt’s Largest Listed Dairy Company**”

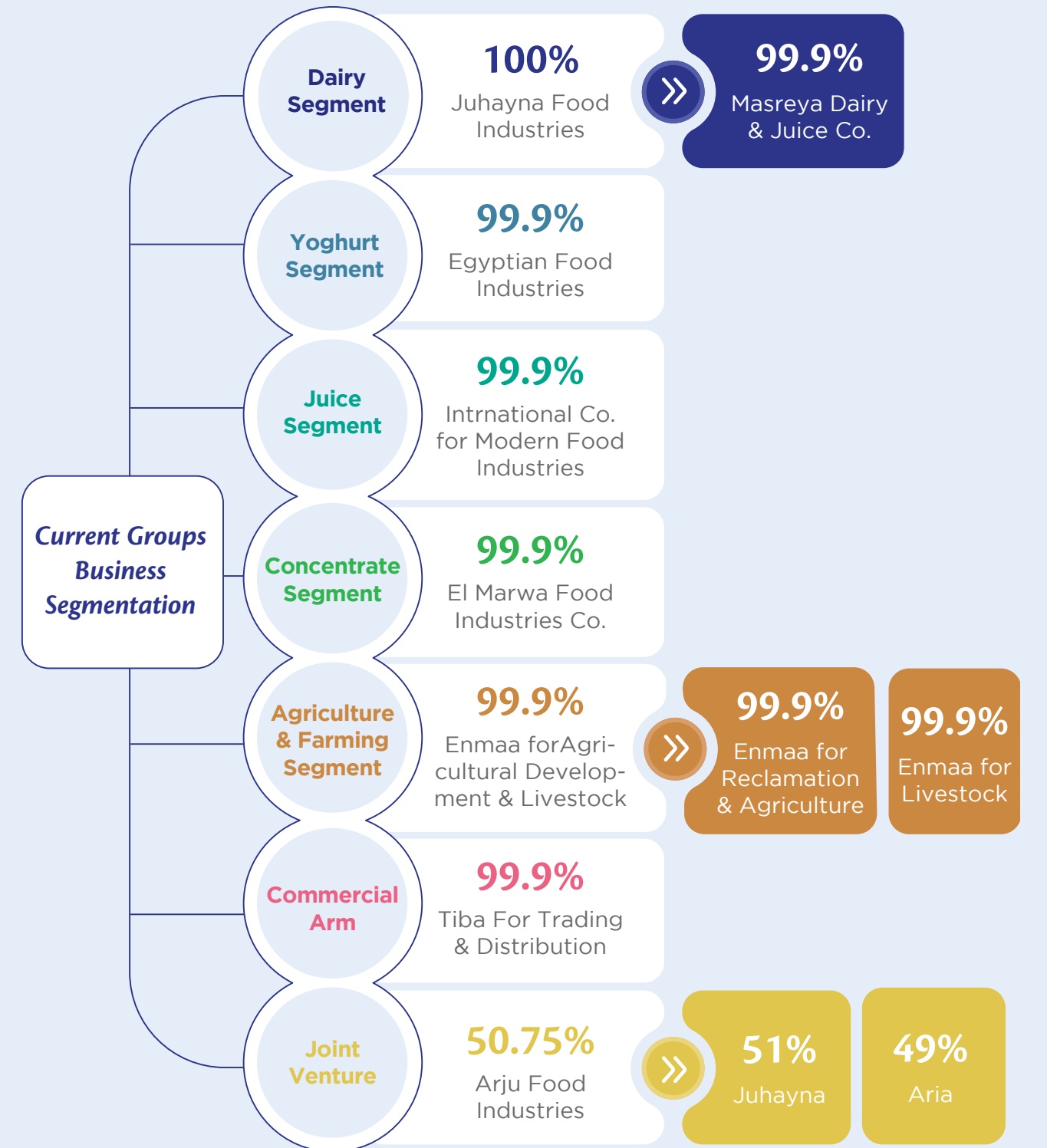


*Juhayna’s operations encompass all stages of the value chain - from farm to consumer - through its state-of-the-art manufacturing facilities, comprehensive logistics infrastructure, and livestock business which supplies raw materials.*

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.

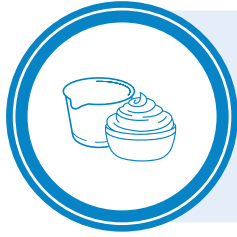
Juhayna has steadily increased production capacity while developing and expanding its product range, reaching more than 200 different products on the supermarket shelves produced at four separate manufacturing facilities. With an eye for strategic investing, Juhayna has carried out several incremental expansions in line with its primary objective to offer the market a diversified bouquet of products.





**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



## How Do We Navigate Changes Of The External Environment?



### Strengths

- ✔ More than 4 decades in the milk formula development, production and research.
- ✔ Extensive knowledge and quality measures on bacteria and function ingredients in response to strong halt interest.
- ✔ Ownership of our own vertical supply chain
- ✔ Manufacturing power through state of art equipment, labs and fully automated systems.
- ✔ Efficient utilization of locally produced milk and fruits resources
- ✔ Enhanced climate-conscious processes and products.
- ✔ An organizational structure and leadership that support innovation .
- ✔ Ability to develop innovative products in light of markets changes and changing consumer preferences.
- ✔ Empowered human capital and expert knowledge.
- ✔ Reputation for quality and reliability.
- ✔ Long-standing history of uninterrupted business and presence.

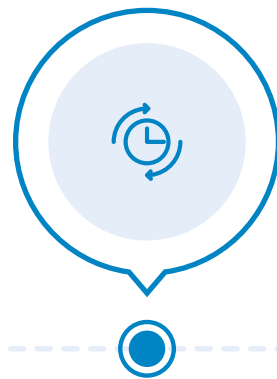


# Outlook

## Our National Performance Highlights



Our substantial growth recorded total revenue reaching EGP 16.1 billion.



Our Export success recording EGP 1.2 billion in revenue, supported by resilience and a strength of our local presence with sales totaling EGP 14.9 billion.



Our products' success continues to be propelled in part by the enduring popularity of Bekhero, a staple in Juhayna's product lineup.



Our distribution success can be attributed to its robust cash cycle, meticulous internal business planning, and a forward-looking rolling forecast system that anticipates market changes.



Our e-commerce success is attributed to acknowledging the impact of digitization and online platforms on consumer behavior, and actively ensured products' availability on these platforms.

### Zooming on Third-Party Distribution

- 01 Tiba effectively utilizes its extensive fleet to distribute several products thanks to third-party distribution agreements with different manufacturers.
- 02 Since 2015, Tiba has become the sole distributor for Danish cooperative Arla's products in Egypt, encompassing brands that include Dano, Lurpac, Ladybird, and Castello.
- 03 In 2023, Tiba faced challenges due to disrupted supply chain and local port restrictions affecting the entry of non-essential imported goods into the market.

- 04 Despite these challenges, third-party distribution revenue demonstrated resilience, experiencing a 24% year-on-year increase, amounting to EGP 287 Million in 2023.
- 05 Juhayna continues to seek additional expansion of Tiba's third-party distribution business by forming partnerships with FMCG manufacturers whose products align with Tiba's existing infrastructure and fleet capabilities.
- 06 This strategic expansion continues to be a focal point, underscoring Juhayna's commitment to diversifying and enhancing its distribution activities.

## Our Global Performance Highlights

### MENA region: Redifning Our Presence

With a rich legacy spanning decades and serving as a household staple for millions, Juhayna aims to penetrate the market with its stellar Juice segment, a longstanding top seller in both value and volume. By fostering relationships from an early age, the Company is strategically deepening its roots in the households of the region.

We also succeeded in relaunching the Juhayna brand in the Libyan market in 2023 by partnering with one of the country's largest distributors to cater to the ever-increasing demand in Libya, while leveraging the logistical advantages of its proximity with Egypt.

### European markets: Notable Success

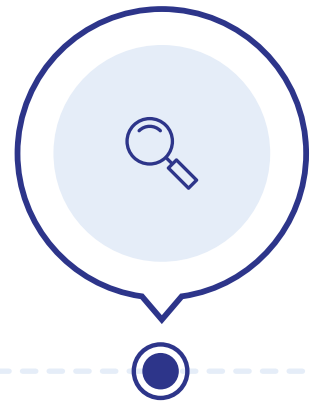
Navigating challenges posed by dairy product import bans, Juhayna achieved notable success through its juice categories, realizing a growth of 43% this year. Introducing the N&G dairy line further bolstered its market presence, echoing its domestic triumphs in Egypt.

Focused efforts on newly opened avenues in Germany and the Nordic area aim to replicate the success witnessed in the UK after introducing products across major modern trade channels.

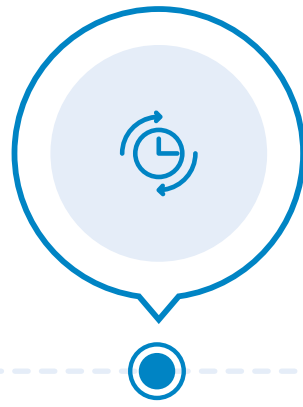




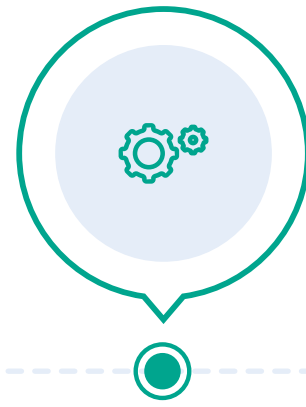
## Zooming on Exports



In 2023, the Company tailored its export strategy to solidify its standing in key markets, while preparing for entry into new territories, particularly in Europe and the MENA region.



Juhayna experienced significant growth in export sales, reaching USD 38 million by the end of 2023.



This represents a remarkable growth rate of 51% driven primarily by an increase in concentrates exports, which played a vital role in mitigating FX related challenges. The Company therefore capitalizes on the versatility of the fruit while gaining an additional avenue for procuring foreign currency.



Exporting to 33 countries and contributing 7% to our total revenue.



This growth stands as a testament to the robustness of Juhayna's core operations, showcasing its ability to thrive amid the dynamic and fluctuating market conditions experienced throughout the year.



## Zooming on Fruits Concentrates

- 01 In 2023, concentrates maintained their prominence as a leading export for Juhayna, driven by adept sourcing strategies and careful crop level management.
- 02 Global shortages in oranges and mangos, triggered by unfavorable climate conditions, underscored Juhayna's pivotal role in meeting the heightened demand through its Al Marwa facility in Egypt.
- 03 The sourcing team displayed unwavering dedication throughout the year, minimizing procurement delays by fortifying existing relationships and cultivating new partnerships. This ensured a seamless continuity of supply and competitive pricing, reaffirming Juhayna's resilience in navigating market challenges. Given the increased global demand for oranges, Juhayna maximizes its efficient utilization of the fruit by extracting oils from its peels and selling orange pulp and zest to domestic and foreign producers.

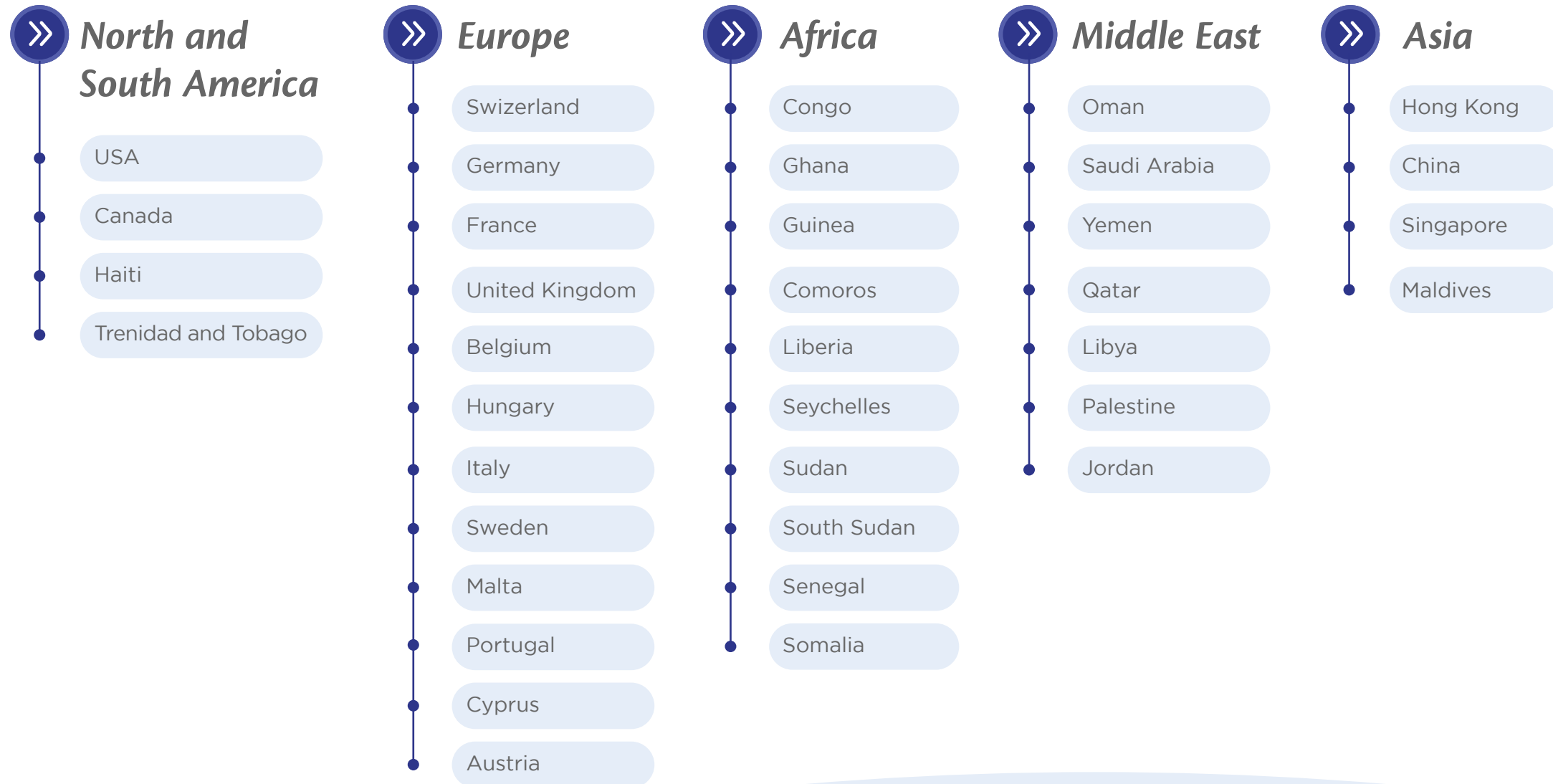


## Mitigating Foreign Currency Challenges

Crucially, the Company's concentrate exports played a key role in securing foreign currency, mitigating the impact of Egyptian currency devaluation witnessed in the latter half of 2022 and early 2023.

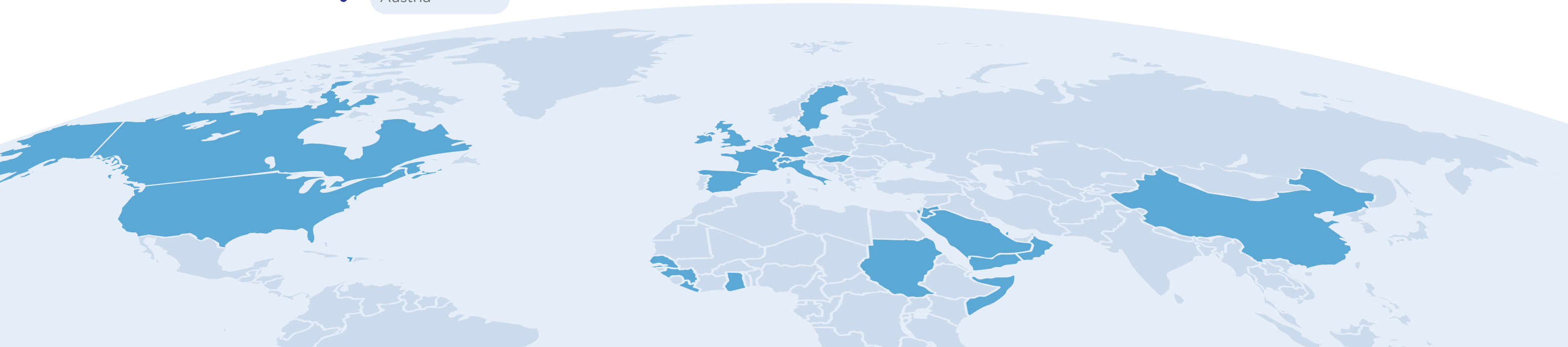
Notably, concentrates emerged as the highest exported product, generating revenue amounting to EGP 1 billion of the EGP 1.2 billion in revenue from total exports – a remarkable 164% increase from the previous year.

## Global Reach: Juhayna's Export Destinations



### Looking-forward Direction

Juhayna's future vision is two-fold, intertwining ambitions to achieve double-digit growth year-on year and expand its geographic footprint. Drawing strength from resilient core operations, an enduring market presence, and adaptable strategies, the Company confidently paves the way forward. The next phase involves amplifying expansions in North and Sub-Saharan Africa, strategically aiming to make Juhayna's diverse product range globally accessible. Envisioning a future where unwavering commitment to growth and adept navigation of dynamic market landscapes solidify its position, Juhayna aims to emerge as a global leader in the food and beverage industry.



# Our Stakeholder Engagement & Materiality

## Stakeholder Engagement

Our Stakeholders' engagement follows a systematic process with our internal and external stakeholders, highlighting how we engage with them, and what are the areas of significant interest and/or impacts.

[For more information, refer to Appendix 3.](#)

We consider each of our dedicated functions as a proxy to its relevant external stakeholders. Through them, Juhayna captures emerging interests and needs of our external stakeholders. At the end of this process, the reporting managers consolidate their inputs 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.

In 2023, there were no major changes in our material topics based on those engagements, except for those that are inherently required to achieve our set plans for our business growth objectives, financial performance, and sustainability commitments.

While our detailed management approach to each material issue is detailed across each section of this report to reflect one or more of our stakeholders' interest, we are equally presenting the following key outputs that feature the interrelated growth between our sustainability commitments and financial performance:

Stakeholders	Glimpse of key focus-outputs	Reference within the Report
<b>Our Employees</b>	We provide and enable a unique work environment: <ul style="list-style-type: none"> <li>• Cherishing our employees as one of our most valuable assets, where 100% of our employees and their family members (to the first line) are part of our medical program and insurance policy.</li> <li>• A total of 18 HR Business Partners that act as the focal persons to each group of employees, providing space for grievance, guidance and support where is needed.</li> <li>• A total of EGP 41,212761 in paid dividends to our employees, with health care and benefits packages.</li> </ul>	Human Capital
<b>Our Customers</b>	We serve 60,000 and 232,000 of direct and indirect customers, respectively, with continued facilitation of digital payments to all retailers and wholesalers at 136,000 Points of Sale with total of EGP 8 billion of payment through Fawry Fintech system, as well as investing in new chillers and in-store upgrades, with total investment of EGP 272 million in purchase of 10,000 new chillers.	Sales and Distribution
<b>Our Suppliers</b>	We recorded an increase in cost of goods sold (COGS) by 41% in FY23 and 36% in 4Q23 was driven by rising raw material prices, particularly raw milk and packaging materials. The gross profit margin increased by 0.6pp in FY23 and 2pp in 4Q23, supported by the outstanding profitability of the concentrates segment. <p>Strong long-standing relationships with global and local suppliers played a vital role in mitigating the challenges related to FX availability, leading to a notable surge in export sales, achieving a remarkable growth rate of 137%, reaching EGP 1.2bn in FY23. Export sales accounted for 7.3% of the company's total revenues for the full year vs. 4.3% in FY22, and 5.4% in 4Q23, compared to 5.3% in 4Q22. In US dollars, annual growth rate reached is 51% for FY23, and 7% for 4Q23.</p> <p>Continued partnership with GIZ, for the technical program that supports Egyptian suppliers in developing their capabilities and skills, therefore aiding their seamless integration into supply chains.</p>	Supply Chain



Stakeholders	Glimpse of key focus-outputs	Reference within the Report												
<p><b>Our Consumers</b></p>	<p>We witnessed the recent high inflation in Egypt, resulting in a challenging national impacts, where a reduced consumer purchasing power has lead to reduced consumption, while consumer - in parallel - expected and sought new preferences .</p> <p>Juhayna was well-positioned to capitalize on its ability to offer various price points while cater to different consumer needs.</p> <p>We launched new products and enhanced existing ones , as well as expended our distribution channels to additional remote regions across Egypt through El Commando Program in delta and Upper Egypt.</p>	<p>Product Innovation, Sales and Distribution</p>												
<p><b>Our shareholders</b></p>	<p>We recorded a 42% y-o-y increase in net revenue to EGP 16.1bn in FY23, and a record breaking 60% y-o-y increase in net income to EGP 1.0bn in FY23, with earning per share for the year (L.E /share ) is 0.98 for 2023 compared to 0.63 for 2022.</p>	<p>Economic Performance</p>												
<p><b>Standardization Organizations</b></p>	<p>We succeeded in certifying our three factories, EL Masreya, EgyFood and El Dawleya as BRCGS food safetycertified with AA+ and AA scope.</p> <p>The BRCGS Food Safety Global Standard is the most widely accepted food safety standard in the world and has set the benchmark for nearly 25 years. Adopted by over 22,000 sites in more than 130 countries, the standard is accepted by 70% of the top 10 global retailers, 60% of the top 10 quick-service restaurants, and 50% of the top 25 manufacturers.</p>	<p>Responsible Manufacturing</p>												
<p><b>Our local community</b></p>	<p>We invested in our community, with a unanimous Board approval to donate (cash, company products) up to an 20 million EGP (twenty million EGP) in CSV activities in 2023.</p>	<p>Community Investment</p>												
<p><b>Our Regulators</b></p>	<table border="1"> <thead> <tr> <th colspan="4" data-bbox="1190 1535 2466 1629">Equity</th> </tr> <tr> <th data-bbox="1190 1629 1519 1808">Issued and paid up capital</th> <th data-bbox="1519 1629 1798 1808">Legal reserve</th> <th data-bbox="1798 1629 2136 1808">General reserve-Issuance premium</th> <th data-bbox="2136 1629 2466 1808">Retained earnings</th> </tr> </thead> <tbody> <tr> <td data-bbox="1190 1808 1519 1923">941,405,082</td> <td data-bbox="1519 1808 1798 1923">742,112,963</td> <td data-bbox="1798 1808 2136 1923">330,920,428</td> <td data-bbox="2136 1808 2466 1923">2,233,885,644</td> </tr> </tbody> </table>	Equity				Issued and paid up capital	Legal reserve	General reserve-Issuance premium	Retained earnings	941,405,082	742,112,963	330,920,428	2,233,885,644	<p>Economic Performance</p>
Equity														
Issued and paid up capital	Legal reserve	General reserve-Issuance premium	Retained earnings											
941,405,082	742,112,963	330,920,428	2,233,885,644											

## Materiality

The identification and assessment methodology of double materiality approach remain consistent and aligned to global standards. This entails an inspection of our most critical issues that enables value creation through capitals' trade-offs.

Therefore, we continue to heavily investing-in and advancing our ESG integration into the business. We have moved further beyond our financial performance lens and we deep dived into our Corporate Strategic Pillars (PEOPLE, PLANET and PURPOSE). We present in this section how the Pillars are connecting to our focus sustainability areas, sustainability risks and material priorities.

[For more information, refer to Appendix 3.](#)

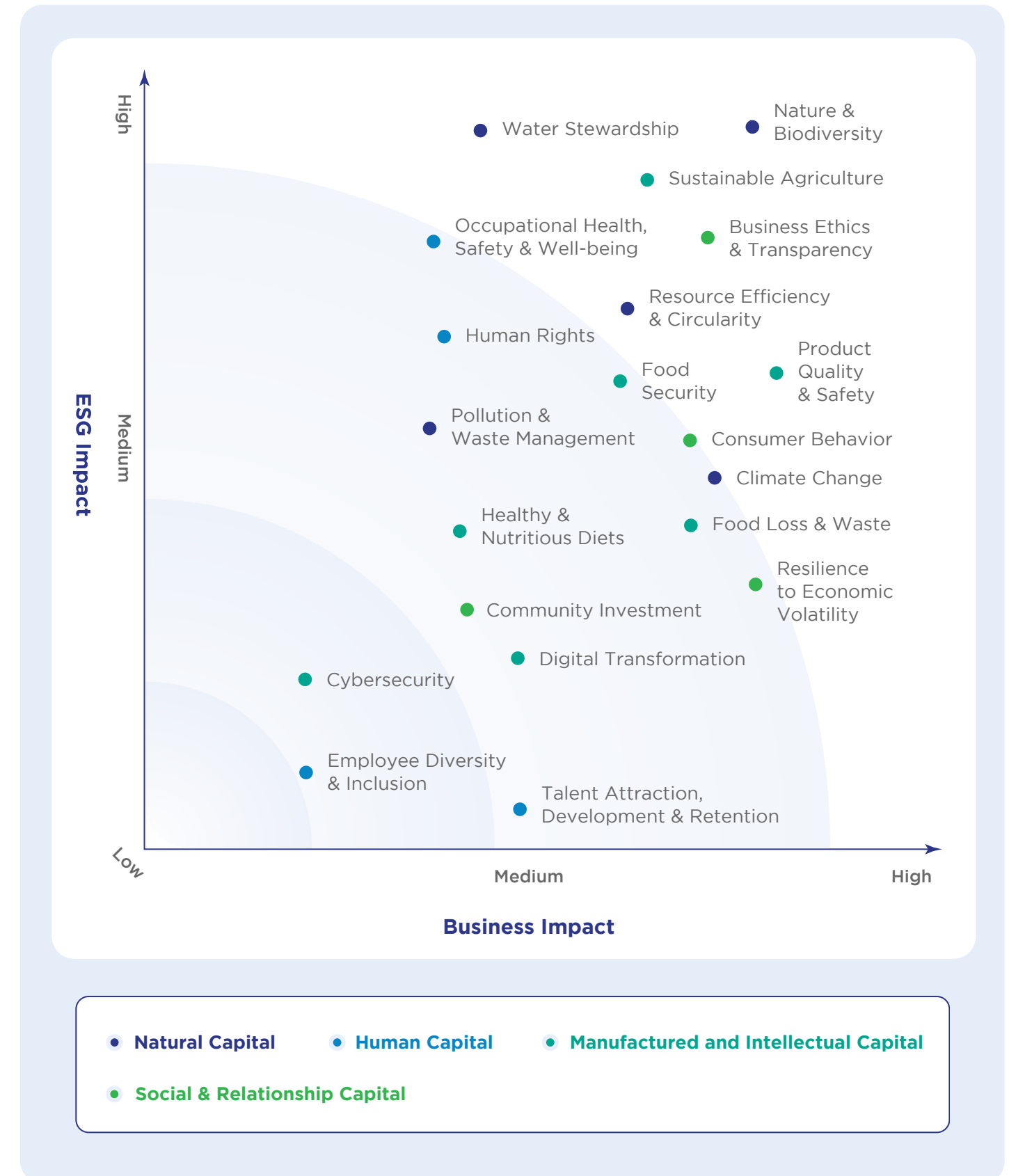


Our Corporate Strategic Pillars	Focus Sustainability Areas	Sustainability Risks	Material Issues
<b>PEOPLE</b>	Progress and Lead Health Through Nutrition and Products	Consumer Behavior Change	1. Product quality and safety 2. Nutritional Value of Product Portfolio 3. New Consumption Patterns/Planetary Diet
	Thriving People & Communities	Talent Retention	4. Inclusive talent development 5. Health, Safety & Well-being
		Social Impact	6. Human rights 7. Community Investment
		Sustainable Sourcing	8. Sustainable Supply Chain 9. Local Sourcing and rural/farmer development
<b>PLANET</b>	Preserve and Regenerate Nature	Regenerative Farming	10. Climate change 11. Sustainable Farming and Land Use
		Circularity and Resources Efficiency	12. Responsible Packaging 13. Water stewardship 14. Pollution and Waste Management
	Food Security	15. Food Loss & Waste 16. Products Accessibility and Affordability	
<b>PURPOSE</b>	Sustainable Business Growth	Brand Reputation and Business Continuity	17. Innovation and Digital Transformation
			18. Business Ethics & Transparency
			19. Resilience to Economic Volatility

Following the identification of our Material Issues, they are prioritized as per their ESG and Business Impacts, as well categorized as per their relevant capital.

Capital	Material Issue	ESG Impact	Business Impact
Social and Relationship Capital	Business Ethics & Transparency	H	H
Natural Capital	Sustainable Farming and Land Use	H	H
	Responsible Packaging	H	H
Social and Relationship Capital	Sustainable Supply Chain	H	H
	Local Sourcing and Rural/Farmer Development	H	H
Natural Capital	Water Stewardship	H	MH
	Climate Change	MH	H
Social and Relationship Capital	New Consumption Patterns/Planetary Diet	MH	H
Manufactured Capital	Product Quality & Safety	MH	H
Human Capital	Health, Safety & Well-being	MH	H
Manufactured Capital	Food Loss & Waste	MH	H
Social and Relationship Capital	Human Rights	MH	H
	Resilience to Economic Volatility	MH	H
	Products Accessibility and Affordability	MH	MH
	Nutritional Value of Product Portfolio	MH	MH
Natural Capital	Pollution & Waste Management	MH	MH
Intellectual Capital	Innovation and Digital Transformation	M	MH
Social and Relationship Capital	Community Investment	M	MH
Human Capital	Inclusive Talent Development	L	H

### Materiality Matrix



- Natural Capital
- Human Capital
- Manufactured and Intellectual Capital
- Social & Relationship Capital

# 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.

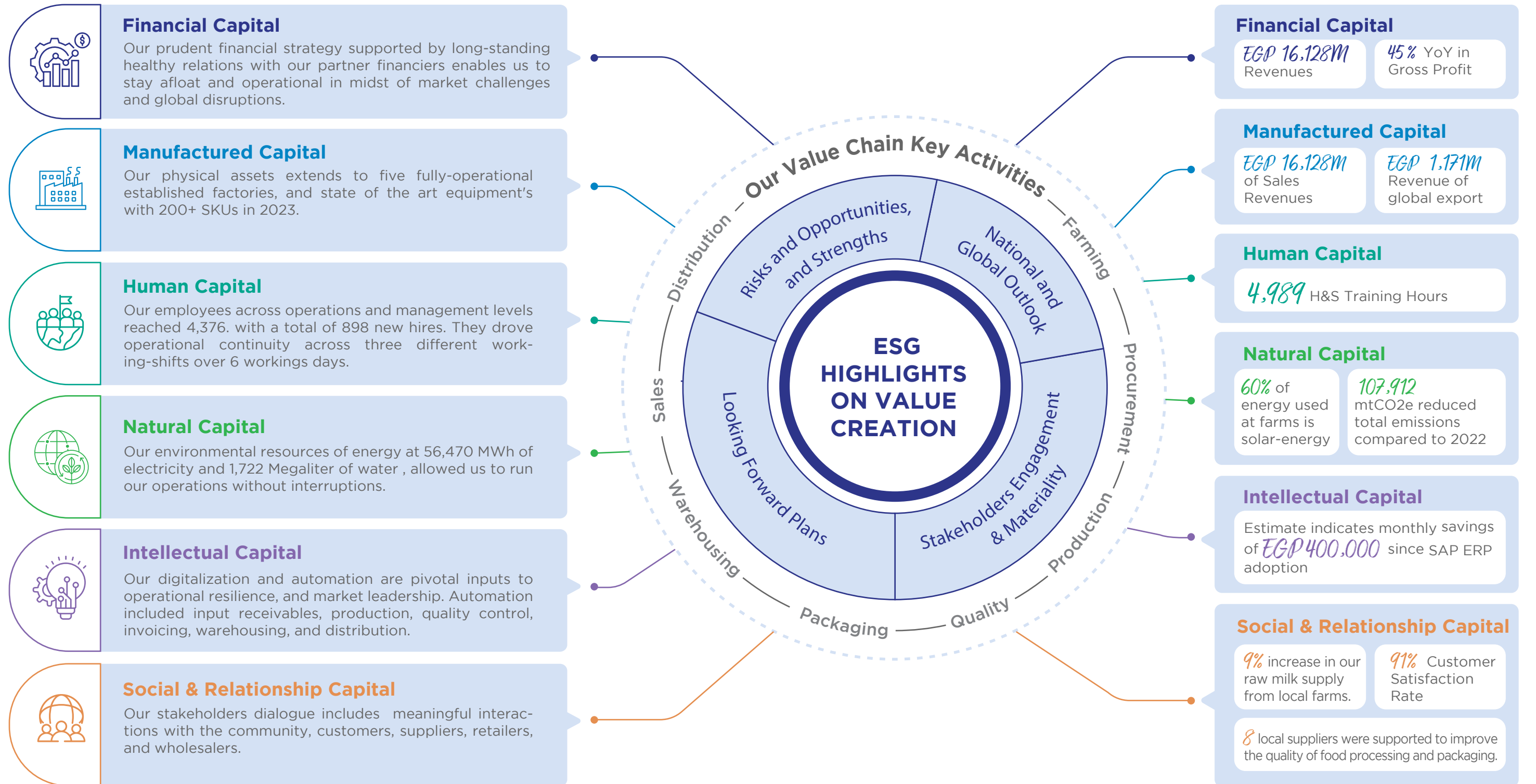
**Dimension 3:**

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

	<b>PURPOSE</b>	<b>PLANET</b>	<b>PEOPLE</b>	<b>GOVERNANCE</b>
	<b>Growth with Purpose</b>	<b>Circularity for Planet</b>	<b>Wellness of People</b>	<b>Leadership through Governance</b>
	<b>Economic Objectives</b>	<b>Environmental Objectives</b>	<b>Social Objectives</b>	<b>Governance Objectives</b>
<b>Financial Capital</b> Sustainable Services		Climate Technologies Investment		ESG Data-driven decision making.
<b>Human Capital</b> Sustainable Employer	Fair and competitive wages, and benefits		Enabling Career Development	
<b>Natural Capital</b> Sustainable Resources		Protected Biodiversity and Natural Habitat		E&S and Climate Risk Management and Compliance
<b>Intellectual Capital</b> Sustainable Solutions	Expand global footprint		Innovation & Services Excellence	
<b>Manufactured Capital</b> Sustainable Operations	Sustainable Livestock and Responsible Farming and Production Models		Food Quality, Safety & Security	
<b>Social &amp; Relationship Capital</b> Sustainable Society	Sustainable Procurement			Responsible Conduct & Human Rights

# Managing Our Capitals and Creating Value





# GROWTH WITH PURPOSE

01

*Economic Performance*

02

*Product Innovation*

03

*Sustainable Farming*

04

*Responsible Procurement*

05

*Responsible Manufacturing*

06

*Packaging R&D*

07

*Quality Control*

08

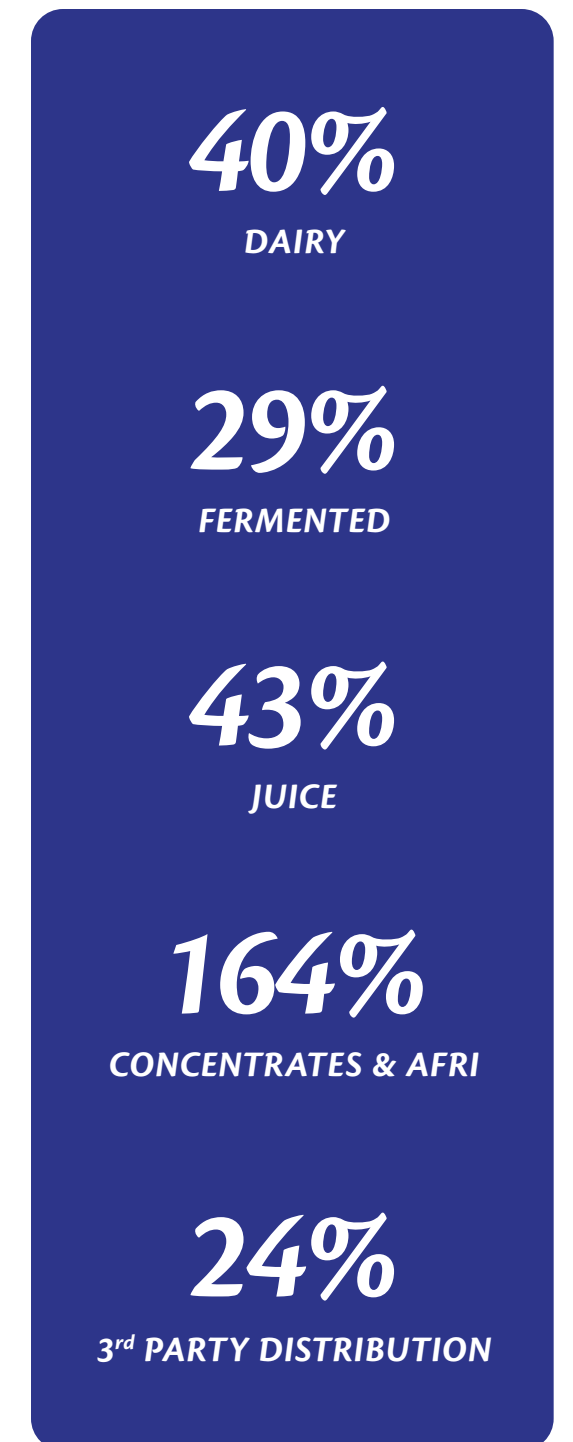
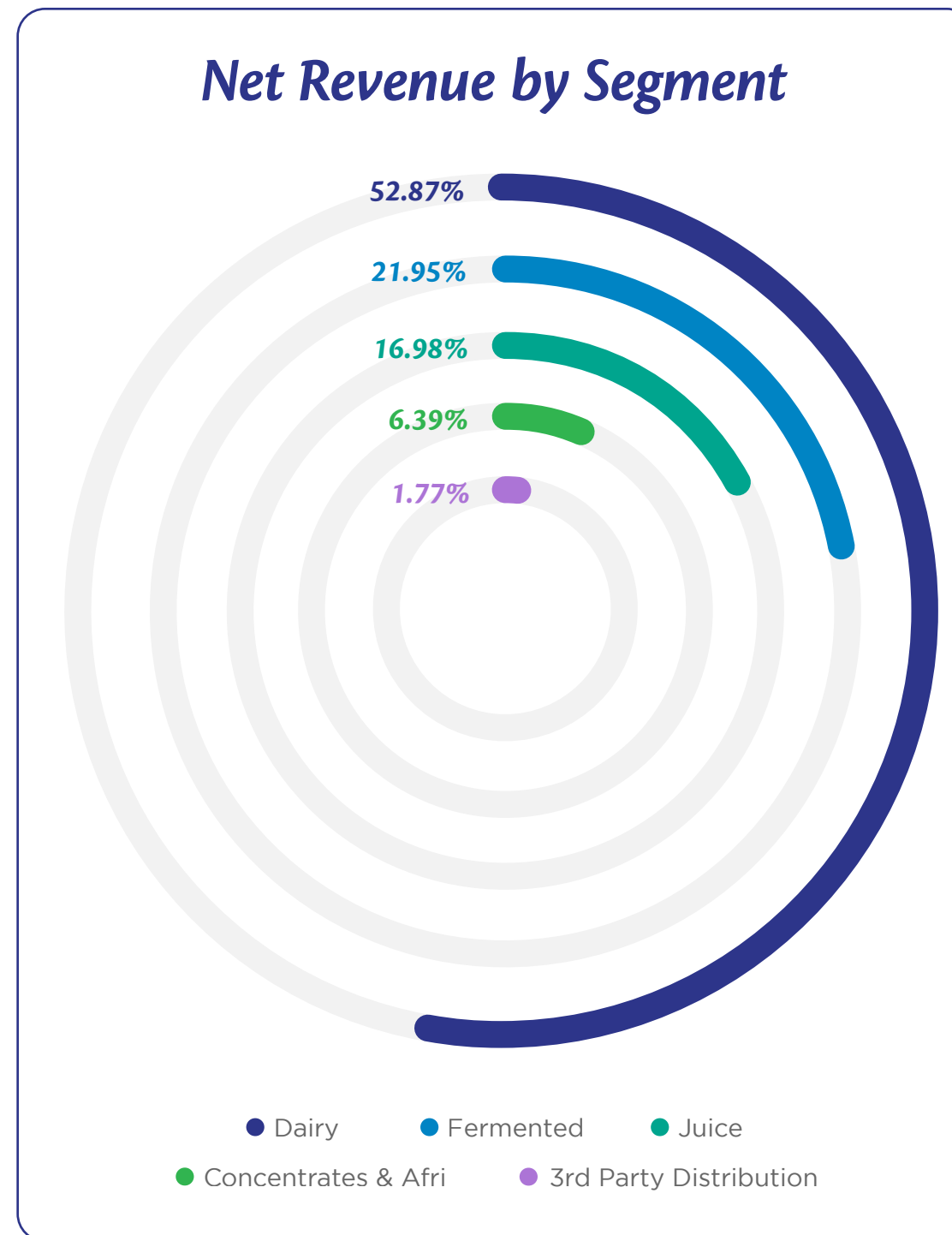
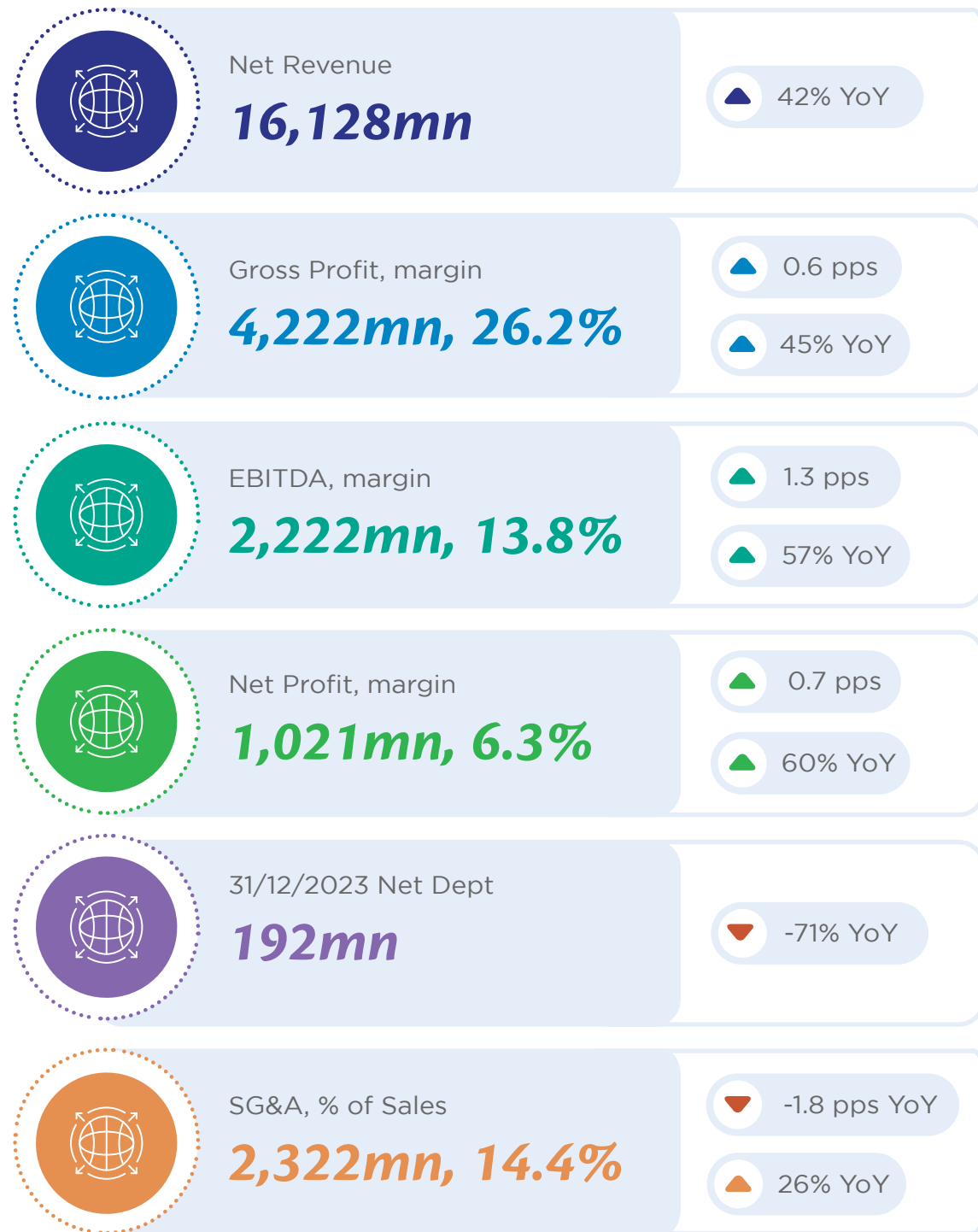
*Administration and Facilities  
Management*

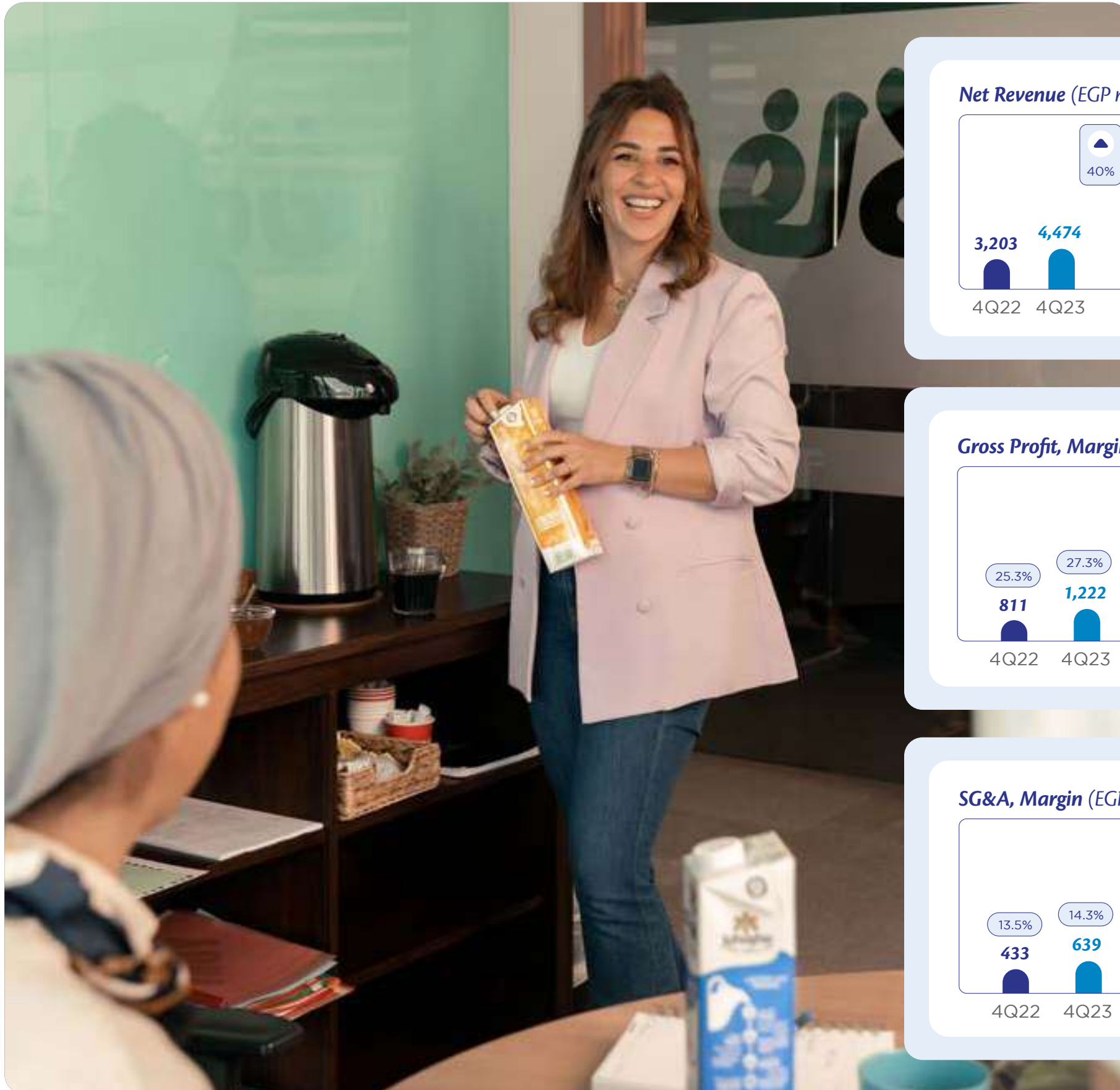
09

*Sales & Distribution*

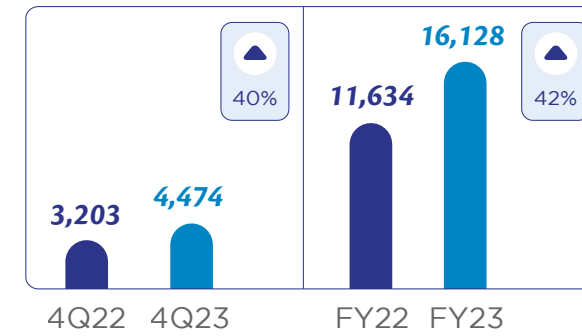
# Economic Performance

## FY23 Highlights



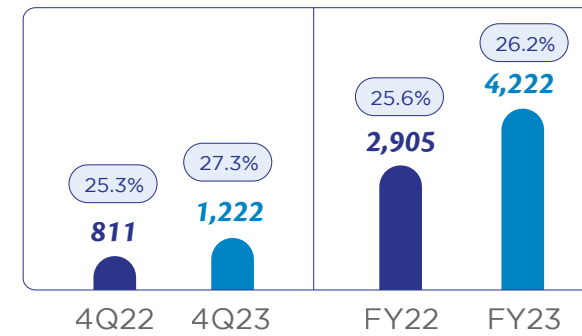


**Net Revenue (EGP mn)**



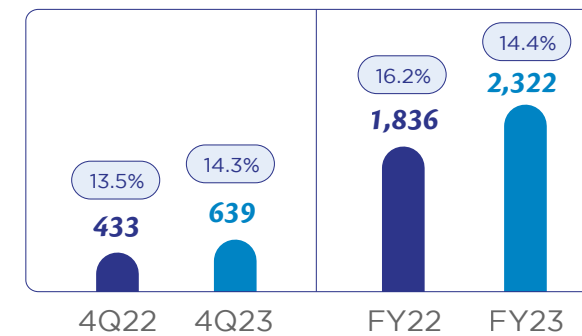
Juhayna achieved net revenues of EGP 16.1B in FY23, a 42% growth, and EGP 4.5B in Q4 23, up 40%. This growth was mainly driven by price increases of around 40% during 2023. High inflation in Egypt has affected consumer purchasing power, reducing consumption and prompting a shift toward more affordable options. Juhayna, with its diverse product range, is well-positioned to meet this demand, relying on strong brand loyalty to maintain its customer base.

**Gross Profit, Margin (EGP mn, %)**



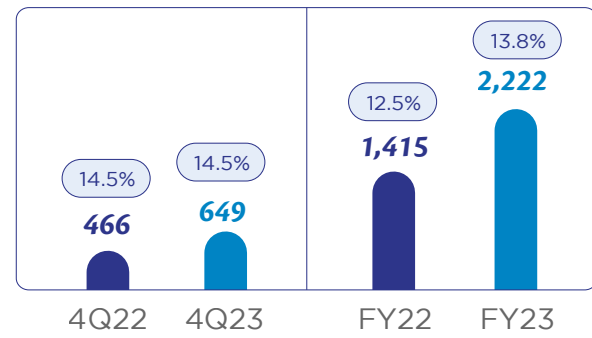
While volumes for fermented and juice products remained stable compared to Q4 22, dairy saw a slight year-on-year decrease. Juhayna retained market share through brand strength, product variety, and a focus on innovation. Rising raw material costs, especially for milk and packaging, led to a 41% increase in COGS for FY23 and 36% in Q4 23. Despite this, gross profit margin rose by 0.6pp in FY23 and 2pp in Q4 23, boosted by the performance of the concentrates segment.

**SG&A, Margin (EGP mn, %)**



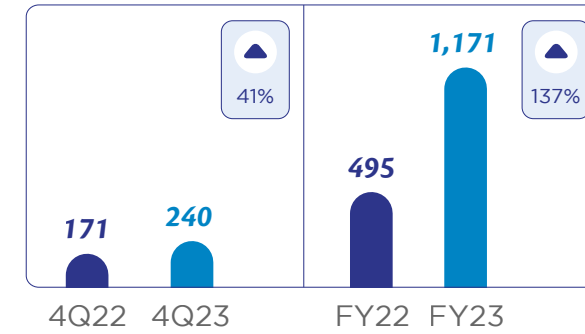
SG&A expenses decreased by 1.8% year-over-year to 14.4%, thanks to cost-saving initiatives and better distribution efficiency.

**EBITDA, Margin (EGP mn, %)**



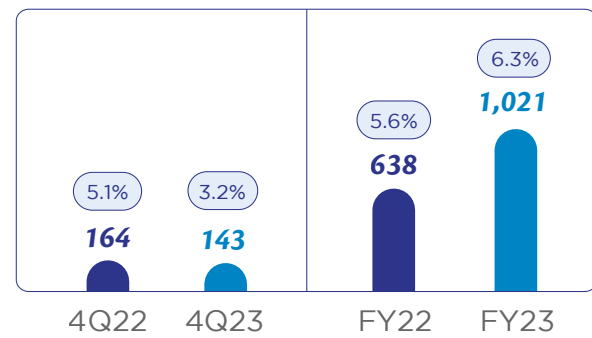
EBITDA rose by 57% in FY23 and 39% in Q4 23, reaching EGP 2,222M and EGP 649M, with margins of 13.8% and 14.5%, respectively.

**Export Sales, Growth (EGP mn, %)**



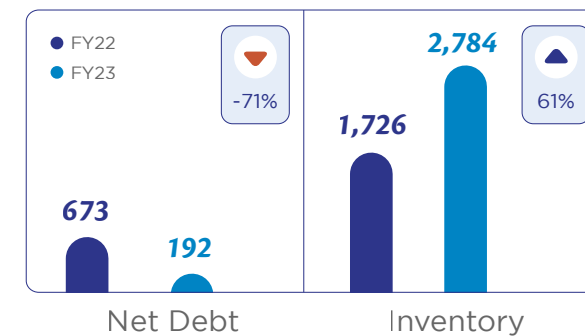
Export sales for FY23 surged by 137% to EGP 1.2B, with Q4 23 exports up 41% year-on-year to EGP 240M. Exports contributed 7.3% of total revenues in FY23, up from 4.3% in FY22, and 5.4% in Q4 23, compared to 5.3% in Q4 22. In dollar terms, export growth reached 51% for the year and 7% for the quarter. Concentrates exports were a major factor in this growth, helping Juhayna navigate FX-related challenges. The company is actively pursuing further expansion in export markets.

**Net Profit, Margin (EGP mn, %)**



Juhayna reached a record-high net profit of EGP 1.0B in FY23, marking a 60% year-on-year increase, largely due to stronger profitability in the concentrate segment and rising global demand. This achievement came despite a net FX loss of EGP 279M in Q4 23. Juhayna's robust supply chain, strategic partnerships with local and international suppliers, and a strong cost-cutting strategy were key drivers of this growth.

**Net Debt, Inventory (EGP mn, %)**



Juhayna's net debt decreased by 71%, from EGP 673M in Q4 22 to EGP 192M by the end of Q4 23, mainly due to dollar-based payables amid FX shortages and limited use of bank facilities. Additionally, the company invested EGP 561M in CAPEX in FY23, supporting its long-term plans in farming, manufacturing, and distribution.



## Shares and Shareholders Information

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



**941,405,082**  
Total Issued Shares

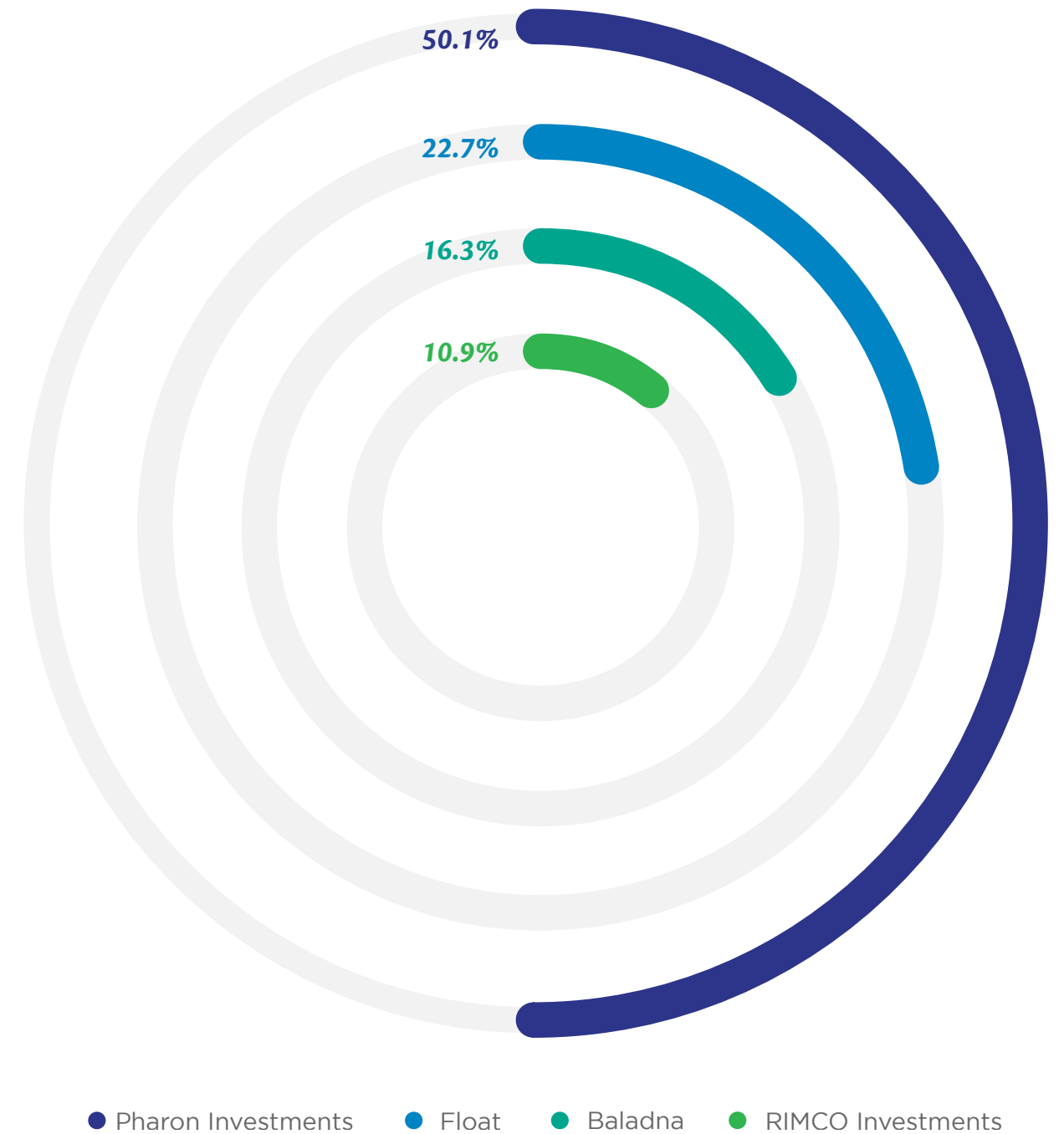


**EGP 941.4mn**  
Paid Up Capital



**EGP 1.0**  
Total Issued Shares

## Shareholders' Structure



# Product Innovation

As Juhayna continues its leadership position in the market, environmental and social governance has become an integral component of its corporate strategy, business and market analysis and risks and opportunities management.

At the core of Juhayna's R&D efforts is our world-class innovation center, the first of its kind in the MENA region. This facility allows Juhayna to localize product development through in-house industrial and lab trials, focus groups, and insights from global trends. The center also features a secure data storage area, a consumer insight room, and the "Juhayna Technical Academy" for training.

A milestone in our strategic vision, this facility enhances our ability to innovate, refine manufacturing processes, and set new industry standards, positively impacting food manufacturing across the region.

Our Product Innovation addresses and aims to achieve our ESG Strategy Objectives:



**Innovation & Services Excellence**     **Food Quality, Safety & Security**     **Fair Products & Services Offerings**

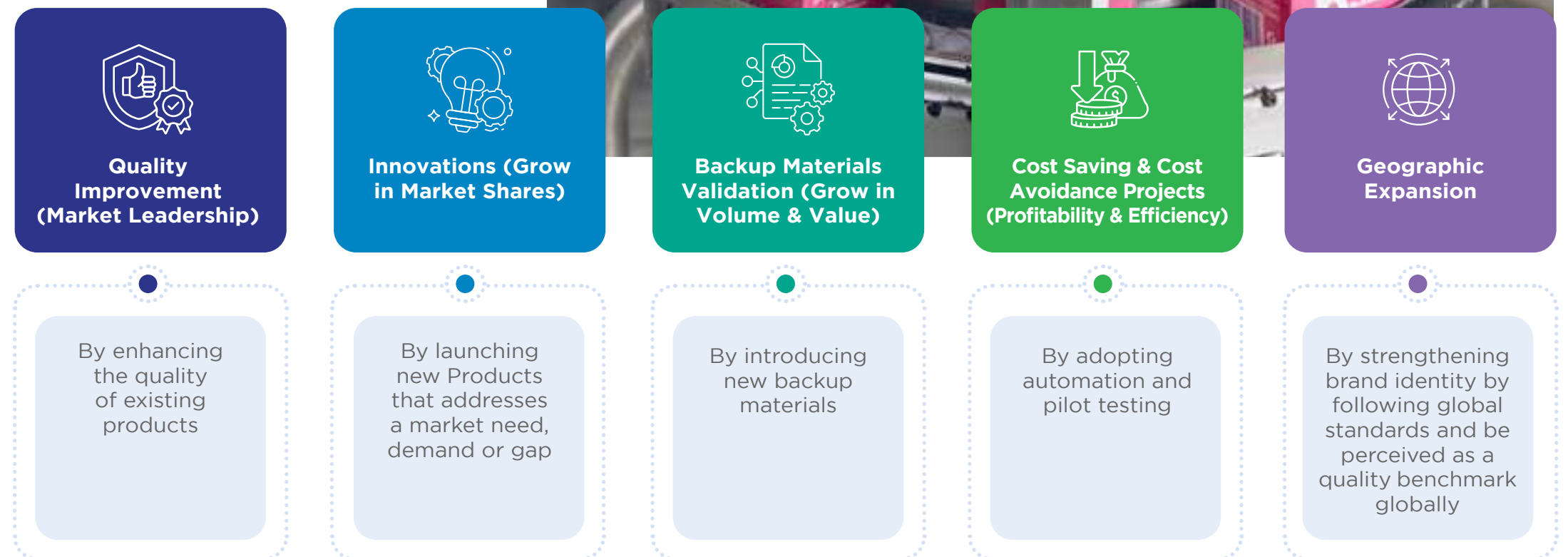
In addition, and as part of our aim to provide transparent insights to our stakeholders, we share how the company addresses its initiatives, target setting, and management approach through a lens of risks and opportunities in relation to product innovation.

## Continuous Product Innovation

Juhayna's Research, Development, and Innovation (RDI) team has a longstanding history of developing first-of-their-kind products in the Egyptian market.

Continuously collaborating with suppliers, the team screens and evaluates new ingredients essential for Juhayna's continuous improvement programs.

This dedication to maintaining product exceptional quality and go-to-market has enabled Juhayna to introduce new innovations consistently.



In 2023, Juhayna expanded its yogurt offerings with the launch of an all-natural Fruit Yogurt range, available in four flavors—Mango, Peach, Strawberry, and Mixed Berries—in convenient 105g packages. This new addition, reflects Juhayan’s dedication to offering healthy choices.

Building on the success of Juhayna’s previous yogurt products, such as the Greek Yogurt range, the Fruit Yogurt quickly gained traction, achieving a 20% market share within its first three months.



## Product Innovation Governance

Juhayna continuously adapts its product portfolio to align with evolving market trends and consumer preferences through strategic innovation and targeted adjustments. Successful product launches are driven by carefully crafted strategies designed to ensure strong market acceptance. Accordingly, the Product Innovation process includes the following key factors:



### Regulatory and Market requirements

Moreover, the Regulatory Affairs and Nutrition (R&N) team implements several key measures, including:

- Maintaining a comprehensive database of Egyptian regulations, encompassing Standards, NFSA Guidelines, Technical Legislation, and Codex Alimentarius regulations. This database is meticulously monitored and updated biannually to ensure compliance with the latest standards and requirements.

- Holding periodic meetings with internal related stakeholders to ensure ongoing awareness and understanding of regulatory requirements.
- Conducting comprehensive regulations reviews at each step of product formulation.
- Participating in ten regulatory technical committees and working groups to ensure complete alignment with upcoming regulations.
- Providing selling markets with updated international regulations to ensure exported products comply before shipping.



### Product Innovation Quality

Finally, Juhayna applies the following Quality Assurance measures;

#### Incoming Material Checks:

Standardized quality checks are performed on raw materials and packaging to ensure they meet quality standards before entering the production process.

#### Processing Phase Monitoring:

Quality monitoring is performed at each phase of processing, from semi-finished to finished products, and is monitored closely to maintain quality and consistency throughout production.

#### Critical Control Points (CCP):

CCPs identification and monitoring are performed to mitigate risks related to food safety compliance at every production stage.

#### Product Handling Oversight:

Quality inspection is performed on the handling of products during storage, transport, and distribution is closely supervised to prevent mishandling and ensure product safety.

### Labeling

Juhayna follows strict procedures in product labeling to ensure regulatory compliance and responsible communication practices. This includes:

- Sourcing of ingredients
- Nutritional content
- Safe handling instructions
- Disposal information

These procedures ensure that product labels are informative, accurate, and fully compliant with regulatory requirements, fostering consumer confidence through responsible practices.

## Stages of Product Development and Trials

Juhayna employs a structured, multi-stage approach to product development, incorporating lab samples, pilot trials, and industrial trials to ensure the success and market readiness of new products.





## Closer Look on the Pilot Plant Automation Trials

Juhayna leverages digital tools and automation in R&D using a pilot plant, designed to replicate the factory production lines with a capacity of 100 L/h, capable of processing 64 trials per month.

The Pilot Plant Automation enabled Juhayna to achieve significant operational efficiencies including:



### Waste Reduction

The pilot plant reduces material waste, particularly during industrial trials where the minimum batch size is typically 5 tons. Without the pilot plant, trial batches—including both product and packaging materials—are unsellable.

The pilot plant reduces the volume of unsellable product waste by simulating industrial conditions on a smaller scale, minimizing waste during reformulations.



### Cost Reduction

Juhayna realized an 88% reduction in costs when comparing the cost of industrial-scale trials to the smaller, pilot-scale trials. In 2023, these efforts led to a cost saving of EGP 4M and a cost avoidance of EGP 15M vs. EGP 4M in 2022, due to product reformulations.



### Time Savings

The pilot plant allows Juhayna to accelerate the production trial process by reducing downtime by 60% compared to industrial-scale trials. This timesaving enables faster product development and reduces overall production disruptions.

## Closer Look at the Product Stability Studies

At Juhayna, stability studies are a critical part of the product development process, ensuring that a product maintains its quality and safety throughout its intended shelf life. The study consists of two key components: sensory testing by the Product Development (PD) team and microbiological and chemical analysis by Quality team. All Juhayna products undergo these stability studies before being released to the market.

### Objective

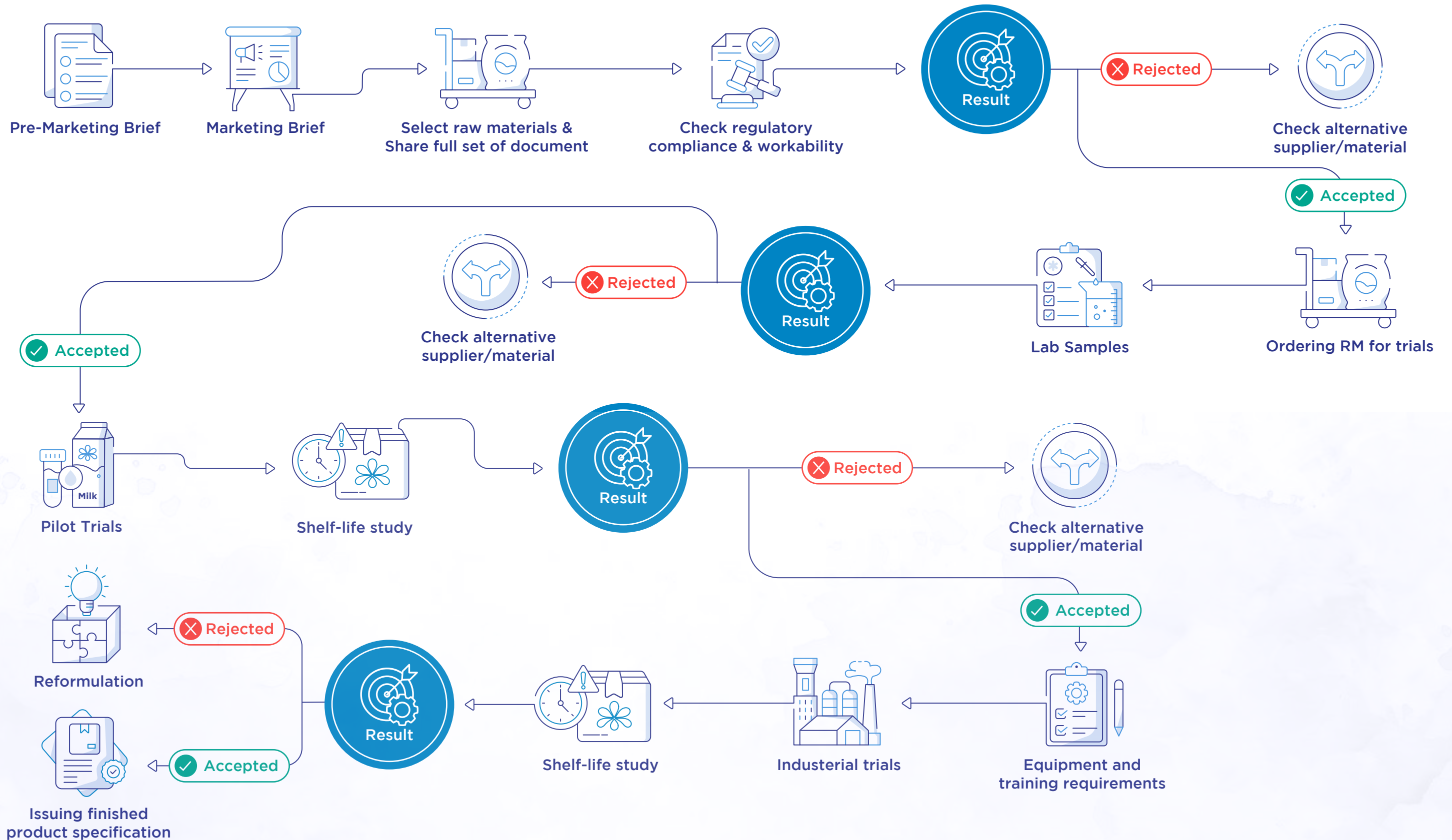
Ensure that the product remains stable under various storage conditions and throughout its shelf life. The study involves testing at different temperatures to determine the optimal storage conditions and to set the product's shelf life.

### Potential Risks

If the stability study identifies any negative results or red flags such as out-of-specification chemical or microbiological parameters, the product may pose a safety risk, leading to delays in product launch or the need for reformulation.



## Product Innovation Workflow Process



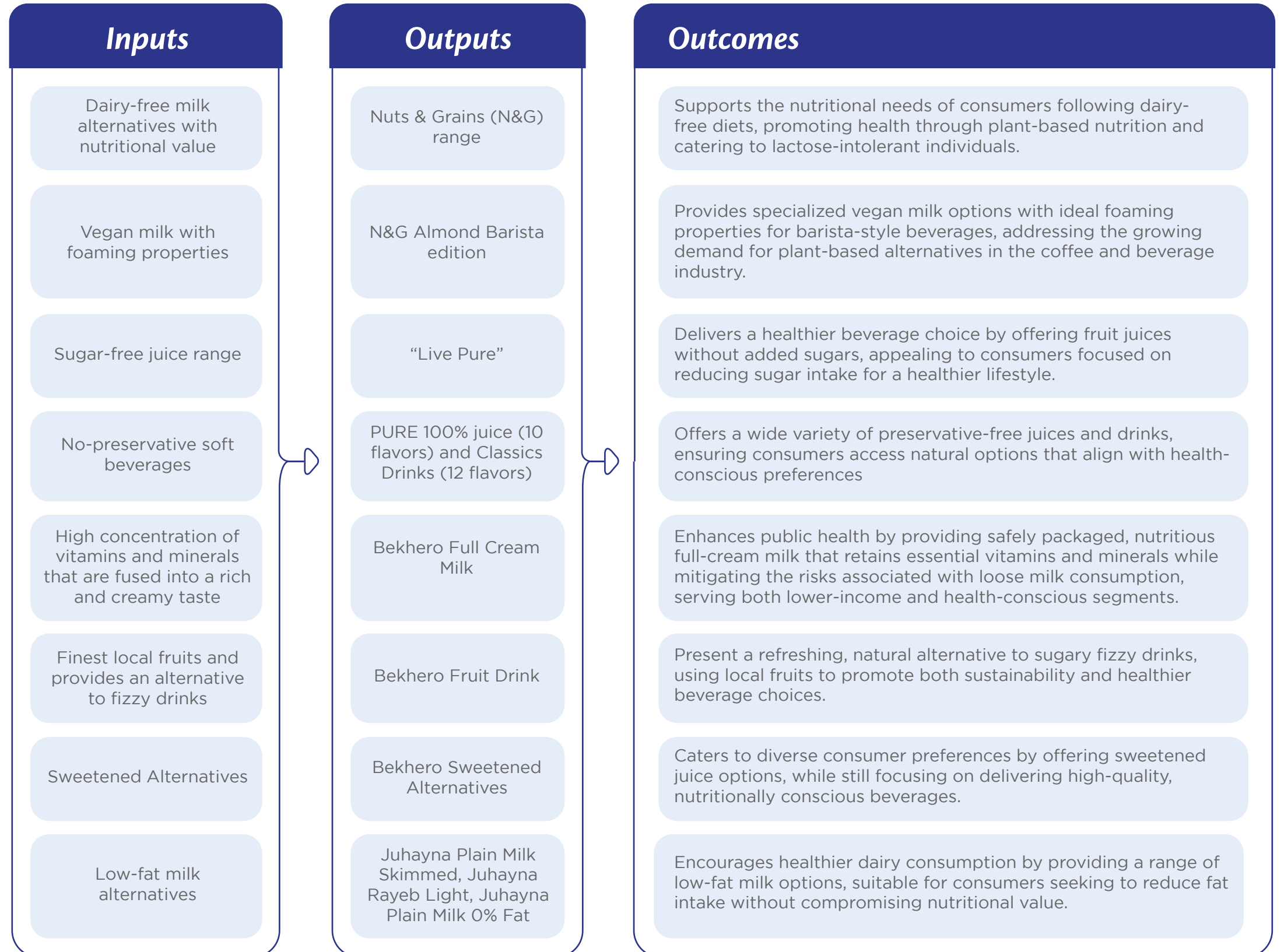
## Product Innovation Initiatives and Impacts

Workflow Process	Related Stakeholders	Product Innovation Role	KPIs (2022)	KPIs (2023)
<b>Pre-Marketing Brief:</b> Conduct Consumer Research and provide Market Brief	Marketing	Conduct consumer research and provide market brief to enhance the quality of existing products where applicable	Enhancing the quality of three existing products	Enhancing the quality of two existing products
<b>Marketing Brief:</b> Initiate ideation, market requirements, evaluation, and approval of product samples	Sales and Marketing	Consumer research, innovation ideas for B2C, Product brief, choosing taste profile according to benchmark samples, Tasting session, Final tasting session	Time from Ideation to sampling is an average of 1-3 months	Maintaining time from Ideation to sampling is an average of 1-3 months
<b>Marketing Brief:</b> Strengthen brand identity by following global standards and be perceived as a globally recognized quality benchmark		Geographic Expansion	Presence in 34 international markets	Expanded international presence to reach 62 markets
Ensure regulatory compliance of all raw materials and products while promoting consumer health and scientific awareness	Regulatory Affairs	100% compliance with Egyptian and global regulatory standards across all products and raw materials, while enhancing public knowledge on nutrition and health through scientific communication	Maintained key certifications of NFSA Whitelists and Quality Systems and continuously passed regulatory inspections without significant findings	Maintaining key certifications of NFSA Whitelists and Quality Systems and continuously passed regulatory inspections without significant findings
Scale-up testing and finalization of product specifications	Manufacturing	Confirm workability of new products in the existing production line or identify new line investments needed	Average 9 months to 1 year for from ideation to ready-for-production.  Approx. 30% of trials (related to optimization in formulation and processing window)	Maintaining the same speed for product innovation from ideation to ready-for-production

Workflow Process	Related Stakeholders	Product Innovation Role	KPIs (2022)	KPIs (2023)
Set selection, evaluation, and procurement of RMs	Procurement	Sourcing new raw materials (RM) and securing alternative RM for existing products	Introducing 40 backup suppliers & alternative raw ingredients	Introducing 15 back-up materials to ensure continuous availability of RMs and in turn continuous supply
		Incorporates sustainability goals by selecting raw materials and suppliers based on criteria that ensure high quality, nutritious ingredients free of preservatives, and derived from natural or NI sources	100% are free of preservatives 100% of flavors are from natural or NI sources	100% of SKUs are free of preservatives 100% of flavors are from natural or NI sources
Initiate Evaluation and quality assurance	Quality	Tasting session, Industrial trials, Stability study	60 yearly external audits	Maintaining 60 external audits with cost of sampling at EGP 800,000
Production	Management	Final tasting session: Complete final approvals of product samples	Time from sampling to launch and time from launch to end of production (distribution on market) is an average of 9 months to 1 year	Maintaining the average time of 9 months to 1 year
Marketing	Marketing	Introduce new products to the market	Launching 2 new Products (GYD, Almond barista)	Launched four new variants of FOB stirred yogurt, including Strawberry, Mango, Berries, and Peach



## Product Innovation Value Creation





## Collaboration and Partnerships

Juhayna's collaboration with external partners, such as Tetra Pak, plays a key role in its R&D processes. Tetra Pak has been a long-standing strategic partner, working closely with Juhayna to optimize production line processes and align product development with the capabilities of Juhayna's factories. This partnership also supports Juhayna in staying ahead of global trends, contributing to a forward-looking product roadmap that incorporates the latest innovations in packaging and production technology.

Suppliers are integral to Juhayna's new product development, providing both technical and business support. They introduce innovative technologies, new raw materials, and cost-effective solutions while ensuring that all raw materials meet the required quality standards. Suppliers also offer technical expertise, helping Juhayna refine production processes and explore new product possibilities.

Juhayna's product development team manages supplier relationships through early involvement, ensuring that suppliers are engaged from the initial stages of product conceptualization. The team provides clear briefs and maintains open lines of communication, holding regular meetings and workshops to discuss project progress and any potential challenges. This collaborative approach ensures that suppliers and Juhayna work in synergy to bring innovative, high-quality products to market.

# Sustainable Farming

## A Peek from 2022

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

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.

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.

[For more information on the story of Juhayna's farm; Al-Enmaa and Juhayna's network of local farms, refer to Appendix 7.](#)



## Farming: The Heartbeat of Dairy Production

"Dairy Excellence" reflects the Importance of Farming as a fundamental first phase to dairy production. Production, that serves as the backbone of our entire operation. The quality of milk is directly influenced by the care, expertise, and commitment of our farmers who nurture our herds and land to create a healthy environment for milk production.

## Commitment to Quality and Freshness

The journey from farm to consumer is rigorously screened and managed to protect and preserve the freshness and quality of our milk. Our milk is harvested under the highest standards of hygiene and safety, from parlors to transportation, towards our processing facilities, our milk supply undergoes over 250 milestones of rigorous testing and quality checks at multiple milestones.



Every drop of milk undergoes rigorous testing and quality checks



## Supporting Local Communities

Dairy farming is not just about milk production for the local communities; it is an integral part of their lives. We support rural communities and local economies by sourcing milk from local farms, and contribute to job creation of 22 Milk Collection Centers (MCCs) that support family-owned businesses.

## Animal Care

Responsible Farming represents a commitment to achieving dairy excellence while integrating environmental and social measures to mitigate risks and create positive impacts for our stakeholders. The first and foremost stakeholders are our animals and their breeds. We believe Responsible Farming is a unique ecosystem, as caring for those without a voice is a significant responsibility that reflects our core values and upholds the credibility of our brand.

From feeding and caring for cows to ensuring ethical and sustainable practices, dairy farming lays the foundation for producing the highest quality milk—trusted and cherished by consumers.

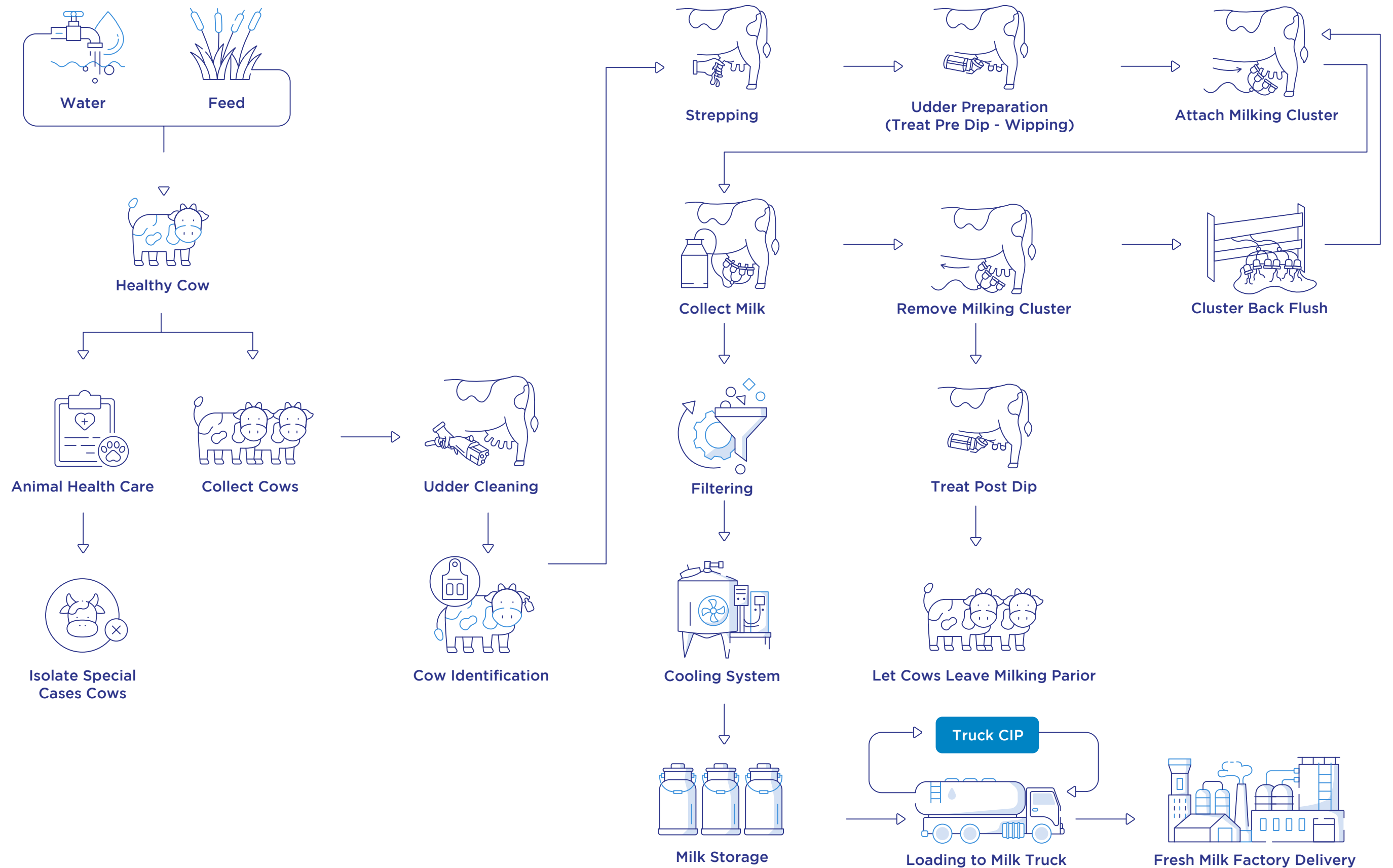
[For more information, refer to Appendix 7](#)

By prioritizing the well-being of our cows, we ensure that they produce milk that is not only rich in nutrients but also free from stress-induced impurities, resulting in a superior product for our consumers.

**Every glass of milk you enjoy helps sustain the livelihoods of hardworking farmers who are the lifeblood of the dairy industry.**



## Farming Workflow Process



## Farming Workflow Initiatives & Impacts

The workflow diagram for Al Enmaa delineates a series of integrated operations essential for milk production. Each of these key stages addresses one or more desired impacts for animal or milk quality.

Key Objective/Impact	Processes
<b>Cow Health</b>	<b>Collecting Cows and Udder Cleaning:</b> Initial stages focus on ensuring animal health and hygiene, critical for maintaining milk quality right from the source. We implement a biosafety and vaccination program to ensure that the animals' health is up to standard. The quality of feeding ingredients is also monitored for cow health and production efficiency.  Fresh colostrum cows and cows under treatment with anti-biotics are isolated for relevant actions
<b>Consistent Milk Quality</b>	<b>Milking Operation:</b> Automated milking systems, including cow identification and milk extraction, optimize efficiency and ensure consistency in milk quality. This stage reduces manual labor interventions and enhances operational accuracy.
<b>Consumer Safety</b>	<b>Milk Filtering and Cooling:</b> Post-extraction, the milk undergoes rigorous filtering to remove impurities and is then cooled to preserve freshness and prevent bacterial growth. This stage is crucial for maintaining the quality standards required for consumer safety.
<b>Milk Quality Preservation</b>	<b>Storage and Transportation:</b> Storage temperature (below 5 degrees), hygienic conditions and the use of advanced storage technologies ensure minimal quality degradation in milk and avoidance of bacterial growth before being transported to the factories for further processing.

Key Objective/Impact	Processes
<b>Water Management</b>	<b>Cooling and cleaning:</b> Water is most heavily consumed at those two stages at about 800,000 and 1,400,000 liters/day respectively, to comply with our standards. <ul style="list-style-type: none"> <li>• 60% saving on water consumption from the automated filling for water tanks.</li> <li>• 50% saving on water consumption from automatic flushing.</li> <li>• Reuse of cleaning water for irrigation.</li> </ul>
<b>Waste Management</b>	<b>Across the workflow:</b> <ul style="list-style-type: none"> <li>• Strict waste management guidelines are implemented at Al Enmaa.</li> <li>• Bio-hazard, chemical hazard, and physical hazard waste generated from the laboratories are disposed of in a safe manner.</li> <li>• 13,000 m3 (of 18000 m3) of waste at the cow stands and from the yards are collected for sale.</li> </ul>
<b>Animal Care</b>	<b>Exiting the parlor:</b> <ul style="list-style-type: none"> <li>• Once milking is complete, the milking clusters are carefully removed from the cows to ensure no harm is inflicted to them.</li> <li>• Cows' teats are treated with a post-dip solution to protect their integrity and health. The solution acts as a disinfectant that guards against pathogens that could affect milk safety as well as the cows' safety.</li> <li>• Herd is guided out of the milking parlor in an orderly transition to ensure that cows' return to the yard in a stress-free environment, to ensure their welfare.</li> </ul>
<b>Quality Products</b>	<b>Fresh Milk Delivery for Manufacturing:</b> The delivery of nutritive fresh milk that is essential for manufacturing Juhayna's range of products. We consistently maintain the quality of 3.5% of fat and 3% of protein.  We are listed on the NFSA whitelist, requiring that our milk production is of the highest quality.

## Farming Integrated Management System - Raw Milk Processing

### Descriptors of Milk Quality (Mandatory Requirements) - for UHT or fermented products

- Color and texture
- Flavor and odor
- Composition
- Nutritional value

### Manufacturing or Processing Properties

- Presence of any 'abnormalities' (e.g., high numbers of somatic cells, blood)
- Contamination by foreign substances (e.g., bacteria, bacterial enzymes, antibiotics, chemicals, soil).

### Key Automated Stages

- Milking operation
- Cows' identification in the parlor
- Feeding process
- Milk cooling.

### Key Milk Quality Audit Stages

- Milk TPC
- Milk temperature

### Key Animal Care Audit Stages

- Bio security and vaccination
- Feeding ingredients



## Farming Value Creation

Capital	Inputs	Outcome	Outputs
<b>Financial</b>	<ul style="list-style-type: none"> <li>• NO CAPEX was required during the reporting cycle.</li> <li>• Collaboration with EMPA (EGYPTIAN MILK PRODUCERS ASSOCIATION) to mitigate price volatility.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase farming efficiency for quality and volume supply to our factories.</li> <li>• Set a fair price formula allows us to secure mutual risk hedging for the market, the business and the suppliers and meet the demand on quality milk.</li> </ul>	<ul style="list-style-type: none"> <li>• 49,207 Milk production (m3/year)</li> <li>• Al Enmaa constituted 17% of Juhayna's supply of raw milk compared to 15% share in 2022.</li> <li>• 9% Y-O-Y Increase in our raw milk supply from local farms</li> </ul>
<b>Natural</b>	<ul style="list-style-type: none"> <li>• 130 Dairy Farms (under Kafa'a Network) in 2023 compared to 132 in 2022</li> <li>• 22 Milk Collection Centers (MCCs) compared to 22 in 2022</li> </ul>	<ul style="list-style-type: none"> <li>• Upgrading of 70% of the parlors' equipment</li> </ul>	<p><b>Water</b></p> <ul style="list-style-type: none"> <li>• 60% saving on water consumption from the automated filling for water tanks.</li> <li>• 50% saving on water consumption from automatic flushing.</li> <li>• Reuse of cleaning water for irrigation.</li> </ul> <p><b>Waste</b></p> <ul style="list-style-type: none"> <li>• 13,000 m3 of waste at the cow stands and yards are collected for sale.</li> </ul>
	<ul style="list-style-type: none"> <li>• 7105 Herd Size in 2023 compared to +7,000 in 2022</li> <li>• Double the herd with the current animals we own in the next 4 years, at a rate of 25% growth per year.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain our herd's health and using of sexed semen to obtain more heifers.</li> </ul>	<ul style="list-style-type: none"> <li>• 25% yearly increase of our Herd size.</li> <li>• 4-5% Reproduction rates</li> </ul>
<b>Human &amp; Social</b>	<ul style="list-style-type: none"> <li>• 180 Farm workers grown from 165 in 2022</li> <li>• Onsite Veterinarian</li> <li>• Onsite Engineer</li> <li>• Technical Training and Partnerships</li> </ul>	<ul style="list-style-type: none"> <li>• 6 Technical Training Sessions, with 120 participants across all ENMAA network farms.</li> </ul>	<ul style="list-style-type: none"> <li>• 0% Accident Rates</li> </ul>
<b>Intellectual</b>	<ul style="list-style-type: none"> <li>• ISO 22000 certification for food safety management.</li> <li>• Quality assurance visits - totaling an average of 250 annually</li> </ul>		<ul style="list-style-type: none"> <li>• Listed on the NFSA whitelist, entailing that our milk production is of the highest quality.</li> <li>• Consistently maintaining the milk quality of 3.5% of fat and 3% of protein as input supply to our factories.</li> </ul>
<b>Manufactured</b>	<ul style="list-style-type: none"> <li>• State-of-the-art rotating milking parlor where automatic registration takes place.</li> </ul>	80 milking points for most responsibly efficient milking.	<ul style="list-style-type: none"> <li>• Milking around 450 cows per hour followed by a cooling system at capacity of 10 thousand liters of milk cooling per hour.</li> </ul>
	<ul style="list-style-type: none"> <li>• Advanced Laboratory</li> </ul>	Analysis of feeds and quality checks and bacteria count for each millimeter for diseases	<ul style="list-style-type: none"> <li>• Zero infection/diseases diseases</li> </ul>
	<ul style="list-style-type: none"> <li>• 100% Automated parlors</li> <li>• 95% are computerized to Juhayna's Integrated Management System</li> </ul>	High Quality Sourcing	<ul style="list-style-type: none"> <li>• TPC: &gt;50,000 CFU, with 10% increase of TPC total plate count/cfu</li> <li>• M1: &gt;34, with 37% increase of M1 aflatoxin/ppt</li> </ul>

## Honoring All Farmers

At Juhayna, we understand that the story of milk begins with the farmer. Their dedication, passion, and expertise are what make it possible for us to deliver the wholesome, nutritious milk that families rely on every day.

We dedicate our story to all the publicly unknown farmers. We celebrate and honor those who play an indispensable role in our dairy production, and we are committed to supporting them as they continue to provide the first and most important step in our production.

The next time you use a Juhayna dairy product, please take a moment to remember that it all starts with a farmer who cares deeply about their craft, their cows, and the community.



# Responsible Procurement

## A Peek from 2022

### Suppliers Performance Management

Our commitment to sustainable supply chain management is optimized by the application of global Supplier Relationship Management (SRM) principles. These principles have been instrumental in shaping Juhayna's success, fostering essential attributes such as continuity, transparency, and collaborative improvement across our supplier network.

Supplier engagement is initiated at the very first phase of our supply chain management to ensure alignment with Juhayna's sustainability goals. Supplier performance is assessed through rigorous evaluation of both commercial and technical criteria. The Quality Department is instrumental in monitoring and auditing material quality to ensure compliance with our stringent standards.

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



## Upholding Commitment

To uphold our commitment to a responsible supply chain, we have implemented comprehensive strategies spanning multiple critical functions. These include supplier engagement and management, advanced procurement processes, rigorous quality assurance protocols, ongoing research and development, innovative packaging solutions, and efficient warehousing and distribution systems.

Our Supply Chain Management supports the implementation of three of our ESG Strategic objectives:

Contribution to Economic Wealth

Sustainable Procurement

Responsible Vendors Relations

## Responsible Procurement Purchase-to-Pay Workflow Process

As part of our commitment to fostering sustainability across our supply chain, we emphasize impactful practices throughout every stage of the Purchase-to-Pay (P2P) cycle. This approach ensures operational efficiency while promoting responsible sourcing and ethical partnerships. At each critical touchpoint, we uphold fairness, integrity, and strong support for our vendors.



## Responsible Procurement Purchase-to-Pay Workflow Initiatives and Impacts

### 01 Request for Quotation to Suppliers

We ensure that the Request for Quotation (RFQ) process is inclusive, transparent, and aligned with sustainability principles:

- **Fair Access:** All registered qualified suppliers, regardless of size or location, are invited to participate, ensuring opportunities for small and local businesses.
- **Clear Expectations:** RFQs are detailed and precise, outlining the technical, quality, and sustainability requirements expected from suppliers.
- **Sustainability Emphasis:** We actively encourage suppliers to highlight their social and environmental credentials (beyond those that are the regulatory requirements), ensuring a focus on social and eco-conscious sourcing and production practices.

### 02 Transparent Technical Evaluation Criteria

To promote integrity and impartiality, our technical evaluation process is governed by clearly defined and accessible criteria:

- **Objective Scoring:** Suppliers are assessed against standardized benchmarks, including quality, cost-effectiveness, delivery performance, and adherence to code of conduct.
- **Predefined Metrics:** Evaluation criteria are shared upfront with all participants to ensure complete transparency.

### 03 Fair Negotiation

We are committed to ethical and balanced negotiations that foster long-term, mutually beneficial relationships:

- **Equitable Terms:** We strive to reach agreements that balance fair pricing for suppliers with competitive costs for the company.
- **Sustainability Incentives:** we are investigating the applicability of vendors demonstrating leadership in sustainability to be rewarded through preferential terms or extended contracts to encourage continued improvements.

### 04 Transparent Supplier Award

Supplier selection and award decisions are conducted with utmost transparency to reinforce trust and accountability:

- **Open Communication:** All bidders are informed of the decision-making process and the factors contributing to the final selection.
- **Feedback Mechanisms:** Unsuccessful bidders are provided with constructive feedback to help them improve their future proposals.
- **Merit-based Selection:** Awards are based solely on objective evaluations, ensuring that the most capable and sustainable suppliers are chosen.

### 05 Contracting and Supplier Support

Once a supplier is awarded, we actively support them to meet our operational and sustainability goals:

- **Long-term Collaboration:** Our contracts emphasize partnerships rather than transactions, fostering innovative solutions and shared success.
- **Conflict Resolution:** Open dialogue channels are maintained to address and resolve any challenges promptly and collaboratively.

### 06 Timely Payment

We recognize that prompt and reliable payments are critical to maintaining supplier trust and financial stability:

- **On-schedule Payments:** Payment timelines are strictly adhered to, ensuring suppliers receive their due compensation promptly.
- **Vendor Assurance:** Clear communication about payment schedules reassures suppliers of our commitment to financial integrity.





## Responsible Procurement Value Creation

Capital	Inputs	Outputs	Outcomes
<b>Financial</b>	Mitigation measures for economic inflation on our pricing	Implementing payment facilities to reduce the inflated prices.	1. Increased safety stocks. 2. Reached a record-high net profit of EGP 1.0B in FY23, marking a 60% year-on-year increase.
	Mitigation measures for currency devaluation on our production outputs	Increasing the number of back up materials by validating alternatives.	3. Introduced 15 new backup materials since 2022. 4. Decreased number of sole suppliers to 60% since 2022.
<b>Manufactured</b>	Sourcing new raw materials and securing alternatives for existing products	Increasing the number of back-up suppliers by validating alternatives.	5. Introduced 40 backup suppliers since 2022.
	Mitigation measures for the unavailability of foreign currency and unavailable or increased-priced material	Expanding our local suppliers' base.	6. Acquired 6 new suppliers since 2022
<b>Social</b>	Continued partnership with GIZ for Egyptian Suppliers Technical Program	Supporting vendors' seamless integration into supply Chains.	7. Supported 8 suppliers.

## Investing in Local Sourcing

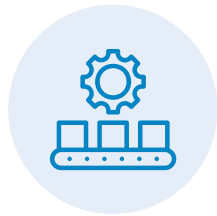
Capital	2021	Since 2022
<b>Number of Local Suppliers</b>	80	100
<b>Number of Foreign Suppliers</b>	50	60
<b>Total Number of Suppliers</b>	130	160
<b>Percentage of Local Suppliers to Total Number of Suppliers</b>	61.5%	62.5%
<b>Percentage of New Contracted Local Suppliers to Total New Contracted Suppliers</b>	28%	16%



# Responsible Manufacturing

As Juhayna continues its leadership position in the market, environmental and social governance has become an integral component of its corporate strategy, business and market analysis and risks and opportunities management.

Our Manufacturing addresses and aims to achieve our ESG Strategy Objectives:



**Sustainable Green Facilities**



**Food Quality, Safety, & Security**



**Preserved Natural Resources**



**Responsible Technological Usage**

In addition, and as part of our aim to provide transparent insights to our stakeholders, we share how the company addresses its initiatives and target setting, and management approach through a lens of risks and opportunities in relation to manufacturing, and as part of achieving progress on its ESG Strategy.



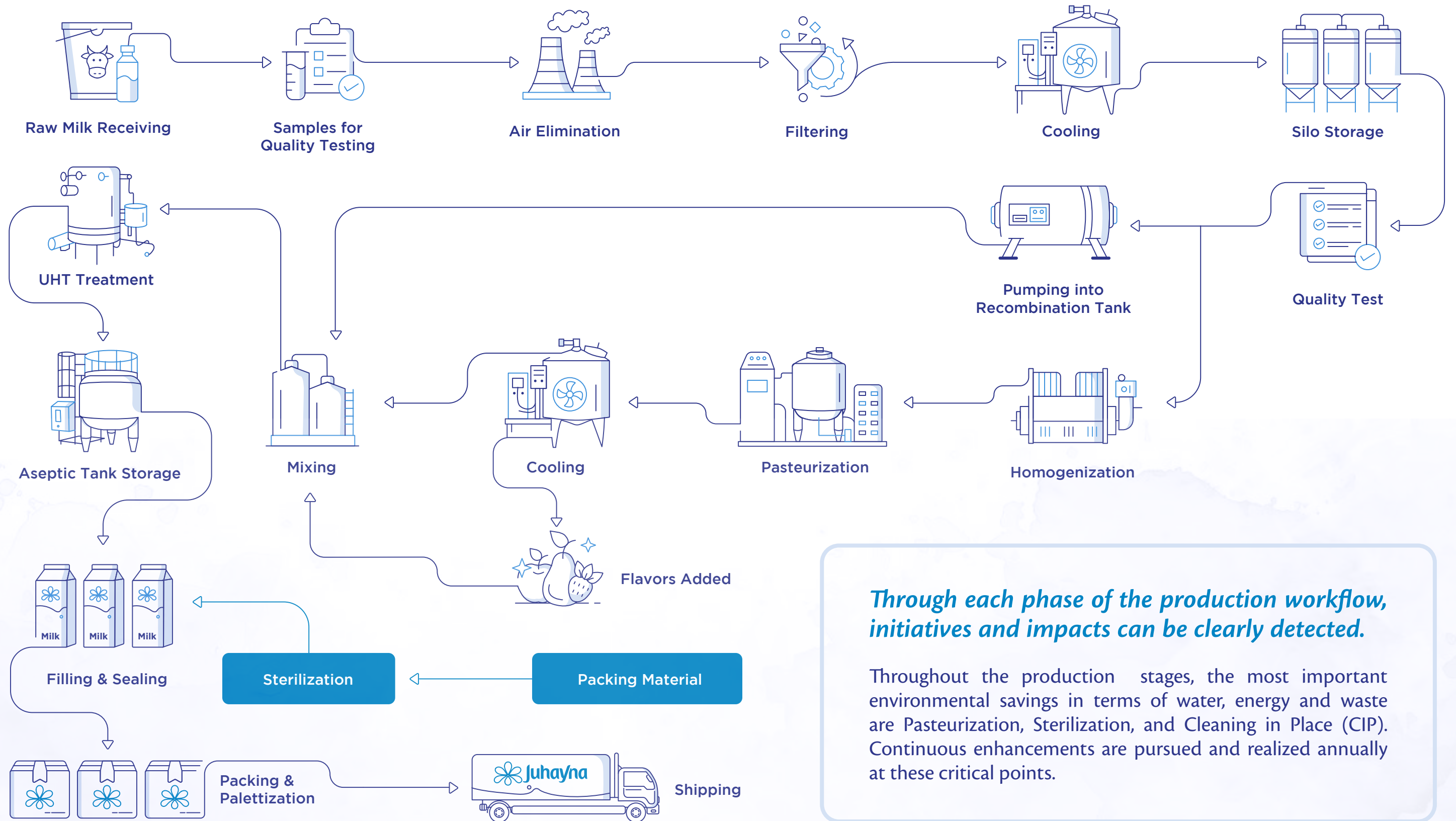
## Al Masreya – Zooming-in on Technology and Process Efficiency

Building on its 2022 Status as “Advancing Milk Production with Technology”, where AL MASREYA evolved since 2005 into Juhayna’s largest production capacity for milk by using state-of-the-art TBA-Edge packaging technology.

In 2023, we focused on featuring Al Masreya workflow processes and its impacts on quality, safety, productivity and cost-effectiveness.

The efforts made to elevate operational standards and sustainability have yielded notable improvements across various Sustainability key performance indicators and outcomes.

## El Masreya Workflow Process



**Through each phase of the production workflow, initiatives and impacts can be clearly detected.**

Throughout the production stages, the most important environmental savings in terms of water, energy and waste are Pasteurization, Sterilization, and Cleaning in Place (CIP). Continuous enhancements are pursued and realized annually at these critical points.

In 2023, focus can be witnessed as follows:

## A) Energy

The highest energy consumption takes place in the Pasteurization stage; accordingly we targeted improvement in electricity efficiency and gas consumption in 2023 as follows:

### Improved Electricity Efficiency

We targeted to optimize energy use, which resulted in an overall 7.3% increase in electricity efficiency per ton of production from 2022 to 2023. The UPS Project was initiated in 2022:

- **Objective:** eliminate the risk of power failure during production time which leads to increase production availability and reduce chemical consumption.
- **Scope of implementation:** the entire plant
- **Impact on production efficiency or volume**

In 2023, the estimated cost of production loss due to electricity cut was at over EGP 16M, and electricity at 218,400 Kw. The UPS project allowed the company to achieve recovery in both aspects.

### Improved Gas Consumption

- A “Main Feed Water Tank” project, aimed at improving gas consumption efficiencies.
- We built a new main feed water tank with a high capacity to be able to feed all boilers and absorb all steam condensate returns from production lines.
- We utilized the output steam from the Boilers to heat the makeup water up to 90°C and enhancing the condensate return rate, which reduces natural gas consumption.
- The project was completed in September 2023 and achieved 14% reduction in gas usage compared to 2022 which kept our overall annual gas consumption at only 10.5% increase.
- The project investment reached EGP 500,000.

## B) Water

It takes around 1.8m<sup>3</sup> of water to produce one ton of milk and the highest water consumption takes place in the Powder Recombination and CIP (cleaning in place) stages.

### In 2023, our focus was on Recombination.

Around 450 liter/ton & in CIP around 400 liter/ton are consumed. Absolute water consumption would continue to increase with the increased production volume; accordingly, the use of technology has become imperative to ensure water efficiency.

- ✓ We invested in new Digital Flowmeters Monitoring Technology.
- ✓ Total Investment reached EGP 214,890
- ✓ As a result, we were able to set and achieve reduction target at 1.8m<sup>3</sup>/ton in 2023 vs. 1.9m<sup>3</sup>/ton in 2022, as targeted.

## C) Waste Generation



The highest production of waste is generated at CIP, Pasteurization and Sterilization and Filling & Packaging Areas:

- Waste type includes Chemical, Water, semi-finished Product, Finished products and packaging Materials.
- We were able to set and achieve waste generation reduction target of 50% of MUV (Material Usage Variance) and 45% in Scrap.
- This was achieved by reducing material usage variance and decreasing the amount of scrap and reprocess taking place in the production cycle. Waste is managed through daily, weekly and monthly reviews.

## D) Food Defense

As our network of farms and suppliers increases, we focused on enhancing our Food Defense practices:

Prior to the Storage phase, our farms have installed new seals on trucks during their road travel to avoid manipulation, which is a very minor cost to bear in return of a significance value to the phase where quality checks are conducted.

In the Silo Storage phase, additional monitoring system via cameras are now in place to track milk transition from trucks to the silos by the quality team.

We now have reached a full automation system directly reflected into the SAP of all sourcing.

As comprehensive internal training was conducted to factories professionals, accordingly we required no additional human capital.

Additionally, the improved the qualification of our employees is part of their learning and development programs which eventually qualify them for internal promotion.

## E) “Finished Goods” Standardization

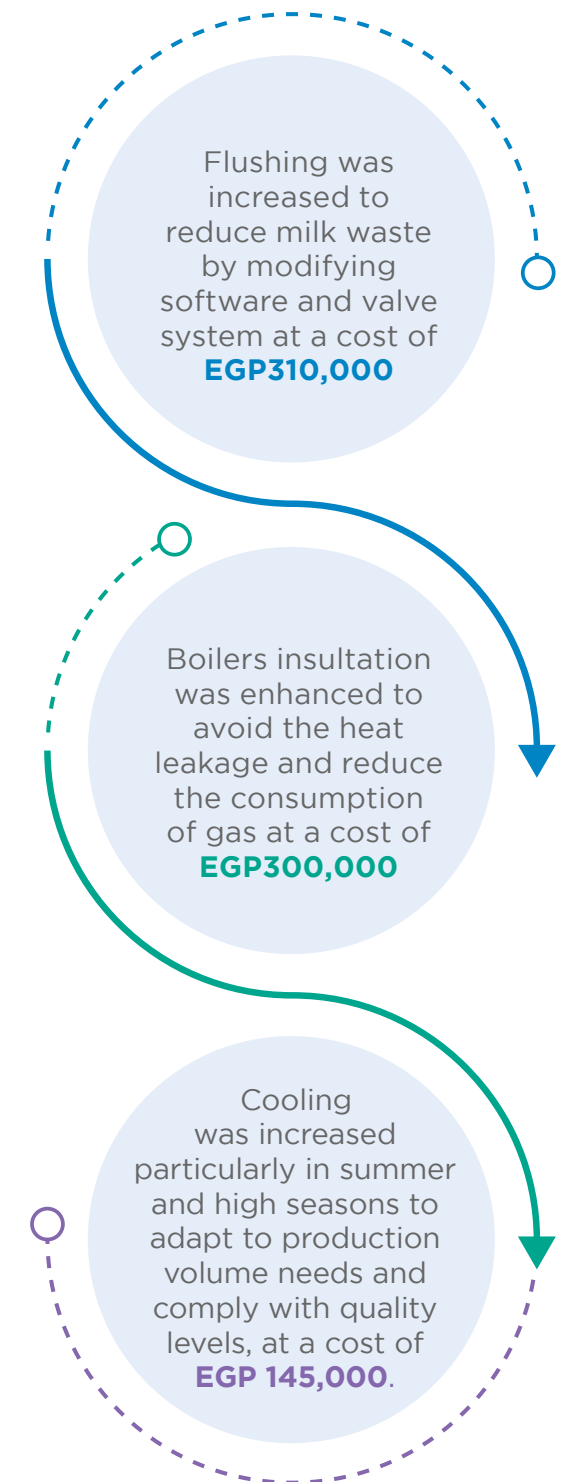
A new production line was introduced and completed with an objective is to achieve “Finished Goods” Standardization through the “Ultra Slim” format:

- ✔ Juhayna originally operated using two types of packaging machinery, one edge and two ultra slims.
- ✔ The different types of production lines caused an unnecessary process due to its variance in energy requirements, employees, maintenance and capacity of preventive back-ups.
- ✔ In collaboration with the Marketing and Packaging R&D teams, Juhayna was able to unify the packaging output of its milk products.
- ✔ This enabled Juhayna to decommission the older EDGE packaging machine, and we invested in two additional ultra slim machines, reaching now a total of four state-of-art ultra machines in operation.
- ✔ Total invested cost in this project: EGP 123 million



## F) The 2024 Plan

Multiple improvements were planned in 2024, all of which were achieved by the time of publishing this report:



## El Masreya Results and KPIs

Scope	KPIs	2022	2023	Performance 2023 vs. 2022	Impact
	DPMU	816	1202	-5%	DPMU (Defects per Million Units) has increased
	CPMU	1.76	2.16	- 10%	CPMU (Complaints per Million Units) has increased
	GMP %	83%	84%	+1.1%	Increase in GMP (Good Manufacturing Practices) indicates an improved performance rate as per the auditing checklist.
<b>Productivity</b>	OEE %	70%	71%	+1.4%	Increase in OEE (Overall Equipment Efficiency) reflects an improved measurement of machinery (Performance x Availability x Quality). Improvement can be achieved through Preventive Maintenance, CIL (cleaning inspection and lubricants), or others. In 2023/2024, the main scope of improvement was fo-cused on the enhancement of machines performance and availability. The Total Productive Maintenance (TPM) Program is a software linked to the factory SAP with multiple scope of analysis that detect the red flags for required maintenance which is directly determined on TETRAPAK system.
	Productivity (Ton/Emp.)	82	70	-16%	Despite the decrease in the volume of production per employee from 352 tons in 2022 to 307 tons in 2023 (due to national economic inflation and demand decline), but JUH choose to never discharge any employees, with zero layover, hence the decrease of tons/employee.
<b>Cost</b>	MUV %	0.17%	0.08%	-50%	A decrease in MUV (Material Usage Variance) and Scrap indicate significant advancements in material efficiency, accuracy and waste reduction by reducing material usage variance and decreasing and reprocessing the amount of scrap taking place at the production cycle.
	Scrap	0.2%	0.11%	-45%	
	Electricity KW/Ton	49	52.6	7.3%	This 7.3% increase was unavoidable despite the overall decrease in production volume due to the fact that a higher production volume improves resources efficiency.
	Water m3/ton	1.8	1.9	5.5%	This 5.5% increase was unavoidable despite the overall decrease in production volume due to the fact that a higher production volume improves resources efficiency.
	Gas m3/ton	8.5	9.4	10.5%	This 10.5% increase was unavoidable despite the overall decrease in production volume due to the fact that a higher production volume improves resources efficiency. However, the “Main Feed Water Tank” project, achieved 14% reduction in gas consumption at the Boiler phase, which help main-taining the 10.5% to reach higher increase levels.
	BOS	2/Emp./Month	1/Emp./month	-50%	The 50% decrease in the Behavioral Observation System (BOS) reflects an improved performance. In 2023, there was only a need for one single employee to conduct behavioral assessment per month. Reaching zero injury cases in 2023 compared to two injuries in 2022.

## El Masreya Value Creation

### Input:

#### Financial Capital

- Total investment of EGP 500,00 in the new Main Feed Water Tank.
- Total investment of EGP 214,890 in the new Digital Flowmeters Monitoring Technology.
- Total investment of EGP 123 million in two additional ultra slim machines.

#### Natural Capital

- Total Electricity 15,941 Kw/h
- Total Gas 2,840,524
- Total Water 549 liters

#### Manufactured Capital

- 75% of raw materials from the local market (confirm with procurement)

#### Social Capital

- Total of 676 BOS Training Hours by HSE Team.
- Total of 3640 Food Safety Training Hours by Quality Team.

### Value Creation - El Masreya

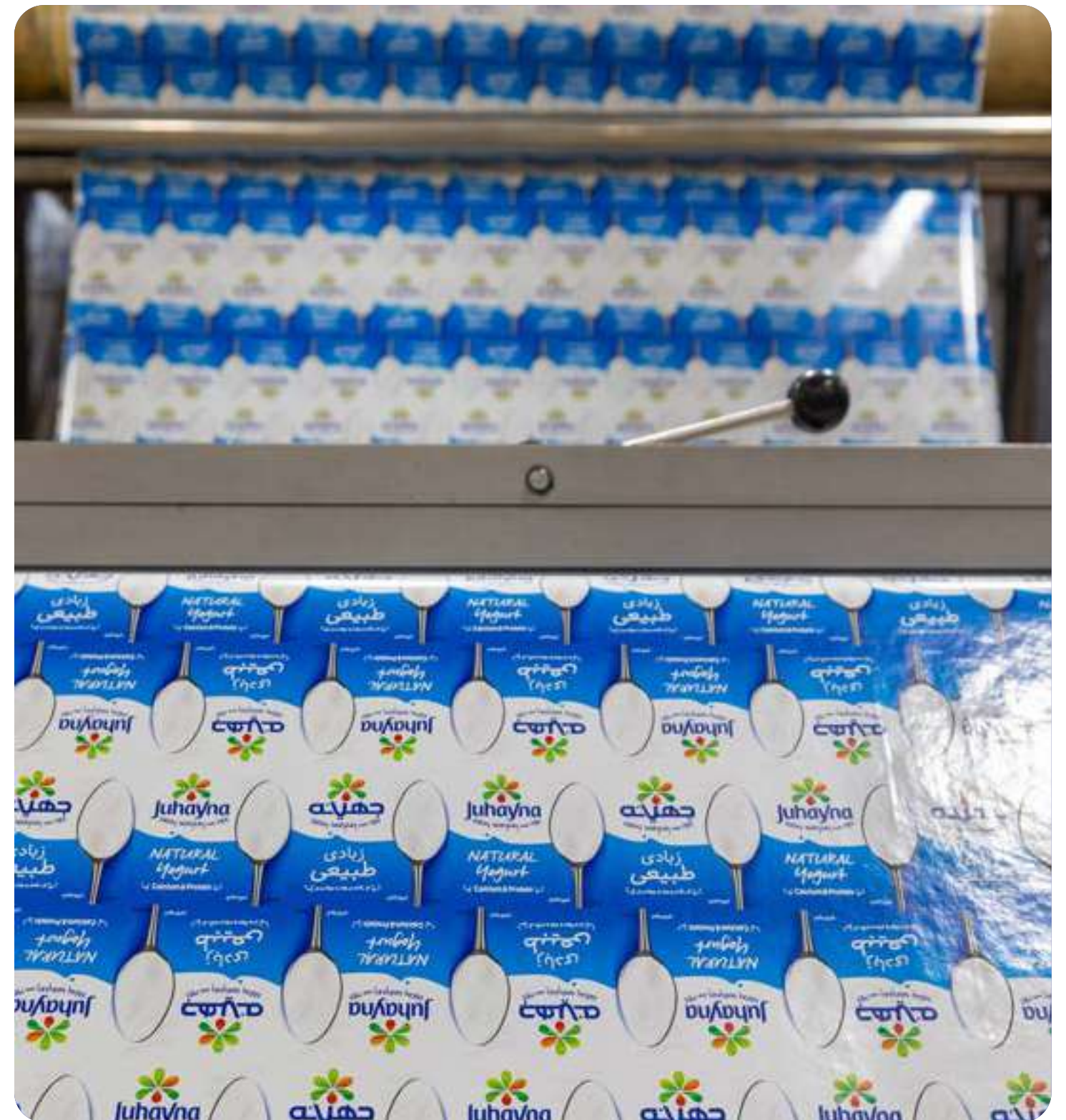
### Outputs & Outcomes

- 7.3% increase in electricity efficiency per ton of production from 2022 to 2023.
- 14% reduction in gas consumption compared to 2022 as a result of the new Main Feed Water Tank, which kept our overall annual gas consumption at only 10.5% increase.
- Reduction in water consumption at 1.8 m3/ton in 2023 vs. 1.9 m3/ton in 2022 as a result of the new Digital Flowmeters Monitoring Technology.
- Reduction in waste generation of 50% of MUV (Material Usage Variance) and 45% in Scrap.
- Zero layoffs despite national economic distress, reduced market demand and reduced volume of production.

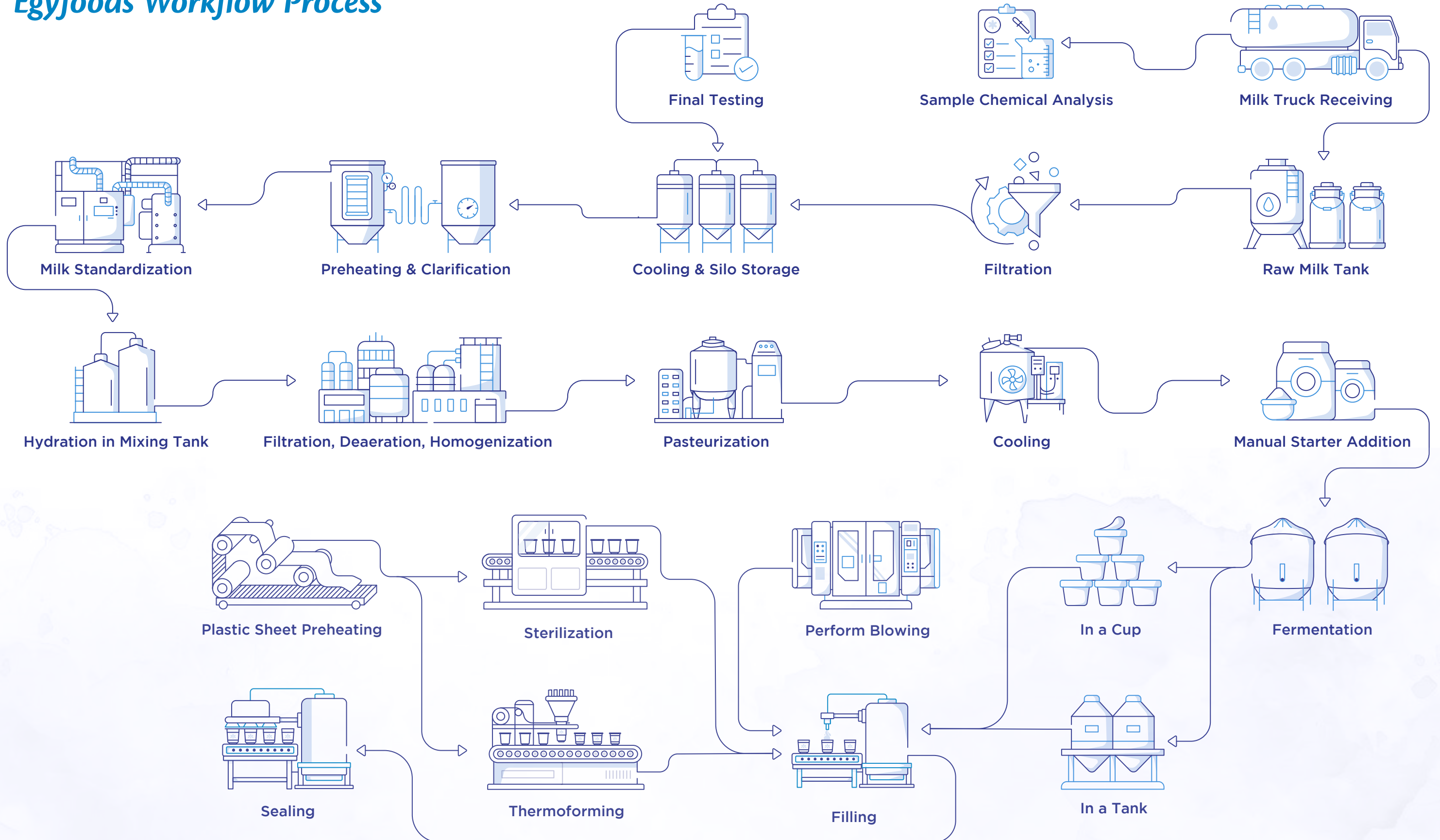
# Egyfoods – Further Innovation in Yoghurt Manufacturing

## A Peek from 2022

- » Juhayna launched Egyfoods 6th of October City, a 35,000 m2 facility, to expand the Company's yogurt production. Today, Egyfoods operates 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.
- » 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, Egyfoods 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.
- » Juhayna remains the only producer of traditional-method Greek Yogurt in Egypt.
- » 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.



# Egyfoods Workflow Process





At the Egyfoods factory, the production process is designed to ensure quality and efficiency from start to finish, as depicted in the workflow process. Critical points in the workflow include:



**Chemical Analysis**, where advanced technology ensures speed and reduces chemical usage, to ensure optimal milk quality is being used.

**Milk Standardization** leverages automation to ensure time efficiency and accuracy.

The **Pasteurization** stage is crucial for energy conservation; it employs hibernation technologies for machinery when not in use, minimizing energy waste.

The heated pasteurized milk heats the cool milk going into pasteurization to save heating energy.

The **Manual Starter Addition** point prioritizes hygiene and safety by opting for manual processes to maintain high-quality standards in our dairy products.



In 2023, critical points in the workflow process can be witnessed as follows:

**A**  
Quality through Chemical Analysis: the adopted technology impacts the speed of this stage, and the low usage of chemicals. The ROI on the technology is to ensure milk quality is optimal and up to the rigorous standards we adhere to.

**B**  
Quality through Milk Standardization: automation and technology impact the savings in human resources allocation and time in production and allows for improvement in first time right (FTR) in the production cycle.

**C**  
Energy Utilization through Pasteurization: this is a critical point in energy consumption. The pasteurization machine hibernates when not in use, and the heated milk heats the cooled milk going into pasteurization to save heating energy by increasing heat energy utilization.

**D**  
Food Safety through Manual starter addition: the manual option is implemented as a more hygienic and safer method when compared to automated starter addition.

Through each phase of the production workflow, initiatives and impacts can be clearly detected. Throughout the production stages, the most important environmental savings in terms of water, energy and waste are Pasteurization, Sterilization, CIP, and Cooling. Continuous enhancements are pursued and realized annually at these critical points.

In 2023, focus can be witnessed as follows:

## A) Energy

### Boiler Automation

- Boilers should not be below 80% of their capacity to achieve the minimal energy efficiency of fuel vs. air ration. Operating under this level results in over consumption of gas and over generation of energy and emission.
- Accordingly, Juhayna implemented a “Boiler Automation for Efficiency” project, which is the establishment of a predictive tool to enable the production team to bring the boiler at optimum operation levels.
- The project has currently achieved its desired SEC (specific energy consumption) level. As a result, we have achieved an increased boiler energy efficiency of 5% in 2023 compared to 2022.

### Increased Electricity Power Factor

- The Power Factor (PF) target is set by the government at above 0.92 points. By stepping above this point, companies receive preferential bonuses from the national electric company for increasing electrical power efficiency.
- To maintain our power generation at the source over the 0.92 points, our Maintenance team conducted a major improvement to our electric network.
- As a result, we have achieved an increase of 3% PF in 2023 compared to 2022.
- This measure did not require any capital expenses.

### Energy Measurement Service

- This measure was initiated to identify energy saving opportunities. Based on our new flow requirements, our analysis and simulation has identified the following key figures:

<b>Current Yearly Consumed Energy</b>	<b>1,657 MWh</b>
<b>Current Yearly Energy Cost</b>	2,071,738 EGP
<b>Current Yearly CO<sup>2</sup> Emission</b>	<b>873,445 kg</b>
<b>Current Yearly CO<sup>2</sup> Emission Cost</b>	480,394 EGP

Flow Data	
<b>Maximum Flow</b>	847 l/s
<b>Average Flow</b>	416 l/s
<b>Minimum Flow</b>	0.0000000000 l/s
Flow Range Levels	
<b>0-25%</b>	33.5%
<b>25-50%</b>	2.95%
<b>50-75%</b>	33.8%
<b>75-100%</b>	29.8%

### P.S Thickness Decrease

- Decreasing label thickness has resulted in lowering the used material and achieved major cost savings.
- To implement this project, the maintenance team intervention included adaptation of machinery and equipment to reformat the heat distribution during the forming of label. As a result, we have achieved an increased energy efficiency of 2% in 2023 compared to 2022 due to temperature decrease.
- This measure did not require any capital expenses.
- This project also brought direct economic value to new and existing vendors by requesting both plastic sheets and labels as altering our P.S. thickness of the 1050 and 780 micro sheets to 950 and 720, respectively.



- Based on this data, we detected an opportunity. As our compressors work around 70% in Low-Medium flow range level, we were able to use a variable speed air compressor instead of a fixed speed. It is estimated to save 10% of the total power consumption.
- This measure did not require any capital expenses.

## B) Water

We achieved water reduction at 23% in 2023 compared to 2022 through the following measures:

- A new water flowmeter was added on the SCADA system to digitally monitor our water consumption.
- The factory's water map is updated for all water users.
- New cleaning hoses are now used. They are designed to reduce water consumption.

## C) Waste

### Cap Weight Decrease

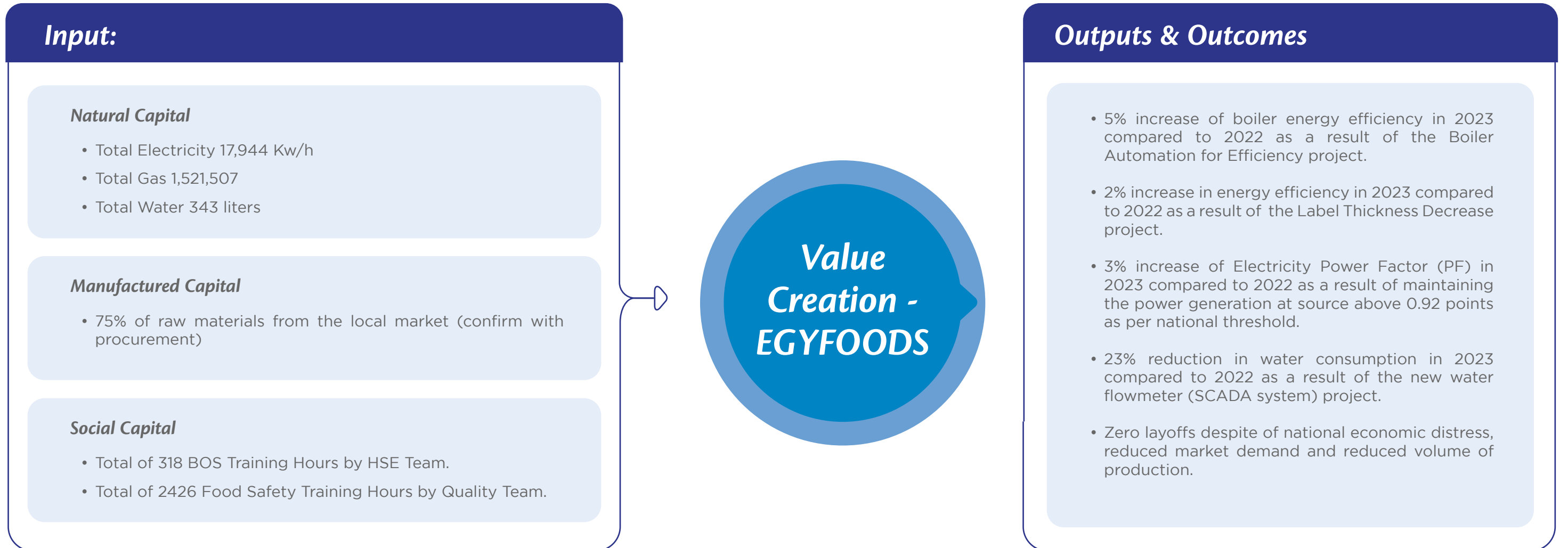
- Decreasing cap weight was one of the avenues we opted to reduce waste generation at the source.
- The lowered used material will result in lowered levels of waste being discharged as waste by the end consumer.
- The project is still undergoing; thus, no output data is yet available at the time of this report.
- We expect that the lowered cap weight would entail a reduction in cost, which is transformed into a direct economic value to the consumer.



## Egyfoods Results and KPIs

Scope	KPIs	2022	2023	Performance 2023 vs. 2022	Impact
	DPMU	544	977	79% Vs 2022	DPMU (Defects per Million Units) has increased
	CPMU	51	55	7%Vs 2022	CPMU (Complaints per Million Units) has increased
	GMP %	80%	84%	5% Vs 2022	Increase in GMP (Good Manufacturing Practices) indicates an improved performance rate as per the auditing checklist. Specific improvement in 2023: <ul style="list-style-type: none"> <li>• Use of the 5S techniques</li> <li>• Training for the production &amp; maintenance teams to follow the GMP practices.</li> <li>• Continuous top management commitment on the GMP agenda (being one of the main KPI's on the plant scorecard)</li> </ul>
<b>Productivity</b>	OEE %	71.5%	72%	1% Vs 2022	Increase in OEE (Overall Equipment Efficiency) reflects an improved measurement of machinery (Performance x Availability x Quality). Improvement can be achieved through Preventive Maintenance, CIL (cleaning inspection and lubricants), or others. In 2023/2024, the main scopes of improvement were: <ul style="list-style-type: none"> <li>• Preventive maintenance</li> <li>• Root cause analysis</li> <li>• Eliminate the top losses (breakdowns)</li> <li>• CIL program</li> </ul> TPM Program is planned to be initiated soon.
	Productivity (Ton/Emp.)	31.5	38	20%	<ul style="list-style-type: none"> <li>• Adjusting the daily plan and improving production line efficiency to achieve the forecasted volume in less time</li> <li>• Decreasing the number of casual workers</li> </ul>
<b>Cost</b>	MUV %	0.93%	0.7%	-25%	A decrease in MUV (Material Usage Variance) and Scrap indicate significant advancements in material efficiency, accuracy and waste reduction by reducing material usage variance and decreasing and reprocessing the amount of scrap taking place at the production cycle.
	Scrap	0.11%	0.10%	-9%	
	Electricity KW/Ton	173	187	-5%	Despite the enhancement in the Electricity Power Factor, the increase in electricity consumption was due to the decrease in production volume by 18% due to economic status and lowered market demand in 2023, hence the baseload has superseded the production volume optimum point. In 2024, production volume was balanced back and reached an optimum point by matching the actual production plans.
	Water m3/ton	3.44	3.66	-5%	Despite the new Water Flowmeter added on the SCADA system, it is a similar condition as the electricity consumption increase due to the baseload superseding the production volume optimum point.
	Gas m3/ton	15.8	16.6	-2%	Similar to the condition of the electricity consumption increase, the baseload has superseded the production volume optimum point.
	BOS	2 /Emp./Month	2/Emp./month	none	We have maintained the same level of BOS monitoring at 2 employees per months to ensure continuous improvement of all health and safety measures.

## Egyfoods Value Creation



# El Dawleya – A Sustainable and Efficient Packaging Hub

## A Peek from 2022

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.

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.

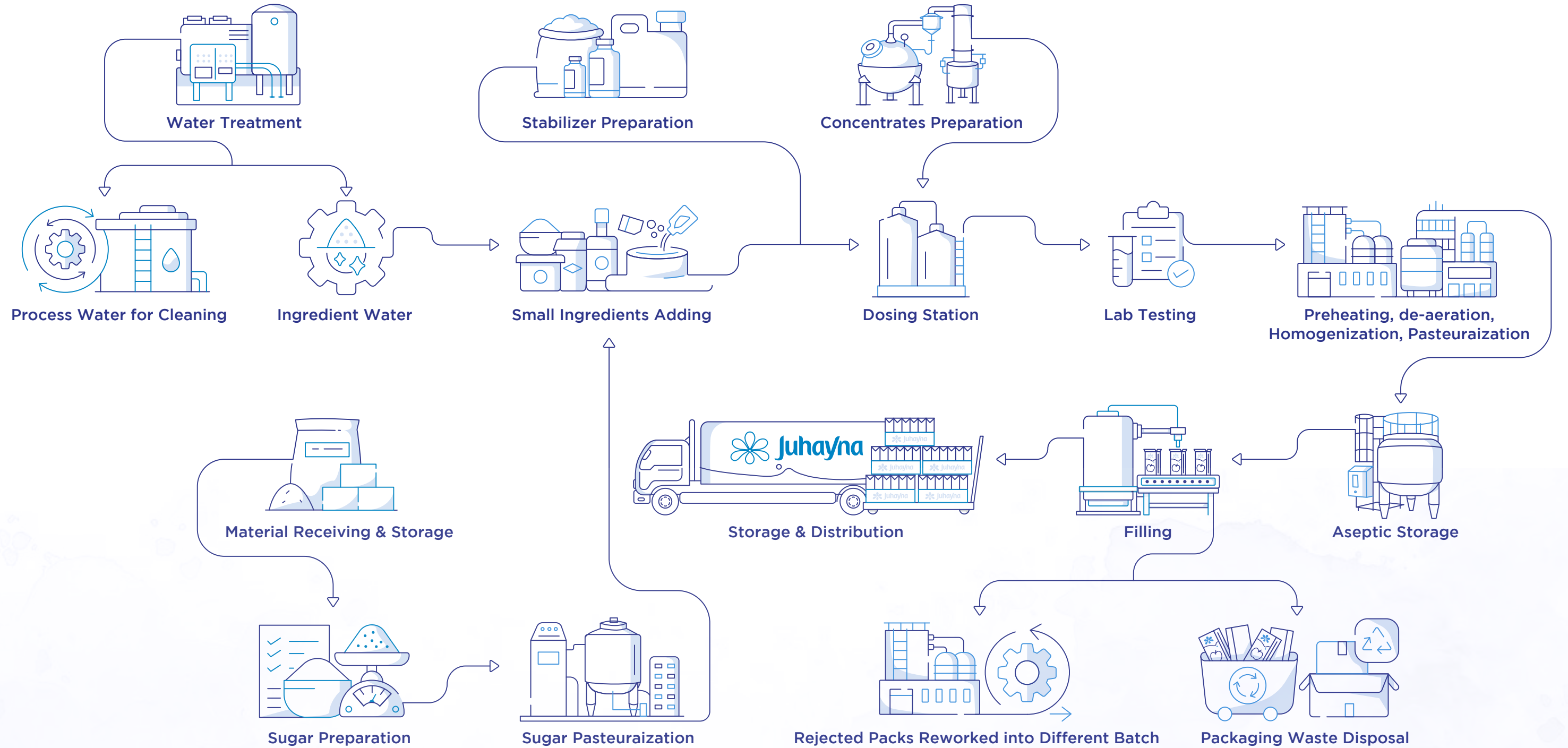
Collaborating with industry leaders, we worked to revolutionize our packaging to minimize material usage and eliminate unnecessary waste, contributing to a reduced environmental footprint.



In 2023, El Dawleya continues to stand out as the model of sustainable operations and efficient packaging within the Juhayna portfolio, marking significant strides in both environmental stewardship and operational efficiency.

El Dawleya continued to refine its workflow to enhance productivity and sustainability, while embracing new practices that significantly reduce its environmental footprint.

## El Dawleya Workflow Process



**Through each phase of the production workflow, initiatives and impacts can be clearly detected.** Throughout the production stages, the most important environmental savings in terms of water, energy and waste are the Preheating, de-aeration, homogenization, pasteurization & filling stages. Continuous enhancements are pursued and realized annually at these critical points.

In 2023, focus can be witnessed as follows:

## A) Energy

The highest energy consumption takes place in the Preheating, Steam Injection, Sterile Air and Harmonization stages.

### We set new AHU timers

- AHUs (Air Handling Units) are used on air conditioning across the entire plant areas. Timers have been set on all units to operate only during morning peaks and automatically turn off during evenings' low heat load time.
- Additionally, they are turned off during the winter season
- As a result, we achieved an improvement in the share of the AHU consumption to 5% of the total electricity in 2023, compared to 9% in 2022.

### We conducted air leakages third-party audit

- In 2023, Dawleya Plant launched its "Factory without Air Leakage" internal campaign in collaboration with Dawleya Maintenance to enable the plant to achieve a reduction in electricity.
- A reward was announced to the highest achievers with ideas to reduce leakage by monitoring the pipes in their dedicated working stations for general pipe lock, new parts and production at CIP level.
- As a result, we achieved 11% reduction in electricity at 71 kw/ton in 2024 YTD compared to 77.5 kw/tom in 2023.



We targeted optimized energy use through achieving 1.5% reduction in electricity at 77.5 kw/ton in 2023 compared to 78.2 kw/ton in 2022, through the following measures:



#### We renovated the low loads through the Single Line Diagram:

- We invested EGP 151,705 in renovation of the low loads through the Single Line Diagram (SLD).
- We updated the previous design to a new process through meters' swapping on the Significant Energy Users (SEUs).
- It allowed us to monitor the online electricity usage to identify the highest consumption and monitor SEU significant energy use.
- Upon detection of Air Conditioning as the highest source of consumption, we have paused those with the top consumptions and switched the monitoring censored to other large motors.



#### We enhanced packaging air drying:

- By administering air flow to dry off packaging using air nozzles to pinpoint air blows requirement at a ratio 1 to 25 prior to label-stickers are placed.



#### We identified no-harmonization requirements:

- Homogenizer is an extreme high-pressure process (from 0 to 250 bar) that requires massive electricity consumption.
- Through a study conducted with the Quality team, we identified the products that requires ZERO harmonization, and others that can undergo a reduced level of homogenization.
- A new innovative process was implemented to pressurize the juice fibers to the highest degree without comprising the microbiology and quality requirements.
- The process led to an overall reduction in bar levels.



## B) Water

- The highest water consumption takes place in the Dosing station. In 2023, we reached an agreement with the National Water Authority to install water-only-meters to ensure that the company is no longer charged for the national estimation of the 98% drainage-to-consumption ratio.
- As a result, we have achieved 20% reduction in 2023 compared to 2022, where consumption was reduced from 2.03 m<sup>3</sup>/ton in 2022 to 1.62 m<sup>3</sup>/ton in 2023.
- We invested in this project EGP 10,000.

## C) Waste

In line with our circularity conscious practices, our CAP locks are fully recycled from sugar cane.



## El Dawleya Results and KPIs

Scope	KPIs	2022	2023	Performance 2023 vs. 2022	Impact
	DPMU	1048	582	-45%	Decrease in DPMU (Defects per Million Units) indicates increase in production efficacy.
	CPMU	0.58	0.5	-14%	Decrease in CPMU (Complaints by Million Units) indicates the increase in consumer perception.
	GMP %	81%	83%	2%	Increase in GMP (Good Manufacturing Practices) indicates an improved performance rate as per the auditing checklist. The 2023 improvement were a result of the following measures: <ul style="list-style-type: none"> <li>• Using the 5S techniques</li> <li>• Training of the production &amp; maintenance teams to follow the GMP practices.</li> <li>• Continuous top management commitment on the GMP agenda (being one of the main KPI's on the plant scorecard)</li> </ul>
<b>Productivity</b>	OEE %	71%	74.6%	3.6%	Increase in OEE (Overall Equipment Efficiency) indicates an improved measurement of machinery (Performance x Availability x Quality). Improvement can be achieved through Preventive Maintenance, CIL (cleaning inspection and lubricants), or others. In 2023/2024, the main scopes of improvement were: <ul style="list-style-type: none"> <li>• Preventive maintenance</li> <li>• Root cause analysis</li> <li>• Eliminate the top losses (breakdowns)</li> <li>• CIL program</li> <li>• CIP matrix validation and change to reduce the time of CIP</li> </ul>
	Productivity (Ton/Emp.)	68	70	3%	Increase in productivity indicates improvement and optimization of human capitals was a reflection of additional training and innovative processes.
<b>Cost</b>	MUV %	0.05%	-0.05%	-10%	Decrease in MUV (Material Usage Variance) and Scrap indicates significant advancements in material efficiency, accuracy and waste reduction by reducing material usage variance and decreasing and reprocessing the amount of scrap taking place at the production cycle.
	Scrap	0.04%	0.04%	No changes	
	Electricity KW/Ton	78.1	77.5	-1%	Due to the multiple enhancements in the Single Line Diagram, the Air leakages third-party audit, the pre-packaging drying process, and the enhanced Homogenization.
	Water m3/ton	2.2	2.0	-10%	Due to the enhancement at the wastewater treatment station through the new water meters sensors.
	Gas m3/ton	6.05	5.24	-13.5%	Due to multiple enhancements leading to this reduction: <ul style="list-style-type: none"> <li>• OEM Assessment improved the air/gas ration of the burner (Boiler room)</li> <li>• Insulation of Boiler #2, led to control the heat losses</li> <li>• Replacement of the steam traps, allowing condensate to return back to the feedwater tank, this reducing gas consumption.</li> </ul>
	BOS	2 /Emp. / Month	2/Emp./ month	none	We have maintained the same level of BOS monitoring at 2 employees per months to ensure continuous improvement of all health and safety measures.

## El Dawleya Value Creation

### Input:

#### Financial Capital

- Total investment of 0 EGP in the new 24hour AHU “Air Handling Units” timers
- Total investment of 151,705 EGP in the renovation of the low loads through the SLD (Single Line Diagram).
- Total investment of EGP 203,000 EGP for the introduction of new compressors for cold store
- Total investment of EGP 128,000 the Homogenizer pressure
- Total investment of EGP 10,000 EGP for the new Water Meter sensors

#### Natural Capital

- Total Electricity 14,022 Kw/h
- Total Gas 992,170
- Total Water 308 liters

#### Manufactured Capital

- 75% of raw materials from the local market

#### Social Capital

- Total of 420 BOS Training Hours by HSE Team.
- Total of 3574 Food Safety Training Hours by Quality Team.

### Value Creation - El Dawleya

### Outputs & Outcomes

- Improvement in the share of the AHU consumption to 5% of the total electricity in 2023, compared to 9% in 2022 as a result of setting new 24hour AHU “Air Handling Units” timers
- 11% reduction in electricity at 71 kw/ton in 2024 YTD compared to 77.5 kw/tom in 2023 by conducting air leakages third-party audit
- 1.5% reduction in electricity at 77.5 kw/ton in 2023 compared to 78.2 kw/ton in 2022, through the following measures:
  - Renovation of the low loads through the Single Line Diagram
  - Enhancement of packaging air drying:
  - Identification of no-harmonization requirements
- 20% reduction in 2023 compared to 2022 as a result of the agreement with the National Water Authority to install water-only-meters.
- Zero layoffs despite of national economic distress, reduced market demand and reduced volume of production

## El Marwa – Circularity as a Core Value

### A Peek from 2022

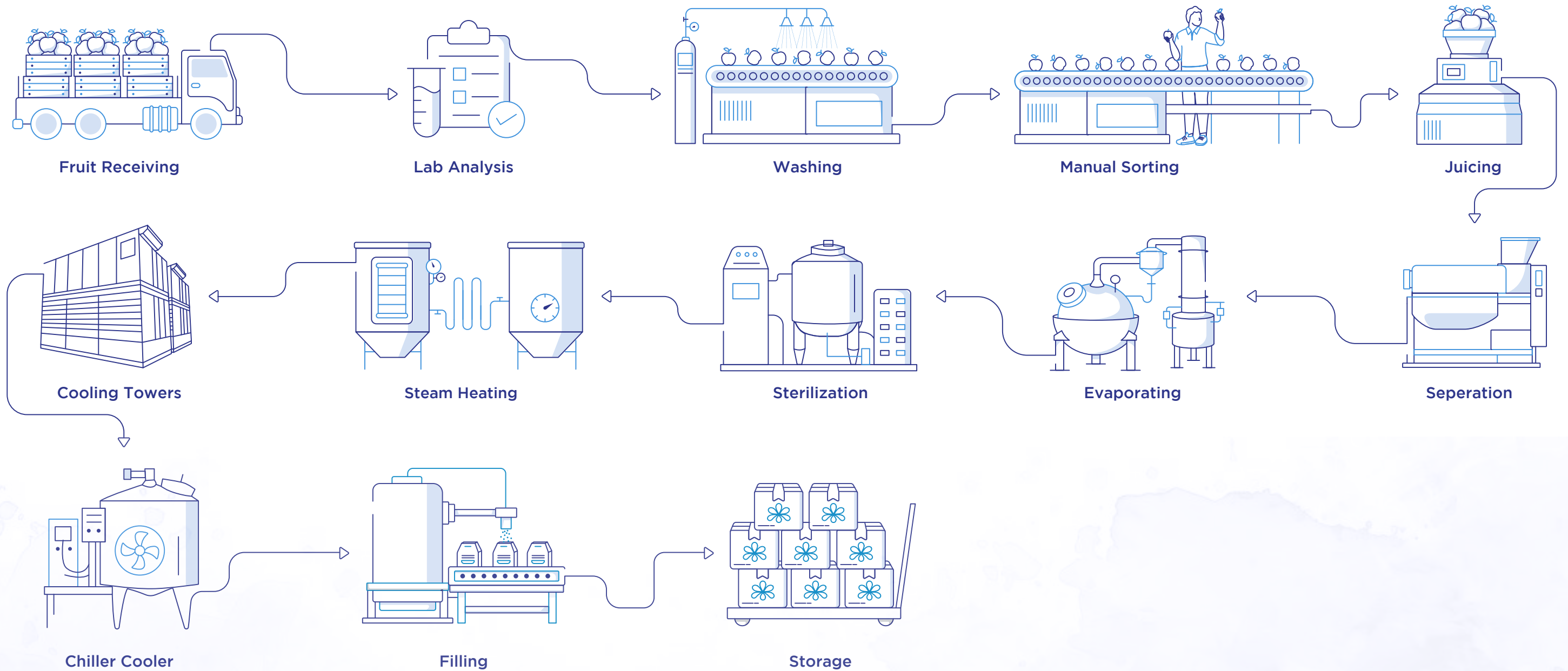
Established in 1998, Al Marwa has undergone a remarkable transformation, evolving into one of Egypt's foremost fruit manufacturers. Our steadfast dedication to technological advancements and vertical integration enabled us to process a diverse range of fruits, including citrus, mango, guava, tomato,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

This integration empowers us to deliver a wide array of customized fruit products, including purées, 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.



## El Marwa Workflow Process



**Through each phase of the production workflow, initiatives and impacts can be clearly detected.**

Throughout the production stages, the most important environmental savings in terms of water, energy and waste are the Evaporator, the Steam Heating, the Tomato Evaporator, the “Separated oil and juice” and “Fruit peels”. Continuous enhancements are pursued and realized annually at these critical points.

In 2023, focus can be witnessed as follows:

## A) Energy

The highest energy consumption takes place in the Evaporator and Steam Heating Phases. We targeted optimized energy use, which resulted in an overall 38% increased efficiency in 2023 compared to 2022:

**The Water Production Condensate is recycled into the Concentration stage and the Boilers Steam Condensate stage. Those were implemented at:**

- The CFT lines (mango, tomato and strawberry)
- The JBT for orange, with orange lines having the most impacts as being the longest season that reaches up to 10 months.

**The Economizer is the heating exchanger between the exhaust gases and the water feed in boilers.**

While the Water Feed is at 25C, the boiler can reach up to 300C. The Economizer allows the water to reach a 100C and reduces the amount of gas required to elevate the temperature to 300C at the Boiler.

We are not yet able to measure the exact savings for 2023, but we are in the process to install thermometer for steam heating level measurement.

## B) Water

The highest water consumption takes place in the “Tomato Evaporator” phase. We faced challenges across the four production lines where all lines suffered low pressure public water supply, causing:

- Inability of production lines to work simultaneity, resulting in delay in production plan.
- High chemical consumption due to the repetitive need of recleaning or restarting the Plant after stoppage.
- High consumption of pumps’ mechanical spare parts due to pumps continuous operation, without necessary stoppage periods.

In 2023, we adopted “Condensed Water” generation from the tomato evaporator, which resulted in major savings, which was utilized in fruits washing instead of the main water line. We are not yet able to measure the exact savings for 2023, however it is estimated as enabling the capacity of three tanks volume size.

## C) Waste

The main waste production takes place at the “Separated oil and juice” and “Fruit peels” phases. Juhayna adopts a Circular Production approach, where this waste is separated, collected in silos and sold to stakeholders to be used as downstream as Animal feeds. This results in a total of 43586 tons of organic waste was generated and entirely recircled into animal feed.

## Organic Waste Recycling at El Marwa

At El Marwa, our commitment to sustainability is demonstrated through our innovative approach to organic waste recycling. By integrating circularity into every step of our operations, we continuously enhance our processes to minimize waste while maximizing the utility of all resources. For our stone fruits like mangoes, peaches, and apricots, recycling begins with the segregation of peels and seeds. The peels serve a valuable second life as cattle feed, providing nutritional benefits to livestock on Juhayna’s farms. The seeds find their purpose in our fruit propagation nurseries, helping cultivate the next generation of fruitful harvests.

Similarly, non-stone fruits such as strawberries and apples are processed to ensure their peels are also transformed into cattle feed. This practice reduces organic waste and contributes to the sustainable feeding practices implemented within our agricultural operations. A prime example of our zero-waste philosophy is seen in our orange processing technique. The journey of an orange through our factory is designed to utilize every possible element:

### Juice Extraction:

The initial step involves separating the juice from the outer peel, which constitutes about 50% of the fruit’s weight.

### Juice Concentration:

Concentrating the orange juice involves evaporating its water content, which is collected and reused to wash and clean incoming fresh fruits.

### Oil Extraction:

The peels are then processed to extract natural oils, which are sought after in the cosmetics and pharmaceutical industries for their aromatic and therapeutic properties.

### Peel Repurposing:

Any leftover peels are converted into cattle feed, furthering our commitment to circular waste reduction.

### Pulp Utilization:

Subsequent to juice extraction, the remaining pulp is not overlooked; it is repurposed into various food products and beverages, enriching them with natural fibers and nutrients.

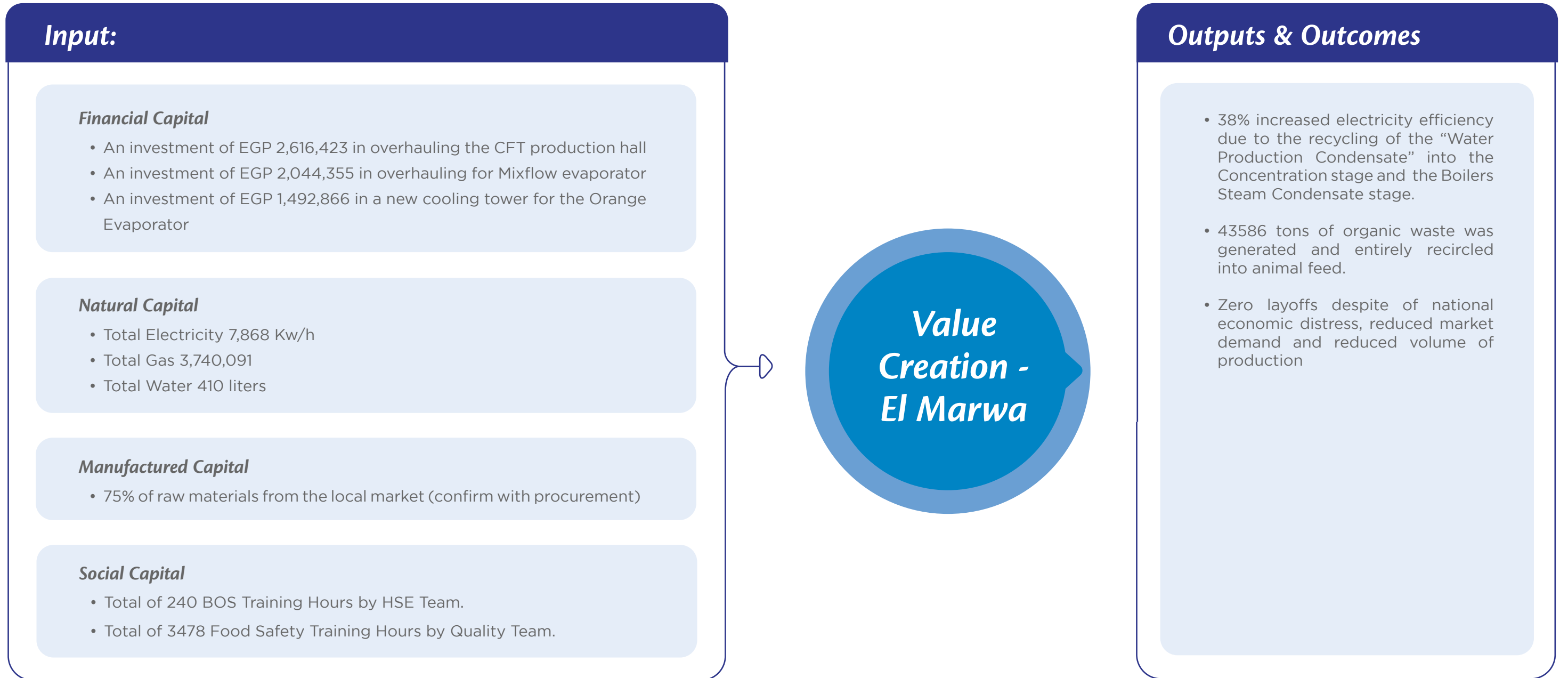
### Wastewater Treatment:

Finally, the water used throughout the production process is treated at our onsite wastewater treatment plant. This ensures that only clean water is released into the government sewage network, adhering to environmental regulations and supporting community health.

## El Marwa Results and KPIs

Scope	KPIs	2022	2023	Performance 2023 vs. 2022	Impact
	DPMU	2,057	1,954	0.05%	Decrease in DPMU (Defects per Million Units) indicates increase in production efficacy.
	CPMU	1.62	1.458	90%	Decrease in CPMU (Complaints by Million Units) indicate the increase in consumer perception
	GMP %	83%	84%	1.1%	Increase in GMP (Good Manufacturing Practices) indicates an improved performance rate as per the auditing checklist.
<b>Productivity</b>	OEE %	55%	58%	105%	<ul style="list-style-type: none"> <li>Increase in OEE (Overall Equipment Efficiency) reflects an improved measurement of machinery (Performance x Availability x Quality).</li> <li>Improvement can be achieved through Preventive Maintenance, CIL (cleaning inspection and lubricants), or others.</li> <li>In 2023/2024, the main scope of improvement was due to the enhanced performance on the production lines to achieve the highest productivity target and capacity.</li> </ul>
	Productivity (Ton/Emp.)	19	22	115.7%	Increase in productivity indicates improvement and optimization of human capitals was a reflection of additional training and innovative processes.
<b>Cost</b>	MUV %	1.71%	-0.28%	116.37%	<ul style="list-style-type: none"> <li>Improvement of fruit yield resulted in decreased Material Use Variance.</li> <li>Improvement in maintenance and downtime</li> </ul>
	Scrap	0.3%	0.23%	76.6%	Decrease in scrap was due to its reuse within the factory.
	Electricity KW/Ton	289	178	62%	Improvement in electricity use was due to due to the recycling of the "Water Production Condensate" into the Concentration stage and the Boilers Steam Condensate stage.
	Water m3/ton	17.5	9	51%	Improvement in water consumption was due to the installation of water flowmeters for each line for daily measure of consumption and during each shift.
	Gas m3/ton	138	79	57%	Improvement in gas consumption was due to the addition of insulation in the gas piping, which reduced gas leaks. The chemical washing of the boiler also contributed to the decrease in gas consumption as the removal of salt buildup in the boiler improved heat exchange which decreased its gas consumption.
	BOS	N/A	2 /Emp. / Month	2 /Emp. /Month	BOS monitoring was initiated with 2 employees per months to ensure continuous improvement of all health and safety measures.

## El Marwa Value Creation





## Sharing Insight With Our Stakeholders

### What is BOS?

It is the “Behavioral Observation System”, established four years ago.

It is set to monitor, assess and improve employees’ practices based on a brand Culture, rather than only from a compliance perspective.

The system assigns a number of employees per month to conduct overall assessment across all aspects of work practices within the factories, with focus on Safety practices.

Employees are assigned regardless of their employment level or function with the factories.

Training on BOS is conducted by HSE and Quality (for Food Safety).

The BOS practices and assessments extend beyond the actual manufacturing processes, to the phase of the Finished Product Warehouse Area, the Raw Materials Warehouse, and the Shipping Dock.

It includes over 19 criteria, such as:

- ✓ Ensuring no stray animals are sneaking from the street to the factory areas, with quality officers notified if any are found.
- ✓ Verifying truck drivers place wheel chocks and hand over vehicle keys to security during loading/unloading.
- ✓ Confirming all employees wear personal protective equipment (PPE) such as safety shoes, gloves, clear glasses, and safety caps.
- ✓ Ensuring all electrical connections for forklifts and other equipment are properly organized and free of damage.
- ✓ Checking that fire equipment, emergency exits, escape routes, and walkways are unobstructed.
- ✓ Maintaining cleanliness, orderly work areas, non-slippery floors, and adequate lighting.
- ✓ Assessing if goods stacking and handling practices are correct.
- ✓ Ensuring unattended forklifts are properly turned off and parked.
- ✓ Preventing forklift drivers from using phones while operating the equipment.

### What GMP?

It is “Good Manufacturing Practices” which indicates an improved performance rate as per the auditing checklist. Assessment is conducted across the seven following categories:

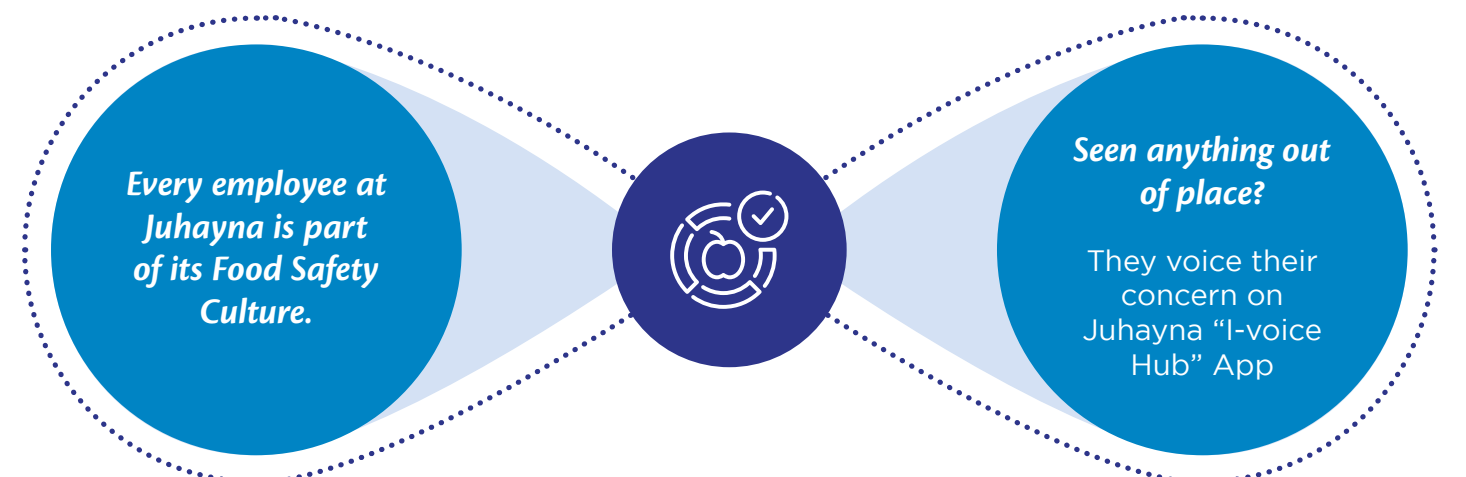
- Hygiene Facilities& personal Hygiene
- Design of buildings
- Pest Control
- Cleaning & Sanitation
- Operation
- (Foreign bodies) Extraneous Matters
- Labeling& Identification

A Scoring is set for each single area of the plant, each area has its own of assessment criteria and questions: Production Area (66), Warehouse (34) , Workshops& Utilities (26), Laboratories (20), Employees Facilities (42), Factory Surrounding (8), and Waste Area (6).

The Assessment output is categorized into:



### What is Juhayna Food Safety Culture!



## Questions that are often unspoken in the industry but answered in Juhayna!



**Juhayna’s Quality Team includes women, with additional female representation in amenities services. Given Juhayna’s strong reputation for empowering women, why aren’t the same inclusive practices as evident within the production and factory functions?**

One of Juhayna’s greatest values is to Care for People beyond compliance. We believe that the participation of women is best served when implemented with true value creation in mind, ensuring that employment opportunities provide the best-fitting roles we can offer. In our factories, rigorous health and safety measures, heavy machinery requiring physical strength, and the demands of long, late working hours and rotational shifts mean that we prioritize providing work environments and employment types that optimize our employees’ capabilities and inspire their creativity.

## Why Juhayna gives great attention to opening its factories to public visits?

Juhayna has always given a great consideration to make its factories accessible and open to the public. Every year, Juhayna’s factories welcome visits from all corners of the country, across a distinguished pool of stakeholders of different industries, types and ages. Historically popular, are school field visits, where the best statement of Juhayna’s full automation was articulated during on them: “we are in a milk factory, but we have not seen any milk at all!”, demonstrating how our food safety is implemented to the highest levels through our closed loops systems.

Our visits had lately received increased interested from start-ups, doctors and governmental officials who are interested in our lab testing processes, preservatives under UHT (Ultra High Temperature) Technology, or inquiries about many of our notable certifications, their requirements and processes.



## Why Juhayna products have the longest shelf-life on the market, up to six months in comparison to two weeks in other brands?

It is the UHT Technically that treats milk to a zero-percentage level of bacteria, as it doesn’t only kill harmful bacteria, but all bacteria that are responsible for speeding pasteurization of milk outside cold temperature.

Two of our most cherished tours are the VIP Room and Juhayna Diary Book. At the VIP Room visitors join our teams in an immersive experience that presents Juhayna full vertical integration model (from Farm to Consumer). Juhayna Diary is a Guestbook for our visitors to share few notes on their experience.

# R&D Packaging

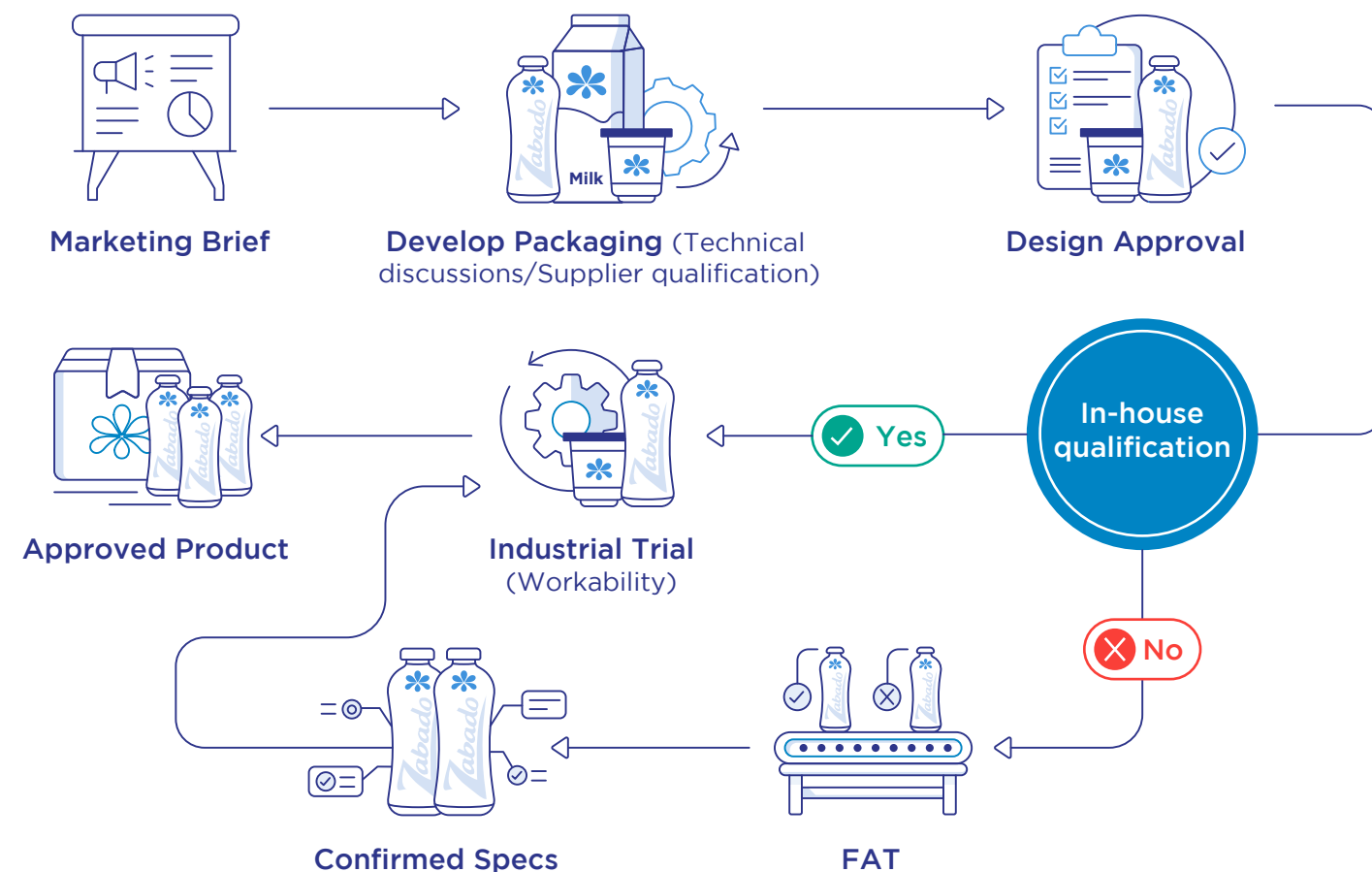
As Juhayna continues its leadership position in the market, environmental and social governance has become an integral component of its corporate strategy, business and market analysis and risks and opportunities management. Our Packaging R&D addresses and aims to achieve our ESG Strategy Objectives:

In addition, and as part of our aim to provide transparent insights to our stakeholders, we share how the company addresses its initiatives and target setting, and management approach through a lens of risks and opportunities in relation to manufacturing, and as part of achieving progress on our ESG Strategy Objectives

**Responsible  
Communication &  
Ethical Labeling**

**Circular  
Conscious  
Practices**

## R&D Packaging Workflow Process





## R&D Packaging Workflow Initiatives & Impacts

Workflow Process	Related Stakeholders	R&D Packaging Role
<b>Material validation, quality checks</b>	Quality and Manufacturing	Ensuring that packaging solutions meet quality standards and safety.
<b>Line trials, packaging material validation, BOM losses</b>	Manufacturing	Working closely and collaborating with manufacturing teams to ensure that packaging designs are compatible with production processes.
<b>Back-up suppliers, alternative materials, and innovations</b>	Procurement	Cooperating 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.
<b>Material specification, transportation testing</b>	Quality, Sales & Distribution	Developing technical data that provides detailed information about the packaging materials, design, and specifications.
<b>Artwork approval cycle</b>	Marketing	Managing the artwork approval cycle to ensure that the packaging design meets regulatory requirements, branding guidelines, and quality standards.

## R&D Packaging Value Creation

Capital	Inputs	Outputs	Outputs
<b>Manufactured</b>	Optimize Plastic Consumption	<ul style="list-style-type: none"> <li>Thermoforming systems to accommodate thinner, yet durable materials</li> </ul>	<ul style="list-style-type: none"> <li>11% and 14% reduction of overall consumption of Polystyrene and Polypropylene, respectively</li> </ul>
	Reduction in Packaging Waste Generated	<ul style="list-style-type: none"> <li>Packaging specifications related to workability and material characteristics to minimize plant packaging waste</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in Material Usage Variance (MUV%) <i>For more information, refer to the <a href="#">Responsible Manufacturing section</a>.</i></li> </ul>
	State-of-art machinery and packaging	<ul style="list-style-type: none"> <li>Responsible product labeling.</li> <li>New packaging innovation.</li> </ul>	<ul style="list-style-type: none"> <li>Inclusion of more languages on labels.</li> <li>The “New 1-Step Opening Cap” released in 2022 and continues in 2023.</li> <li>Plain yogurt labels 100% adhere to global clean label practices, with plans in place to expand this endeavor to include all capped products.</li> </ul>
<b>Intellectual</b>	Artwork development and approval	<ul style="list-style-type: none"> <li>Real-time adjustments</li> </ul>	<ul style="list-style-type: none"> <li>90% success rate in First Time Right approvals on Real-time adjustments</li> </ul>
	Compliance with responsible forestry practices	Sustainable Sourcing	<ul style="list-style-type: none"> <li>Our packaging materials from Tetra Pak are 100% FSC-certified</li> </ul>
<b>Natural</b>	Utilization of TBA 1500 Edge packages on A3/Flex 0600 Filling Line	Environmental Footprint	<ul style="list-style-type: none"> <li>25% reduction in the environmental footprint of packaging for Juhayna milk in 1.5-liter formats</li> <li>Aluminum is produced and sourced in an environmentally, socially, and economically responsible manner</li> <li>Our materials are 100% ASI-certified</li> </ul>
	Tetrarex Packaging	Reduces carbon emissions	<ul style="list-style-type: none"> <li>Bonsucro-certified Tetrarex packaging reduces carbon emissions compared to traditional fossil-based options</li> </ul>

## Sustainable Innovations in Packaging

Our goal of responsible packaging drives our commitment to significantly reduce food waste by extending the freshness and safety of our dairy products. Throughout 2023, Juhayna made significant strides in advancing sustainability in packaging practices through a series of initiatives focused on optimizing plastic consumption, reducing packaging waste, and enhancing packaging recyclability by executing the following:



### Optimize Plastic Consumption

Juhayna successfully reduced its consumption of Polystyrene and Polypropylene by 11% and 14%, respectively. This achievement was driven by strategic investments in advanced Thermoforming systems, enabling the use of thinner yet durable materials. Additionally, we collaborated closely with suppliers to develop innovative packaging solutions with reduced thickness while maintaining optimal performance and quality.

Our transition to recycled polyethylene terephthalate (rPET) marks a significant step toward reducing reliance on virgin plastics and promoting a circular economy. This initiative not only supports sustainable material use but also significantly reduces energy consumption and greenhouse gas (GHG) emissions, reinforcing our commitment to environmental stewardship.

To ensure excellence in artwork development and approval, we utilize a real-time dashboard to oversee the entire process. This comprehensive system enables efficient monitoring, immediate adjustments, and ensures a 90% success rate in First Time Right approvals, reflecting our dedication to precision and operational excellence.



### Reduction in Packaging Waste Generated

Juhayna implemented precise packaging specifications related to workability and material characteristics to minimize plant packaging waste. This has led to a reduction in Material Usage Variance (MUV%), a key performance indicator of material efficiency, and is expected to enhance the overall equipment effectiveness (OEE). Improved specifications have contributed to more accurate material use, reducing waste and increasing production efficiency.



### Enhance Packaging Recyclability

Juhayna signed Egypt's first-of-its-kind agreement for recycling used beverage cartons in partnership with Tetra Pak, Uniboard, and Beyti. This pioneering collaboration aims to expand Egypt's recycling capacity for carton packaging, significantly advancing the country's waste management system. The initiative includes developing new recycling infrastructure, which is expected to become operational by the end of 2024.

Our long-standing partnership with Tetra Pak underpins our sustainability strategy, reflecting our shared commitment to "Protect What's Good: Food, People, and Futures". Through this collaboration, Juhayna leverages innovative, recyclable, and renewable packaging solutions while advancing strategic partnerships, to implement cutting-edge, sustainable packaging solutions through the following:

#### Tetrarex Packaging

Used for Juhayna products, Bonsucro-certified Tetrarex packaging reduces carbon emissions compared to traditional fossil-based options.

#### A3/Flex 0600 Filling Line

This system utilizes TBA 1500 Edge packages, achieving a 25% reduction in the environmental footprint of packaging for Juhayna milk in 1.5-liter formats.

#### Sustainable Sourcing

All packaging materials from Tetra Pak are 100% FSC-certified, ensuring compliance with responsible forestry practices. Additionally, our materials are 100% ASI-certified, confirming that aluminum is produced and sourced in an environmentally, socially, and economically responsible manner.

# Quality Control

## A Peek from 2022

The Juhayna Corporate Quality Management System (JCQMS), established in 2016, is a comprehensive framework designed to uphold the highest standards of quality and food safety. JCQMS integrates all applicable global food legislations, laws, internal standards, and guidelines mandated by the National Food Safety Authority (NFSA). The system has been thoroughly evaluated and validated by SGS, a globally recognized third-party certification body, as well as by NFSA and a select group of advanced, long-term customers. JCQMS governs and manages quality and food safety processes across the entire supply chain, from sourcing raw and packaging materials to delivering products to customers.

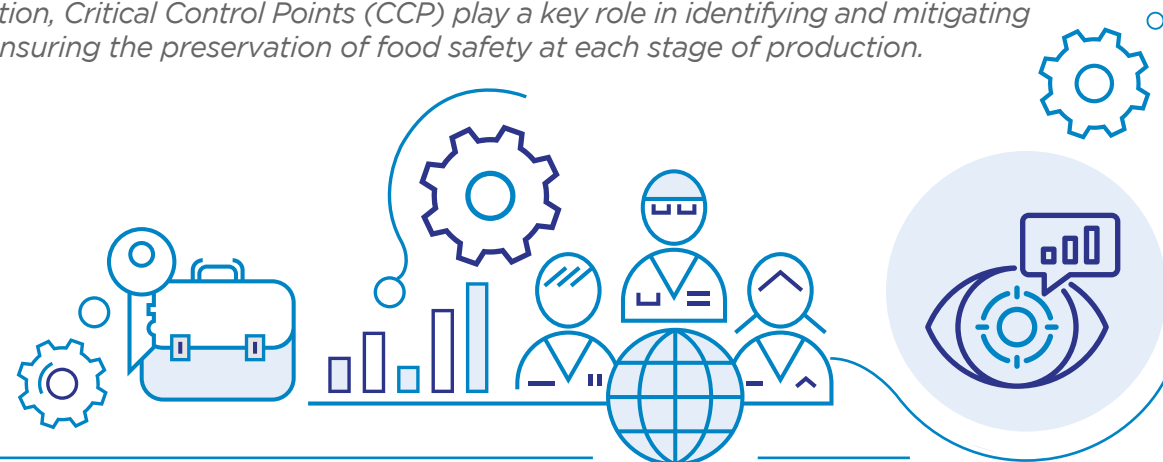
The main objectives of the JCQMS are:

- » **Embedding Compliance:** Ensuring adherence to international and local standards across the entire value chain.
- » **Enhancing Food Safety:** Fully implementing food safety and defense measures to prevent food fraud in daily operations.
- » **Streamlining Quality Control:** Consolidating quality control processes across Juhayna's sites—including manufacturing facilities, warehouses, distribution centers, and dairy farms—by replacing multiple task forces with a unified entity. This centralized structure establishes consistent control points and measures.

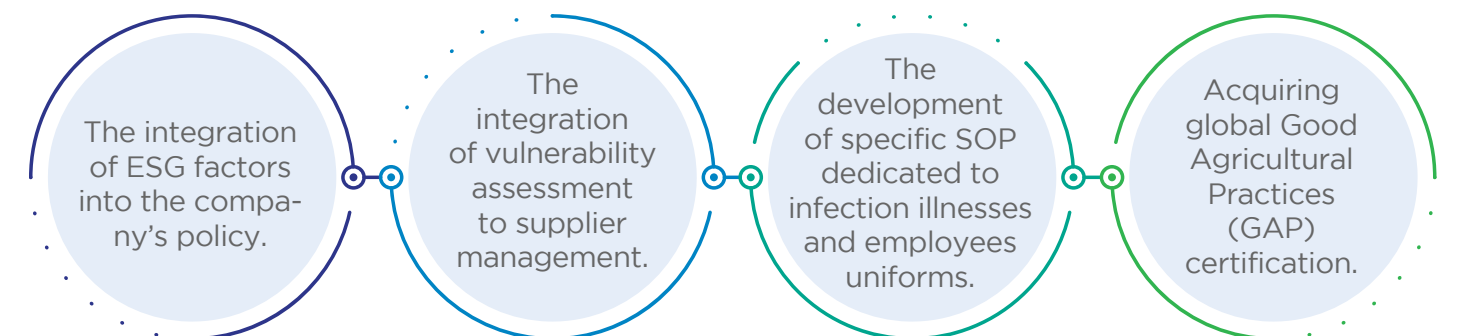
The system incorporates a digital, automated governance structure and an integrated platform that embeds regulatory requirements, client expectations, and international standards. It facilitates multidimensional testing across key areas:

1. Inspections of incoming raw materials and packaging.
2. Monitoring of processing stages, from semi-finished to finished products.
3. Oversight of product handling during storage, transport, and distribution.

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

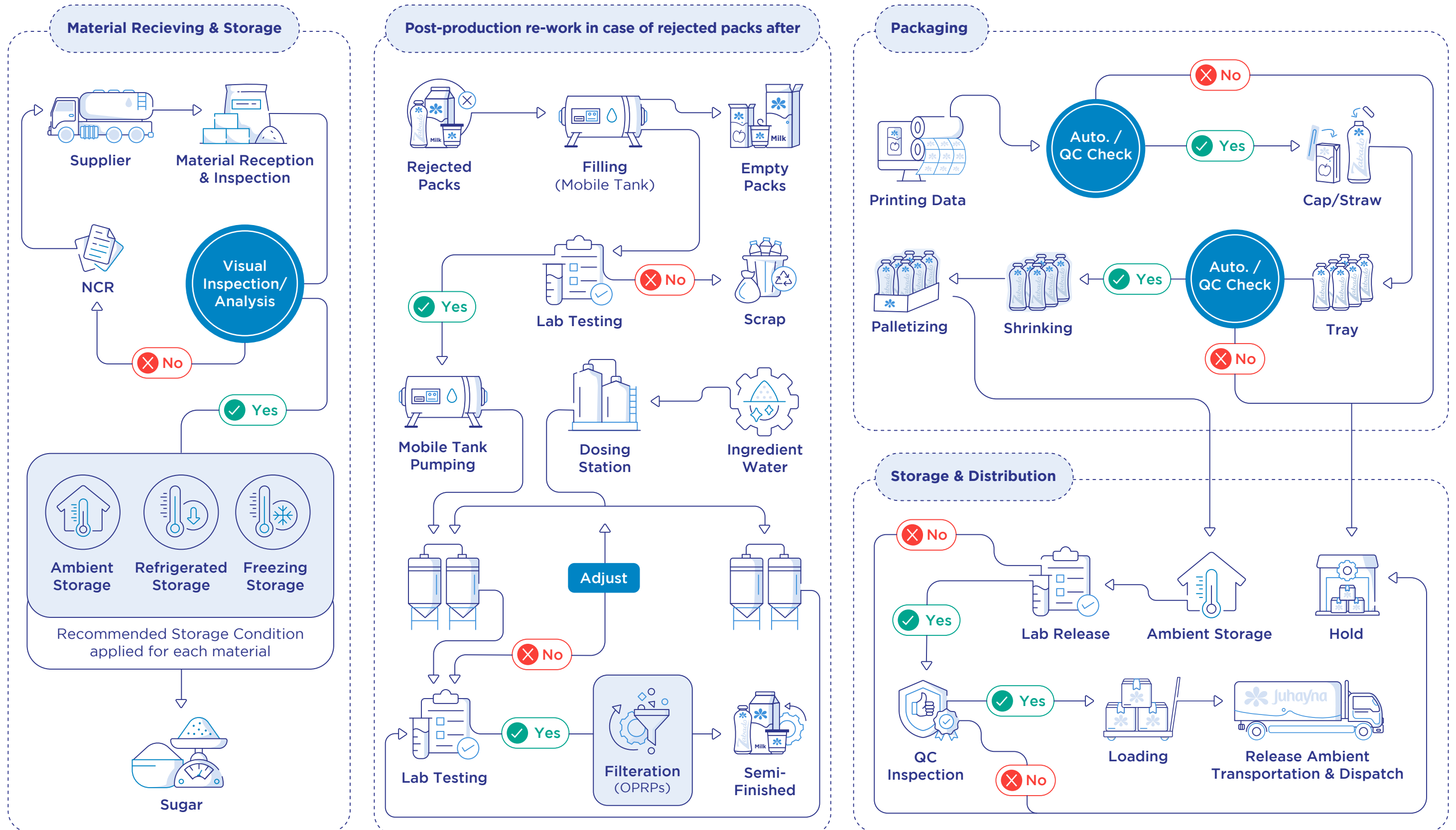


## The three main latest updates to Juhayna Quality Management system included:



Being a part of the Global Good Agricultural Practices, Juhayna's Farms stand out as a uniquely competitive player in Egypt's dairy sector. Adhering to this standard has made us a strong competitor locally and in the region.

# Quality Workflow Process





## Quality Value Creation

Capital	Inputs	Outputs	Outputs
<b>Financial</b>	<p>EGP 142,189 cost of Quality Training</p> <p>EGP 800,000 cost of Products sampling for quality audits</p>	<ul style="list-style-type: none"> <li>• Mandatory Core programs</li> <li>• MUV - Overfill optimization</li> </ul>	<ul style="list-style-type: none"> <li>• Net Weight Optimization with EGP 13 million in savings</li> <li>• 10 certified internal corporate auditors, and on-the-job trainers</li> <li>• Achieved compliance with the Requirements of the national authority (NFSA)</li> <li>• Reducing the cost and need to outsource external auditors</li> <li>• Zena penalties or sanctions</li> </ul>
<b>Natural</b>	Pasteurization Time Optimization	<ul style="list-style-type: none"> <li>• Energy Optimization</li> </ul>	<ul style="list-style-type: none"> <li>• Improved pasteurization (85 to 78°C) of our milk production lines</li> </ul>
<b>Manufactured</b>	Juhayna Food Safety Culture Excellence Initiative	<ul style="list-style-type: none"> <li>• Unannounced quarterly visits across our facilities by external auditors</li> </ul>	<ul style="list-style-type: none"> <li>• A standard annual 4 million dairy samples and 100,000 juice samples analyzed</li> <li>• Samples are selected based on:                             <ul style="list-style-type: none"> <li>» Dairy and Juice Book (Tetra Pak and SIG-CombiBloc)</li> <li>» ISO 2859 (international standard for sampling size)</li> </ul> </li> </ul>
	Product quality consistency	<ul style="list-style-type: none"> <li>• Measurement of percentage of finished goods manufactured which are released after Quality inspections</li> </ul>	<ul style="list-style-type: none"> <li>• Maintaining highest First Time Right levels at 99% rate in 2023, similar to 2022</li> <li>• Improved overall factories CPMU (Complaints per million sold unit) at 0.55 in 2023 compared to 0.57 in 2022</li> </ul>
<b>Human</b>	Juhayna Quality Training Academy	On-the-job training and regular coaching and feedback sessions	<ul style="list-style-type: none"> <li>• Focus in 2023 was on People Capability Building</li> <li>• 15 technical training topics tailor-made to suit business needs</li> <li>• 280 training sessions</li> <li>• 3,000 participants from the Manufacturing, Quality and Sales departments</li> </ul>
	OEE improvement		<ul style="list-style-type: none"> <li>• Eliminate CIP cycle between Set and Stirred for Hassia line 3</li> </ul>
<b>Intellectual</b>	Juhayna Corporate Quality Management System	Compliance with international standards across Manufacturing Sites and Labs	<ul style="list-style-type: none"> <li>• 60 External Audits took place in 2023.</li> <li>• 99% McDonalds audit Score</li> <li>• AA+ BRC (unannounced audit by Certification Body)</li> <li>• 3 Labs (Mirco and Chemistry) Accredited (rated) by EJAC, allowing Juhayna to conduct quality analysis and checks for others</li> </ul>

# Administration and Facilities Management

## A Peek from 2022

The Administration and Facilities Department at Juhayna oversees the comprehensive management of administration and facilities across Juhayna's factories, headquarter, and distribution centers (TIBA).

The department is responsible for organizing, analyzing, interpreting, and evaluating results to deliver practical, cost-effective solutions. It also handles budget development and operational planning, ensuring alignment with the company's strategic objectives and annual budget.

By adhering to established workflows and responsibilities, the department ensures the effective and efficient operation of all facilities under its management, contributing to Juhayna's overall operational excellence.



As Juhayna continues its leadership position in the market, environmental and social governance has become an integral component of its corporate strategy, business and market analysis and risks and opportunities management.

Our Admin & Facilities addresses and aims to achieve our ESG Strategy Objectives:

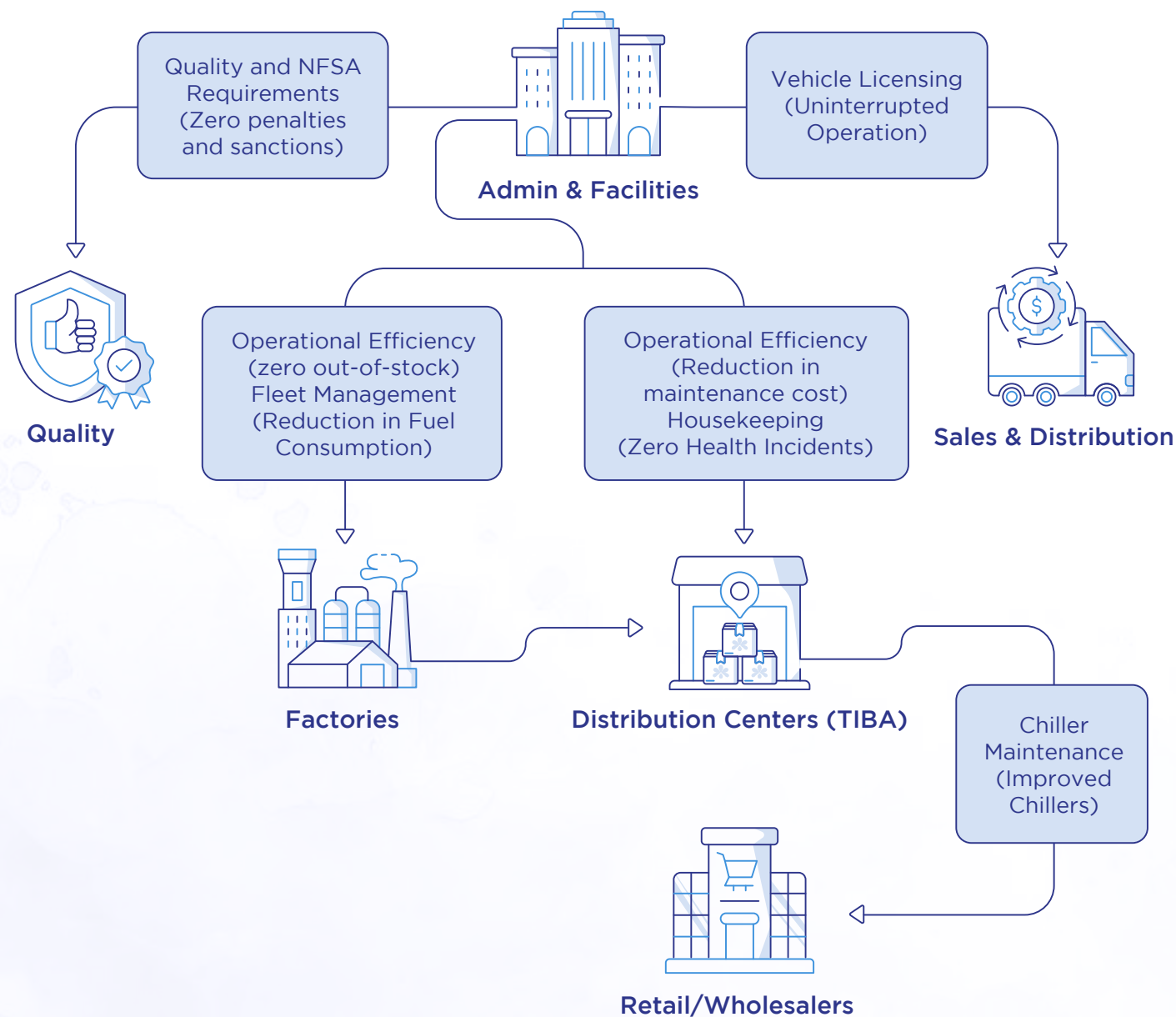
**Operational Resilience**

**Optimized and Efficient Sourcing**

In addition, and as part of our aim to provide transparent insights to our stakeholders, we share how the company addresses its initiatives and target setting, and management approach through a lens of risks and opportunities in relation to Administration and Facilities Management, and as part of achieving progress on its ESG Strategy.

## Administration & Facilities Workflow Process

To understand the Value Creation (outcome) of our Administration & FM across the six capitals, we share on this report how the Admin & Facilities Workflow process reacts with each of our functions:



## Administration & Facilities Workflow Initiatives & Impacts

Value Chain Functions	Admin and Facilities Role/Initiative	Planned/Achieved Outcome
<b>Quality</b>	<ol style="list-style-type: none"> <li>1. Manage waste processes, including service providers and documentation for specific factory production waste and normal waste.</li> <li>2. Adhere to quality and NFSA requirements.</li> </ol>	Ensure compliance with quality standards and regulatory requirements.
<b>Factories</b>	<ol style="list-style-type: none"> <li>3. Housekeeping: Contract cleaning services and ensure quality.</li> <li>4. Fleet Management: Manage vehicle licensing and maintenance.</li> <li>5. Governmental Relations: Handle facilities' licensing and renewals.</li> <li>6. Procurement and Purchases: Manage the purchase of materials and services.</li> <li>7. Catering: Organize meals and events for employees Waste Collection and Disposal: Ensure timely waste collection and disposal</li> </ol>	Facilities maintenance completed on time, quality housekeeping maintained, fleet operations uninterrupted, all licenses renewed without penalties, materials procured within budget, waste managed efficiently.
<b>Distribution Centers (TIBA)</b>	<ol style="list-style-type: none"> <li>8. Facilities Maintenance: Maintain and ensure operational efficiency.</li> <li>9. Housekeeping: Ensure cleanliness and quality standards.</li> <li>10. Fleet Management: Oversee vehicle maintenance and licensing.</li> <li>11. Governmental Relations: Manage licensing and renewals.</li> <li>12. Procurement and Purchases: Procure materials and services.</li> </ol>	Operational efficiency maintained, cleanliness standards met, vehicles properly maintained and licensed, all licenses renewed on time, materials procured within budget.
<b>Sales and Distribution</b>	<ol style="list-style-type: none"> <li>13. Manage sales vehicle licensing.</li> </ol>	Sales vehicles licensed without any stoppage.
<b>Retailers and Wholesalers</b>	<ol style="list-style-type: none"> <li>14. Chiller Maintenance: Maintain and repair chillers.</li> </ol>	Preventive maintenance schedules followed; repairs conducted within the same week of reporting.

## Administration & Facilities Value Creation

### Input:

#### Financial Capital

- Chillers maintenance cost: EGP 1.8M (TIBA)
- Building maintenance cost: EGP 986,000 (Factories & HQ)
- Building maintenance cost: EGP 3.4M (TIBA)
- Equipment maintenance cost: EGP 2.5M (TIBA)

#### Natural Capital

- Fleet Optimization

#### Manufactured Capital

- Unannounced quarterly visits across our facilities by external auditors.

#### Social Capital

- Availability of emergency car for all factories 24/7.
- Upgraded sanitization procedures.
- Meal plan to all Ramadan workers.

### Outputs & Outcomes

#### Financial Capital

- 15% reduction in overall costs of maintenance and repair operations.
- Zero out-of-stock of maintenance requirements as a result of stock monitoring, stock management within the budget.

#### Natural Capital

- Reduction in Fuel consumption at EGP 580K compared to EGP 700K in 2022.

#### Manufactured Capital

- Full compliance with NFSA requirements with Zero penalties and sanctions.

#### Social Capital

- 100% target achievement in meals delivery time, consistency of food quality, quantities, and hygiene.
- Zero reporting of health issues related to sanitizations.



# Sales & Distribution

“  
**JUHAYNA,  
 the largest  
 sales force in  
 the market**  
 ”

## A Peek from 2022

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. Tiba also undertakes Third-Party Distribution, utilizing its existing distribution capacity at minimum additional CAPEX, under JUFO’s distribution division which is a primary catalyst for the Group’s growth in the medium term.



As Juhayna continues its leadership position in the market, environmental and social governance has become an integral component of its corporate strategy, business and market analysis and risks and opportunities management. Our Sales & Distribution addresses and aims to achieve our ESG Strategy Objectives:



**Responsible Vendors Relations**



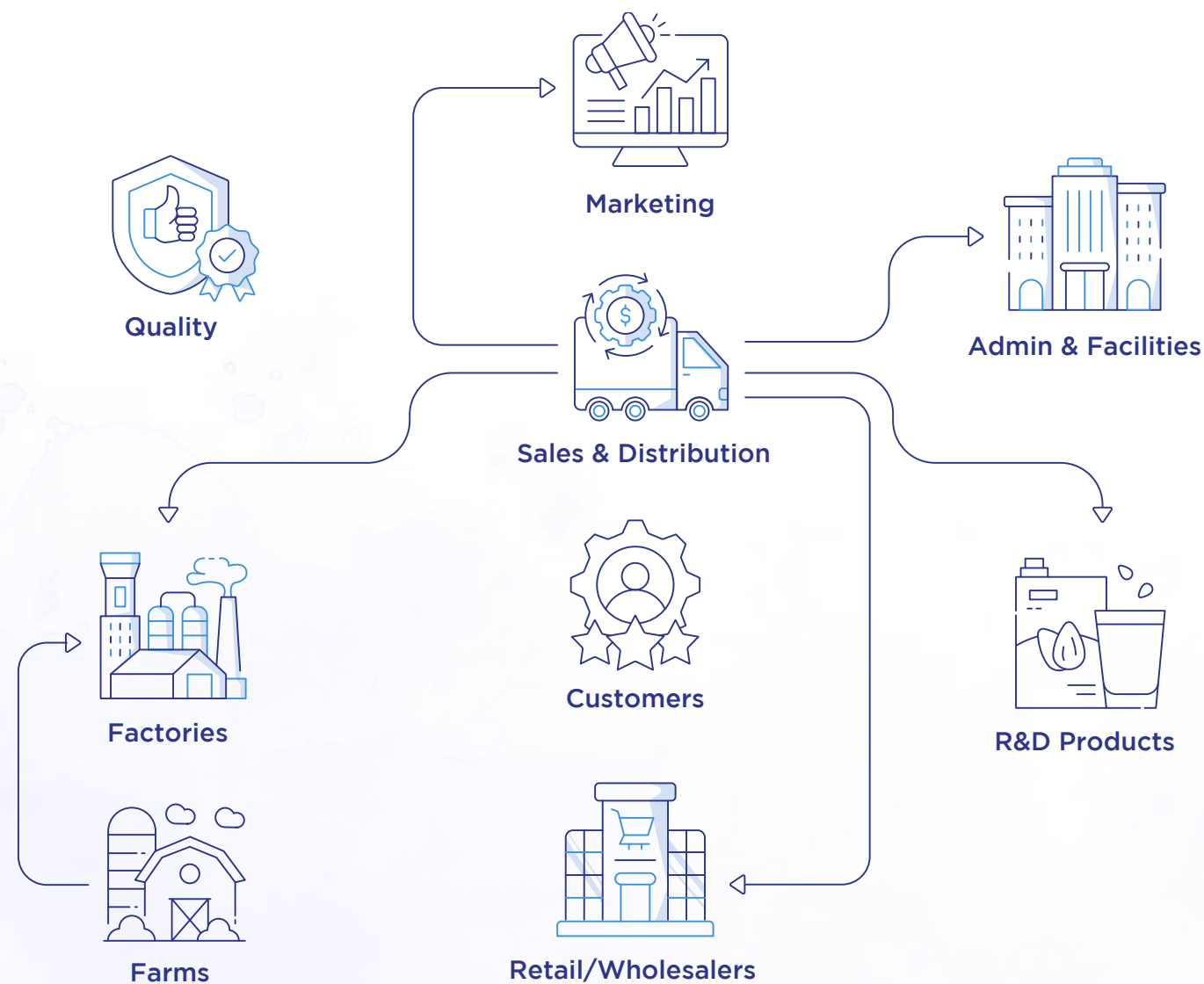
**Responsible Operations within Communities**



## Sales & Distribution Workflow Process

The Sales and Distribution function represents the “Product Journey” as products move from Juhayna’s warehouses to local distribution centers, and ultimately to the shelves of our retail partners. Trade Marketing (TM), a key component of this function, is responsible for conducting market research and analysis, equipping the Sales Team with valuable insights to inform their Sales Plans.

Trade Marketing plays a crucial role as the final checkpoint for our products at sales locations before they are purchased by consumers. It ensures that products and their placement at retail sites align with Juhayna’s branding and brand messaging. Additionally, Trade Marketing manages relationships with Juhayna’s customers—wholesalers, retailers, and Commando agents—who transport products directly from our warehouses to their own facilities. It also leads in-store branding initiatives and promotional programs designed to strengthen customer relationships through incentives and other strategic actions.



To understand the Value Creation (outcome) of our Sales & Distribution across the six capitals, we share how the Sales & Distribution reacts with each of our other functions to create a seamless and efficient set of practices and outputs:

## Sales & Distribution Workflow Initiatives & Impacts

Value Chain Functions	Sales & Distribution Role	Planned/Achieved Outcome
<b>Marketing</b>	<ol style="list-style-type: none"> <li>1. Coordination for promotional campaigns</li> <li>2. Coordination with digital payment systems (Fawry partnership)</li> <li>3. Coordination with sales on new products launch to ensure applicability to market</li> </ol>	<ul style="list-style-type: none"> <li>• Increased market penetration and customer engagement</li> <li>• Improved payment efficiency and reduced payment delays</li> </ul>
<b>Sales</b>	<ol style="list-style-type: none"> <li>4. Demand forecasting</li> </ol>	<ul style="list-style-type: none"> <li>• Optimized production schedules, reduced stockouts</li> <li>• Recirculation from our branch to the next based on monthly update of sales plan to update the factories for their production plans</li> </ul>
<b>Quality</b>	<ol style="list-style-type: none"> <li>5. Ensuring products meet quality standards before distribution and upon storage at traders’ locations</li> <li>6. Investigate legitimacy of traders for returns</li> <li>7. Quality check on chillers</li> </ol>	<ul style="list-style-type: none"> <li>• Maintained high customer satisfaction and compliance with standards</li> </ul>
<b>Admin &amp; Facilities</b>	<ol style="list-style-type: none"> <li>8. Ensures Sales Vehicles licensing and maintenance</li> </ol>	<ul style="list-style-type: none"> <li>• Ensure zero delays to distribution plans</li> </ul>

## El Commanda

Building on our 2022 practices, Juhayna continues to work with 174 outsourced and independent El Commanda distributors and drivers, all of whom are members of rural communities. These products are sold at more competitive prices, helping to expand the reach of our nutritious offerings to underserved villages and remote areas.

Since the United Nations began supporting El Commanda in mid-2021, we have empowered 15 female drivers to lead the program in their respective regions. As a result, we have seen a remarkable sales growth of approximately +950% since 2017.


## Market Presence Enhancements

In 2023, several key initiatives were implemented to enhance market presence and operational efficiency:



**Saytara Program:**

The saytara program was implemented to reach new 1,500 customers, enhancing market reach and coverage along with improved customer engagement, through agreements with customers on special rental costs including branding elements to secure shelf share, and visibility.



**Geomapping and GPS:**

The Geomapping and GPS was adopted to optimize route planning and increase operational efficiency, ensuring better coverage and service delivery.

## Tools and Methodologies to Ensure Product Availability

In 2023, market analysis was conducted using advanced tools and methodologies to assess market trends and retailer/wholesaler behavior:

- The AC Nielsen Retail Audit and Nielsen Observation were employed to gather insights into market dynamics and customer preferences.
- New forecasting models and techniques were implemented to improve the accuracy of demand predictions. These models include pre-order systems and retail analytics.

Juhayna adopts the AC Nielsen Retail Audit and Nielsen Observation to ensure the uninterrupted availability of products in the market, through:

- Sales per square foot
- Gross margins return on investment
- Average transaction value
- Customer retention
- Conversion rate
- Foot traffic and digital traffic
- Inventory turnover



## Knowledge Bites

*Nielsen measures what people watch and buy*

Retail Measurement Services (RMS) by Nielsen is the global industry standard for high-quality data related to product movement, market share, distribution, pricing, and other market-sensitive information. It provides valuable insights that help businesses track and analyze key metrics, enabling informed decision-making in a competitive marketplace.

Juhayna upholds selection criteria for its traders to ensure that its products are stored, displayed, handled, and readily available in optimal conditions with adequate stock levels. These standards are designed to guarantee the best consumer experience. Key criteria for selecting traders include warehouse capacity, customer floor space, the number of cashiers, and product display compliance according to AC Nielsen classifications. customer meter square, number of cashiers, and display as per AC Nielsen classifications.

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## Juhayna's 5-year-plan mitigating our fleet's emissions, we: Vehicle Performance Management Toward

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.**



**Monitor tire pressure to decrease rolling resistance and fuel consumption.**

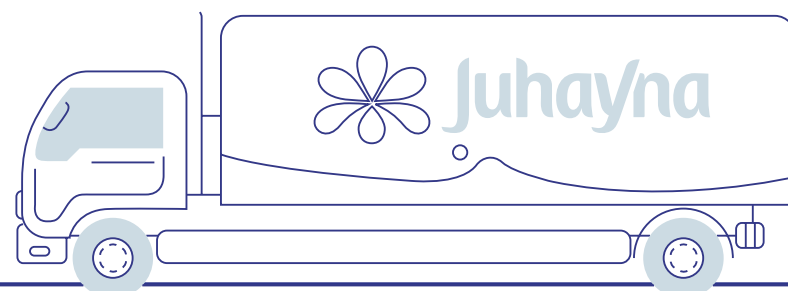


**Regularly service and maintain worn-out vehicles, unclog fuel injectors, and replace bad oil.**



**Not to overload vehicles so that their motors remain unaffected.**

All Juhayna vehicles are replaced after 10 years of service. Throughout their lifespan, monthly consumption cards are updated to track each vehicle's performance and fuel consumption, with data compared to a preset average. Preventive and corrective maintenance is carried out regularly to address any deviations and ensure optimal operation.



## Juhayna and Fintech Value Creation

### ALL traders payments are through Fawry

The Fawry program at Juhayna was introduced to streamline payment processes, enhancing payment efficiency and minimizing delays. In collaboration with Fawry, we implemented a creditworthiness system that facilitates digital payments for traders, ranging from small retailers to large hypermarkets.

This system has significantly improved payment rates by addressing the key issues of reparative or failure delays, which, if persistent, could result in a trader being excluded from our distribution plan.

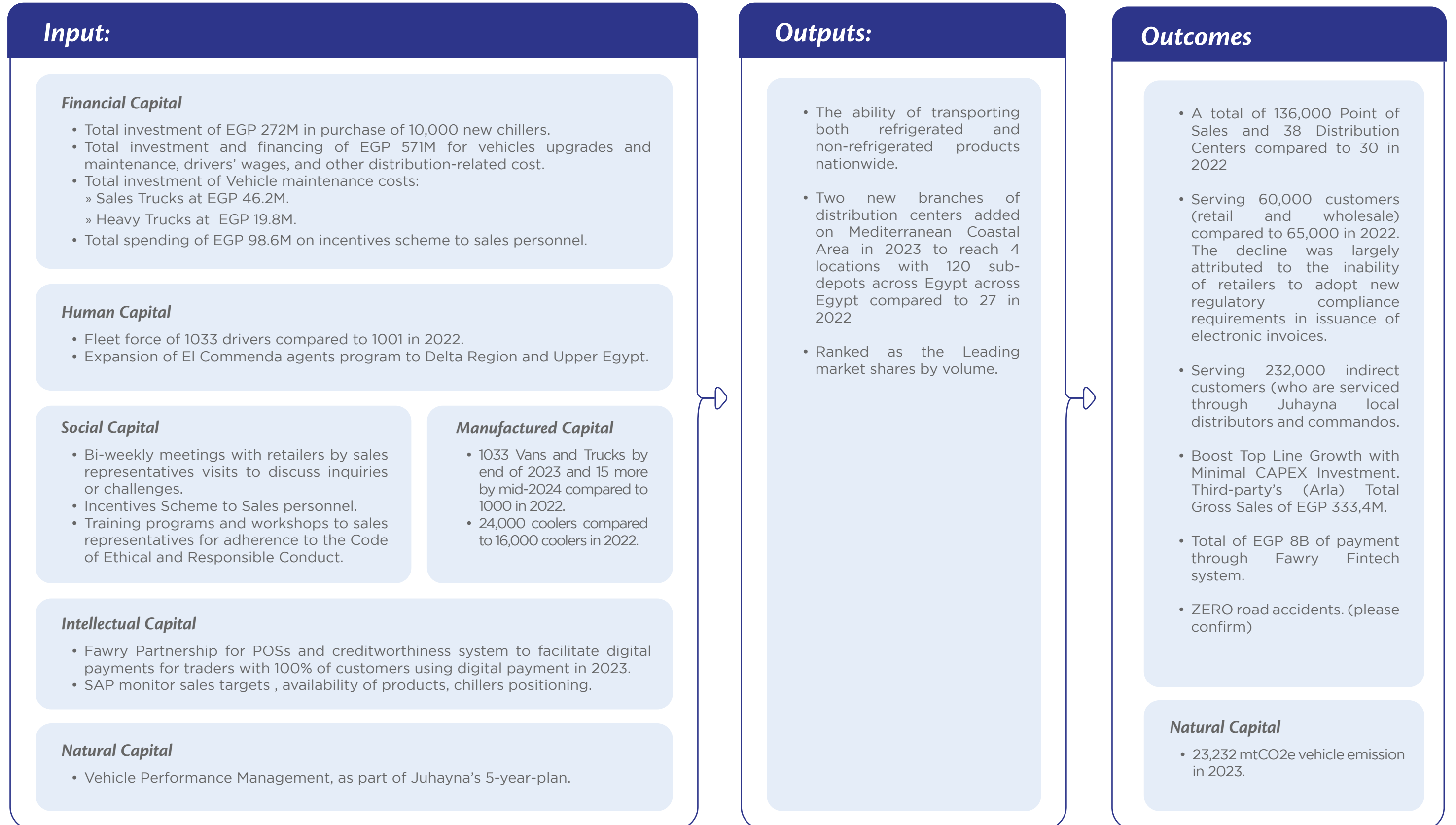
The partnership with Fawry has also greatly increased operational efficiency, including:

- Increasing salesmen's time in the market
- Ensuring immediate reflection of collections in SAP, particularly for large wholesalers and customers
- Reducing costs related to cash safes and manpower
- Reducing the cost of cash safes and manpower





## Sales & Distribution Value Creation



### Input:

#### Financial Capital

- Total investment of EGP 272M in purchase of 10,000 new chillers.
- Total investment and financing of EGP 571M for vehicles upgrades and maintenance, drivers' wages, and other distribution-related cost.
- Total investment of Vehicle maintenance costs:
  - » Sales Trucks at EGP 46.2M.
  - » Heavy Trucks at EGP 19.8M.
- Total spending of EGP 98.6M on incentives scheme to sales personnel.

#### Human Capital

- Fleet force of 1033 drivers compared to 1001 in 2022.
- Expansion of El Commenda agents program to Delta Region and Upper Egypt.

#### Social Capital

- Bi-weekly meetings with retailers by sales representatives visits to discuss inquiries or challenges.
- Incentives Scheme to Sales personnel.
- Training programs and workshops to sales representatives for adherence to the Code of Ethical and Responsible Conduct.

#### Manufactured Capital

- 1033 Vans and Trucks by end of 2023 and 15 more by mid-2024 compared to 1000 in 2022.
- 24,000 coolers compared to 16,000 coolers in 2022.

#### Intellectual Capital

- Fawry Partnership for POSs and creditworthiness system to facilitate digital payments for traders with 100% of customers using digital payment in 2023.
- SAP monitor sales targets , availability of products, chillers positioning.

#### Natural Capital

- Vehicle Performance Management, as part of Juhayna's 5-year-plan.

### Outputs:

- The ability of transporting both refrigerated and non-refrigerated products nationwide.
- Two new branches of distribution centers added on Mediterranean Coastal Area in 2023 to reach 4 locations with 120 sub-depots across Egypt across Egypt compared to 27 in 2022
- Ranked as the Leading market shares by volume.

### Outcomes

- A total of 136,000 Point of Sales and 38 Distribution Centers compared to 30 in 2022
- Serving 60,000 customers (retail and wholesale) compared to 65,000 in 2022. The decline was largely attributed to the inability of retailers to adopt new regulatory compliance requirements in issuance of electronic invoices.
- Serving 232,000 indirect customers (who are serviced through Juhayna local distributors and commandos.
- Boost Top Line Growth with Minimal CAPEX Investment. Third-party's (Arla) Total Gross Sales of EGP 333,4M.
- Total of EGP 8B of payment through Fawry Fintech system.
- ZERO road accidents. (please confirm)

#### Natural Capital

- 23,232 mtCO2e vehicle emission in 2023.

# WELLNESS OF PEOPLE

01

*Juhayna's Family*

02

*Health & Safety*

03

*Right to Nutrition*

04

*Responsible Communication*

05

*Community Investment*

# Juhayna's Family

Our ESG Strategy Objectives addresses key objectives to achieve a successful landscape of talented taskforce with a healthy, motivating and rewarding work environment:

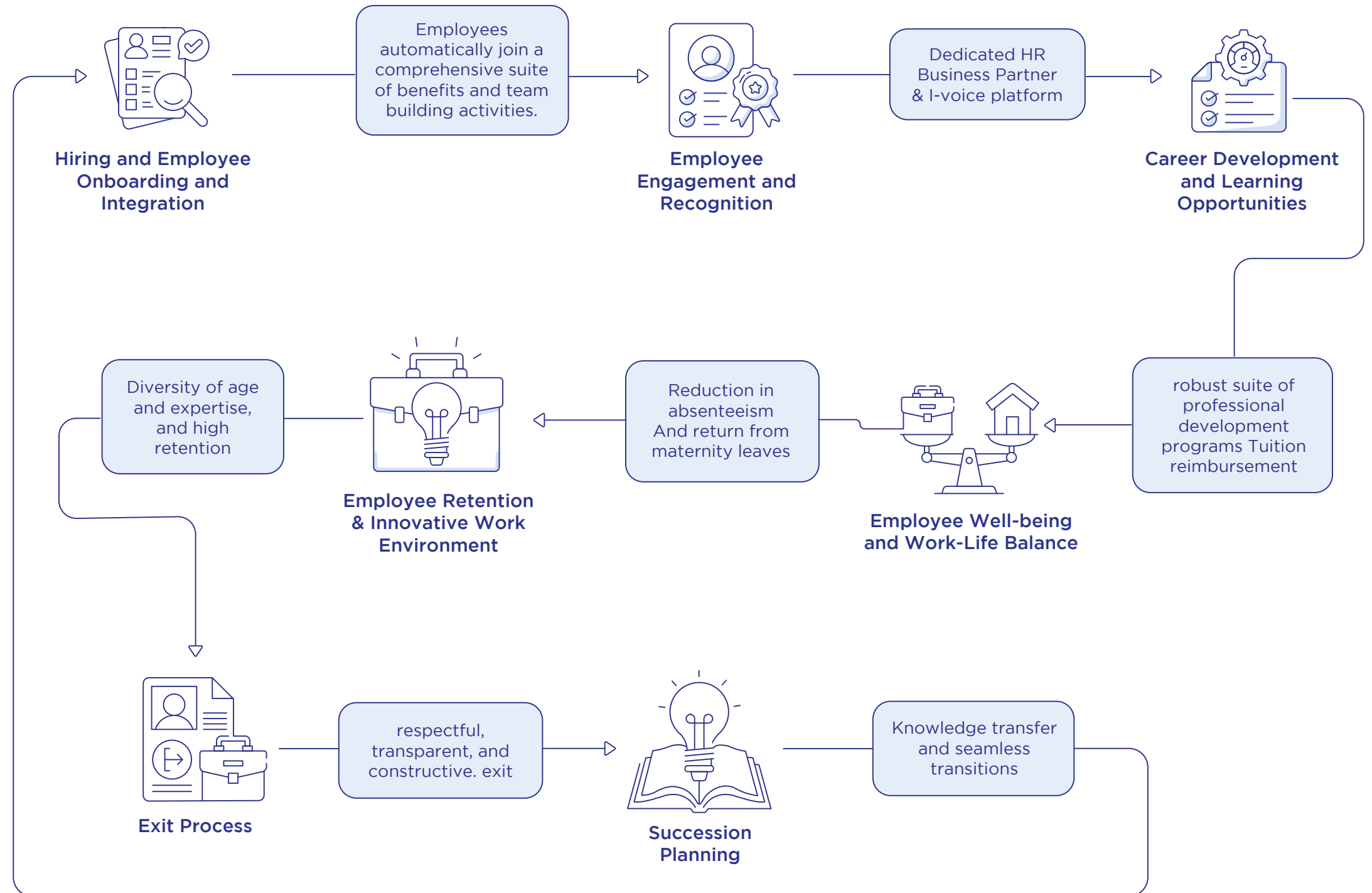
-  **Employ with fair and competitive wages and benefits**
-  **Acquire and maintain talents**
-  **Foster an inclusive, diverse, and protective work environment**
-  **Enhance Career Development programs**

**The employee journey, from recruitment and onboarding to career development and retention, is a key strategic asset, and by nurturing it, it plays a pivotal role in asserting Juhayna's culture across its generations of employees and management level.**

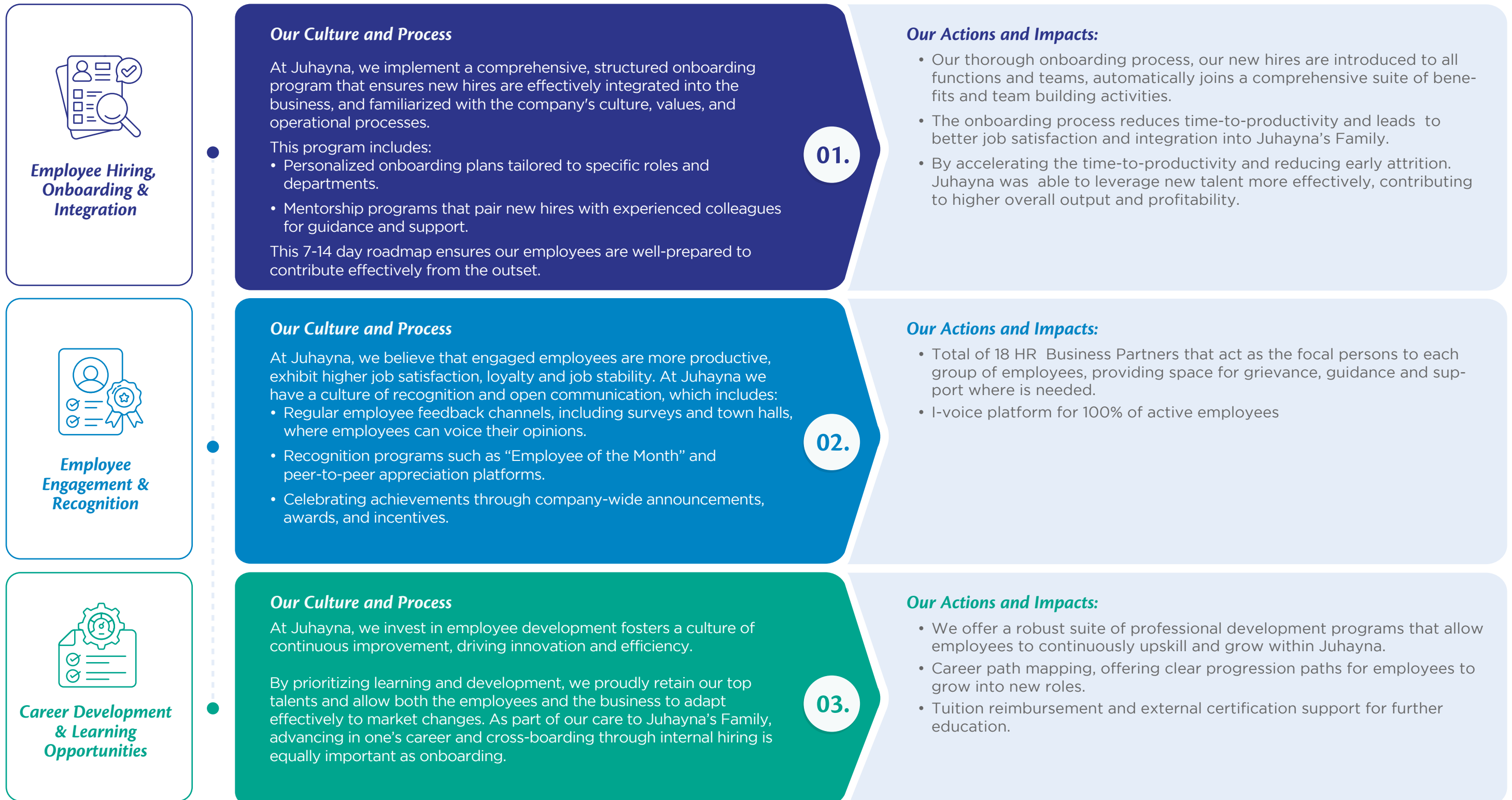
They allow us to maintain productivity during the hardest times, and ultimately, achieve our growth trajectory with the standards of care and quality that represent Juhayna Brand and Values.

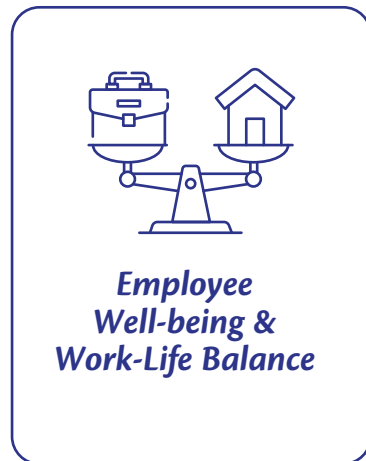
We share with our stakeholders a brief on the traditional Employee Journey within the corporate Cycle, however, what is not conventional for Juhayna 's Family is the fact that only an employee journey with a focus on outputs and impacts is one that can truly reflect a successful Employee Experience within the company. At Juhayna, we take pride that our human capital has always been our most valuable asset.

## Employee Journey Workflow



## Employee Journey, Milestones, Actions and Impacts





**Our Culture and Process**

At Juhayna, we prioritize employee well-being by offering a range of programs designed to promote mental, physical, and emotional health. Our efforts include:

- Flexible work arrangements, including remote work options and flexible hours.
- Wellness programs that offer mental health resources, fitness challenges, and access to healthcare services.
- Employee Assistance Programs that provide counseling and support services for personal and work-related challenges.

**04.**

**Our Actions and Impacts:**

- 99% return from maternity leaves
- 100% of our employees and first-line family members are covered under Juhayna's medial programs.



**Our Culture and Process**

At Juhayna, our retention strategies are designed to keep our top talent engaged and loyal. This includes:

- Competitive compensation packages and performance-based incentives.
- Succession planning programs that identify and groom internal candidates for leadership roles.
- Workforce mobility initiatives that encourage cross-functional experiences and internal job transfers.

**05.**

**Our Actions and Impacts:**

- Increased retention with a total of 898 internal hires in 2023.
- Diversity of age and expertise allowing an innovative and well guided career ecosystem and work environment.



**Our Culture and Process**

At Juhayna, an employee exit process is treated with the same level of importance as any other phase in the employee life cycle.

We believe that a well-managed exit process benefits not only the departing employees but also the company. Our best practices are designed to ensure that employee exits are respectful, transparent, and constructive.

**06.**

**Our Actions and Impacts:**

- Notice: Involuntary exit is recognized as having a difficult impact to the employee. Exit interviews and notice extend up to 8 weeks prior to an employee's departure and with as minimal steps as possible.
- Final paycheck and benefits information: Departing employees receive timely communication regarding their final paycheck, unused vacation days, and continuation of benefits (e.g., health insurance coverage, pension contributions).
- Legal compliance: All exists and terminations comply with local labor laws. Periodic audits of our exit procedures are conducted to confirm full compliance. No litigation was put forward in regard to employees exit.



**Our Culture and Process**

At Juhayna, our succession planning allows for seamless transitions, ensuring that teams can continue to function effectively after an employee exits. To ensure that knowledge is retained even after an employee's departure, we have developed formalized knowledge transfer processes. Succession planning ensures that the company is prepared for future leadership transitions.

**07.**

**Our Actions and Impacts:**

- Departing employees are required to document ongoing projects, key contacts, and critical workflows as part of their offboarding to enable a proper succession to the position.
- When possible, successors are identified early, allowing for a smoother transition period where the departing employee can train and transfer responsibilities to the incoming employee.

## Key Indicators

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

Our Employees	2022		2023	
	Male	Female	Male	Female
Percentage in Top Management	67%	33%	83%	17%
Our Human Capital - Per Gender	3988	100	4256	120
Total of our Human Capital	4088		4376	-
Number of Outsourced Workers	1020			
Percentage of Employees per Gender	97.5%	2.5%	97.2%	2.8%
Total Number of New Hires	718		898	

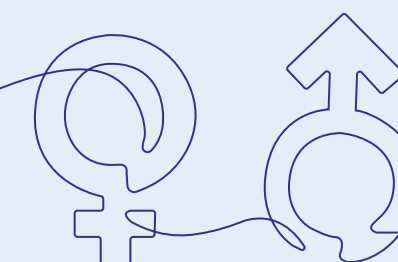


## Women Participation

It is noticed that the female percentage is at a low ratio at 3% at an aggregate level. By nature of the industry, across the manufacturing and distribution functions, most of our non-corporate jobs involve heavy lifting, late night shifts, and/or driving and regional representation in remote areas.

Therefore, we take into consideration the social well-being of women - both culturally and socially - and the effect of certain positions that may cause disturbance to them and to their extended families where women are the natural caregivers. On the other hand, most of corporate jobs are dominated by female employees.

Job Type	% of Male	% of Female
<b>Farming on the field</b>	100	0
<b>Farming Corporate Team</b>	100	0
<b>Factories (including maintenance and others)</b>	96	4
<b>Quality</b>	94	6
<b>Product innovation</b>	97.5	2.5
<b>Packaging R&amp;D</b>	60%	40%
<b>Marketing</b>	28	72
<b>HR</b>	50	50
<b>Strategy/PR</b>	0	100
<b>Procurement</b>	30	70
<b>Health &amp; Safety</b>	99	1
<b>Finance</b>	84	16



## Age Diversity


We consider that age diversity in Juhayna has always been a key factor in maintaining a unique balance of innovation and expertise:



**Under 30:**  
The teams that bring innovation and generational continuity to Juhayna's long-standing history.



**Age of 30 to 50:**  
The task force that is at the prime of its professional maturity and experience, they provide the company with stability and hands-on expertise.



**Above 50 of age:**  
The industry gurus where guidance and wisdom is sought and offered across all functions.



Our Employee Profile by Age Categories	2022		
	Below Age 30	30-50	Over Age 50
Number of Employees-Males	894	2984	110
Number of Employees-Females	38	59	3
Percentage Per Category	22.79%	74.43%	2.76%

Our Employee Profile by Age Categories	2023		
	Below Age 30	30-50	Over Age 50
Number of Employees-Males	1031	3089	126
Number of Employees-Females	53	65	2
Percentage Per Category	24.82%	72.24%	2.93%



Capital	Inputs	Outputs	Outcomes
<b>Financial confidential</b>	Fair and equal compensation Policy	Frequent surveys confirm that our pay packages remain competitive within our industry, consistently surpassing the government-mandated minimum wage, leading to economic stability for our employees.	<ul style="list-style-type: none"> <li>Total of EGP 41,212,761 in paid dividends to our employees, with health care and benefits packages.</li> <li>No gender-pay gap in Juhayna compensation themes. All our employees are rewarded according to their employment levels and due merit and based on our internal policies and national labor laws.</li> </ul>
	Profit Share Benefits	Employees are entitled to an annual bonus based on performance appraisal	
<b>Human</b>	Diversity and Talented Pool of Human Capital	<p>An age diversity approach with like-minded innovative task force able to adapt to market disruptions and exceed our stakeholders' expectations:</p> <ul style="list-style-type: none"> <li>72.24% are our employees between the age of 30 to 50.</li> <li>24.82% are our younger generation under 30.</li> <li>2.93% are gurus over 50 of age.</li> </ul>	<ul style="list-style-type: none"> <li>Maintained our 4000+ members in Juhayna Family with increase in hiring despite nation-wide dire economic disruptions.</li> <li>Maintained our 1000+ outsourced job opportunities in 2023.</li> </ul>
<b>Social</b>	Life insurance policy	Our life insurance policy has been in place since 2012.	<ul style="list-style-type: none"> <li>100% of employees are subscribed to the policy.</li> <li>We are thankful that none was used, and that we still have all our employees well and safe.</li> </ul>
	Maternity Leave	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.	<ul style="list-style-type: none"> <li>100% of female employees who were entitled to maternity leave have taken their day-off. 99% of those returned to work compared to 1/7 in 2022..</li> </ul>
	Medical Care and Benefits	Medical coverage to all employees and their families under the 2018 initiated program: "Towards a Healthy Lifestyle".	<ul style="list-style-type: none"> <li>100% of our employees have medical insurance.</li> <li>Medical insurance extend to all family members to first degree.</li> </ul>
	Flexible Working Hours	Reduction in the need to request sick leave due to this healthy balanced culture	<ul style="list-style-type: none"> <li>Sick leave rate was reported 3% of the total number of working days in 2023.</li> </ul>
	Health & Safety Policy	Zero incidents in 2023	<ul style="list-style-type: none"> <li>No fines nor sanctions related to incidents caused by any presented risks.</li> </ul>
<b>Intellectual</b>	The Oracle system aligns employee objectives with overall company goals.	Appraisal Criteria and Performance Feedback process across the company, facilitated by the SAP System. Continuous evaluation, feedback channels, and self-assessment are integrated into the SAP, effectively boosting motivation, and consistently driving us toward our business objectives and individual growth.	<ul style="list-style-type: none"> <li>100% of employees received annual performance reviews.</li> </ul>
	Internal training Program through Juhayna Academy	Internal training Program through Juhayna Academy	<ul style="list-style-type: none"> <li>Conducted a Total of 796 Training Hours in 2023 compared to 4064 Hours in 2022.</li> <li>The Rotation Program led to corrective or preventive changes in the roles and responsibilities of the number of employees in 2022.</li> </ul>

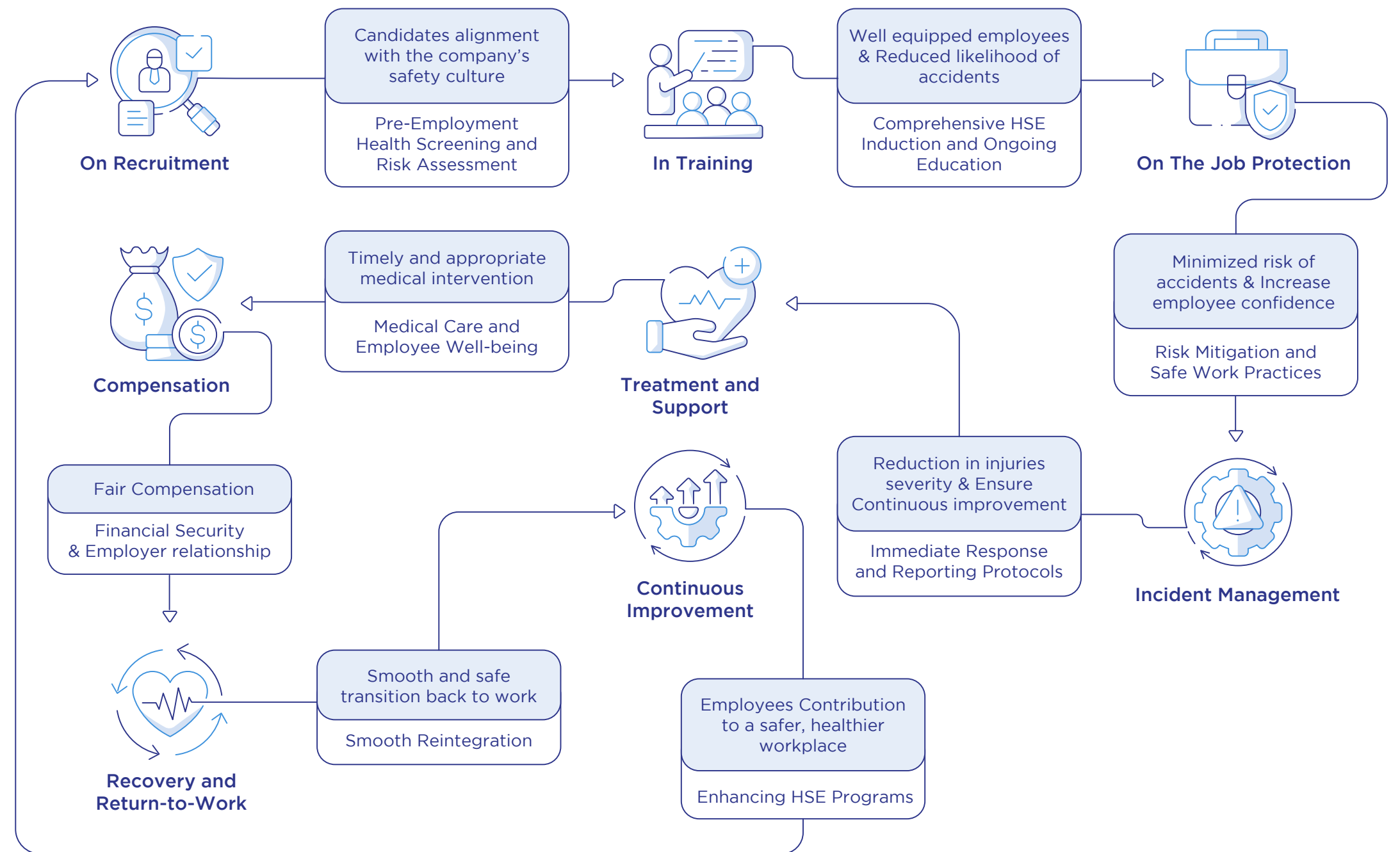


# Health & Safety

The integration of Health, Safety, and Environment (HSE) represents a critical aspect throughout an employee's journey within the workplace, from recruitment to recovery.

Through this report, we share a brief that outlines the key milestones that safeguard our employees' safety and well-being while holding the highest levels of business performance and compliance.

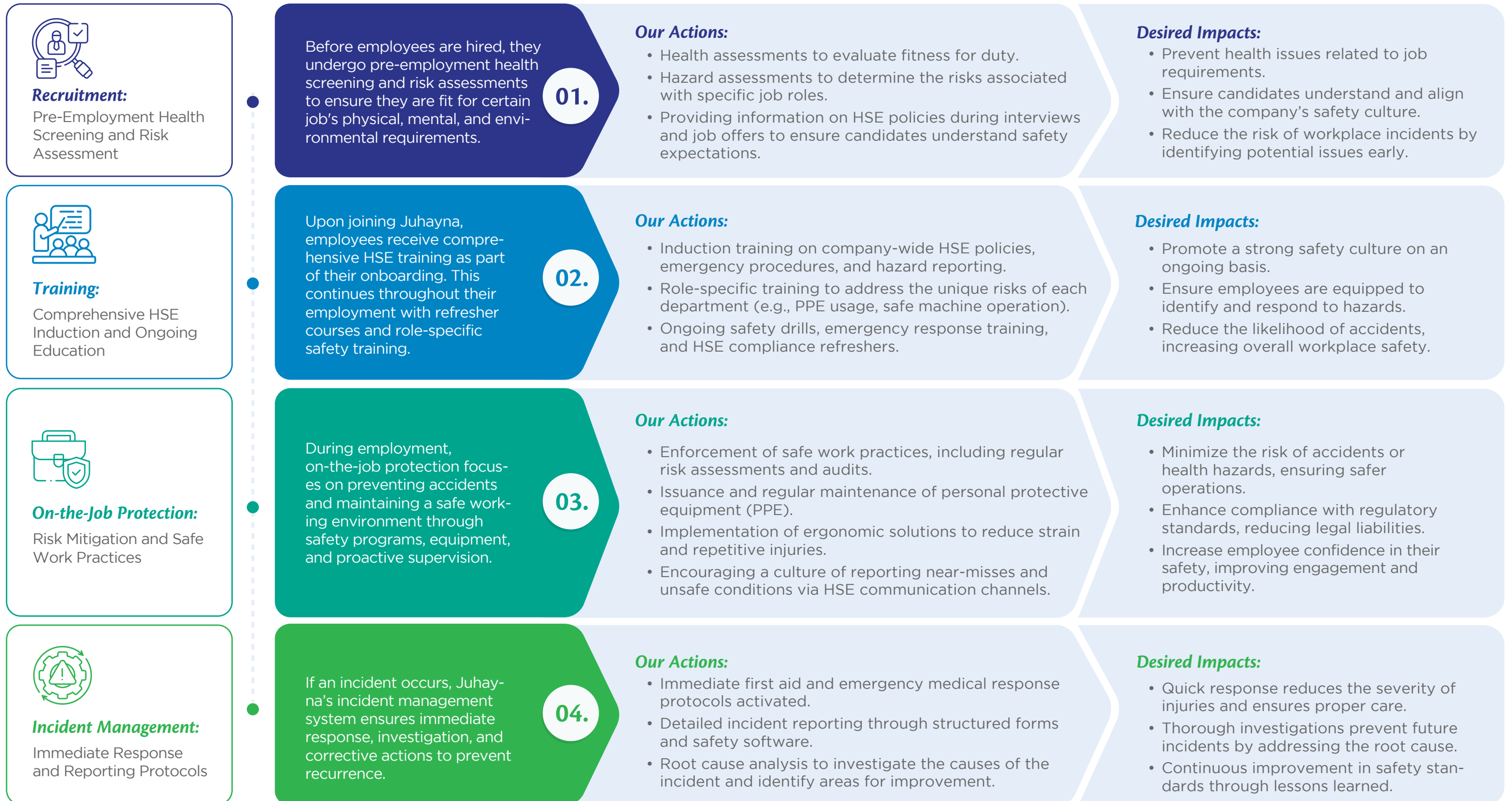
## HSE Workflow within the Employee Journey

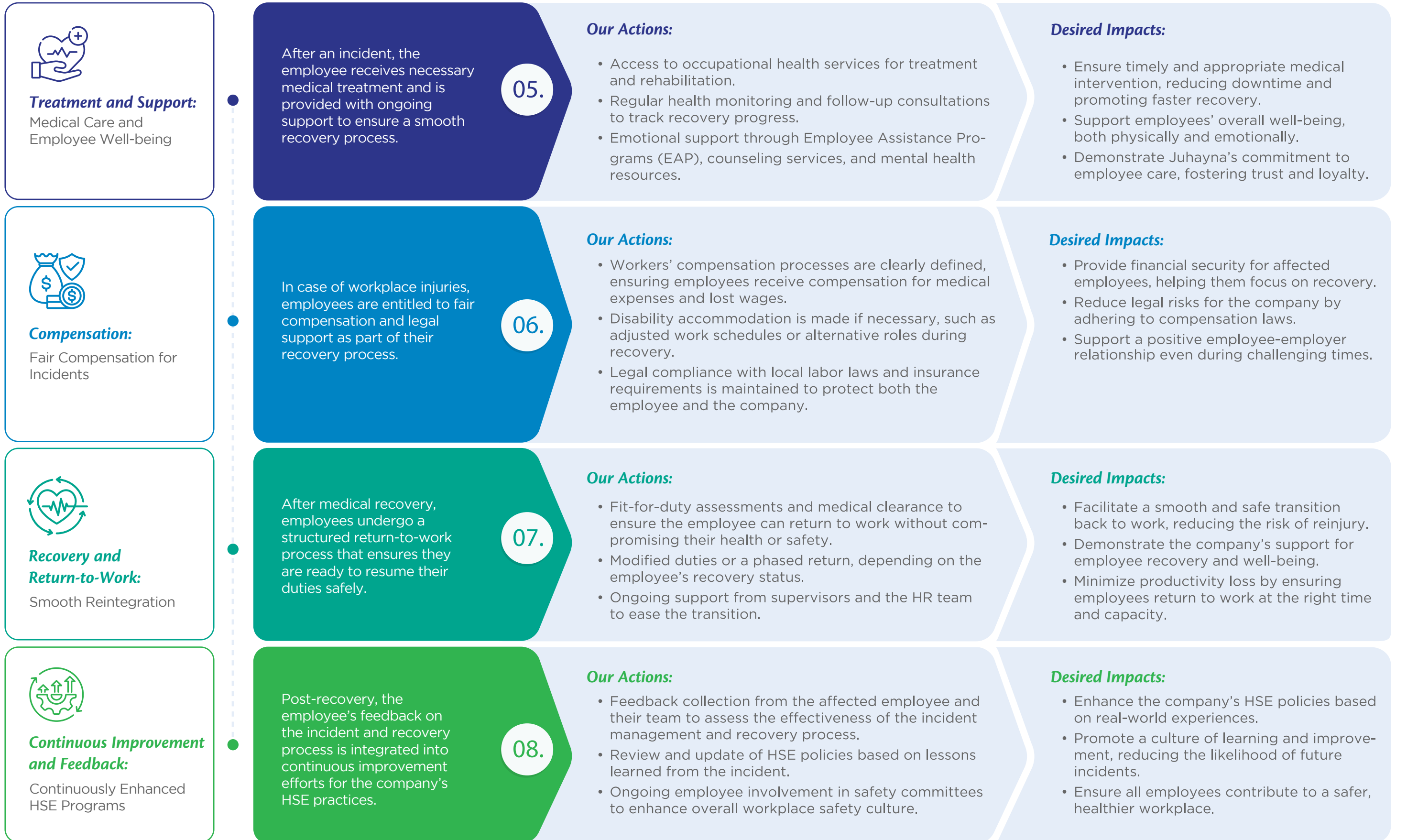


By observing our Health and Safety best practices along our employees' journey, we highlight the key actions and impacts.



## HSE Actions & Impacts in the Employee Journey





## HSE Training



Part of our Training Needs assessment are defined based on the recommendations as an output of the BOS monthly checks.

Ten employees from every department are trained on the BOS system on a monthly basis.

H&S training is incorporated within our annual training programmes, as part of the development of a systematic training plan, with key areas that have priority:

- ✔ Training for managers, to equip them with an understanding of the manager's responsibilities under this policy, and the role and purpose of safety representatives.
- ✔ Training for safety representatives to enable them to discharge their function.
- ✔ Training for all members of staff to acquaint them with the main provisions of the law and its practical implication, the main features of this policy and key safety rules.
- ✔ Induction and in-service training for staff at all levels to acquaint them fully with new requirements and hazards.

### Summary of Training Topics

- » H&S General rules in the workplace.
- » H&S rules in offices
- » Safety in office work
- » Training on health, safety, and environment rules
- » Procedures for Post-Accident resulting in injuries
- » First Aid
- » Driving vehicles
- » Personal protective equipment
- » Fires and how to fight them
- » Falling objects and materials and fall prevention
- » Portable stairs
- » Slip and fall
- » Environment
- » Security

## Key Indicators

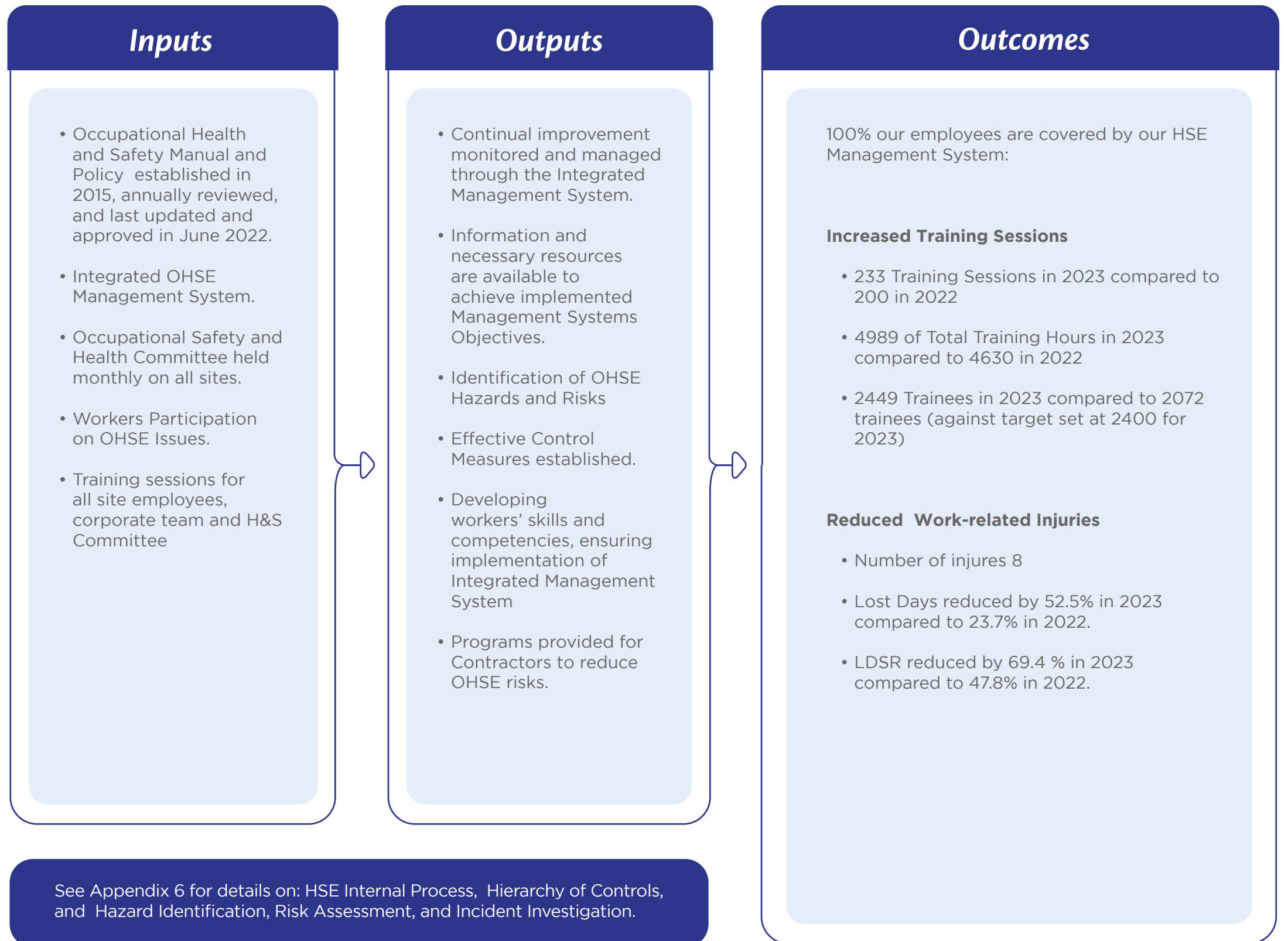
Monitored Safety Indicators on Sites		
2021	2022	2023
<b>Total Case Incident Rate (TCIR) and Lost/Restricted Case Incident Rate (LCIR)</b>		
1.27	0.51	0.50
<b>Near misses Lost/Restricted Case Incident Rate (LCIR)</b>		
1.27	0.51	0.50
<b>Lost Day Case Frequency Rate (LDFR)</b>		
1.27	0.51	0.50
<b>Lost Day Case Severity Rate (LDSR)</b>		
31.54	22.95	6.92
<b>Recordable Work-Related Ill Health Cases</b>		
None	None	None
<b>Work-Related Absentee Rate</b>		
None	None	None

Rates were calculated based on 200,000 hours worked

An incident that results in injury or ill health is often referred to as an 'accident'.

An incident that has the potential to result in injury or ill health but where none occurs is often referred to as a 'close call', 'near-miss', or 'near-hit'.

## Value Creation



# Right to Nutrition

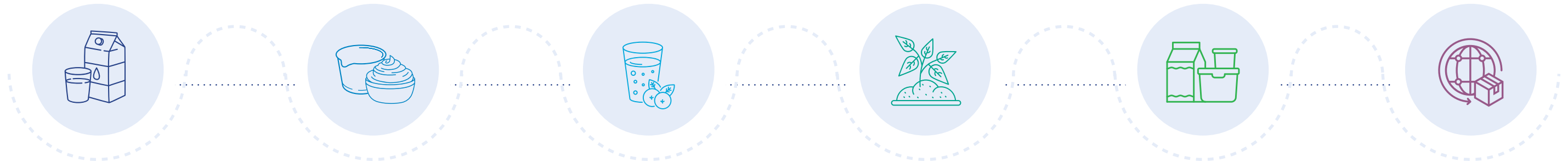
## MARKET LEADER ACROSS FAST-GROWING SEGMENTS

At Juhayna, our commitment to consumers' right to proper nutrition has always been at the heart of everything we do, driving our innovation, product development, and customer-focused approach. We recognize that healthy, nutritious food is essential for well-being, and as such, we continually strive to provide products that not only meet but exceed consumer expectations.

This commitment has been a key driver behind our market share growth, as we have built trust and loyalty by consistently prioritizing the health and well-being of our consumers. Our focus on delivering value through healthy, innovative offerings has strengthened our consumer base and enabled us to expand our presence in the market.

As more consumers recognize the importance of nutrition in their daily lives, Juhayna's dedication to this core principle has played a pivotal role in driving our continued growth and success, reinforcing our position as a trusted brand that supports the health of individuals and families.





**MILK**

EGP 6,082mn  
Revenues in 2022

54%  
2022  
Revenues

EGP 8,528mn  
Revenues in 2023

53%  
2023  
Revenues

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

**+40%**

**YOGHURT**

EGP 2,748mn  
Revenues in 2022

24%  
2022  
Revenues

EGP 3,541mn  
Revenues in 2023

22%  
2023  
Revenues

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

**+29%**

**JUICE**

EGP 1,913mn  
Revenues in 2022

17%  
2022  
Revenues

EGP 2,740mn  
Revenues in 2023

17%  
2023  
Revenues

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

**+43%**

**CONCENTRATES & AGRICULTURE**

EGP 390mn  
Revenues in 2022

3%  
2022  
Revenues

EGP 1,032mn  
Revenues in 2023

6%  
2023  
Revenues

- Citrus Fruit Concentrates
- Tropical Fruit Concentrates
- Tomato Paste
- Puree

**+164%**

**HAPPY KITCHEN**

EGP 388mn  
Revenues in 2022

3%  
2022  
Revenues

EGP 420mn  
Revenues in 2023

3%  
2023  
Revenues

- Sour Cream
- Cooking Cream
- Whipping Cream
- Tomato Purée

**64%**

**THIRD-PARTY DISTRIBUTION**

EGP 230mn  
Revenues in 2022

2%  
2022  
Revenues

EGP 287mn  
Revenues in 2023

2%  
2023  
Revenues

- 3<sup>rd</sup> Party distribution for leading international and regional players
- Arla Foods
- Rabea Tea

**+24%**

Milk



64%

Plain Milk Market Share



57%

Flavored Milk Market Share



8.5 EGP Bn

Revenue Generated in 2023



40%

Y-O-Y Revenue Growth

Yoghurt



30%

Spoonable Yoghurt Market Share



48%

Drinkable Yoghurt Market Share



3.5 EGP Bn

Revenue Generated in 2023



29%

Y-O-Y Revenue Growth

Juice



28%

Juice Market Share



2.7 EGP Bn

Revenue Generated in 2023



43%

Y-O-Y Revenue Growth

Concentrates



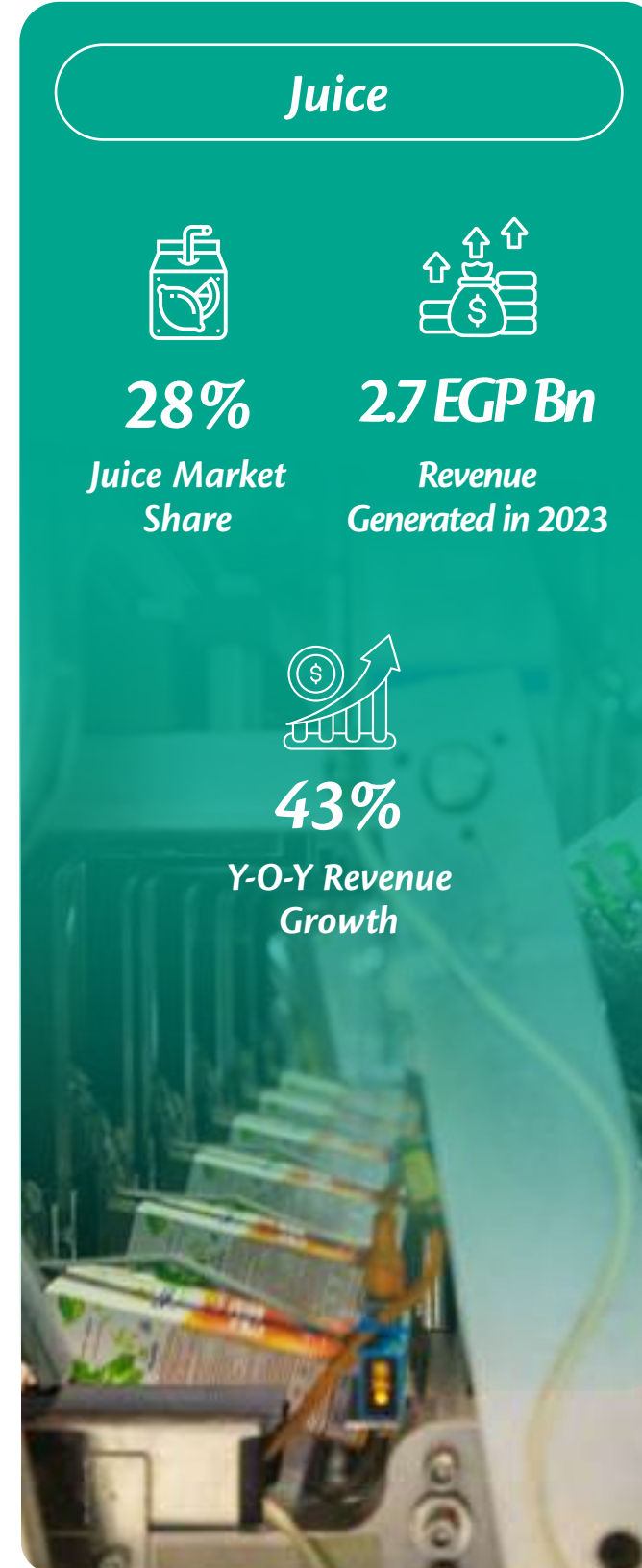
1.2 EGP Bn

Revenue Generated in 2023



137%

Y-O-Y Revenue Growth





## Nutrition and Products Value Creation

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



# Responsible Communication

There is no greater mission than serving people by safeguarding their most fundamental right: the right to nutrition. Equally, there is no greater responsibility than to do so equitably, responsibly, and sustainably. Ensuring that knowledge of our products is accessible to all requires consistent and transparent communication. Additionally, providing a seamless consumer journey and exceptional consumer care is key to building trust and fostering lasting relationships with our customers.



## A Peek from 2022

*In this age of ever-evolving technological landscapes and digital platforms, clients are frequently overwhelmed by an overflow of information. For this reason, stakeholder engagement and communication at Juhayna—both internal and external—play a critical role in delivering messages that are pertinent, transparent, and comprehensive for each of our customer segments. We recognize the delicate balance between promotion that serves the business and communication that ensures sufficient information about product details and business practices.*

*Through this section, we provide valuable insights into how our communication practices are prepared to meet public expectations.*

### 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. This code provides an internationally self-regulated framework of values for companies to conduct their business responsibly.*

#### 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

### Engaging for Efficient Outcomes

*Stakeholder engagement and collective accountability are key to our day-to-day operations. The Marketing team, through internal and external engagement activities, ensures the incorporation of the right inputs necessary for the successful execution of Juhayna's Integrated Business Planning (IBP) process.*

*[For more information on Juhayna's IBP Cycle stakeholders, engagements and duties, refer to Appendix 1.](#)*



## Consumer Journey Workflow Process

At Juhayna, we embark on an annual self-reflective process to envision and enhance our “Consumer Journey.” Led by our Marketing Department, this initiative strives to create a seamless, practical, and efficient experience for our consumers—from the moment they recognize their needs to the enjoyment of our products in the comfort of their spaces.

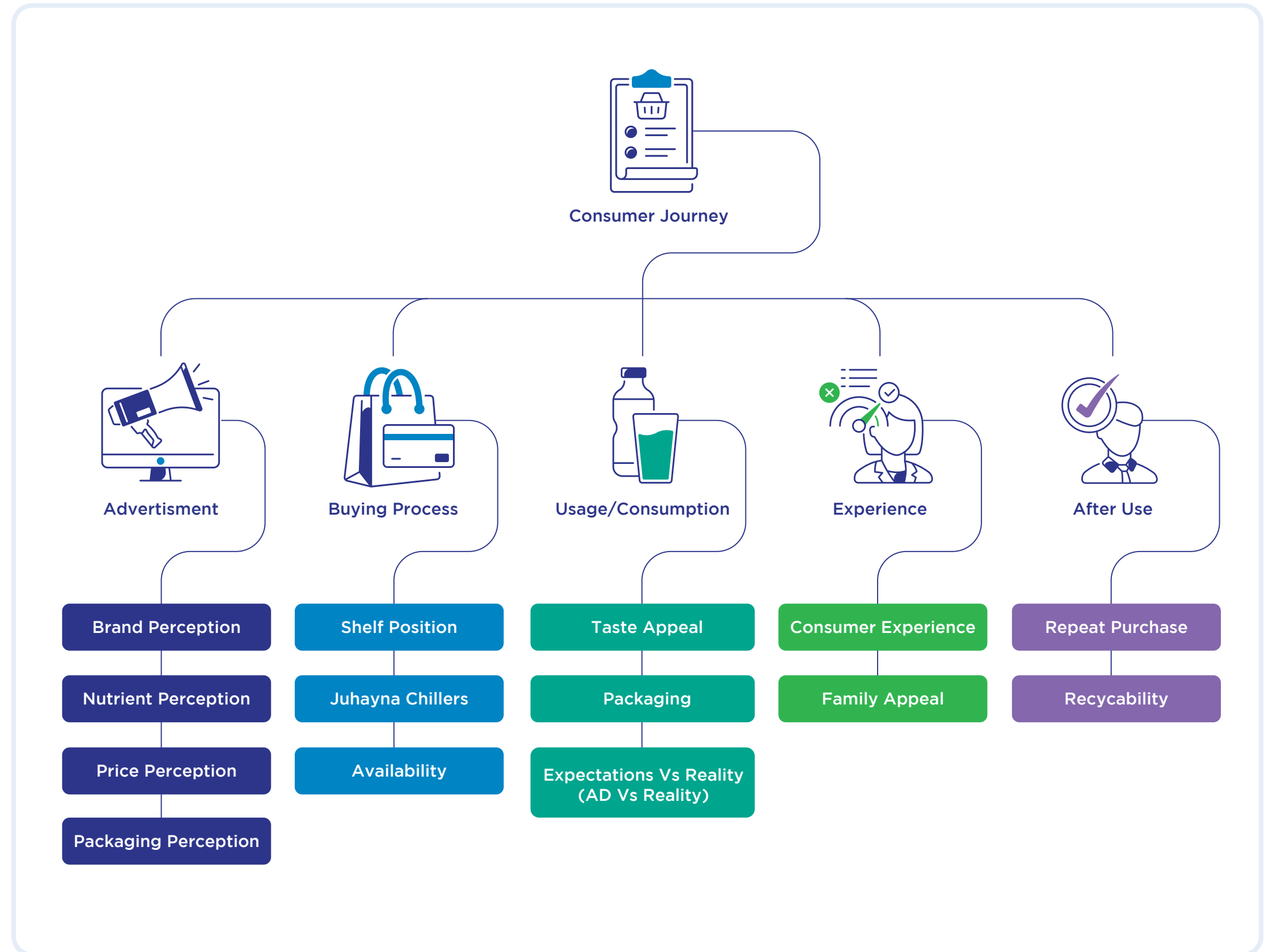
Our internal processes across the value chain—including innovation, farming, quality assurance, procurement, production, packaging, distribution, and employee training—form the foundation that enables us to deliver the exceptional products and services our consumers deserve.

Our Consumer Journey is an integral part of our ESG Strategy Objectives:

**Responsible Communication & Ethical Labeling**

**Transparency & Reporting**

While the specific consumer journey may vary depending on the product, we consistently focus on key aspects such as nutrition, quality, and availability. These pillars are embedded in every stage of the journey, encompassing advertisement, the buying process, product usage/consumption, the experience, and after-use.



The Internal Process We Act-upon	The Objective We Aim for	The Value We Create
<b>Advertisement</b>	<p><b>Brand Perception</b></p> <p>We value our consumers' long-standing loyalty to our brand, and as we welcome new generations, it is essential that they can relate to our products' through Juhayna's strong brand identity, that emphasizes values such as quality, trust, and nature-based healthy products. Juhayna communicates its commitment to these values through various channels, including TV, billboards, social media, and in-store branding. By offering healthy products with focus on nutrition and addressing the diverse needs of consumers, Juhayna has grown closer to its customer as a trusted and innovative brand. Furthermore, Juhayna's deep Egyptian roots and heritage, it has enjoyed an emotional connection with its consumers across generations and preferences, standing today as an integral part of their daily lives.</p>	<p><b>National Legacy</b></p> <p>Became the first-ever packed national brand since 1983, serving all consumers across the nation, reaching the far-ends of remotely located areas. Juhayna's production has never been interrupted, consistently adapting to consumer needs and industry advancements. It has always overcome challenges and addressed critiques without falling short. We pride ourselves that in the midst of the hardest global or national crisis, Juhayna's has always safeguarded its workers and adopted zero lay-offs strategy.</p>
	<p><b>Nutrient Perception</b></p> <p>We value how consumers perceive our product's nutritional benefits. For that reason, we ensure that we meet our promise for products rich in calcium, vitamins, or other essential nutrients. These attributes influence our consumer's purchasing decisions based on health-conscious choices.</p>	<p><b>Care to ALL</b></p> <p>Curated products addressing our consumer needs: fat free, lactose free, etc.</p>
	<p><b>Price Perception</b></p> <p>We recognize that consumers' interpretation of the product's price is a factor in determining whether our products are considered affordable, premium, or a good value for money in relation to its quality and competitors. Our ability to regulate our production in response to such price perception through market analysis and demand planning is one of Juhayna's strongest ethos.</p>	<p><b>Affordability</b></p> <p>Priced to provide and support different consumer segment with the same quality and care.</p>
	<p><b>Packaging Perception</b></p> <p>We aim to always leave the right impression of a product's packaging that reflects the quality and value our products carry within the packaging. Packaging design, including its visual appeal, functionality, and friendliness influence the consumer interest and trust.</p>	<p><b>Safety &amp; User-friendly</b></p> <p>Packed and improved y-o-y with the highest and latest health-driven materials, and global certification standards.</p>
<b>Shopping Experience (purchasing process)</b>	<p><b>Shelf Position</b></p> <p>We seek to create a shopping experience that transcends the physical space of shoppers. The prominence of shelf position does not only drive sales, but its offers our loyal and new consumers ease of access to our products and connection to our brand through product's visibility.</p>	<p><b>Accessibility</b></p> <p>Organized by brand in the majority of stores, products feature a dedicated gondola for Juhayna, alongside competing brands. The planogram typically followed a vertical display format, positioning each SKU from the top to the bottom shelf to ensure comprehensive access and visibility. Larger or bulk items, such as 1.5L or bundles, were strategically placed on the lower shelves to prioritize safety and accessibility. We always aim for prime shelf placement at eye and hand level for ease to our consumer visibility and engagement.</p>

The Internal Process We Act-upon	The Objective We Aim for	The Value We Create
<b>Shopping Experience (purchasing process)</b>	<b>Juhayna Chillers</b> We aim that our consumers enjoy our products in their intended enjoyable taste, temperature plays a key factors. Our product’s availability in dedicated brand chillers ensures freshness with a visible display and an easy access.	Based on space availability, visibility requirements, and customer classification, we strategically placed and selected coolers. Primarily deployed in the Traditional Trade sector, coolers were installed in locations with limited or no cooling capacity, ensuring our chilled product range remained accessible to consumers. Additionally, the setup enabled the offering of single-serve, shelf-stable products in a chilled format, catering to consumer preferences for cold beverages.
	<b>Availability</b> We are proud of being part our consumers generational experiences and lives. Our consumer expect that shopping for our products should be an easy and enjoyable one where they can grab their preferences from the wide-ranged options we offer. Uninterrupted distribution and abundant availability is part of our brand promise and legacy.	<b>Availability</b> Distributed across all Egyptian governorates, with our Commandos (agents from local communities) ensuring access to extremely remote population.
<b>Product Usability</b>	<b>Taste Appeal</b> We strive to meet our consumers’ expectations for flavor, innovation, and overall sensory experience.	<b>Pleasure</b> Designed to deliver an enjoyable and satisfying experience, engaging the senses and providing a sense of indulgence, comfort, or delight that enhances the overall consumer experience.
	<b>Packaging Functionality and Labeling</b> We advanced our products packaging to meet our consumers expectations for product fusibility. The ease of opening the product, along with clear and informative labeling that enhances convenience and transparency. <i>For more information, refer to the R&amp;D Packaging Section.</i>	<b>Functionality</b> Designed to Purpose, where every product serves a segment with expectations to certain need.
	<b>Expectation vs. Reality</b> How the product measures up to its advertising claims, particularly in terms of taste, nutrition, and overall consumer experience.	<b>Credibility</b> Designed to purpose, each product is tailored to meet the specific needs and expectations of its target segment.
<b>Experience</b>	<b>Consumer Experience and Care</b> Feedback from consumers post-consumption, including satisfaction levels and any complaints, offering insights into the product’s reception. <i>For more information, refer to the Customer Care Section.</i>	<b>Engaging</b> Conducted post-campaign evaluations and tasting studies to gather feedback from the target audience, ensuring that the products effectively resonated with consumer preferences and delivered the desired impact.
	<b>Family Appeal</b> The product’s ability to meet the needs of different family members, offering options that appeal to a broad demographic.	<b>Inclusive</b> Set to introduce SKUs that suits children, adults, elderly, and all dietary or sensitive nature consumers.
<b>After Use</b>	<b>Repeat Purchases</b> The likelihood of consumers making a repeat purchase, a key indicator of brand loyalty and customer satisfaction	<b>Appeal</b> Enhanced the product’s overall attractiveness to consumers through various factors such as packaging, design, and emotional connection, which influence both initial purchase decisions and continued interest.

## Customer Care at Juhayna

### A Peek from 2022

At Juhayna, our call center and complaints management system, built on a foundation of trust, reflect Juhayna's commitment to quality and compliance. Managed by a skilled customer service team, the hotline efficiently handles consumer inquiries and complaints.

For wholesalers, returns are managed in alignment with pre-agreed terms outlined in contracts, where return percentages are specified. These cases, while initially handled by Customer Care, are transferred to the sales department, which oversees the resolution process.

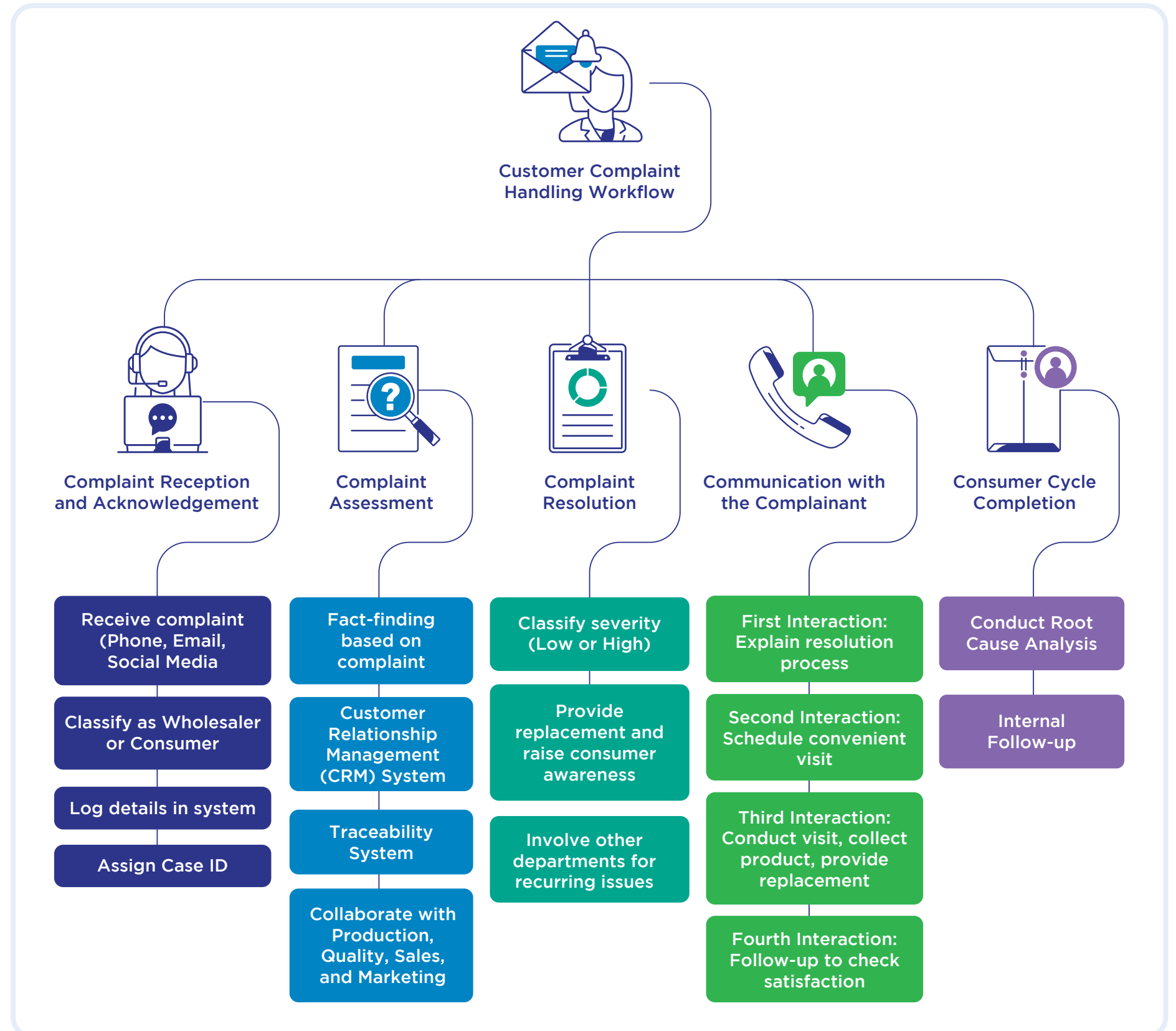


### Voice of Consumer

The Voice of the Consumer is essential to Juhayna's commitment to continuous improvement and innovation. By actively considering consumer feedback, we ensure that:

- Include their experiences, preferences, and concerns into our product development processes.
- Identify and address recurring issues.
- Empowers consumers to influence the features of our offerings and implement targeted solutions.
- Develop awareness raising strategies when needed.
- Foster a deeper connection with our community and enhance overall satisfaction.

## Customer Care Workflow Process



## Customer Care Workflow Initiatives and Impacts

01

### Complaint Reception and Acknowledgement

**Channels:** Customer complaints are received through various channels, including phone calls, email, and social media. The environment of each channel may differ.

**Wholesaler vs. Consumer Identification:** Complaints are classified based on whether they are from a wholesaler or a consumer to ensure appropriate handling.

**Complaint Logging:** Each complaint is logged in the complaint management system, capturing relevant details such as the complainant, issue type, and date.

- Assigning a Case ID: A unique case ID is generated for every complaint to facilitate tracking.

02

### Complaint Assessment

**Customer Relationship Management (CRM) System:** To ensure seamless management of all complaints, the CRM is a unified repository that streamlines our sales, marketing, and customer support activities. This system efficiently tracks feedback from both wholesalers and consumers, enabling us to monitor the progress and resolution of each complaint with precision. By consolidating information in this manner, we ensure that all issues are addressed promptly, keeping customer satisfaction at the forefront of our efforts.

**Traceability System:** Traceability System add an additional layer of Quality Management by ensuring swift responses and reliable tracking.

**Fact-Finding:** The complaints team gathers relevant information based on the type and nature of the complaint to assess its validity and severity.

**Internal Collaboration:** The team collaborates with relevant departments (e.g., production, quality, sales, marketing) to gather additional insights and data needed to resolve the issue.

03

### Complaint Resolution

**Severity Classification:** Complaints are categorized into low or high severity to help prioritize investigations internally. However, this classification does not affect the resolution approach with consumers.

**Product's Replacements:** Unsatisfied consumers are offers replacement, regardless of the reason for dissatisfaction, even when the issue is the result of user error. In such cases, consumers are informed and reminded on how to properly handle or care for the product before receiving a replacement, ensuring the issue doesn't recur.

- Recurring Complaints: If a recurring issue is identified, other departments are involved to deploy an education plan or campaign for consumers to raise the necessary awareness s on that issue.
- Voice of the Consumer: Consumer feedback is actively considered in the continuous improvement of Juhayna's products to ensure their voices are heard and acted upon.

04

### Communication with the Complainant

Consumers are kept informed throughout the entire complaint resolution process:

- First Interaction: During the initial contact, the steps for resolution are clearly explained.
- Second Interaction: A follow-up call is made to schedule a visit, ensuring it is convenient for the consumer in terms of time and location.



- Third Interaction (Visit): The visit involves collecting the defective product (where applicable), or simply accepting photographic evidence if the product is not available. In cases where no physical product is present, a replacement is still provided under certain exceptions. There are also "Satisfactory Visits," which are special follow-ups to ensure consumer satisfaction. These visits are not logged as official complaints but are tracked to monitor overall consumer happiness.
- Fourth Interaction (Follow-up/Recovery): A follow-up is conducted to assess the consumer's satisfaction. If the consumer is satisfied, the case is closed. If not, further actions are taken to achieve satisfaction. If, despite all efforts, the consumer remains unsatisfied, the case is marked as "closed-unsatisfied." Juhayna also provides consumers with updates on the outcome to ensure closure.

05

### Consumer Cycle Completion

This marks the end of the consumer interaction cycle. However, internally, the process continues:

**Root Cause Analysis:** A root cause analysis is conducted for each complaint, and it is assigned to the relevant department or function for investigation and action.

**Internal Follow-ups:** The team follows up with these departments (e.g., sales) to ensure proper market response and corrective actions.

## Responsible Communication Value Creation

Capital	Inputs	Outcomes	Outputs
<b>Intellectual</b>	Juhayna Integrated Business Planning Process	Internal stakeholders' engagements, briefings, reviews, and decision-making sessions. Reduced need for a marketing budget.	1. External communication activities focused on Juhayna's governance, sustainability performance, and outputs through prints, online, social media, and newswires.
<b>Manufactured</b>	Traceability codes on product packaging	Pre and post-distribution elimination of faulty products by identifying, authenticating, and tracking products across our supply chain.	2. The lowest level of products recalls.
<b>Social and Relationships</b>	Protected Digital services, supporting data centers, back-end technological software and applications, operational 24/7	A hybrid model of human and digital interactions across	3. Eight omni channels <ul style="list-style-type: none"> <li>• Site Visits</li> <li>• Digital Applications (e-commerce and POS)</li> <li>• Social Media</li> <li>• Website Assistance</li> <li>• Facebook Messenger</li> <li>• WhatsApp</li> <li>• Call Center</li> <li>• Digital Assistance</li> </ul>
	Extended Customer Channels	Business Transparency. Solidifying customers' trust.	4. Visitors (from Schools, universities & nurseries as well as X 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	5. Social Media Status <ul style="list-style-type: none"> <li>• FB page reach is 32,011,861 in 2023 compared to 22,916,046 in 2022</li> <li>• FB interactions in 2023, was 5104 shares and 202,271 reactions compared to 1,043 shares and 27,850, respectively, in 2022.</li> </ul>
		Call Centre performance monitoring	6. In 2023, the Average Handle Time (AHT) decreased to 195 seconds, compared to 200 seconds in 2022. 7. Service Level Agreement (SLA) for visiting consumer complaints remained consistent at 2.15 working days in both 2022 and 2023. 8. On peak days, calls can reach up to 150 daily calls compared to 148 daily calls in 2023.
		Marketing and labelling Grievance mechanism and Complaints Handling	9. Complaints ratio represented an average of 20.6% of total calls answered in 2023, compared to 21% in 2022.
Customer Satisfaction Score		10. Our customer satisfaction rate is 91% in 2023, compared to 90.6% in 2022.	



# Community Investment

## A Peek from 2022

### Our Community Purpose: For the People, by the People

Each section reflects a number of Strategic Objectives presenting Juhayna's heritage.

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: People should own today's story and protect 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 youth 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.

[For more information, refer to Appendix 8.](#)

### Our Strategic Focus



## Quality of Life

### GIZ and Juhayna Supplier Training Program

Building on our commitment to partnering with various stakeholders to enhance the quality of food processing and packaging, Juhayna launched a collaboration with the German Agency for International Cooperation (GIZ) for a comprehensive supplier training program. In 2023, Juhayna signed a Memorandum of Understanding with GIZ to establish a technical program aimed at supporting Egyptian suppliers, developing their capabilities and skills, and facilitating their seamless integration into supply chains.

This initiative extends to both Juhayna’s supply chain and external suppliers, with a total of eight suppliers participating in the program. It falls under the Private Sector Development and Innovation project, implemented by GIZ in collaboration with the Ministry of Trade and Industry on behalf of the German government. The program seeks to support Egypt’s industrial sector and bolster small and medium enterprises (SMEs) by improving product quality and optimizing production operations.

The program aligns with the UN Sustainable Development Goals 9 and 12, which promote industrial growth, innovation, and responsible production and consumption. It reflects Juhayna’s commitment to advancing the food and beverage sector and implementing best practices both locally and internationally through the following three key aspects:

- 01. Driving sector advancements:**  
 Demonstrating Juhayna’s dedication to fostering growth in the food and beverage sector through optimal practices.
- 02. Enhancing supplier capabilities**  
 Supporting Egyptian food processing and packaging suppliers in improving food handling, processing, and production safety and quality to meet internationally recognized standards.
- 03. Facilitating supply chain integration:**  
 Enabling local suppliers to integrate seamlessly into both local and international supply chains.



*"We are elated to join forces with the German Agency for International Cooperation (GIZ), which perfectly resonates with our vision to promote investing in people as a vital catalyst for development and growth. Juhayna has an ingrained belief in the significance of its role in achieving growth for the industrial sector, as the company doesn't only pay attention to investing in the world's finest technologies in its factories, but also pays great attention to participating in achieving the sustainable development goals. In fact, we can only realize these goals by creating an environmentally conscious chain of local suppliers, who are capable of providing the highest quality and safety standards, and can sustainably manage their operations."*

**Mrs. Passant Fouad**  
External Communications Director



*"Empowering Egyptian industrial companies and providing them with technical support is one of the main pillars that drive our efforts in developing the private sector in Egypt. We are thrilled to partner up with Juhayna to improve product quality and the whole production process for Egyptian small and medium industrial enterprises. The cooperation comes in line with the German Agency for International Cooperation (GIZ) in Egypt's keenness to establish partnerships with large and leading companies in the private sector and benefiting from joint resources to support and develop the sector"*

**Jonas Naguib**  
Cluster Coordinator Private Sector Development at the German Agency for International Cooperation (GIZ) Egypt



## Sports Inclusiveness & Youth Wellbeing

### ENACTUS

Juhayna is a long-time supporter of Enactus, an international, non-profit youth entrepreneurship platform. Since 2008, Juhayna has sponsored a program through which university students engage with business and academic leaders on community development programs. In 2023, the program supported 320,000 students directly and 6 million indirectly in their entrepreneurial education development.

### The Maker Academy

The Maker Academy, a residential football academy devoted to developing young talent, provides a rigorous training, personalized nutrition plans, psychological support, and educational programs to prepare its athletes for professional opportunities abroad. As a key sponsor and primary nutrition partner, Juhayna provides financial support and essential nutritional products to help fuel their growth and athletic development. Currently, the academy trains 70 boys from 16 governorates.

## Women in Action

### Women's Empowerment Principles (WEP) Signatory

After multiple milestones on this project, Juhayna officially became a WEPS signatory in March 2023 in line with SDG5, signifying one more step further towards women empowerment and equality in the workplace, marketplace and surrounding community. The WEPS, established by the UN Global Compact and UN Women consists of several principles that bring to light the importance of gender equity.

## Baheya Foundation

Juhayna continues its longstanding support to Baheya Foundation for early detection and breast cancer treatment by renewing its sponsorship for the 8th consecutive year. Since 2015 and through this support, 250,000 women have been given access to early detection and medical tests.

- Juhayna has assisted the Foundation to raise donations with a 25% increase in 2023 to support the opening of the Sheikh Zayed Hospital premises.
- The Hospital is an integrated medical facility for early detection and treatment of breast cancer. It provides the latest methods of prevention and treatment, as well as psychological support for women during their treatment stages through highly-experienced medical teams dedicated to provide the fighters with the finest medical care.



*"We are pleased to extend our strategic partnership with Juhayna, an integral part of our mission towards empowering Egyptian women that has been ongoing for 8 years. Thanks to their unwavering support, we were able to open Baheya Sheikh Zayed hospital, which is located on a 34,000 meter-area, includes an eight-floor building, and is equipped to receive 500,000 women annually, which doubled the number of women in 5 years. This will contribute to reducing the waiting lists, and to secure a healthy life for Egyptian women."*

**Tamer Shawky**  
Chairman of the Baheya Foundation



## Heya El Commanda

Juhayna established El Commanda in 2018 as a distribution and beneficiary program in the Delta and Upper Egypt. Since the program's launch in 2018 until 2021, the number of "commandas" benefiting from the program grew 26% from 87 to 110, while the program's revenues increased by 55%, from EGP 477 million in 2022 to EGP 742 million in 2023.

In 2021, UN Women extended their support for the program, accelerating the integration of women into the Company's distribution network in Beni Suf and Minya. Female participants of the Heya El Commanda initiative are supported in their integration through training sessions, incentive programs, a circular capital of EGP 5,000, and an accessible communication network via Whatsapp groups. Since the initiative commenced, sales in the affected governorates have increased 55% in 2023.

## REFORM

Juhayna partnered with Egyptian sustainable fashion brand Reform Studio for the innovative reuse of Juhayna packaging to produce ethically upcycled material for Reform's line of pouches, laptop sleeves, and other accessories. This collaboration provides additional benefits to the circular economy and provides employment to women in Egypt.

**Arab Sustainability Award**  
*In 2023, Juhayna received The Arab Sustainability Award In recognition to Juhayna strides in its Sustainability Journey*



# CIRCULARITY FOR OUR PLANET

01

*Climate Action*

02

*Water Management*

03

*Waste Management*

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:



**Carbon Reduction Stewardship**



**Natural Resources Preservation**



**Effluents and Waste Circularity**

# Climate Action

## A Peek from 2022

### 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.

### Juhayna's Commitment: Natural Capital Preservation

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

- » We have meticulously implemented an array of programs, systems, and policies rooted in comprehensive research, which includes both internal and external environmental impact assessments.
- » These efforts are wholly directed at effective resource conservation, efficient energy management, and, most importantly, preserving our planet's invaluable natural capital.
- » Our carbon footprint reports reaffirm our commitment, showcasing that our emissions remain below the industry average. However, our unwavering resolve to further reduce these emissions persist. Our overarching aim is to set an exemplary standard for our peers and partners, demonstrating the vital importance of safeguarding natural capital.



## Energy and Emission Overview

Juhayna continues to disclose the total Scopes 1, 2, and 3 emissions for the entire organization, including emissions data from our four manufacturing plants, with a year-on-year comparison for 2023 and 2022. This report underscores Juhayna’s overall emissions footprint, reflecting our commitment to transparency and accountability. In addition to our consolidated Scope 3 emission data, further details, including breakdowns and assessments of our operational and organizational boundaries, will be provided in our upcoming comprehensive carbon footprint report.

### Juhayana’s Total Emissions

Juhayana’s greenhouse gas emissions data from 2021 to 2023 reveals the significant progress we’ve made in managing our environmental footprint across various emission scopes. In 2021, the total emissions were 1,026,223 tons. The following year, in 2022, a slight increase to 1,090,425 tons was observed, primarily driven by a rise in Scope 3 emissions. In 2023, total emissions saw a significant reduction to 982,513 tons, driven by targeted efforts to reduce Scope 3 emissions, which dropped markedly from 969,711 tons in 2022 to 852,136 tons in 2023.

	2021	2022	2023
<b>Scope 1</b>	92,089	92,943	101,477
<b>Scope 2</b>	28,693	27,771	28,900
<b>Scope 3</b>	905,441	969,711	852,136
<b>Total</b>	1,026,223	1,090,425	982,513

### Manufacturing Sites Energy Consumption

Manufacturing Plant	Natural Gas (m <sup>3</sup> )		Purchased Electricity (MWh)	
	2022	2023	2022	2023
<b>Al-Dawleya</b>	1,168,642	992,170	14,966	14,022
<b>Al-Marwa</b>	3,222,006	3,740,091	2,666	7,868
<b>Al-Masreya</b>	3,087,179	2,840,524	17,490	15,941
<b>Egyfoods</b>	1,753,830	1,521,507	19,296	17,944
<b>Assiut</b>	--	--	--	695

Manufacturing Plant	Scope 1 (mtCO <sub>2</sub> e) Natural Gas + Fugitive Emissions		Scope 2 (mtCO <sub>2</sub> e) Electricity Consumption		Scope 3 (mtCO <sub>2</sub> e)	
	2022	2023	2022	2023	2022	2023
<b>Al-Dawleya</b>	2,374	2,333	6,865	6,432	14,087	12,842
<b>Al-Marwa</b>	6,546	7,752	1,223	3,609	9,765	7,206
<b>Al-Masreya</b>	6,272	6,065	8,023	7,312	17,239	11,819
<b>Egyfoods</b>	3,563	3,125	8,851	8,231	16,354	19,460
<b>Assiut</b>	--	96	--	319	--	68

SCOPE 1 – DIRECT EMISSIONS (mtCO <sub>2</sub> e)	2021 (mtCO <sub>2</sub> e)	2022 (mtCO <sub>2</sub> e)	Change Rate (2022 vs. 2021)	2023 (mtCO <sub>2</sub> e)	Change Rate (2023 vs. 2022)
<b>Mobile Combustion</b>					
Fuel-burning: Owned vehicles (Prev. Owned vehicles+ downstream transport.)	16,021	18,051	+13%	23,232	+40%
<b>Livestock and Fertilizers</b>					
Livestock and Manure Management	41,030	41,030	0%	48,154	+17.4%



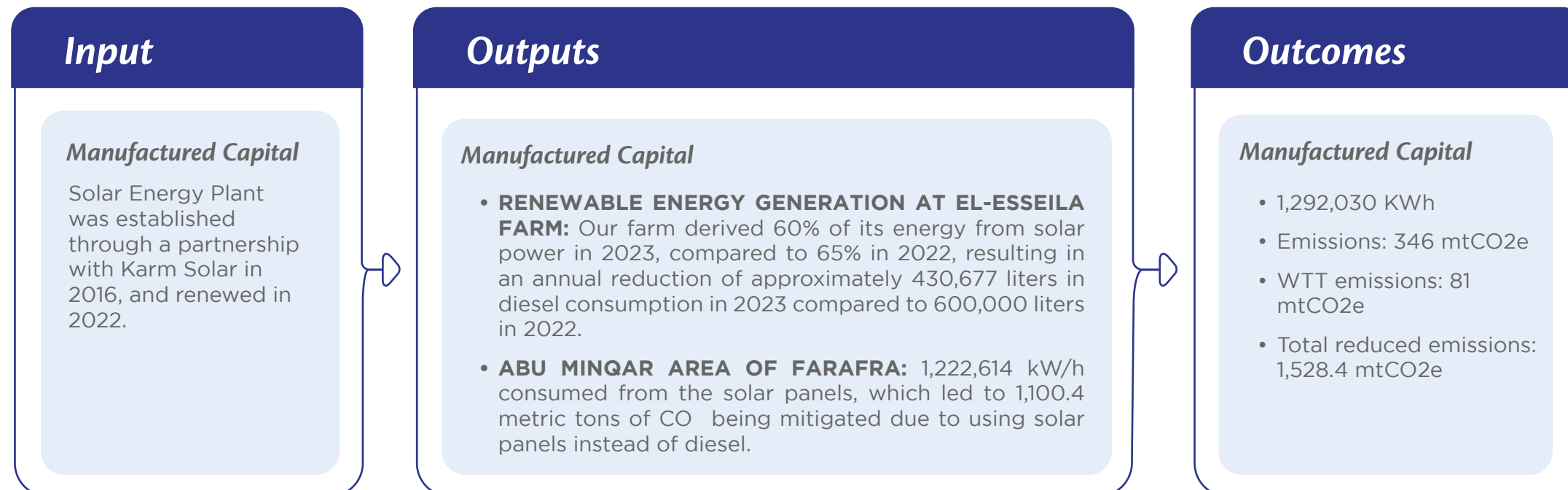
## Climate-Related Risks

Our most critical climate risk continues to be that of reduced crop and milk yields as a result of temperature fluctuations.

Material Issue	Risk on Business	Our Management Approach	Outcome
Reduced crop yields of oranges, mangoes, and other fruits	Limited fruit supply	Capitalizing on the 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"> <li>Our global exports generated EGP1,171 mn in 2023 compared to EGP 495 mn in revenue, with a growth of 137%</li> <li>Our concentrates and Agri business generated EGP 1,032 mn in revenue in 2023 compared to EGP 390 mn in 2022, with a growth of 164%.</li> </ul>
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 2023 compared to 40% in 2022.

## Energy & Emission Value Creation

Our most critical climate risk continues to be that of reduced crop and milk yields as a result of temperature fluctuations.



# Water Management

## A Peek from 2022

### 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.
- » Our entire operations take place in Egypt.
- » Water is at the heart of our operations, essential for producing juices, beverages, farming, and manufacturing.
- » 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 Overview: Manufacturing Sites in 2022

Manufacturing Plant	Water Consumption (megaliters) 2021	Water Consumption (megaliters) 2022	Water Consumption (megaliters) 2023
Al-Dawleya	506	394	308
Al-Marwa	341	107	410
Al-Masreya	500	628	549
Egyfoods	359	384	343
Assiut	--	--	112

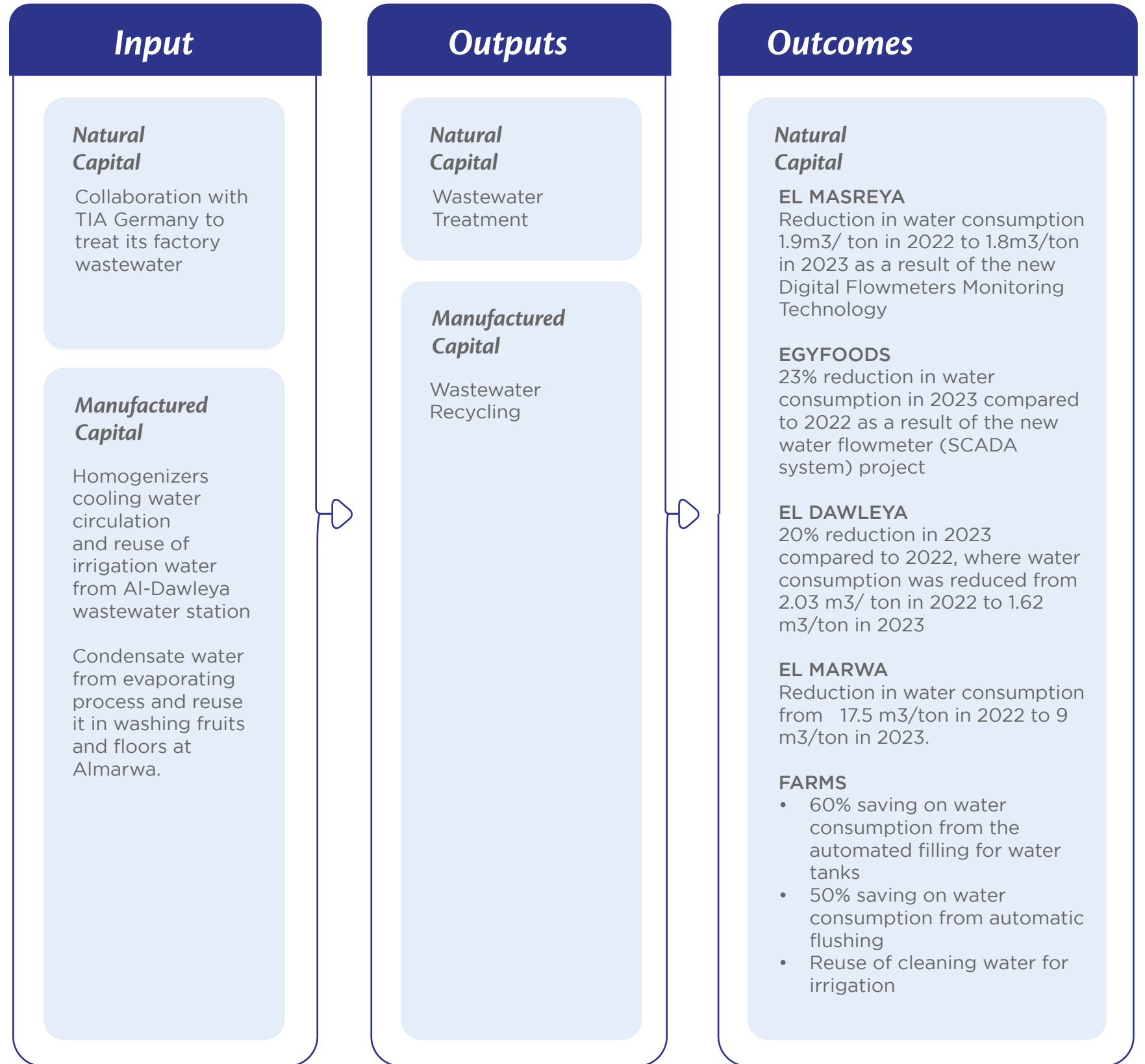
## Water-related Risks

Our most critical climate risk continues to be that of water scarcity and water quality.

Material Issue	Risk on Business	Our Management Approach
<b>Water Scarcity</b>	Directly influencing our production capabilities	Strategically positioned tanks for water storage to efficiently manage and optimize our water resources at every facility.
<b>Water Quality</b>	Food Safety	Water quality audits and analysis to meet the highest standards of water quality and safety across all our plants.



## Water Value Creation



# Waste Management

Each arm of our industrial operation has been focused on reducing its impact on the environment through waste reduction, recycling and repurposing. This covers different categories of waste, as each factory, and farm, has its own by-products. Different methods and initiatives have been implemented to reduce our operational waste.

## 01 El Masreya

At El Masreya, significant waste production occurs primarily in the Cleaning in Place (CIP) process, Pasteurization, Sterilization, and Filling & Packaging areas. The waste types include chemical residues, water, semi-finished and finished products, and packaging materials. In our efforts to minimize environmental impact, we set ambitious targets to reduce waste generation, achieving a 50% reduction in Material Usage Variance (MUV) and a 45% decrease in scrap waste. These goals were met through reductions in material use and minimizing scrap and reprocessing activities. Our waste management strategy involves daily, weekly, and monthly reviews to ensure continual improvement and adherence to our sustainability objectives.

## 02 Egyfoods

Egyfoods has embarked on a project to decrease the weight of bottle caps as a proactive measure to reduce waste generation at the source. By using less material per cap, we anticipate a reduction in waste output and a decrease in production costs, which will translate directly to economic benefits for consumers. Although this project is still in progress and final data are not yet available, preliminary assessments predict significant environmental and economic advantages.

## 03 El Dawleya

In alignment with our circularity conscious practices, El Dawleya has innovated in its packaging by using fully recyclable cap locks made from sugar cane. This initiative is in line with our overall sustainable production practices and reducing our environmental footprint.

## 04 El Marwa

El Marwa's primary waste streams are generated during the "Separated oil and juice" and "Fruit peels" phases, which were analyzed more in detail in the Responsible Manufacturing section of this report. Embracing a Circular Production approach, we ensure that all organic waste from these processes is separated and collected.

This waste is then repurposed as high-quality animal feed. In total, we redirected 43,586 tons of organic waste into animal feed, thus preventing that amount to end up in landfills.

## 05 Farms

On our livestock farms, particularly at the cow stands and yards, approximately 13,000 cubic meters of organic waste are generated annually. This waste is collected and sold, turning what would be a disposal issue into a profitable and environmentally friendly venture.



# LEADERSHIP THROUGH GOVERNANCE

01

*Our Governance Philosophy*

02

*Our Board of Directors*

03

*Governance Safeguarding of  
Our ESG Strategy*

04

*Harnessing Board Leadership  
for Sustainability*

05

*A Dedicated Sustainability  
Committee*

# Our Governance Philosophy

Effective governance is traditionally built on a foundation of well-defined policies, procedures, robust lines of defense, and measurable key performance indicators. However, at Juhayna, we believe that truly exemplary governance goes beyond structure, it thrives through the strength of its leaders as communicators and enablers.

Our leadership excels in articulating the company's vision, mission, values, and culture, into measurable actions by ensuring these principles resonate across the organization. Moreover, they empower employees to perform at their best and foster innovation within the framework of established standards, driving sustainable success and shared growth.

In Juhayna, our top management goes furthermore by exemplifying a commitment to effective leadership by maintaining active involvement across all levels of governance. They foster an inclusive environment that encourages every member of the organization to engage meaningfully, promoting open communication and collaboration. This approach strengthens teamwork and alignment, driving the achievement of the company's shared goals with purpose and unity.



## Governance At Its Best : Our Leadership Excels Through Values and Practices



# Our Board of Directors

## 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:**  
November 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.



**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.



**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.



**Mariam Thabet**  
Non-Executive Director

**Director Since:**  
2010

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



**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.





# Governance Safeguarding our ESG Strategy



## Upholding the highest standards of ethics and compliance 01

Our Board ensures that all company operations adhere to stringent ethical guidelines and regulatory requirements, setting a tone of integrity and transparency that permeates all business activities.

## 02 Cultivating strategic partnerships

Through robust governance, our Board fosters and capitalizes on strategic partnerships that lead to innovative sustainability solutions and business opportunities. These collaborations can range from joint ventures that expand market reach to technological partnerships that streamline operations and enhance customer experience.



## Solidifying into policies 03

Our Board is instrumental in approving the integration of ESG guidelines into our mainstream business policies to ensure a growing level of commitments and mandatory internal reporting, regardless of regulatory requirements.



# Harnessing Board Leadership for Sustainability

Sustainability has evolved from an ethical consideration to a strategic imperative for companies as it now significantly influences brand loyalty and investment decisions. Now more than ever, demand proactive leadership from its boards to navigate and implement effective Environmental, Social, and Governance (ESG) initiatives.

Under this belief, Sustainability integration into our business continued to progress year on year, and ESG has been directly overseen by the Board and CEO, with a dedicated Sustainability Team under the Director of External Communication since 2017. As ESG further solidified as part of the company's goals and target setting, a decision has been made to set up a dedicated Sustainability Committee to consolidate our planning, implementation, monitoring and reporting.



# Our Sustainability Committee

Sustainability is a fundamental element that intersects with every aspect of our business operations. Building on our steadfast ESG commitment and transparent reporting since 2017, with clearly defined targets, we recognize the need to SCALE UP our efforts further.

To achieve this goal, with a focused oversight, we have established a dedicated Sustainability Committee in 2023, with the purpose to reinforce ESG governance through into every facet of our growth strategy and business performance decisions.

The committee is set to meet on monthly basis, and will assume the following role:



**Strategic Oversight**

Provide guidance on the development, integration, and alignment of sustainability initiatives with the company's overall strategy, ensuring long-term value creation in alignment with business growth trajectories.



**ESG Governance**

Oversee Environmental, Social, and Governance (ESG) policies and practices, ensuring compliance with regulatory requirements and alignment with industry best practices.



**Risk and Opportunity Assessment**

Evaluate sustainability-related risks and opportunities, advising on measures to mitigate negative impacts while maximizing benefits to stakeholders and the business.



**Stakeholder Engagement**

Ensure transparent communication with stakeholders, including investors, employees, and communities, assuring long-term sustainability commitment by addressing material priorities.

The Committee's decisions will be decided according to majority votes.



**Seif Thabet – CEO**  
Head of the Committee



**Farah El Labbad**  
Committee Officer

## Committee Members



**Tarek Elwan**  
Chief Financial Officer



**Mohamed Raafat**  
Chief Marketing Officer



**Mohamed Sultan**  
Managing Director (Centralized Functions)



**Passant Fouad**  
External Comms. Director



**Ibrahim Taher**  
Manufacturing Director



**Maha Misbah**  
Group Quality & R&D Director



**Hussein El Masry**  
Supply Chain Director



**Hagar Diab**  
Supply Chain Associate Director



**Amr Madany**  
Tiba General Manager



**Maram Bedeir**  
HR Director



**Ibrahim Aly**  
Farms Development Senior Manager



**Amr Radwan**  
Internal Audit Director

Weekly Meeting (HUDDLE)  
1. Lunch Conversation  
2. New Products

# APPENDICITIES



# Appendix 1

## Overview of Juhayna's Integrated Reporting Approach

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

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
 <b>Top Management</b>	<ul style="list-style-type: none"> <li>• Aligned on all brand plans.</li> <li>• Informed on any marketing updates, such as new designs, promotion, ATL/BTL communication, budget increase needed, and proposed innovations, among others.</li> <li>• Top management involvement is embedded into our Integrated Business Planning (IBP) process.</li> </ul>	<b>Daily</b>
 <b>Demand Planning Team</b>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<b>Weekly</b>
 <b>Sales Team</b>	<ul style="list-style-type: none"> <li>• Daily sales monitoring and analysis.</li> <li>• Consumer promotions.</li> <li>• Alignment on demand planning enhances forecast accuracy, optimizes inventory management, and streamlines supply chain operations by integrating marketing insights and consumer trends. This collaboration ensures products are available when needed, improves responsiveness to market changes, and boosts customer satisfaction, all while fostering efficient resource use and stronger cross-functional teamwork.</li> <li>• Market visits are crucial for Juhayna, providing direct customer interaction and on-ground feedback to enhance products, strengthen relationships, and address availability gaps. Key insights include improving product visibility, refining competitive pricing, reducing stockouts, addressing distribution gaps, and monitoring competitor activities. These visits drive actionable changes in pricing, distribution, and product positioning, ensuring consistent improvement and maintaining a strong market presence.</li> </ul>	<b>Daily</b>
 <b>Activation and Digital Teams</b>	<ul style="list-style-type: none"> <li>• Align on all brands’ plans.</li> <li>• Execute brands’ on-ground activations.</li> <li>• Execute brands’ online communication.</li> </ul>	<b>Daily</b>
 <b>Indirect Procurement Team</b>	<ul style="list-style-type: none"> <li>• Negotiate financial proposals shared by advertising, digital, design, activation agencies/events/sponsorship opportunities.</li> </ul>	<b>Weekly</b>
 <b>Procurement Material Planning Team</b>	<ul style="list-style-type: none"> <li>• Critical to product availability and accessibility, material planning needs to be aligned with potential new launches or packaging updates.</li> <li>• The marketing department submits designs</li> <li>• The demand Planning department provides average monthly sales volumes</li> <li>• The procurement department can order the material.</li> </ul>	<b>Weekly</b>
 <b>R&amp;D Team</b>	<ul style="list-style-type: none"> <li>• Heavily Involved in IBP and in charge of working on product innovations, as well as adjusting formulas when needed.</li> </ul>	<b>Biweekly</b>
 <b>Packaging Team</b>	<ul style="list-style-type: none"> <li>• Responsible for the approval cycle of any packaging (text, barcode, etc.).</li> <li>• Responsible for packaging development that would benefit the products</li> <li>• Propose new improved elements relevant to each product.</li> </ul> <p>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.</p>	<b>Monthly</b>

## IBP CYCLE - THE “BUSINESS AS USUAL” ENGAGEMENTS

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



# Appendix 2

## Overview of ESG in Juhayna’s 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. 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 and reported on yearly basis on our published Sustainability or Carbon-footprint Reports.

### OUTCOMES

On annual basis, and through our Sustainability Reports, 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.

Our outcomes are the derivatives of the identified material topics of each reporting cycle.

# Appendix 3

## Overview of Juhayna's Stakeholders Engagement and 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 interview our Chief Officers engaged with investors, we discuss with partners and consult external experts, then we apply best judgment that align with our business model, ESG Strategy and plans for the reporting cycle.

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

Each year, we report on any changes to the list of material topics compared to our past reporting period(s).

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

Each chief officer or head of department are 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 report 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 are identified, matters are prioritized based on their magnitude in relation to their effects (financial, operational, strategic, reputational, and regulatory perspectives).

**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 evaluate 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 provide quantitative and qualitative descriptions and information, including comparative information for prior periods.

**UNCERTAINTY**

Generally, 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.



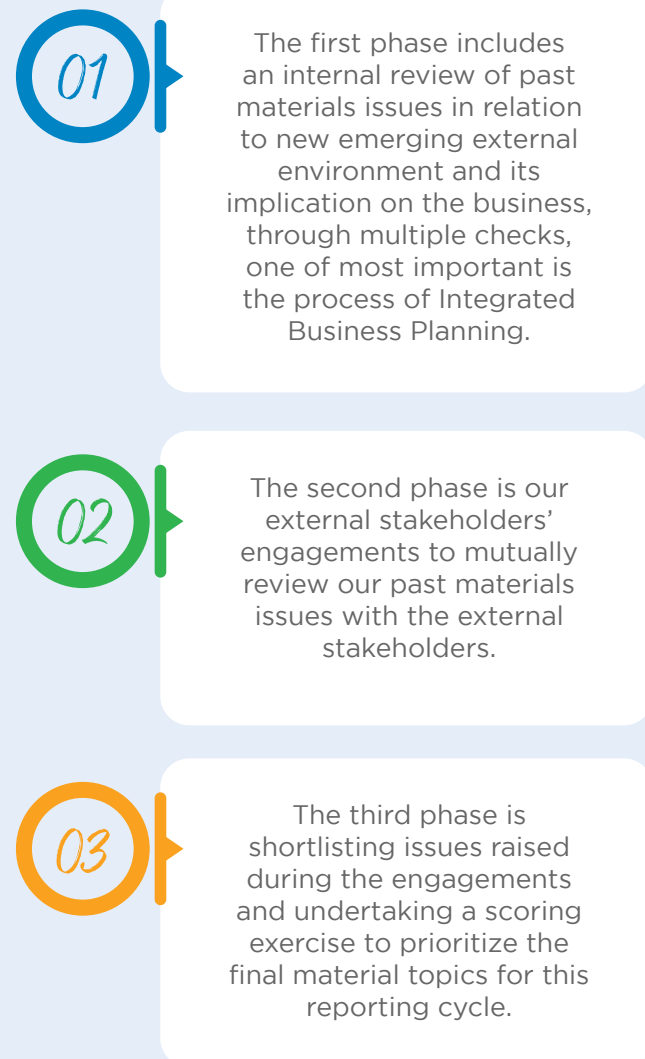
## STAKEHOLDERS DIALOGUE

	Why We Engage?	How We Engage?	Key issues discussed
<b>Our Employees</b>	Our people have been the solid footing of the Juhayna Brand since its inception. 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.	<ul style="list-style-type: none"> <li>Regular company -wide employee surveys.</li> <li>I-Voice for grievance.</li> <li>Performance and development reviews.</li> <li>Training programs and workshops.</li> <li>Awards and recognition schemes.</li> <li>Day-to-day teams' interaction.</li> <li>Internal digital intranet.</li> </ul>	<ul style="list-style-type: none"> <li>Occupational Health, Safety &amp; Well-being.</li> <li>Talent Attraction, Development &amp; Retention.</li> <li>Employee Diversity &amp; Inclusion.</li> </ul>
<b>Our Customers</b>	Evolving consumer preferences and growing demand and markets require attentive care to our consumer's voice. 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.	<ul style="list-style-type: none"> <li>Consumer insights.</li> <li>Customer satisfaction surveys.</li> <li>On ground events.</li> <li>Plants visits.</li> <li>Call center.</li> <li>Digital customer interfaces.</li> </ul>	<ul style="list-style-type: none"> <li>Access to healthy or dietary, yet tasty, alternatives.</li> <li>Affordable Products for low- income consumers.</li> </ul>
<b>Our Suppliers</b>	Our suppliers are the trusted partners in times of market tribulation. Our relationship is built on mutual care to grow together. We work closely to mitigate risks and find new opportunities that are mutually beneficial in a culture governed by fairness, ethical conduct, and quality.	<ul style="list-style-type: none"> <li>Regular Audits and Meetings.</li> <li>Strategic Supplier Partnerships.</li> <li>Annual Reviews.</li> </ul>	<ul style="list-style-type: none"> <li>Mutual Resilience to Economic Volatility.</li> <li>Quality Supply of Raw Materials.</li> </ul>
<b>Our Shareholders</b>	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. 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.	<ul style="list-style-type: none"> <li>General Assembly</li> <li>Investor Conferences</li> <li>Annual and Sustainability Reports</li> </ul>	<ul style="list-style-type: none"> <li>Resilience to Economic Volatility</li> <li>Business Ethics &amp; Transparency</li> </ul>
<b>Standardization Organizations</b>	Standardization organization sets a benchmark for food and beverage industry. 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.	<ul style="list-style-type: none"> <li>Regular audits.</li> <li>Report submissions</li> </ul>	<ul style="list-style-type: none"> <li>Product Quality &amp; Safety</li> <li>Occupational Health, Safety &amp; Well-being</li> <li>Environmental Management</li> </ul>
<b>Our Local Community</b>	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. 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.	<ul style="list-style-type: none"> <li>On ground visits.</li> <li>Through partnering NGOs.</li> </ul>	<ul style="list-style-type: none"> <li>Community Investment</li> <li>Environmental Management</li> </ul>
<b>Our Regulators</b>	As a publicly traded company, we recognize our responsibility to the Egyptian Stock Exchange (EGX) and to the Financial Regulatory Authority (FRA). 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.	<ul style="list-style-type: none"> <li>Disclosure requirements and mandates</li> </ul>	<ul style="list-style-type: none"> <li>Resilience to Economic Volatility</li> <li>Business Ethics &amp; Transparency</li> </ul>
<b>Our Industry and Trade Associations</b>	Collaboration within our industry is fundamental to addressing shared challenges and capitalizing on opportunities for growth and innovation. 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.	<ul style="list-style-type: none"> <li>Quality checks.</li> <li>Regular audits.</li> <li>Risk assessment.</li> <li>Strategic Supplier Partnerships.</li> <li>Regular Meetings.</li> </ul>	<ul style="list-style-type: none"> <li>Product Quality &amp; Safety</li> <li>Occupational Health, Safety &amp; Well-being</li> <li>Environmental management</li> <li>Sustainable Agriculture</li> <li>Human rights</li> </ul>

## 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

# Appendix 4

## Overview of Juhayna's Capitals and Impacts Definitions

### CORPORATE STRATEGY PILLAR 1 : 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.

#### 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.



### STRATEGY PILLAR 2 : 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.

#### 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.

#### 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.

### CORPORATE STRATEGY PILLAR 3 : 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.

# Appendix 5

## Overview of Juhayna's Contribution to the SDGs

	Pillars	SDGs	Goals
<p><b>PEOPLE</b></p>	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
<p><b>PLANET</b></p>	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
<p><b>PURPOSE</b></p>	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
<p><b>GOVERNANCE</b></p>	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	

# Appendix 6

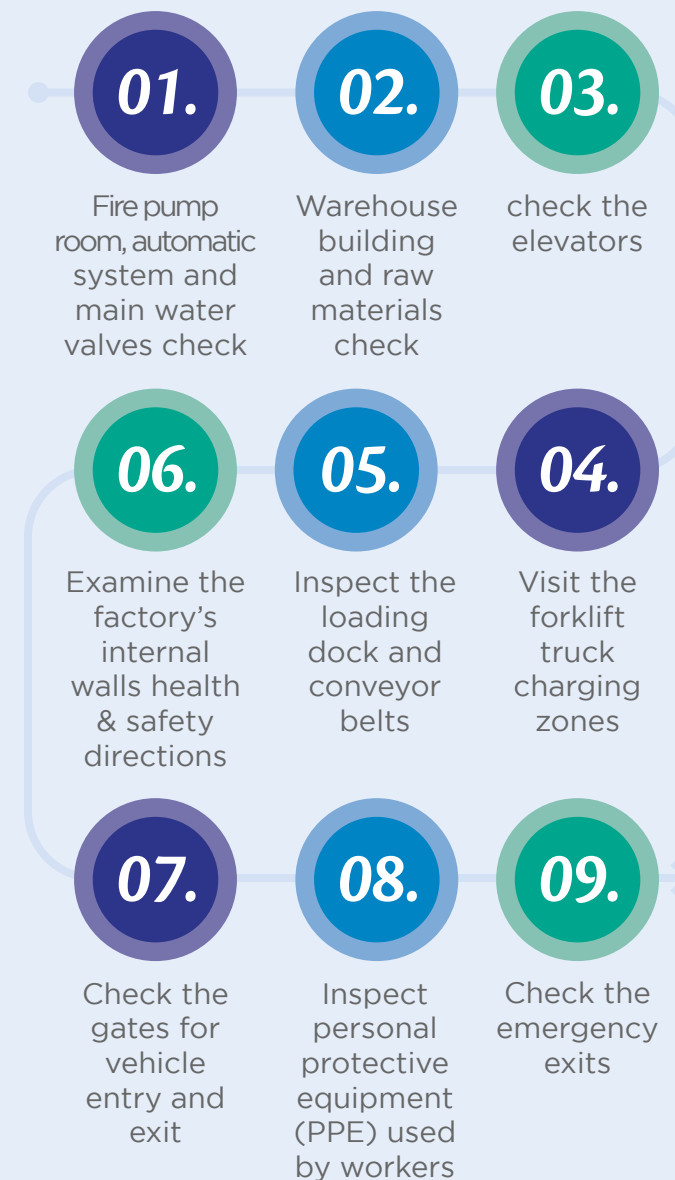
## Overview of Juhayna's HSE Governance



### HSE Internal Workflow

Our Internal HSE action plans and activities are multidimensional:

- Applies to all departments and activities.
- Manages multiple scopes (Labor, properties and resources).
- Protects the different stakeholders (employees, visitors, community and environment).
- Addressees all types of risks: electrical, mechanical, chemical, physical, biological
- Impacts include air and noise pollution.



### Our Standards

Juhayna follows rigorous standards for Occupational Health and Safety measures and audits.

Our standards set the necessary international guidelines, requirements, and procedures to protect employees according to our internal implementation of HSE Plans, including the necessary work practises, procedures, and policies. Adhering to such standards, entails a number of scopes that could be outlines, but not limited to the following:

#### Governance

1. Quality Assurance Team
2. Updates and Reviews
3. Employees Rights and Responsibilities
4. Employees Information and Training
5. Emergency Response

#### Scope and Application

6. Risks/Hazards Identification and Assessments.
7. Exposure Conditions.

#### Measures and Controls

8. Protective Equipment
9. General Safety Guidelines
10. Control Measures
11. Injuries and Illness

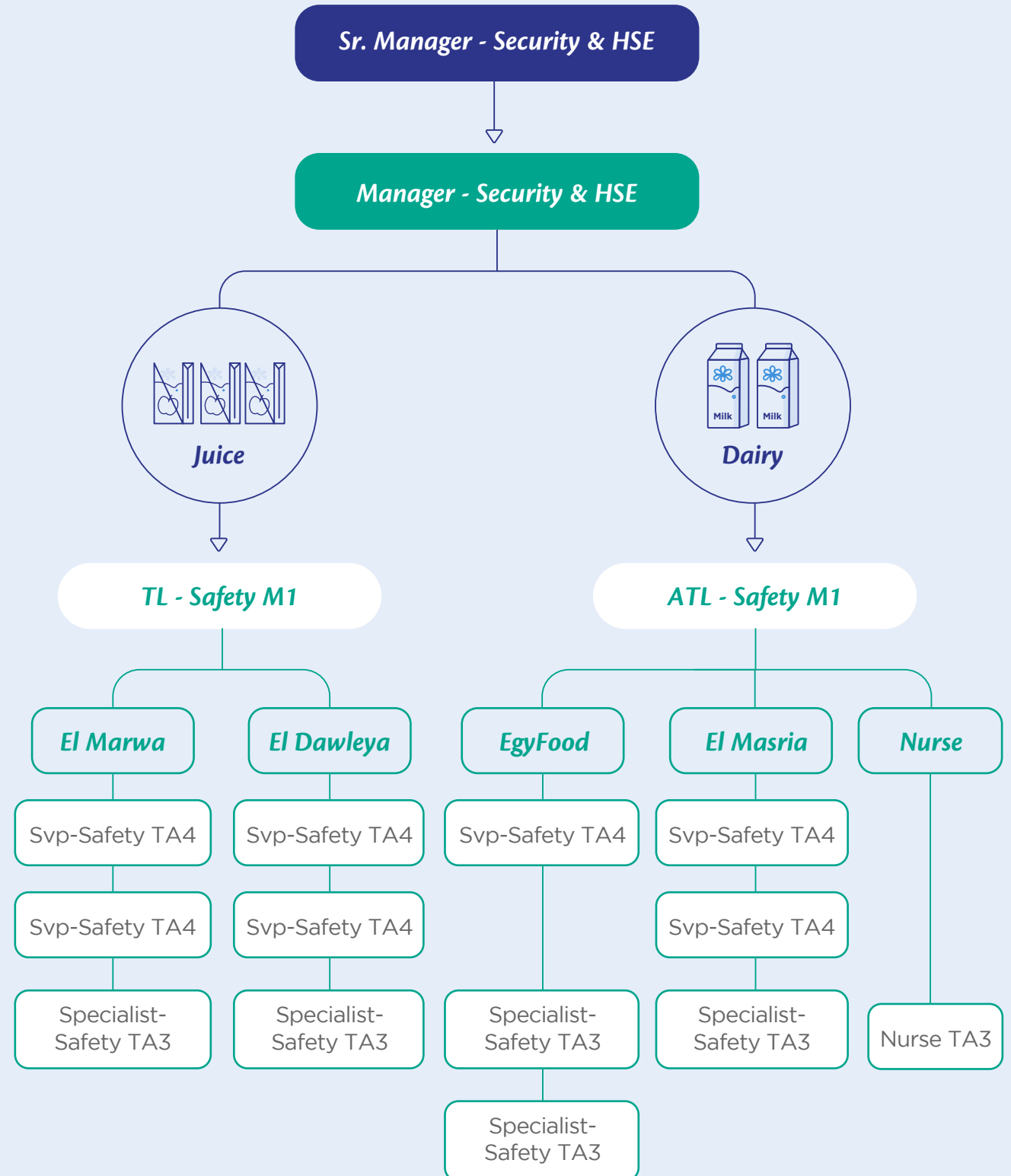
## HSE Hierarchy of Controls

The hierarchy of controls seeks to protect workers by offering multiple ranks in the ways in which hazard are monitored and controlled from the early stages:

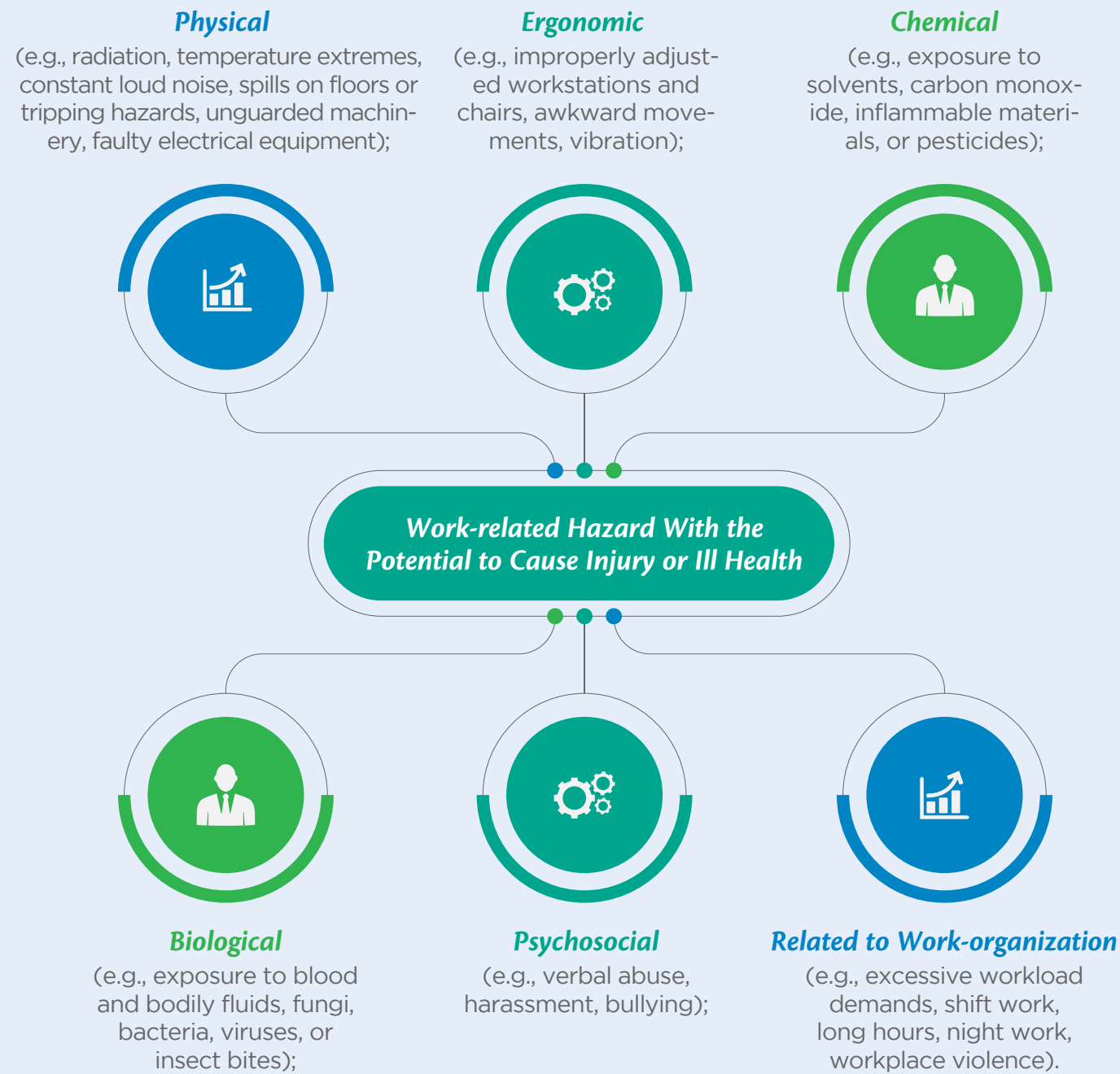
- At every function or department, employees are collectively responsible of self and others' monitoring and reporting on HSE activities to ensure immediate conformity.
- Daily meetings are conducted with health and safety and each factory to present issues throughout the day.
- Daily reports are developed and presented on weekly basis to HSE Team Lead.
- Monthly BOS data is collected across all relevant functions by the assigned participants for checks on employees' behavior, advising for behavioral corrections while noting number of recommendations made.
- Monthly tour by health & safety senior auditors to address behavioral issues.
- A Safety Committee is in place as a regulatory requirement. It meets monthly and is presented with the outputs of our weekly and monthly HSE reports.



## HSE Organizational Chart



## Hazard identification, risk assessment, and incident investigation



Following the ISO 45001:2018, our Occupational health and safety risk is identified as the combination of the likelihood of occurrence of a work-related hazardous situation or exposure, and the severity of injury or ill health that can be caused by the situation or exposure.

## Worker Participation, Consultation, and Communication on Health and Safety

Worker participation and consultation is an important component in our H&S practices. They are part of the development, implementation, and evaluation of the occupational health and safety management system. Dedicated Safety Officers and coordinators are assigned to facilitate implementation of H&S plans. They act as representatives of workers to communicate concerns to the unit heads.



## Employees HSE Rights

Our employees' rights include their right to refuse or stop unsafe or unhealthy work. Workers have the right to remove themselves from work situations that they believe could cause them or another person injury or ill health.

Workers might face reprisals on account of their decision to either remove themselves from work situations that they believe could cause injury or ill health, or for reporting hazards or hazardous situations to their workers' representatives, to their employer, or to regulatory authorities.

Therefore, their protection includes safeguarding their rights against reprisals, intimidation, threats, or acts that could have a negative impact on their employment or work engagement, including termination, demotion, loss of compensation, discipline, and any other unfavorable treatment.



# Appendix 7

## Overview of Juhayna's Sustainable Farming History and Management

### THE STORY OF OUR FARM (ENMAA) AND OUR NETWORK OF LOCAL FARMS

Our vertical integration journey initially began with maintaining Juhayna's affiliated dairy farms to secure our raw material supply. In 2008, however, we took a significant step by establishing our first fully owned dairy farm, Al Enmaa for Agriculture Development & Livestock, marking the latest advancement in our commitment to full vertical integration.

Situated on 5,000 feddans of land, our farm can sustain a herd of 7,000 milking cows, enabling us to supply 10% of our daily milk needs. Looking ahead, we plan to expand this dairy facility further.

This farm not only strengthens our supply chain and quality control but also positions us to address the widening gap between milk supply and demand in Egypt.

Key Subsidiaries of Al Enmaa:

**01 Al-Enmaa Livestock Company:** Focuses on developing dairy farms and owns 550 feddans in the Bahareya Oasis (Al-Aseela).

**02 Al-Enmaa Company for Agriculture Cultivation:** Specializes in fruit and crop cultivation, managing in the Bahareya Oasis.

These subsidiaries play vital roles in supporting our growth and reinforcing our supply chain for sustainable production.

### AL-ENMAA AGRICULTURE

Juhayna's agricultural operations span over 11,400 feddans across Al-Farafra in the New Valley Governorate and Al-Aseela in the Bahareya Oasis. Our farms cultivate a diverse range of crops, including citrus, wheat, corn, and potatoes, with citrus production alone exceeding 7424 tons daily as of 2023. This vast production capacity supports our internal resource needs, and it contributes to local economies by providing high-quality livestock feeds to local suppliers and export citrus to international markets.

Our geographical distribution of the cultivated land:

1. New Valley Governorate - Al Frafra: 2,686 feddans as of 2023 with plans to expand in 2024.
2. Bahria Oasis - Al-Esseila: 3,800 Feddans as of 2023.



the first farm in Egypt to be listed on the NFAA whitelist.

Enmaa aligns with UNSDGs 2 and 15

Enmaa Milking parlors are connected to an automation software.

holds the ISO 22000 certification for food safety management.

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.

### AL-ENMAA LIVESTOCK

#### 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.

#### 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.

#### 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.

**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.



## 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

We support talented youth

## 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.

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

Procut 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 externally and internally:

**External**

Central lab (At Dawlya plant) and at the corporate labs (At Egyfood and Masreya plants). Each lab requires specific testing and analysis.

**Internal**

Animal Research Health Institute, Animal Reproduction Institute, Central Lab of Residue Analysis of Pesticides and Heavy Metals in Food.

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

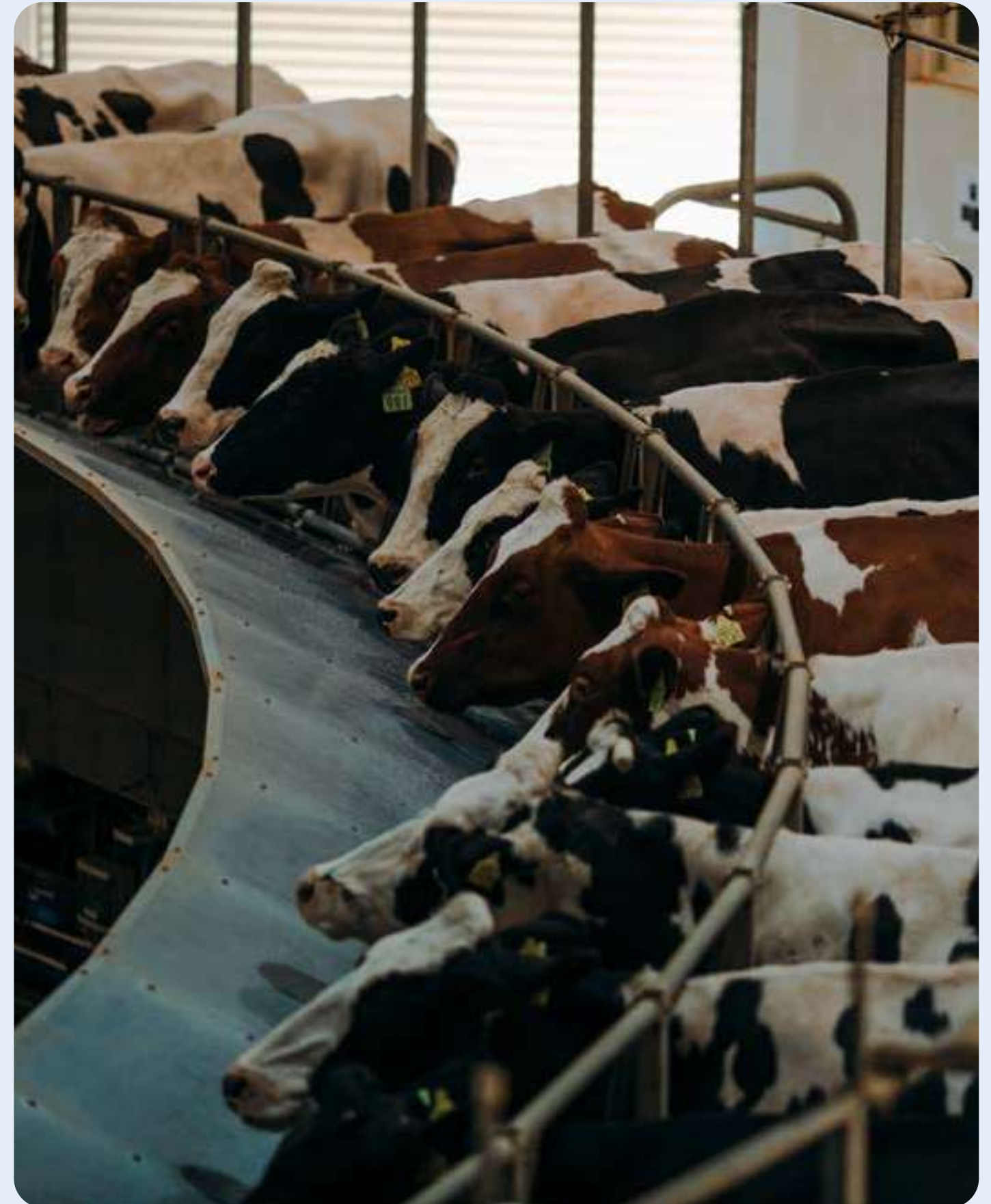
### Freedom from Pain, Injury, and Disease

- 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.



# Appendix 8

## Overview of Juhayna's Community Investment Strategy

### 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.

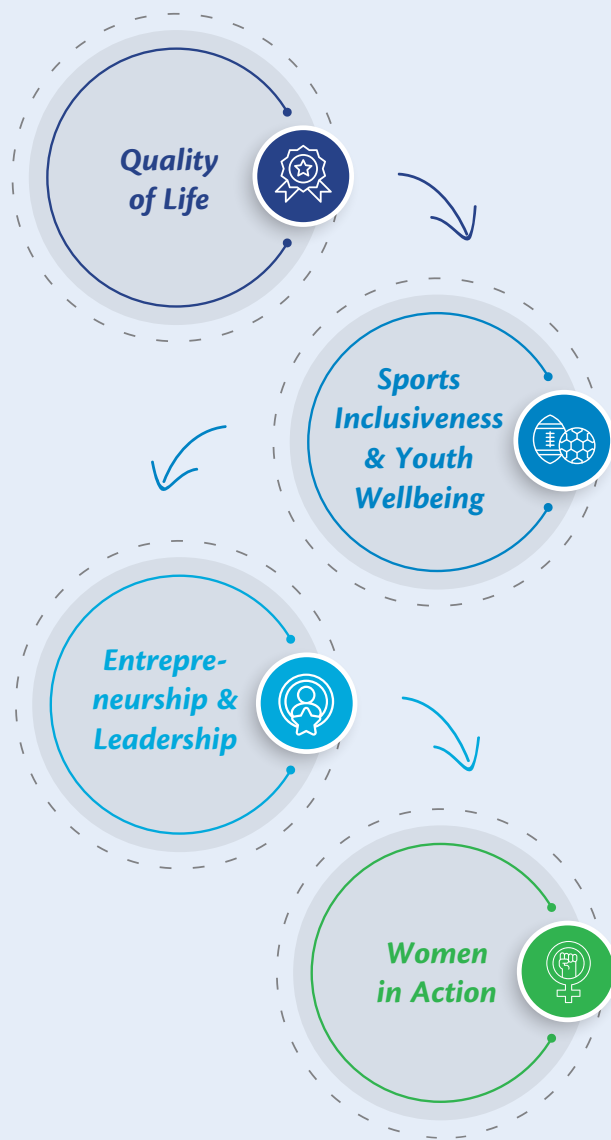


Juhayna's Legacy:  
The people own today's story and are protecting tomorrow's legacy.

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 our Annual Sustainability Reports, 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

Aligned with SDG3 (Good Health and Wellbeing) and SDG8 (Decent work and economic growth), SDG9 (Industry, innovation and infrastructure), 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.

Throughout our various yearly programs, we aim 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. Our ultimate goal is to enable Egyptian SMEs and suppliers by improving their process and product quality, as well as facilitating their integration into supply chains. Such programs entails site visits and gap assessments to the participating suppliers 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, our support include workshop at Juhayna's headquarters, with Juhayna's own experts to provide valuable training and knowledge sharing opportunities for the participants. Additionally, Juhayna provides 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. The first training was initiated in 2023 in collaboration with the International Finance Corporation (IFC).

## 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.



## 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.

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 celebrates International Women’s Month with a variety of activities.

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 more care cases on annual basis.

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.

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, aiming to increase the participation of women in the early detection and medical tests.



### 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.



# Appendix 9

## Overview of Juhayna's Governance, 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

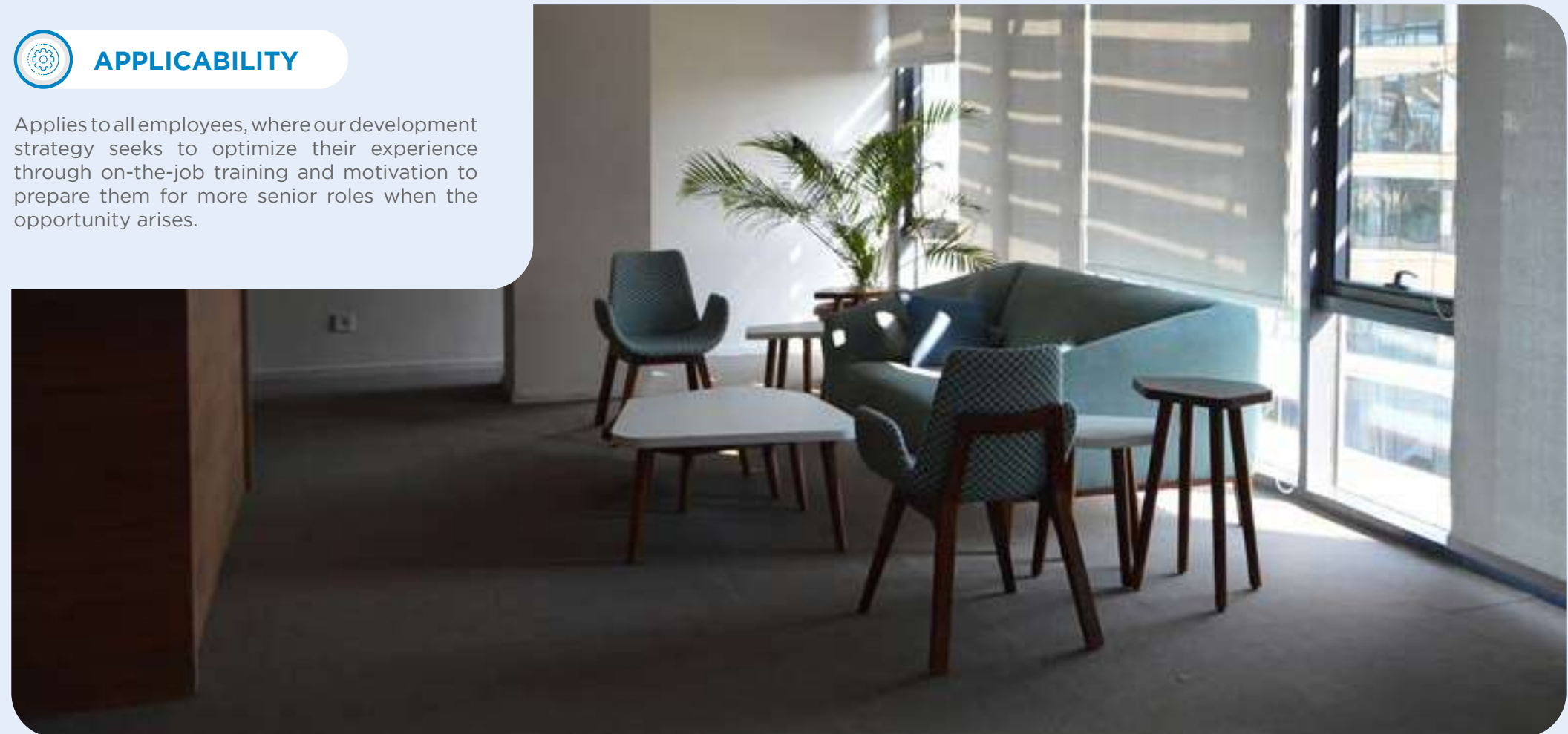
### OBJECTIVE

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

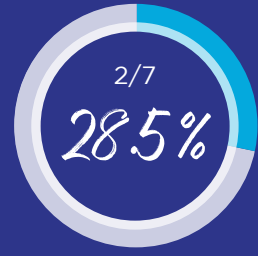
- Board members are appointed for a term of three years.
- The Board is composed of representatives selected from different shareholder groups, however, whenever a BoD member is appointed to such a position, he/she shall consider him/herself as a representative of all the shareholders. The member shall 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.
- 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



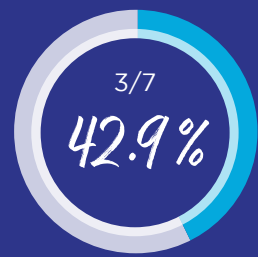
FEMALE



INDEPENDENT



DIVERSITY/DIRECTORS WITH A NON-EGYPTIAN NATIONALITY

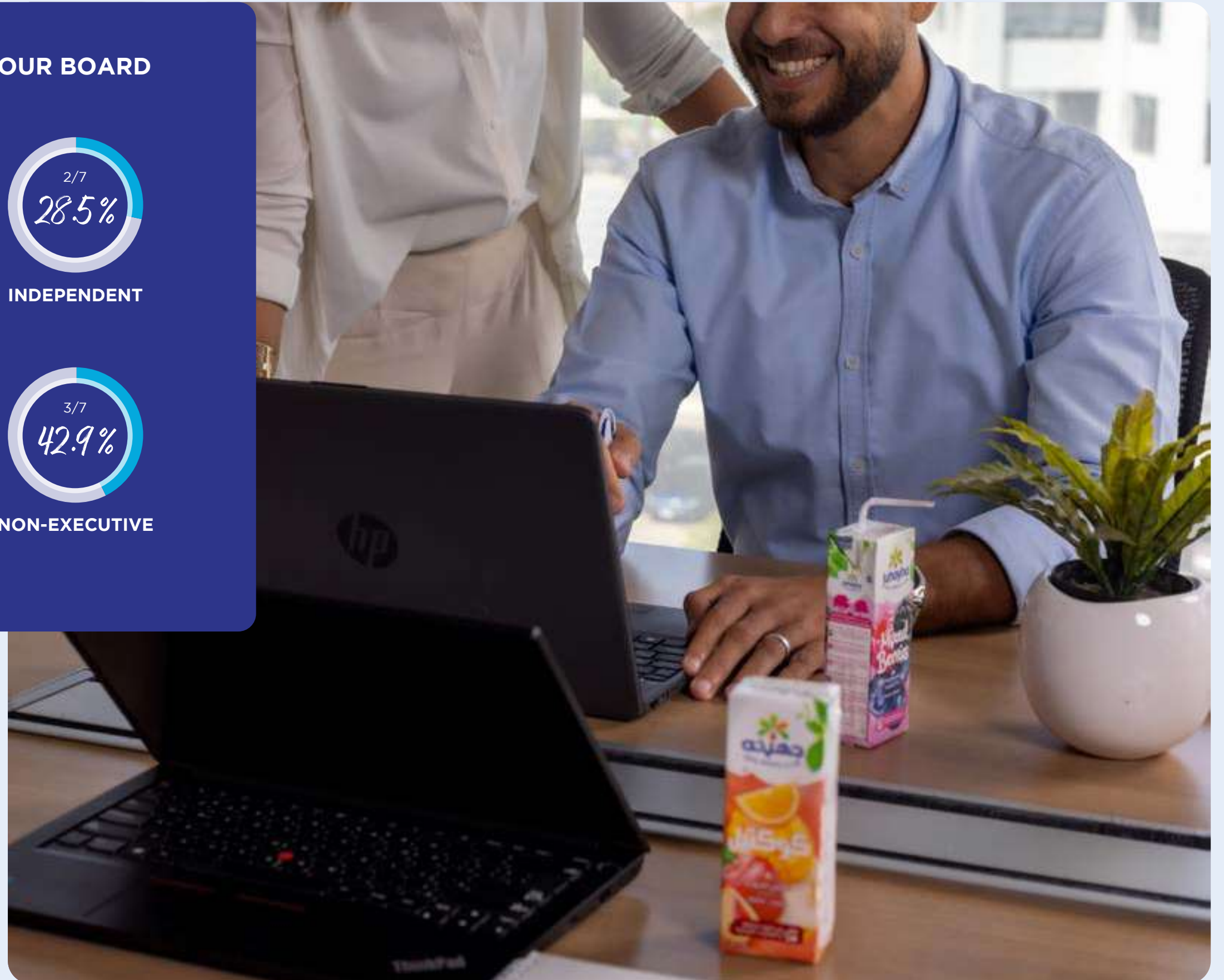


NON-EXECUTIVE

### 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. The Board believes that this strategic adjustment enhances our corporate governance and reinforces our commitment to transparency and effective leadership.

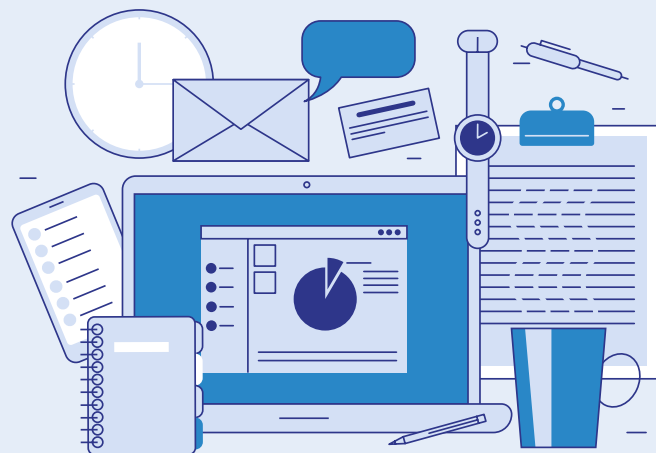




## Committees and Controls

### 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:



## 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



### THE RIGHT TO NUTRITION AND WELLBEING 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
<b>Freedom of association</b>	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.
<b>Child labour</b>	Our target is to maintain 100% compliance. The same national laws bind our vendors.
<b>Forced labour</b>	
<b>Non-discrimination in employment and occupation</b>	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.
<b>Safe and healthy working environment</b>	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.
<b>Working conditions</b>	<ul style="list-style-type: none"> <li>• Vendors are mandated to respect minimum wage obligations according to Egyptian Labor Law.</li> <li>• Access to emergency response, medical, and health care is provided to all employees and workers.</li> </ul>
<b>Inclusion, gender equality, and women empowerment</b>	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.



# INDICETS

# GRI Index

CODE	DISCLOSURE	Read On	Page Number
<b>GRI 2: GENERAL DISCLOSURES 2021</b>			
2-1	Organizational details	Organizational Overview	12
2-2	Entities included in the organization’s sustainability reporting	About This Report	8
2-3	Reporting period, frequency and contact point	This report covers fiscal year 2023 (01 January 2023 to 31 December 2023); content that describes efforts outside this period is indicated as such. <b>Reporting Cycle:</b> Annual <b>Contact Point:</b> Passant Fouad Director - External Communication   <a href="mailto:passant.fouad@juhayna.com">passant.fouad@juhayna.com</a>  Farah El Labbad Public Relations, CSR & Sustainability   <a href="mailto:farah.ellabbad@juhayna.com">farah.ellabbad@juhayna.com</a>	8
2-4	Restatements of information	No restatments done for the Sustainability Report 2023	
2-5	External assurance	Independent Assurance Statement	173
2-6	Activities, value chain and other business relationships	Growth with Purpose	25
2-7	Employees	Juhayna’s Family	91
2-8	Workers who are not employees	Juhayna’s Family	91
2-9	Governance structure and composition	Our Board of Directors	127
2-10	Nomination and selection of the highest governance body	Nomination and Selection of the Board	159
2-11	Chair of the highest governance body	Board Leadership Structure	160
2-12	Role of the highest governance body in overseeing the management of impacts	Board of Directors	159
2-13	Delegation of responsibility for managing impacts	Leadership through Governance	125
2-14	Role of the highest governance body in sustainability reporting	Board of Directors	159
2-15	Conflicts of interest	Conflict of Interest	156
2-16	Communication of critical concerns	Grievance and Whistleblowing Policy	156
2-17	Collective knowledge of the highest governance body	Board of Directors	159
2-22	Statement on sustainable development strategy	Our ESG Strategy	23

CODE	DISCLOSURE	Read On	Page Number
<b>GRI 2: GENERAL DISCLOSURES 2021</b>			
2-23	Policy commitments	Leadership through Governance	125
2-24	Embedding policy commitments	Leadership through Governance	125
2-25	Processes to remediate negative impacts	Throughout the Report	-
2-26	Mechanisms for seeking advice and raising concerns	Grievance and Whistleblowing Policy	156
2-27	Compliance with laws and regulations	Internal Audit	162
2-28	Membership associations	Sustainable Farming	39
2-29	Approach to stakeholder engagement	Our Stakeholder Engagement & Materiality	19
2-30	Collective bargaining agreements	Freedom of Association	158
<b>GRI 3: MATERIAL TOPICS 2021</b>			
3-1	Process to determine material topics	Our Stakeholder Engagement & Materiality	19
3-2	List of material topics	Our Stakeholder Engagement & Materiality	19
3-3	Management of material topics	Our Stakeholder Engagement & Materiality	19
<b>GRI 201: ECONOMIC PERFORMANCE 2016</b>			
201-1	Direct economic value generated and distributed	Economic Performance	26
201-2	Financial implications and other risks and opportunities due to climate change	Climate-Related Risks	121
<b>GRI 203: INDIRECT ECONOMIC IMPACTS 2016</b>			
203-2	Significant indirect economic impacts	Throughout the Report	-
<b>GRI 204: PROCUREMENT PRACTICES 2016</b>			
204-1	Proportion of spending on local suppliers	Investing in Local Sourcing	48
<b>GRI 207: TAX 2019</b>			
207-2	Tax governance, control, and risk management	Risk Management	162
207-3	Stakeholder engagement and management of concerns related to tax	Our Stakeholder Engagement & Materiality	19
<b>GRI 301: MATERIALS 2016</b>			
301-2	Recycled input materials used	R&D Packaging	75



CODE	DISCLOSURE	Read On	Page Number
<b>GRI 302: ENERGY 2016</b>			
302-1	Energy consumption within the organization	Energy and Emission Overview	120
302-3	Energy intensity	Carbon Footprint Report	
302-4	Reduction of energy consumption	Carbon Footprint Report	
302-5	Reductions in energy requirements of products and services	Carbon Footprint Report	
<b>GRI 303: WATER AND EFFLUENTS 2018</b>			
303-5	Water consumption	Water Management	122
<b>GRI 304: BIODIVERSITY 2016</b>			
304-2	Significant impacts of activities, products and services on biodiversity	Preserve the Land, Biodiversity, and Environmental Resources	149
<b>GRI 305: EMISSIONS 2016</b>			
305-1	Direct (Scope 1) GHG emissions	Energy and Emission Overview	120
305-2	Energy indirect (Scope 2) GHG emissions	Energy and Emission Overview	120
305-3	Other indirect (Scope 3) GHG emissions	Energy and Emission Overview	120
305-4	GHG emissions intensity	Carbon Footprint Report	
305-5	Reduction of GHG emissions	Carbon Footprint Report	
<b>GRI 306: WASTE 2020</b>			
306-1	Waste generation and significant waste-related impacts	Waste Management	124
306-2	Management of significant waste-related impacts	Waste Management	124
306-3	Waste generated	Waste Management	124
<b>GRI 401: EMPLOYMENT 2016</b>			
401-1	New employee hires and employee turnover	Juhayna's Family	91
401-3	Parental leave	Juhayna's Family	91
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018</b>			
403-1	Occupational health and safety management system	Health and Safety	97
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety	97

CODE	DISCLOSURE	Read On	Page Number
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018</b>			
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety	97
403-5	Worker training on occupational health and safety	Health and Safety	97
403-6	Promotion of worker health	Health and Safety	97
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety	97
403-8	Workers covered by an occupational health and safety management system	Health and Safety	97
403-9	Work-related injuries	Health and Safety	97
403-10	Work-related ill health	Health and Safety	97
<b>GRI 404: TRAINING AND EDUCATION 2016</b>			
404-1	Average hours of training per year per employee	Juhayna's Family	91
404-2	Programs for upgrading employee skills and transition assistance programs	Juhayna's Family	91
404-3	Percentage of employees receiving regular performance and career development reviews	Juhayna's Family	91
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016</b>			
405-1	Diversity of governance bodies and employees	Juhayna's Family	91
<b>GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016</b>			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Freedom of Association	158
<b>GRI 408: CHILD LABOR 2016</b>			
408-1	Operations and suppliers at significant risk for incidents of child labor	The Right to Nutrition and Wellbeing	163
<b>GRI 409: FORCED OR COMPULSORY LABOR 2016</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	The Right to Nutrition and Wellbeing	163
<b>GRI 413: LOCAL COMMUNITIES 2016</b>			
413-1	Operations with local community engagement, impact assessments, and development programs	Community Investment	113
413-2	Operations with significant actual and potential negative impacts on local communities	Community Investment	113
<b>GRI 416: CUSTOMER HEALTH AND SAFETY 2016</b>			
416-1	Assessment of the health and safety impacts of product and service categories	Quality Control	79
<b>GRI 417: MARKETING AND LABELING 2016</b>			
417-1	Requirements for product and service information and labeling	Responsible Communication	106

# SASB Index

TOPIC	METRIC	Read On	Page
<b>AGRICULTURAL - PRODUCTS - STANDARD</b>			
<b>Greenhouse Gas Emissions</b>	Gross global Scope 1 emissions	Carbon Footprint Report	
<b>Greenhouse Gas Emissions</b>	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	Energy and Emission Overview	120
<b>Greenhouse Gas Emissions</b>	Fleet fuel consumed, percentage renewable	Carbon Footprint Report	
<b>Energy Management</b>	Percentage renewable	Energy and Emission Overview	120
<b>Water Management</b>	Total water consumed (all of Egypt is High Baseline Water Stress)	Water Management	122
<b>Water Management</b>	Description of water management risks and discussion of strategies and practices to mitigate those risks	Water Management	122
<b>Workforce Health &amp; Safety</b>	(1) Fatality rate, and (2) near miss frequency rate (NMFR)	Health and Safety	97
<b>Ingredient Sourcing</b>	Identification of principal crops and description of risks and opportunities presented by climate change	Throughout the Report	
<b>agricultural-products-standard</b>	Number of processing facilities	Organizational Overview	12
<b>agricultural-products-standard</b>	Total land area under active production	Annual Report	
<b>FOOD RETAILERS &amp; DISTRIBUTORS</b>			
<b>Air Emissions from Refrigeration</b>	Fleet fuel consumed, percentage renewable	Carbon Footprint Report	
<b>Air Emissions from Refrigeration</b>	Gross global Scope 1 emissions from refrigerants	Carbon Footprint Report	
<b>Energy Management</b>	(1) Operational energy consumed (Read more on Carbon Footprint Report - soon to be published)	Energy and Emission Overview	120
<b>Product Health &amp; Nutrition</b>	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Milk Analysis	148
<b>Labour Practices</b>	Percentage of active workforce covered under collective bargaining agreements	Freedom of Association	158
<b>Labour Practices</b>	(1) Number of work stoppages and (2) total days idle	Responsible Manufacturing	49
<b>Labour Practices</b>	Total amount of monetary losses as a result of legal proceedings associated with: (1) labour law violations and (2) employment discrimination	Throughout the Report	
<b>Management of Environmental &amp; Social Impacts in the Supply Chain</b>	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	Sustainable Farming	39

TOPIC	METRIC	Read On	Page
<b>FOOD RETAILERS &amp; DISTRIBUTORS</b>			
<b>Management of Environmental &amp; Social Impacts in the Supply Chain</b>	Discussion of strategies to reduce the environmental impact of packaging	R&D Packaging	75
<b>Food Retailers &amp; Distributors</b>	Number of (1) retail locations and (2) distribution centres	Sales & Distribution	85
<b>Food Retailers &amp; Distributors</b>	Number of vehicles in commercial fleet	Sales & Distribution	85
<b>MEAT, POULTRY &amp; DAIRY</b>			
<b>Greenhouse Gas Emissions</b>	Gross global Scope 1 emissions	Carbon Footprint Report	
<b>Energy Management</b>	(1) Total energy consumed (Read more on Carbon Footprint Report - soon to be published)	Energy and Emission Overview	120
<b>Water Management</b>	Total water consumed (all of Egypt is High Baseline Water Stress)	Water Management	122
<b>Water Management</b>	Description of water management risks and discussion of strategies and practices to mitigate those risks	Water Management	122
<b>Land Use &amp; Ecological Impacts</b>	Percentage of pasture and grazing land managed to conservation plan criteria	Preserve the Land, Biodiversity, and Environmental Resources	149
<b>Workforce Health &amp; Safety</b>	(1) Total recordable incident rate (TRIR) and (2) fatality rate	Health and Safety	97
<b>Meat, Poultry &amp; Dairy</b>	Number of processing and manufacturing facilities	Organizational Overview	12
<b>Energy Management</b>	(1) Total energy consumed (Read more on Carbon Footprint Report - soon to be published)	Energy and Emission Overview	120
<b>Water Management</b>	Total water consumed	Water Management	122
<b>Water Management</b>	Description of water management risks and discussion of strategies and practices to mitigate those risks	Water Management	122
<b>Health &amp; Nutrition</b>	Revenue from products labelled and/or marketed to promote health and nutrition attributes	Right to Nutrition	102
<b>Health &amp; Nutrition</b>	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Milk Analysis	148
<b>Packaging Lifecycle Management</b>	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	R&D Packaging	75
<b>Packaging Lifecycle Management</b>	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	R&D Packaging	75
<b>Sourcing</b>	Number of production facilities	Organizational Overview	12

TOPIC	METRIC	Read On	Page
<b>NON-ALCOHOLIC BEVERAGES</b>			
<b>Fleet Fuel Management</b>	Fleet fuel consumed, percentage renewable	Carbon Footprint Report	
<b>Energy Management</b>	(1) Operational energy consumed (Read more on Carbon Footprint Report - soon to be published)	Energy and Emission Overview	120
<b>Water Management</b>	Total water consumed (all of Egypt is High Baseline Water Stress)	Water Management	122
<b>Water Management</b>	Description of water management risks and discussion of strategies and practices to mitigate those risks	Water Management	122
<b>Health &amp; Nutrition</b>	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Milk Analysis	148
<b>Packaging Lifecycle Management</b>	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	R&D Packaging	75
<b>Non-Alcoholic Beverages</b>	Number of production facilities	Organizational Overview	12

# Integrated Reporting Principles Index

IR Content Elements	Read On	Page
<b>1. A Organizational overview and external environment</b>	Sustainability at Juhayna	10-24
<b>2. B Governance</b>	Leadership Through Governance	126-130
<b>3. C Business model</b>	Throughout the Report	
<b>4. D Risks and opportunities</b>	Throughout the Report	
<b>5. E Strategy and resource allocation</b>	Our ESG Strategy Managing Our Capitals and Creating Value	23 24
<b>6. F Performance</b>	Throughout the Report	
<b>7. G Outlook</b>	Outlook	8
<b>8. H Basis of preparation and presentation</b>	About this Report	15

IR Guiding Principles	Read On	Page
<b>1. A Strategic focus and future orientation</b>	Sustainability at Juhayna	10-24
<b>2. B Connectivity of information</b>	Throughout the Report	
<b>3. C Stakeholder relationships</b>	Our Stakeholder Engagement & Materiality	19
<b>4. D Materiality</b>	Our Stakeholder Engagement & Materiality	19
<b>5. E Conciseness</b>	Throughout the Report	
<b>6. F Reliability and completeness</b>		
<b>7. G Consistency and comparability</b>		

# Independent Assurance Statement



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 Villa 78, road 282, Investment Village, Cairo, Egypt.  
[www.dcarboney.com](http://www.dcarboney.com)

## To the Board of Directors

### Juhayna Food Industries S.A.E - Egypt

**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 2023.

As an independent assurance provider, we were asked to assist the company in assessing and enhancing its value creation strategic framework by conducting 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.

## Overview of 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.

This year's engagement with the company marked a new benchmark in reporting process, management approach and ESG governance within Juhayna. Our assessment extended to a wide and more in-depth analysis as the company introduced one-of-a-kind representation with its workflow processes within each phase of its value chain (farming, manufacturing, Product Innovation, Quality, Operations, Sales & Distributions), in addition to the same approach across its supporting functions (HR, HSE, Communication, Customer Care and Business Development).

Over 60+ hours of one-to-one engagement took place with the Sustainability Ambassadors who are representing those functions to assess the company's management approach, data reliability (consistency, validity, and connectivity), and finally the governance of those practices.

The scope of assurance has included data and information for the period between January 1, 2023, to December 31, 2023, for operations in Egypt, with a highlight on its global exports.

## 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 Appendix highlights the company's alignment to UNGC latest 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.

## 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. Outlook on externalities and national circumstances and 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 continues to present a consistent capturing of 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 key activities are reported. 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. In line with this ambitious, this year’s report took a step forward compared to the 2-22 report by remarkably presenting more figures related to its financial capital. Trade-offs with other capitals is also featured as outputs and outcomes across the Value Creation matrix per function.

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)

## 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 are 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, however, as confirmed by the company, they are part of the company traditional business process which is presented through the Integrated Business Plan (IBP) Process presented in detail in Appendix 1 of the report, as part Juhayna risk management approach and yearly planning and forecasting process. No changes were detected in the 2023 material issues compared to those of 2022. Only progress on the material issues management approach were reported and assessment through their associated KPIs across the sections of the report.

## 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 over the departmental focal persons involved in the process.

## 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), companies 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 Juhayna’s second year reporting according to the Integrated Reporting approach, we ensured the company has continued to streamline 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.

## 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. A brief overview of selective scopes of work by the Assurance Team can be presented as follows:

### Ms. May Elwany:

Integrated Reporting Content Elements and Reporting Principles Reviews, ESG Strategy and Value Creation Model, Governance, ESG Risk Assessment Review, Materiality Audits, Verification of ESG Management Oversight.

### Ms. Mayar Farag:

Economic Performance data, Sector and topic-specific Data Metrics Analysis, Double-materiality Assessment, Stakeholder Engagement, Value Creation and Impacts Review and Analysis, Material Issues Review.

### Engineer Ali Zaki:

Industry-specific data, Industrial processes, Environmental Data & Carbon Footprint Data Collection, Stakeholder Engagement, Value Creation and Impacts Review and Analysis, Material Issues Review.

The Report outcome was supported by:

### Ms. Mariem Hamza:

for Specialized Sustainability Reporting Design, and Industry-related and functions-specific Visuals and imagery.

## 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





