



Sustainable Living, **For The Better**

Sustainability Report **2023**



For The Better • من أجل الأفضل



Table of Contents

About this Report	04	Scaling Health and Wellness	48
Scope of the Report	05	Responsible Marketing & Consumer Awareness	50
Report Highlights 2023	06	Product Safety & Quality	56
Message from Chairman	08	Risk Assessment	62
Message from the CEO	10	Product Research & Development	64
		Product Innovation, Health & Wellness	65
		Sustainability Awards & Achievements	72
		Responsible Supply Chain Management	74
Sustainability at Agthia	12	Fostering Positive Potential	80
Sustainability Management	14	Our People & Culture	83
Our Sustainability Vision	16	Employee Engagement	84
Our Double Materiality Assessment	19	Learning & Development	88
Listening to Our Stakeholders	19	Our Workforce	94
Our Priority Sustainability Material Topics	20	Health & Safety	100
Our Sustainability Framework	24	Community Engagement	109
		Shared Accountability	118
Environmental Integrity	26	Corporate Governance	120
Environment Management	28	Governance Structure	121
Sustainable Packaging	30	Internal Control	129
Achievements & Recognitions	31	Ethical Business Conduct	129
Energy Consumption	35	Compliance	130
Climate Change	40	Supporting Human Rights	132
Water Consumption	42	Cyber Security, Data Privacy & Digitalisation	135
Waste Management	43	Cost Optimisation	137
Transitioning into a Circular Business	45		
Group Certifications	47		



About This Report

We are proud to present our Sustainability Report for the year 2023, reflecting our dedication to sustainability, strategy, and transparency. At Agthia, we draw inspiration from nature—from the springs to the grasslands and the farms that feed us—placing sustainability at the core of everything we do.

This commitment propels us to innovate continuously, so that our products not only meet the needs of people but also contribute positively to our planet. We operate with the highest ethical standards, aiming to contribute to economic development while enhancing the quality of life for our workforce, their families, and the broader community. Through this report, we aim to provide a comprehensive view of our sustainability journey, harmoniously showcasing our commitment to advancing economic, environmental, and social goals.

GRI Accordance

This report has been prepared in accordance with GRI Standards. The structure of this report adheres to the GRI Sustainability Reporting Standards and the GRI Sector Standard for Agriculture, Aquaculture and Fishing, providing a framework for capturing, tracking, monitoring, managing, and disclosing information regarding identified material topics.

Alignments

The report aligns with GRI Standards, GRI Sector Standard for Agriculture, Aquaculture and Fishing, United Nations Sustainable Development Goals (SDGs) and Abu Dhabi Vision 2030.

Comparable Data

Most disclosures in this report cover historical data for 2021 and 2022, showcasing developments over time.

External Assurance

We chose not to appoint an external party to audit our non-financial data for this report. We followed an internal assurance process to give our stakeholders full confidence in the accuracy of the information reported.

Contact Point

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Scope of the Report



Year

The report covers our environmental, social, and governance performance for the period 1 January 2023 to 31 December 2023 unless otherwise indicated.



Countries

The report covers our operations in the GCC (Gulf Cooperation Council), which includes UAE, KSA, Kuwait and Oman, in addition to our operations in Turkey, Egypt and Jordan unless otherwise stated.



Terminology

Use of 'the Group', 'We', and 'Our' in this report refers to Agthia Group PJSC, including all its subsidiaries in the GCC, Egypt, Turkey, and Jordan.



Entities

The report covers the operations of Agthia Group, which includes majority shareholder or wholly owned assets referred to as 'subsidiaries.' Performance data relates to both the Group and its subsidiaries unless otherwise indicated.



Monetary Values

All monetary values in this report are expressed in Arab Emirates Dirhams (AED) unless otherwise stated.



Financial Performance

Financial Performance covers Agthia Group and all its subsidiaries. For detailed information about our financial performance, please refer to our Annual Report 2023.



Report Highlights 2023



Environmental Integrity

100% recycled
PET bottles launched

44% recycled
materials going into packaging

96% of packaging
is recyclable or reusable

55 KG of CO2e
per tonne of production

30% sites
ISO 14001 and ISO 45001 certified

67% recycled waste
from total waste

1.06 cubic metres of water
per tonne of production

883 tonnes of recyclable waste
collected through RECAPP



Scaling Health & Wellness

0 (Zero)
product recall from markets

0 (Zero) non-compliances in
communications and regulations

90.21
GMP Score

99%
lab proficiency

AED 3.54 billion
in procured goods and services

100% of suppliers
are screened on quality, social and
environmental criteria

40 supplier site
audits conducted



Fostering Positive Potential

68% of newly hired employees
are under 30 years of age

10.6%
turnover rate

2% Increase in our female
full-time employees

63 different nationalities
work at Agthia

AED 2.5 million investment
on L&D training

3.62 average hours of
health & safety training to employees

81% HSE audit score
across the Group

AED 659.4 thousand in
community investments



Shared Accountability

AED XX
in revenue (From Annual Report)

0 (Zero)
discrimination cases

0 (Zero)
bribery cases

0(Zero) complaints
received concerning breaches of
customer privacy



Message from Our Chairman

Khalifa Sultan Al Suwaidi

We are proud to call the UAE our home, a nation which has a proven track record in sustainable action and continues implementing policies and practices to accelerate progress on a local and global level. Drawing upon an ever-increasing track record of achievements, the nation is united in the pursuit of a sustainable tomorrow through a multitude of endeavours and initiatives spanning various domains, from attaining net zero to conservation efforts both on land and in the sea. The Middle East is rapidly emerging as a global leader in sustainability.

Agthia's progress in sustainability over the past year demonstrates our management's ability to successfully consolidate value-accretive businesses, leverage synergies and maintain a profitable core, while driving forward our sustainability agenda. I am proud to note that we have been successful in exceeding the objectives we set for ourselves throughout the Year of Sustainability in the UAE, and we are humbled to play a role.

Propelled by a portfolio of market-leading brands with global potential, Agthia has emerged as a regional contender in the food and beverage sector in recent years. We acknowledge that our ever-growing footprint comes with a responsibility to ensure that the value we create is sustainable, and that our impact on the world around us is positive. As a result, we are in advanced stages of actioning our comprehensive ESG strategy that reflects the growing size, scale, and scope of our operations.

We have also been working towards increasing Board diversity in line with global best practices. I am pleased to welcome our new Board members and I am confident that through our collective efforts, we will build upon our past successes to reach even greater heights. We will always strive to create value for our stakeholders as we make progress on our strategy and move towards becoming a leading food and beverage company in the MENA region and beyond.

I would like to express my deepest gratitude to the leadership of the UAE as well as our stakeholders and partners for their valuable support. I would like to thank Agthia's management and staff for their dedication and commitment, our board members for their keen insight and proactive leadership, and our shareholders for their continued confidence in Agthia. Finally, we thank our customers, whose loyalty is the lifeline and reason to exist for Agthia.



Message from Our CEO

Alan Smith

I am delighted to showcase Agthia’s Annual Sustainability Report for the year 2023. Agthia has achieved significant milestones over the past twelve months, including the introduction of innovative products to scalable new markets, the strengthening of the Board and Leadership Team, the implementation of extensive ESG initiatives, and the establishment of a unified voice on sustainability.

I am delighted to showcase Agthia’s Annual Sustainability Report for the year 2023. Agthia has achieved significant milestones over the past twelve months, including the introduction of innovative products to scalable new markets, the strengthening of the Board and Leadership Team, the implementation of extensive ESG initiatives, and the establishment of a unified voice on sustainability.

Our motto at Agthia is “For the Better” which encompasses everything we do and drives us to continually create value for all our stakeholders. By integrating sustainability and innovation as core components of our strategic growth plan, we have been diligently formulating solutions in alignment with UAE’s efforts to achieving Net Zero by 2050. We are delighted that our efforts are already bearing fruit, and today, Al Ain, Agthia’s flagship water brand, is pioneering recycled PET-based packaging by introducing a 100% rPET bottle to the market and actively supporting the UAE’s transition towards a circular economy. The utilisation of sustainable packaging for an essential product like bottled water could significantly contribute to the reduction of plastic waste in the United Arab Emirates, thereby directly supporting the country’s objective of attaining Net Zero plastic waste by 2050, especially in light of the Year of Sustainability.

Moreover, by incorporating solar energy into our energy mix, we are undertaking substantial measures to mitigate our carbon emissions. Our renewable energy strategy represents a positive stride in our endeavour to establish ourselves as a diversified, industry-leading food and beverage company committed to sustainability. Manufacturers encounter considerable challenges when attempting to reconcile energy efficiency and sustainable production methods with stringent safety and quality standards. We substantially reduce the ecological footprint associated with operations in two of our most important locations in the UAE by incorporating solar energy. Furthermore, our partnership with Yellow Door Energy aligns harmoniously with our core values of environmental stewardship and accountability. The initiative aims to accomplish a 16% reduction in CO2 emissions by 2026 through the generation of 287,000 MWh of clean energy over the course of the following 25 years, or 124,000 tons of CO2 emissions.

At the heart of Agthia is our people, whose well-being and safety are our utmost priority. In 2023, we were proud to announce our Culture Renovation Programme – Tamkeen. Engaging all our over 11,000 employees of Agthia, this initiative encouraged each one to share their perspectives on Agthia’s culture, values, behaviours, and work environment. The Culture Health Index Score for the group within Tamkeen results stands at 83%. Notably, the Employee Experience pillar excels with a score of 85%. This year, we also launched our very own employee assistance initiative, ‘For the Better’, which has helped over 110 employees with their critical medical conditions, education, and home assistance needs. We truly believe in making a positive difference in our employees’ lives, not only by providing assistance where it is most needed but also by fostering a sense of well-being and community spirit throughout the entire Group.

Being part of an ever-evolving industry, it is crucial that our leadership is forward-thinking, diverse, innovative, and strategic. I am delighted to see that a third of our Board is now represented by accomplished female leaders, and I am confident that their breadth of experience and fresh perspectives will prove invaluable to our team as we navigate the ever-changing business environment.

With the consumer at the core of our innovation, Agthia has introduced a number of products designed to enhance consumer health, wellness, and nutrition. We introduced ‘Al Ain Plus’, a zinc and magnesium-enhanced functional water, in April in response to the increasing consumer interest in healthy products and lifestyles. We were honoured to be presented with the ‘Quality Standards Award’ at the Make It in the Emirates forum by the Ministry of Industry and Advanced Technology. This honour signifies our steadfast dedication to establishing an industry-leading standard and ensuring that consumers always have access to culinary products that are secure and dependable.

Staying ahead of trends, Agthia has formed a proactive partnership with Microsoft in an effort to transform various aspects of its operations, including employee engagement, procurement, production, and customer service. This partnership represents a noteworthy achievement in our aspiration to establish ourselves as a regional digital leader within the consumer-packaged goods (CPG) sector.

I wish to extend my heartfelt appreciation to our esteemed stakeholders, whose confidence and assistance have been indispensable to the achievement of our goals. Our shared objective is to maintain a leading position in the region and industry and to make progress toward our sustainability goals and targets through collaborative efforts, for the better.



Sustainability at Agthia

Foreword by Group Director HSE & Sustainability

I am extremely pleased to report that Agthia has made continued progress across the four pillars of our sustainability agenda throughout 2023. We were proud to be leading the charge of UAE's Year of Sustainability through our innovations and initiatives in environmental, social and governmental aspects.

With Agthia at the forefront of UAE's transition towards a circular economy, Al Ain, our flagship water brand, launched the 100% Post Consumer Recycled PET Bottles, becoming the first of its kind to be locally produced by a UAE brand, contributing to a 79% reduction in energy consumption, a 90% reduction in water usage, and a 75% reduction in greenhouse gas emissions compared to virgin PET¹.

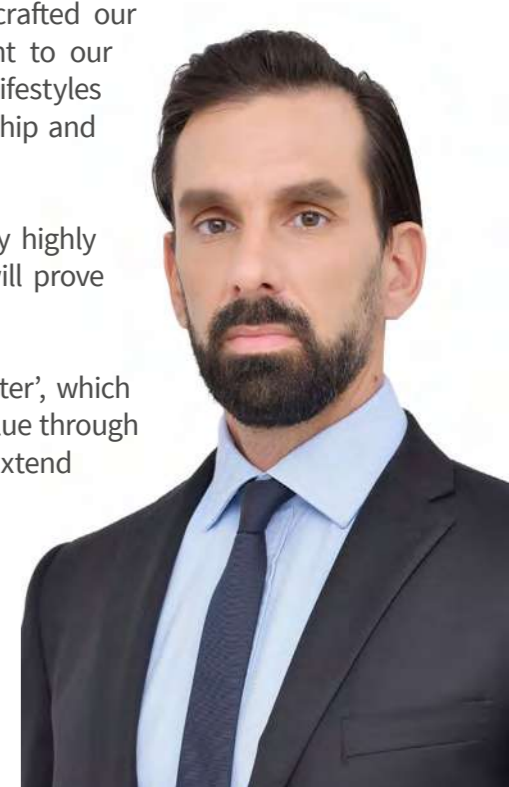
Furthermore, our solar initiative is a significant step towards reducing the Group's carbon footprint. The initiative is expected to offset almost 20% of the energy consumed at the factories each year, contributing to both sustainability gains and cost efficiencies. In 2023, we further enhanced our Responsible Sourcing Policy, which aims to integrate responsible procurement across all its suppliers and promote sustainable processes throughout our value chain.

In 2023, we embarked on a strategic initiative to conduct an 'ESG Brand Screening' across our key brands, evaluating how each brand integrates ESG principles within its core ethos and strategies. This assessment was designed to enhance our understanding of how to leverage ESG attributes to align with and propel our overarching ambitions and vision towards sustainability. The outcome of this exercise was twofold: it enabled us to identify and amplify our ESG strengths and mitigate potential risks and also reinforce the synergy between our sustainability objectives and business goals.

Furthermore, aligned with our comprehensive ESG strategy, we have crafted our Corporate Social Responsibility (CSR) plan to embody our commitment to our people and planet. The CSR Plan is guided by the four pillars of Healthy Lifestyles and Nutrition, Job Creation and Empowerment, Environmental Stewardship and Community Development.

Lastly, I'm glad to share that a third of our Board is now represented by highly accomplished female leaders whose perspectives and rich experience will prove invaluable to our business environment.

We are constantly driven by our vision of 'Sustainable Living for the Better', which stands as our guiding star, and we aim to continue creating sustainable value through our products and innovations for our people, planet and society at large. I extend my deepest gratitude to all our stakeholders for their constant support, valuable contributions and deep trust in our brands.



Theofilos Alevizos
Group Director Sustainability & HSE

Sustainability Management

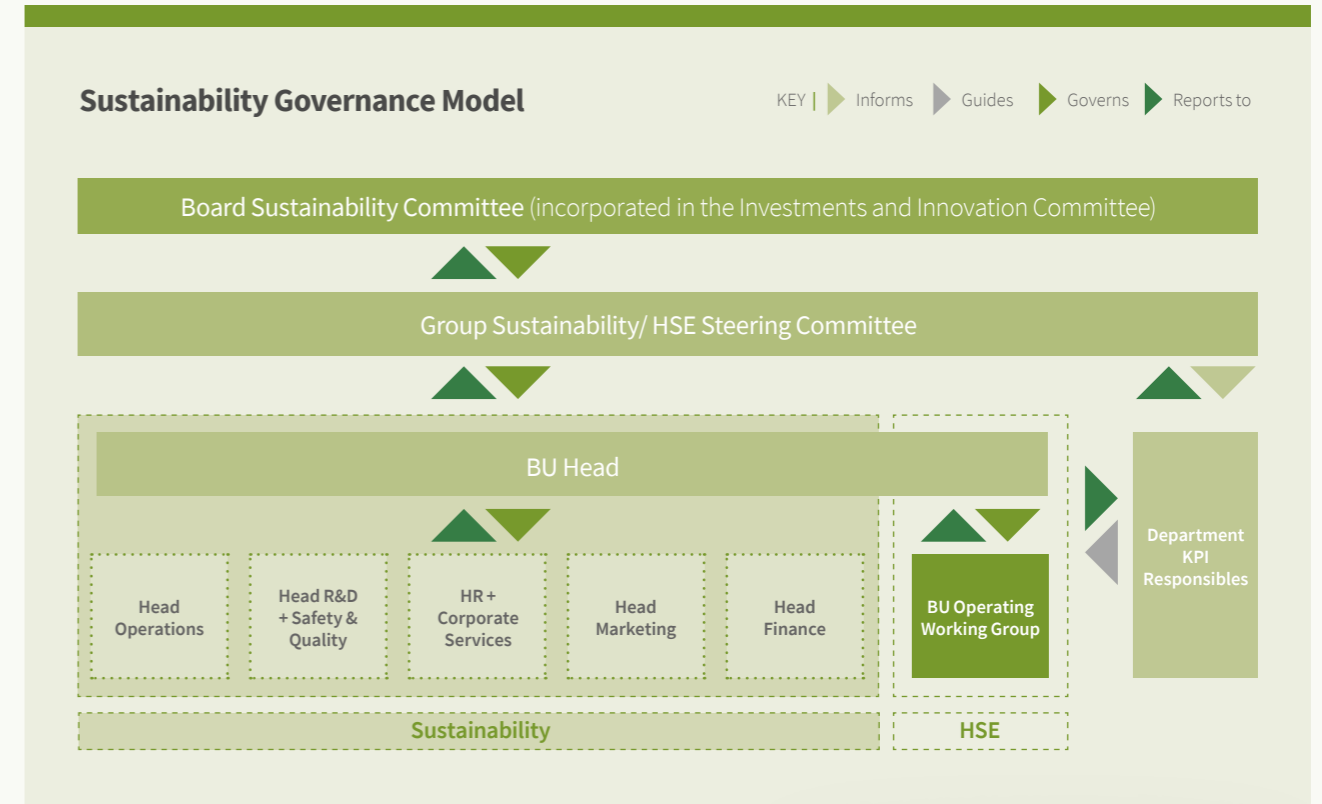
Our sustainability vision —“Sustainable Living for the Better”— propels us to continually innovate and progress for both people and the planet. Our vision comes to life through our sustainability strategy and roadmap, the governance of which is crucial for us to drive strategic alignment, manage risks, engage stakeholders, ensure compliance, foster innovation, and ultimately achieve our sustainability goals while creating long-term value.

The integration of our sustainability governance model is a milestone in our sustainability journey. To achieve this, we have established four tiers of sustainability governance. Beginning with the Board Sustainability Committee at the apex, followed by the Sustainability Steering Committee, then cascading down to the Business Unit level steering committee, and ultimately management at the departmental level. Each level plays a vital role in advancing governance practices.

The Board Sustainability Committee operates as an integral function meeting quarterly to discuss the sustainability strategy deployment plan, short- and long-term commitments, resource adequacies and escalation issues.

The Sustainability Steering Committee meets bi-monthly and centrally manages the sustainability scorecard, reports from BUs, and all other environmental, social, and governance policies and practices across the Group.

The BU Steering Committee, led by BU heads, meets monthly and spearheads the integration of ESG into BU strategy through the management of the sustainability roadmap, KPIs, and targets, while also serving as the nucleus for ESG efforts and initiatives within each BU. Lastly, the Department Responsible comprises champions entrusted with implementing and executing sustainability initiatives on the ground.



Sustainability Steering Committee

Chief Executive Officer	Chairman
Senior Vice President- Human Capital	Member
Chief Financial Officer	Member
Chief Operation Officer	Member
Business Unit President-Flour & Feed	Member
Business Unit President-Water & Food GCC	Member
Business Unit President-Protein	Member
Business Unit President- Snacks BU & Government Relations	Member
Group Director Sustainability & HSE	Coordinator



Our Sustainability Vision

Guided by our long-term sustainability vision, **“Sustainable Living for the Better,”** we are committed to constant innovation, progress, and the continual improvement.

Our commitment is deeply ingrained in our values and business strategy, driving us to uphold responsible practices throughout our supply chain, support local communities, and promote ethical labour standards. We continually invest in R&D to develop sustainable solutions, engage stakeholders to understand their needs, and ensure transparency by openly communicating our progress and challenges. Furthermore, we forge partnerships with NGOs, government agencies, and industry peers to address shared sustainability challenges collaboratively.

By integrating sustainability into our core business practices, we aim to lead by example, creating a better future for generations to come.



Alignment with Sustainability Guidelines & Frameworks

At Agthia, sustainability is integrated into our business strategy, driving responsible management of our ESG impacts. Our Sustainability Report and initiatives are guided by key agreements and frameworks, including:



The UN Sustainable Development Goals, or SDGs, are a set of 17 goals adopted by the UN as a part of the 2030 Agenda for Sustainable Development. These goals aim to balance the economic, social, and environmental aspects of sustainable development.



Global Reporting Initiative (GRI) standards are an internationally recognised framework developed to manage the economic, environmental, social, and governance performance of businesses. It aims to improve the disclosure and transparency of material ESG issues to stakeholders. This year, Agthia has aligned with GRI's newly released standard “GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022”. GRI 13 is the first global and holistic sustainability reporting standard for all companies in the upstream production of crops, animals, and seafood.



The UAE Net Zero 2050 is a national initiative that aims to achieve net-zero emissions by 2050, making the UAE the first in the MENA region to do so. It aligns with the Paris Agreement's goal of reducing GHG emissions and limiting the global temperature to 1.5 degrees Celsius above pre-industrial levels.

Additionally, our sustainability approach considers:



The United Nations Global Compact (UNGC) is a non-binding initiative by the United Nations that consists of ten principles related to human rights, labour, environment, and anti-corruption. It encourages businesses to adopt sustainable and socially responsible policies.



The Greenhouse Gas (GHG) Protocol is a framework for measuring, managing, and reporting greenhouse gas emissions. It is developed by the World Resource Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) and provides guidance on reducing these emissions.



The UAE Net Zero 2050 is a national initiative that aims to achieve net-zero emissions by 2050, making the UAE the first in the MENA region to do so. It aligns with the Paris Agreement's goal of reducing GHG emissions and limiting the global temperature to 1.5 degrees Celsius above pre-industrial levels.



The Environment Vision 2030 is a comprehensive plan to create a sustainable economy and environment for the Emirate of Abu Dhabi. The plan consists of a number of initiatives, including a commitment to reducing greenhouse gas emissions, water conservation, renewable energy sources, sustainable sourcing of ingredients, job creation, and supporting local businesses.

Our Double Materiality Assessment

As pioneers in the food and beverage sector within the MENA region, we are paving the path in sustainability efforts. Our commitment extends beyond conventional practices, embracing a double materiality approach over the standard singular materiality. This strategic choice enables us to further exceed sustainability benchmarks in our industry.

This approach of GRI's concept of double materiality, conducted in 2022, offers a dual perspective – Financial Materiality and Impact Materiality – providing deeper insights into our sustainability priorities. As our business evolves, this approach will remain fundamental to our sustainability journey, providing a financial basis for our sustainability initiatives.

Listening to our Stakeholders

Stakeholder engagement is a critical component of our sustainability framework, particularly in defining double materiality. We begin by identifying each stakeholder group's influence and relevance. Following this, we survey these groups to gather their insights—finance stakeholders offer perspectives on economic aspects, whereas impact stakeholders focus on environmental and social issues. This approach enables us to comprehensively understand and prioritise our material topics based on our stakeholders' views and concerns.

	Employees		Board of Directors & Senior Management
	Investors & Shareholders		Customers
	Suppliers		Local Communities & NGOs
	Government Entities		Industry Peers

Our Priority Sustainability Material Topics

To identify material sustainability topics, we evaluate various elements, including Agthia’s strategic orientation, priorities identified by sustainability rating entities, industry benchmarks, and insights from sector experts. This evaluation also considers the stakeholders impacted by our activities, their expectations, and priorities. Furthermore, we assess the dynamic landscape of sustainability, legislative and international standards requirements, and our capacity to adapt to these shifts.

Additionally, we examine internal and external trends that could influence our sustainability objectives. This comprehensive approach helps us identify and prioritise the most significant sustainability challenges for Agthia. We have identified the following 16 material topics crucial to our sustainability path:

As a result of our double materiality analysis, we have identified the following three topics as the most material to our operations:



Product Safety & Quality

At the core of our sustainability agenda is the commitment to guarantee the safety and exceptional quality of our products. Continuous improvement in this domain is a priority, with regular audits conducted to affirm compliance with the highest standards of product safety and quality.



Corporate Governance

We have established a sustainability governance framework that emphasises stringent oversight and accountability, ensuring our corporate actions align with our sustainability goals.



Responsible Supply Chain Management & Sourcing

We are committed to managing our supply chain, sourcing materials from suppliers who align with our sustainability standards. A thorough process is in place to verify that our supply chain adheres to both environmental and social guidelines.



	Rank	Material Topics
Highly Material	01	Product Safety & Quality
	02	Corporate Governance
	03	Responsible Supply Chain Management & Sourcing
	04	Water Stewardship
	05	Packaging Innovation & Circular Economy
	06	Workplace Health and Safety
Material	07	Data Privacy & Digitalisation
	08	Community Contribution & Investment
	09	Human Rights
	10	Consumer Awareness through Marketing & Communications
	11	Food Loss & Waste Reduction
Important	12	Responsible Growth
	13	Nutritional Product Portfolio
	14	GHG Emissions & Energy
	15	Employee Development, Retention & Well-being
	16	Workplace Diversity & Equal Opportunity

We recognise the significance of our top three material topics alongside other sustainability considerations, ensuring none are neglected. Through our thorough process, we address all pertinent topics, confident that our **comprehensive sustainability approach will drive us towards our goals.**



Impact Boundaries

Material Topics	Corresponding GRI 13: Agriculture, Aquaculture and Fishing Sectors Standards Material Topic	Impact Boundaries	Page Number
Product Safety & Quality	Food Safety, Food Security	Customers	
Corporate Governance	General Disclosures, Anti-Corruption, Anti-Competitive Behaviour	Board of Directors & Senior Management, Investors & Shareholders, Government, Employees	
Responsible Supply Chain Management & Sourcing	Supply Chain Traceability, Child Labour, Non-Discrimination, and Equal Opportunity	Suppliers	
Water Stewardship	Water and Effluents	Environmental Organisations, Government, Local Communities & NGOs, Customers	
Packaging Innovation & Circular Economy	Waste	Environmental Organisations, Government, Local Communities & NGOs, Customers	
Workplace Health and Safety	Occupational Health & Safety	Employees	
Data Privacy & Digitalisation	Employment Practices	Employees, Customers, Suppliers	
Community Contribution & Investment	Local Communities	Local communities & NGOs	
Human Rights	Employment Practices, Land and Resource Rights, Rights of Indigenous People, Non-Discrimination and Equal Opportunity, Forced/Compulsary Labour, Child Labour, Living Income and Living Wage, Economic Inclusion	All Stakeholders	
Consumer Awareness through Marketing & Communications	Organisational Profile (Products & Services)	Customers	
Food Loss & Waste Reduction	Food Safety, Food Security, Waste	Environmental Organisations, Government, Local Communities & NGOs, Customers	
Responsible Growth	General Disclosures	Environmental organisations, Customers	
Nutritional Product Portfolio	Food Safety	Customers	
GHG Emissions & Energy	Emissions, Climate Adaptation and Resilience, Biodiversity	Environmental Organisations, Government, Local Communities & NGOs, Customers	
Employee Development, Retention & Well-being	Employment Practices, Living Income and Living Wage	Employees	
Workplace Diversity & Equal Opportunity	Non-Discrimination and Equal Opportunity	Employees	

Our Sustainability Framework


Our Sustainability Framework serves as the guiding force behind our efforts to create a positive impact on society and the environment while driving long-term value for our stakeholders. Anchored in our core values, our framework encompasses a holistic approach that addresses environmental, social, and governance (ESG) considerations.

Through this framework, we drive forward our commitment to sustainability, embracing global standards and weaving them into the fabric of our operations.

With a strategic framework built on pillars of purpose, innovation, and responsibility, we stand poised to cultivate a future where harmony **between our business objectives and sustainability stewardship is paramount.**



<p>Environmental Integrity</p>  <p>We are committed to reducing pollution and waste and managing natural capital and emissions. We conduct our operations in a way that minimises negative environmental impacts and strive for our products to be produced and distributed in an environmentally responsible manner.</p>	<p>To Reduce Pollution and Waste</p> <hr/> <p>Food Waste Reduction Packaging Innovation & Circular Economy</p> <p>To Manage Natural Capital & Emissions</p> <hr/> <p>Responsible Supply Chain Management & Sourcing Water Stewardship GHG Emissions & Energy</p>
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<p>Fostering Positive Potential</p>  <p>We are committed to protecting our people and empowering them. We focus on creating a safe and healthy workplace, investing in our workforce, and fostering individual and collective growth.</p>	<p>To Protect Our People</p> <hr/> <p>Workplace Health & Safety Human Rights</p> <p>To Empower Our People</p> <hr/> <p>Employee Development, Retention & Well-being Workplace Diversity & Equal Opportunities</p>
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<p>Scaling Health & Wellness</p>  <p>We believe every person has the right to access high-quality, nutritious food, and we are committed to prioritising consumer health and wellness. We also recognise the importance of investing in communities and are committed to accelerating community development.</p>	<p>To Accelerate Community Development</p> <hr/> <p>Community Contribution & Investment</p> <p>To Prioritise Consumer Wellness</p> <hr/> <p>Product Safety & Quality Consumer Awareness through Marketing & Communications Nutritional Product Portfolio</p>
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<p>Shared Accountability</p>  <p>We are responsible for ensuring that our operations are conducted with integrity and in accordance with the highest standards of ethical practices. We are committed to strong governance and standards as well as transparent and fair dialogue with our stakeholders.</p>	<p>To Strengthen Governance & Ethical Standards</p> <hr/> <p>Corporate Governance Cyber Security & Digitalization Responsible Growth</p>
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Environmental Integrity

Our dedication to responsible resource management drives us to continually innovate and implement initiatives aimed at reducing our carbon footprint.

From reducing greenhouse gas emissions to conserving water and promoting biodiversity, our environmental efforts are guided by a steadfast commitment to protecting the planet for future generations.

Through transparency and accountability, we aim to showcase our progress and create a positive impact on the ecosystems in which we operate.



UN SUSTAINABLE DEVELOPMENT GOALS



MATERIAL TOPICS

Climate change mitigation and resilience

Operational waste management

Water stewardship

Food waste reduction & circular economy

Biodiversity & environmental impact

Environmental Management



At Agthia, sustainability is not just policy; it's a promise. We are dedicated to ensuring our products are delivered through a sustainable best practice to protect our environment, from the initial sourcing of materials to the moment they reach our consumers. Our commitment is rooted in a deep-seated culture of food safety and quality that permeates every level of our organization, from our team members to our board of directors. Furthermore, in 2023, we advanced our sustainability agenda, championing the UAE's Year of Sustainability through significant environmental initiatives. We led the shift towards a circular economy, notably with Al Ain's launch of the UAE's first locally produced 100% Post Consumer Recycled PET Bottles, as well as actioned our renewable energy strategy. With strong leadership and stakeholder support, we strive to continually innovate and inspire, shaping a healthier, greener, more sustainable future for all.

Ramy Merdan
Chief Operating Officer



Agthia stands at the forefront of environmental stewardship, aligning with the UAE's Net Zero 2050 Strategy and the Abu Dhabi 2030 Vision. We are driven by our dedication to the planet's preservation and understanding of our role in protecting our natural resources.

Our approach encompasses industry-leading practices, including circular waste management, responsible sourcing, water use optimisation, energy conservation, and carbon footprint management. Our values of purpose and integrity allow us to support environmental replenishment and forge a resilient and sustainable business model for the future.

To ensure that we are continuously striving towards surpassing merely meeting regulatory requirements, we evaluate our environmental performance and carefully consider the following areas:



Enhancing energy efficiency in all our operations



Monitoring, evaluating, and reducing our GHG emissions



Managing and rationalising water consumption



Managing our waste and utilising environmentally friendly disposal methods and handling

In every facet of our operation—from the ethical sourcing of ingredients to the selection of our facilities' locations—our actions are guided by a commitment to protect biodiversity and avoid environmental harm.

Our site selection criteria ensure that our operations do not encroach on vulnerable ecosystems or contribute to pollution. We are proud to report that we have had no instances of non-compliance with environmental laws or regulations over the past year.



Sustainable Packaging

As a leader in the food and beverage industry, we are proud to be at the forefront of the sustainability journey in the Middle East, fuelled by the belief that every step, no matter how small, brings us closer to a better world – for everyone. For us, sustainability is ingrained in our growth strategy. Our pioneering innovations stand as a testament to the resolute commitment of our teams and Research and Development facilities. As we persistently pursue excellence in our sustainable packaging practices, we anticipate achieving even more significant results in the future.

The observed decrease in the use of recycled content within our operations in 2023 is primarily because of two strategic developments. Firstly, the expansion of our portfolio through the acquisition of new businesses introduced a broader array of packaging needs, diversifying our material usage. Secondly, our initiative to enhance packaging efficiency through down gauging and light-weighting, particularly with corrugated cartons—which are solely manufactured from recycled materials—has adjusted our recycled content metrics. These adjustments reflect our ongoing commitment to sustainable packaging while adapting to growth and innovation within our operations.

Packaging Materials	2021	2022	2023
Amount of Virgin materials used in our packaging	65%	62%	56%
Amount of recycled materials going into packaging	35%	35%	44%
% Packaging recyclable/reusable	-	-	96%



96%
of packaging is recyclable or reusable



Our commitment to sustainability has been more pronounced this year, especially with the UAE government announcing 2023 as the Year of Sustainability and COP28 being held in the UAE. We are proud to launch the UAE’s first locally produced 100% recycled PET bottles, marking a significant milestone as a symbol of true circularity. Additionally, we have continued our journey on the world-class packaging optimisation strategy.

This year, we successfully executed our first plastic-negative initiatives, contributing to the delivery of thousands of tons of material savings and carbon reduction. Agthia stands for the better, and our commitment to sustainability is aimed at creating a better Earth and a better future.

Prashant Nath

Director- Packaging development



Achievements & Recognitions

Our dedication to innovative solutions has led to substantial breakthroughs in packaging. In 2023, we transitioned from traditional wooden pellets to 100% recycled plastic pellets. This strategic shift led to the utilisation of 400 tons of recycled plastics, proudly contributing to the preservation of nature, saving an impressive 5000 fully grown trees annually, while also translating into a substantial reduction of 1000 tons of landfill waste. Furthermore, over the next five years, we anticipate a multi-million AED saving and cost avoidance, a testament to the long-term viability of our sustainability initiatives.

Following our recognition in 2022 for Sustainable Packaging of the Year (Corrugated), we have undertaken further improvements in response to market preferences for fully printed cartons, aligning with industry competitors. While saving the process of bleaching grey paper into white paper, thereby reducing carbon emissions, we continue to produce cartons using the lightest yet robust GSM360 recycled paper in the region.

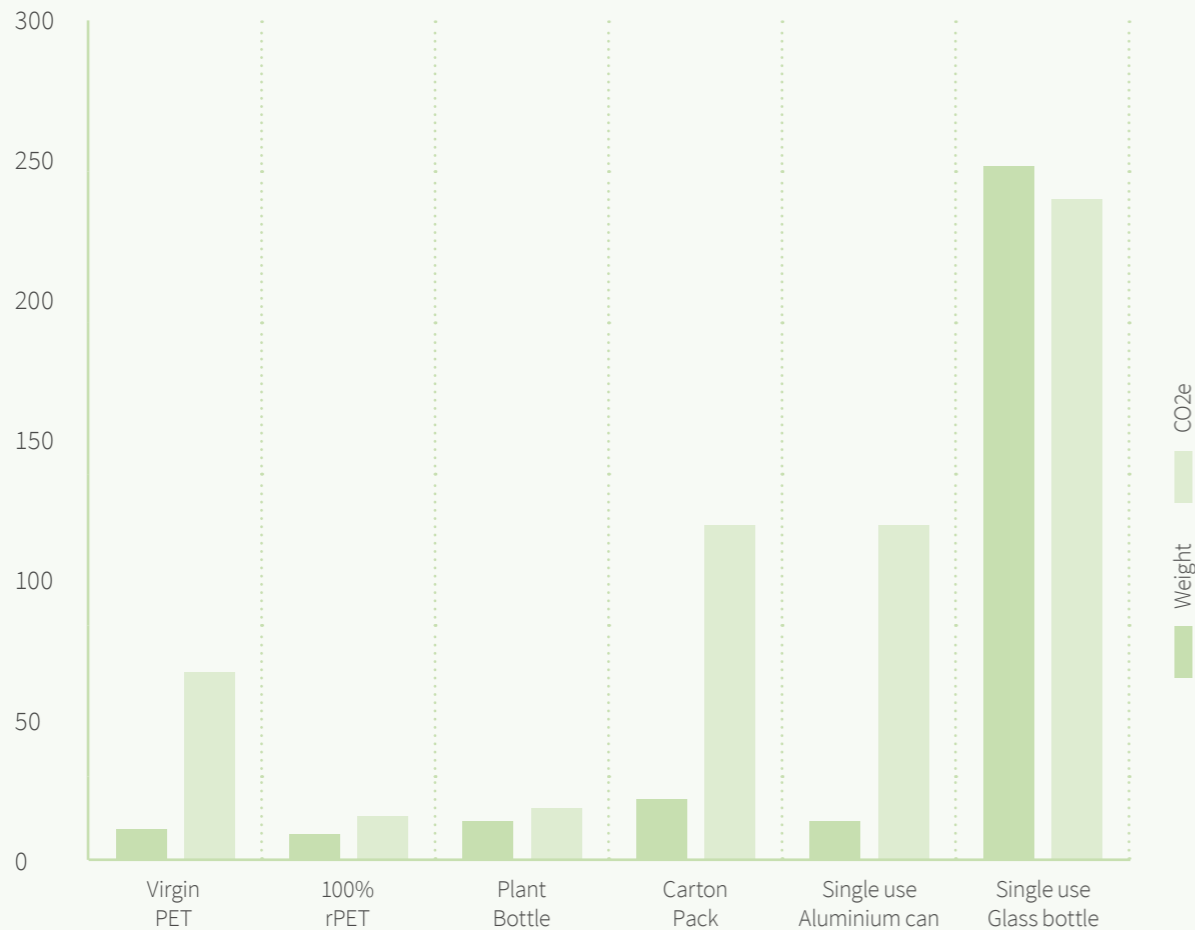
Our optimisation and packaging innovations have further yielded noteworthy achievements and recognitions as illustrated below.

Al Ain Water’s 100% Recycled PET Bottle

Al Ain Water’s 100% recycled PET bottle emerges as a pivotal solution to address the pressing issue of plastic waste in the United Arab Emirates. With an average usage of 450 plastic bottles per resident annually, equating to a staggering four billion bottles consumed each year and contributing to approximately 50,000 metric tons of landfill waste, the need for sustainable alternatives becomes increasingly imperative. Crafted exclusively from Post Consumer Recycled PET Bottles, it stands as a beacon of sustainability, being 100% recycled and recyclable. This approach contributes to a 79% reduction in energy consumption, a 90% reduction in water usage, and a 75% reduction in greenhouse gas emissions compared to virgin PET. The bottle offers a truly circular sustainability approach, with its entire life cycle taking place in the UAE. It takes on a plastic-negative stance, requiring the collection of three bottles from the environment for every two rPET bottles produced.

The advantages of this initiative resonate across various dimensions. It makes a significant impact by substantially reducing the carbon footprint, benefiting everyone involved. Individually, consumers can enjoy the same exceptional taste of Al Ain water, all while maintaining an equivalent price to virgin PET. From an economic standpoint, we encourage recycling through our partner, RECAPP(App), offering consumers the opportunity to earn points that can be redeemed for products at our esteemed partner stores.



Comparative Analysis of rPET V/s. Other Packaging formatsCO2e emission (global warming potential) per 500ml water packaging [\(Source\)](#)

This initiative has resulted in remarkable success, with sales of our plant bottles experiencing a 2.5-fold increase in value. This significant growth can be attributed to our strategic placement within the HoReCa (Hotel, Restaurant, and Café) sector, highlighting the market’s strong reception to sustainable products.

Awards And Recognitions in 2023:

Middle East Waste and Recycling (MEWAR) Recycled Product of the Year Award



Asian Water Awards Environmental Conservation Excellence Award



ESG Business Awards Green Packaging Solution Award

Al Ain Plus Premium Water label

In response to global health concerns and the growing emphasis on well-being, Al Ain Water initiated a project to meet the increasing demand for immunity-boosting products. Zinc and magnesium were identified as pivotal ingredients for fortifying immune systems. The goal was to introduce a product that retained Al Ain Water’s superior taste, boasting high mineral concentrations, remaining sediment-free, and featuring premium packaging without necessitating significant capital investments.

In response to global health concerns and the growing emphasis on well-being, Al Ain Water initiated a project to meet the increasing demand for immunity-boosting products. Zinc and magnesium were identified as pivotal ingredients for fortifying immune systems. The goal was to introduce a product that retained Al Ain Water’s superior taste, boasting high mineral concentrations, remaining sediment-free, and featuring premium packaging without necessitating significant capital investments.

For a touch of premium elegance, the label adopted an absolute black colour, associated with premium quality. The label was crafted using 15-micron reverse-printed PET laminated with 15-micron Metalised PET, ensuring zero light passage from the Wrap Around Label.

A registered metallic effect was employed to enhance visibility and communicate key information on zinc and magnesium. The application of the Cast & Cure effect, typically used for anti-counterfeiting measures, added a distinctive touch to the black label.

Designed to align with high-speed production lines, the wrap-around label maintains efficiency and manufacturing flexibility. Al Ain Plus Zinc’s success story is a result of the collaborative efforts of the packaging development, brand team, and packaging manufacturer, highlighting the impact of synergy in the initial stages of creating a standout product.

Awards And Recognitions in 2023:

Asian Water Awards Innovation of Year Award 2023



PRIME Awards 2023 Packaging Design & Innovation Award in the Labels Category



Energy Consumption

Through concerted efforts and forward-thinking initiatives, we strive to increase our energy efficiency reduce while ensuring operational efficiency and resilience in an ever-evolving landscape.

In 2023, 30% of our sites were certified as ISO 14000 and ISO 45001 certified sites, an 8% improvement from last year. We're glad to share that Grand Mills is set to become the first site certified with ISO 50001 in 2024, marking a significant milestone in our commitment to energy management. Additionally, Al Ain Water is on track to achieve ISO 46001 certification next year, further solidifying our dedication to superior water management practices.

Solar Energy Projects

Our solar energy initiative involves establishing solar power plants at the production facilities of Al Ain Water and Al Foah, two of our key subsidiaries. We formalized this green alliance with Yellow Door Energy, a renowned solar developer in the UAE, by executing a Letter of Award and subsequently signing a solar lease agreement.

This initiative is projected to offset nearly 20% of our factories' energy consumption annually, leading to sustainability gains and cost efficiencies. Over the next 25 years, the project will aim to reduce CO2e emissions by 124,000 tonnes by generating 287,000 MWh of clean energy. This has an environmental impact equivalent to recycling 5.4 million single-use plastic bags, planting 2.1 million trees over a decade, and eliminating the use of 53 million liters of gasoline.

The two solar PV power plants, established through this agreement, have capacities of around 5MWp at our two factories. We are committed to integrating renewable energy into our manufacturing processes through a long-term lease arrangement with Yellow Door Energy.



Al Ain Glass Bottle Retail Pack

Following the successful introduction of the elegant Al Ain glass bottle, which garnered significant demand in Food Service & Institutional sales, our focus shifted to bolstering our presence in the Retail Market. Recognising that our previous one-size-fits-all shrink packaging was not tailored to the distinct needs of both customer segments, we implemented a strategic shift.

We opted for an open tray packaging format for the retail market, which provides customers with the flexibility to make purchases either in bundles or individually, catering to their specific preferences. The packaging design seamlessly aligns with our well-established bottle design, ensuring a cohesive and easily recognisable brand identity.

By adopting parallel production, we have bolstered our production efficiency to meet the escalating demand for our glass bottles. The design focuses on stability and stackability, making it ideal for point-of-sale and point-of-purchase displays in modern trade and retail stores. This strategic packaging approach is poised to elevate Al Ain's retail market presence and further distinguish our brand in the industry.

Awards And Recognitions in 2023:



PRIME Awards 2023
Carton Board & Folding Monocarton in the Food & Beverage Category

Solar Generation
24.25
GWH | Year-on-Year

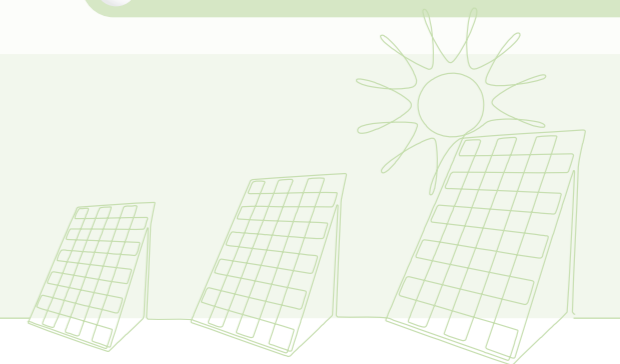
Carbon Reduction
10.5 K
T CO2e | Year-on-Year

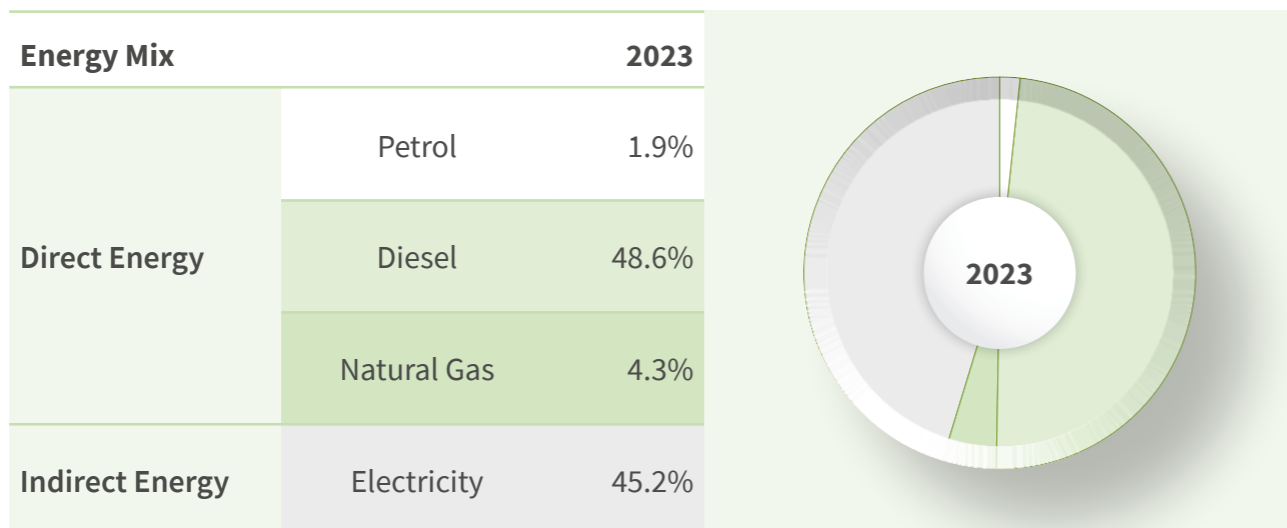
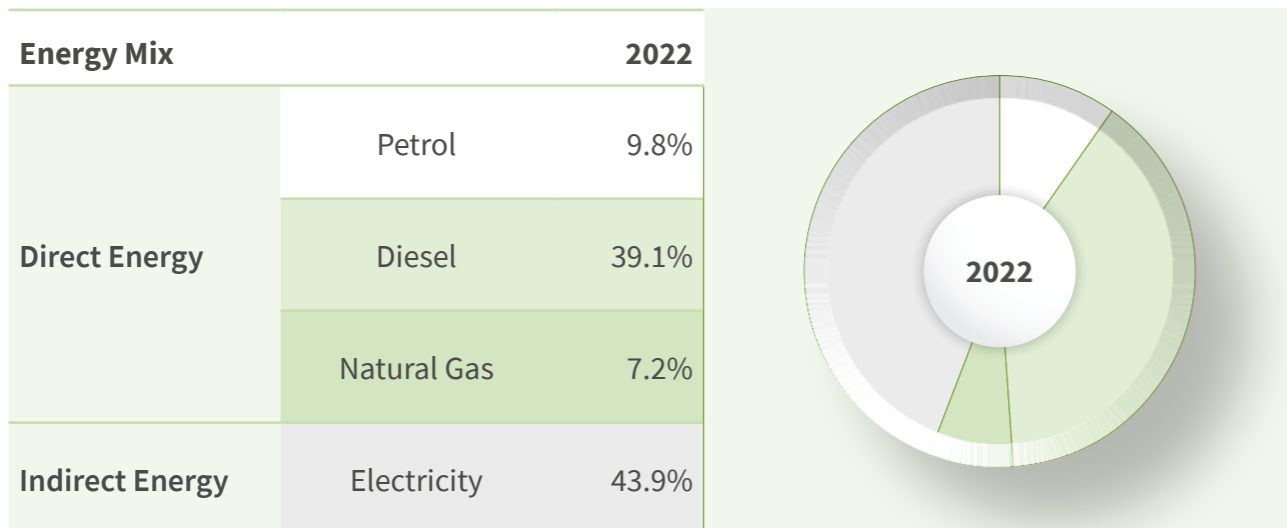
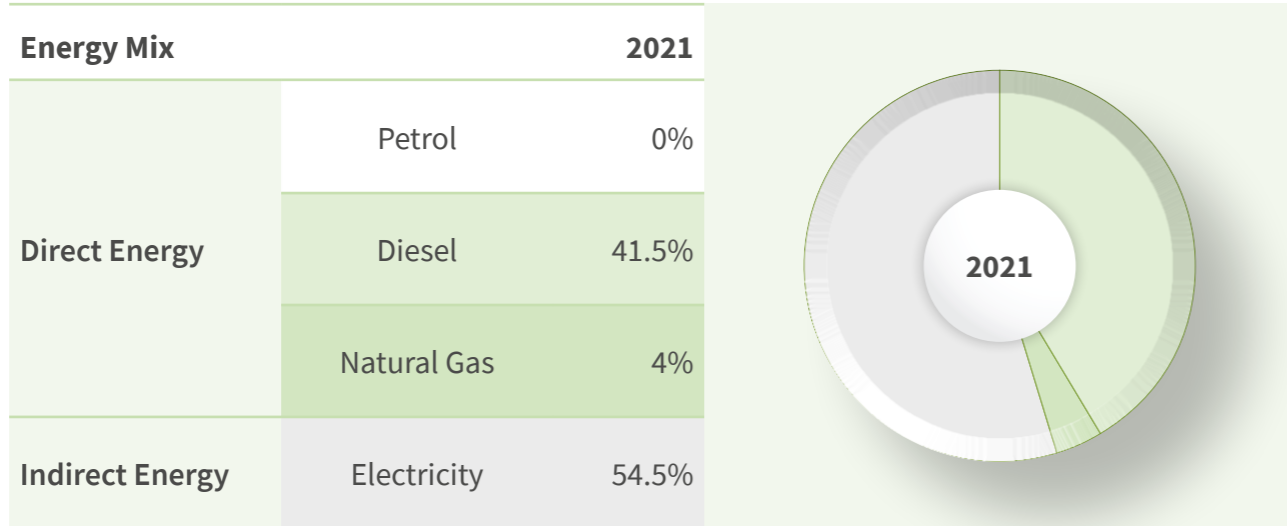
Green Energy
17%
Year-on-Year



Agthia 3-Year Solar Roadmap

Agthia Sites	Annual Generation	Green Share Projection	Carbon Reduction Ton CO2e per year	Status	2023			2024			2025					
					JAN	JUL	DEC	JAN	JUL	DEC	JAN	JUL	DEC			
Al Ain	7,000	17%	3,031	Awarded												
Al Foah	5,000	22%	2,165	Awarded												
HOD Dubai	600	10%	257													
ALPIN Turkey	800	10%	350	Execution												
Al Wathba	3,300	20%	1,428	Planned												
Delta/Nabil - KSA	2,500	20%	1,081	Planned												
Atyab	1,800	20%	779	Planned												
Jordan	2,500	20%	1,081	Planned												
Abu Samra	750	10%	324	Planned												
TOTAL	24,250	17%	10,496													





Through our recent acquisitions, there is an opportunity to further improve our energy efficiency, operational effectiveness and productivity of the newly acquired businesses. We are taking strict measures to ensure that these businesses reach their optimal performance levels, by leveraging accurate energy data. In collaboration with Abu Auf, Agthia's HSE team has been diligently working to refine their data management and reporting processes by developing a comprehensive dashboard. As a result of these efforts, we anticipate the integration of reliable and precise environmental data from Abu Auf starting in 2024.

Energy Consumption	2021	2022	2023
Petrol Consumption (TJ)	0	116.96	25.11
Diesel Consumption (TJ)	318.542	464.06	635.09
Natural Gas Consumption (TJ)	30.99	85.91	56.17
Electricity (TJ)	418.15	521.31	591.3
Total Direct Energy Consumption (TJ)	349.532	666.94	716.37
Total Indirect Energy Consumption (TJ)	418.15	521.31	591.30
Total Energy Consumption (TJ)	767.682	1188.25	1307.67

Note: Based on the energy consumption numbers reported above, we have calculated our GHG Emissions.
 Note: The conversion factors employed in the computation of Scope 1 and 2 are sourced from the ADQ Conversion Guidance 2022

We are glad to note that even as we successfully expand and deliver on our business strategy, we remain committed to continually working towards increased efficiency in all facets of our operations.

Energy Intensity	2021	2022	2023
Direct Energy Intensity (GJ/Tonne of Production)	0.17	0.29	0.27
Indirect Energy Intensity (GJ/Tonne of Production)	0.20	0.26	0.22
Total Energy Intensity (GJ/Tonne of Production)	0.37	0.55	0.49

Climate Change

In light of the UAE's commitment to achieving Net Zero emissions by 2050 and our nation's active participation in global sustainability forums such as the recently held Conference of Parties (COP 28), we recognise the urgent need to address climate change.

Climate change poses significant risks to our planet, including extreme weather events, rising sea levels, and disruptions to ecosystems and agriculture. We are committed to reducing our carbon footprint by implementing sustainable practices across our operations, optimising energy efficiency, and investing in renewable energy sources. Furthermore, we actively engage with stakeholders to raise awareness about climate change and advocate for collective action to combat this global challenge.

In 2023, across our Business Units, innovative solutions have been implemented to meet their specific operational needs and contribute to solving climate change-related issues. These are as follows:

NABIL

- Implemented a photovoltaic system on the roof of the finished goods warehouse, operational since January 2023. This system contributes to a reduction in our carbon footprint, cutting down CO₂e emissions by approximately 180 tons annually and generating about 3% of the factory's kWh consumption.
- A 'Sleep Mode' procedure for the finished goods freezers has been introduced, leading to an estimated saving of 13.2 tons of CO₂e annually.
- The transition to a Solar Water Heating System from the traditional steam-based system has resulted in a 15% cost reduction in water heating.
- Converting boiler burners from diesel to a dual fuel system (Diesel & LPG), has resulted in an average of 20% savings in boiler fuel costs over the past six months and reduced CO₂e emissions by around 600 tons annually.
- The upgraded Solar Water Heating System has also decreased LPG usage, contributing to a further reduction of 60 tons in annual CO₂e emissions from thermal heating water.

ATYAB

- Installed a monitoring system comprising 26 power meters and 4 diesel meters. This system calculates the electricity and fuel consumption for each production line, enhancing the energy management efficiency.

AL BAYAN

- Reduced the weight of the polycarbonate (PC) material in 5-gallon bottles, leading to a decrease of 52 tons in annual PC material usage.
- Achieved a reduction of 42 tons in annual polyethylene (PE) material usage by decreasing the weight of 5-gallon bottle caps.

SADAT

- Upgraded complete lighting system to energy-efficient LED lights.
- Modified existing roof to facilitate the installation of a photovoltaic solar energy system.
- Implemented photocell system for our outdoor street lighting to optimise energy usage

GHG Emissions	2021	2022	2023
Direct Scope 1 Emissions (MT of CO ₂ e)	23,267	42,764	48,060
Indirect Scope 2 Emissions (MT of CO ₂ e)	51,544*	68,741	99,092
Total Emissions (MT of CO₂e)	74,811	111,505	147,152

*In 2021, we took into account the updated emissions factor by DEWA (0.425 CO₂e (kg) per kWh) which led to the drastic reduction in our Scope 2 Emissions figure.

Note: The conversion factors employed in the computation of Scope 1 and 2 are sourced from the ADQ Conversion Guidance 2022

GHG Emissions Intensity	2021	2022	2023
Direct Scope 1 Emissions Intensity (KG of CO ₂ e/ Tonne of Production)	11.12	18.57	18.01
Indirect Scope 2 Emissions Intensity (KG of CO ₂ e/ Tonne of Production) *	24.64*	29.85	37.14
Total Energy Intensity (KG of CO₂e/ Tonne of Production)	35.76	48.42	55.16

*In 2021, we took into account the updated emissions factor by DEWA (0.425 CO₂e (kg) per kWh), which led to the drastic reduction in our Scope 2 Emissions Intensity figure.

Water Consumption

In alignment with our commitment to water stewardship, we adhere to our formal Waste and Energy Management Procedure (EHS.P.51). Across our sites, we meticulously monitor water consumption for various purposes, including drinking, industrial processes, and irrigation, leveraging advanced metering systems. To maintain our leadership in water efficiency, we engage experts to assess our water usage. Through ongoing benchmarking efforts, we continuously seek avenues to enhance our water management practices and minimise our environmental footprint.

In 2023, the following solutions have been implemented across our business operations to help reduce our water consumption.

- NABIL**
 - Installed advanced flowmeters, enabling precise monitoring and control over water consumption. Through internal measures, water usage reduced from 179,000 m³ in 2022 to approximately 164,000 m³ in 2023, achieving a 9% reduction.
- ATYAB**
 - Conducted pump tests, water quality analysis, and geophysical evaluations as part of the Water Well project, which also involved developing water maps, installing flow meters for specific factory sections, and using recycled wastewater for irrigation.
- AL BAYAN**
 - Reduced waste by reusing 82 tons of polycarbonate bottles during the Ice Crystal brand transition. Additionally, achieved a 39,839 m³ reduction in water consumption last year through improved water use and efficiency.
- SADAT**
 - Treat 1,450 m³ of water daily during the high season, extending for 7 to 9 months, while also reusing vapour from boilers via a condensate system for B2B processes.

Water Consumption	2021	2022	2023
Total Water Consumption (m ³)	2,251,500	2,705,297	2,835,115
Water Intensity Ratio (m ³ /Tonne of Production)	1.07	1.17	1.06

Waste Management

We recognise the consequences of the high use of plastics and have taken several positive measures, such as investing in recycling infrastructure, innovating through research and development initiatives and sharing awareness through several programs and eco-initiatives.

Waste reduction also plays a key role in enhancing operational efficiency and cost optimisation. Therefore, we strive to minimise waste generation at every stage, be it in production or packaging. Furthermore, we continuously drive industry-leading innovations and conduct regular assessments to identify opportunities for improvement and gain deeper insights into our waste management practices. Notably, our strategic partnership with Veolia marks a significant milestone in our journey towards embracing a circular economy model through the creation of our 100% rPET Al Ain water bottles.

The following initiatives were implemented in 2023 to help us achieve more sustainable waste management across our operations.

- NABIL**
 - Improved waste segregation efficiency by establishing dedicated areas for plastic and carton waste, leading to significant cost savings in waste management and improving operational efficiency.
 - A substantial increase in recycling efforts led to 1,171 tons of waste recycled in 2023 compared to 922 tons in 2022. Initiated a programme in liquid waste management to repurpose used oil for soap production, totalling 10,300 litres of recycled oil.
- ATYAB**
 - Modifying flour intake processes led to a 53% reduction in flour waste. The introduction of Opti flour technology replaced the previous crumb master system, cutting crumb waste by 25% and reducing airborne dust in the production area. These improvements also led to a 5% reduction in cooking oil waste.
 - Enhanced waste management practices by improving the monitoring of packaging waste for poultry and beef products and employing an Environmental Management Plan (EMP) to systematically record and analyse waste.
- AL BAYAN**
 - Reduced waste by reusing 82 tons of polycarbonate bottles during the Ice Crystal brand transition.

SADAT

- Waste management strategy focusing on analysing and maintaining an effective recycling programme resulted in 92.4% of the total solid waste being recycled, equivalent to 7,658 tons.

Waste Management		2022	2023
Total Recycled (%)	Hazardous Material	0.56%	0.16%
	Non-Hazardous Material	99.44%	66.98%
	Total	87%	67.14%
Total Landfilled w/o Expired Material (%)	Hazardous Material	0.01%	0.01%
	Non-Hazardous Material	99.99%	32.82%
	Total	13%	32.83%

In 2023,
we recycled **67.14%**
of our waste generated.

With the recent additions to our portfolio of acquisitions, we recognise the opportunity to further optimise waste management across all operations.



Transitioning into a Circular Business

As a founding member of the Circular Packaging Association, we are actively involved in the UAE's transition from a linear to a circular economy. Our role includes developing new standards for the packaging industry and collaborating on material and technology innovations.

We were the first in Abu Dhabi to adopt RECAPP, Veolia's digital recycling service, enhancing our sustainability efforts by making recycling more accessible for our customers. In 2023, our partnership with RECAPP expanded its user base by 72%, reaching over 79,000 registered users.

The latest updates to RECAPP's app have improved collection efficiency, leading to a 7% increase in bags collected per trip and a 3% rise in the average weight collected. These changes have also reduced the distance driven by collection vehicles. The RECAPP Deposit system has been instrumental in collecting 700 kg of recyclables.

In 2023, RECAPP collected 883 tons of recyclables, with the majority (628 tons) coming from Abu Dhabi. PET collections made up 62.6% of the total. Furthermore, RECAPP has helped reduce CO2e emissions by approximately 1,718 tons through the collections in 2023.

As part of its efforts to encourage recycling, RECAPP also runs a reward scheme through which it issued 95,000 vouchers to the community since 2021, with Al Ain Water offering 65.7% of the total value in 2023.

RECAPP Journey 2023

January	December	Growth
46,362 registered users	79,860 registered users	72% ↑
679 tons	1,562 tons	129% ↑
14 tons collected/week	21 tons collected/week	50% ↑
2,250 households visited per week	3,000 households visited per week	33% ↑

**APP FOR HOUSEHOLDS****79,860**

Registrations Reached

54,000

Covered users reached

**SERVICES FOR BUSINESSES****400**

Businesses

89

Schools Included

**VOUCHERS REDEEMED****95,000**

Promotional Vouchers offered

22

Reward Partners

**COLLECTION FIGURES****259K**

Collections Completed

3,000

Collects Per Week

+6KG

Per Collection

-4%

Rejection

**WASTE TYPE****1,562**

Tons Collected

2.5M

Tins Collected

2.4M

Cans Collected

60M

Plastic Bottles (52M water bottles)

Group Certifications

Identification of Risks

30% of Agthia's total sites, including Nabil Foods in Jordan and Al Ain Fresh in Egypt, are certified with ISO 45001 and ISO 14001 certifications. With the HSE strategy and roadmap in place, our aim is to certify 100% of Agthia's sites, including Abu Auf, Atyab, and BMB, under ISO 45001 and ISO 14001. This reflects our commitment to a stronger HSE management system

**Assessment of Risks**

ISO 46001:2019 specifies requirements and provides guidance regarding organisational water use. It includes monitoring, measurement, documentation, reporting, design, and procurement practices for equipment, systems, processes, and personnel training contributing to water efficiency management.



In 2024, we aim to certify the Al Ain water site for ISO 46001. This will mark the first international certification of its kind in the region, demonstrating our dedication to sustainable practices and earning the confidence of customers, investors, and business allies.

With our commitment to water stewardship, we aim to certify all our water sites for ISO 46001 by 2027, covering 75% of Agthia's total water consumption.

**Energy Management System (ISO 50001:2018):**

ISO 50001:2018 is the latest version of the best practice international Energy Management System. It specifies the requirements to enable an organisation to develop and implement a policy, identify significant areas of energy consumption, and target energy reductions.

In 2024, our plan is to certify Grand Mills for the Energy Management system, i.e., ISO 50001. Grand Mills is the highest energy-consuming site, accounting for almost 25% of the energy consumption total for Agthia Group.

With a strong commitment to using energy efficiently, by 2026, we aim to certify six of our highest energy-consuming sites, covering 75% of our total energy consumption.



Scaling Health & Wellness

Through a meticulous quality control programme, we uphold the highest standards, backed by rigorous safety protocols and regular inspections.

Our dedication extends to promoting consumer well-being and crafting nutritious offerings tailored to evolving dietary needs.

Committed to excellence, we continually push boundaries, setting a new standard for the food and beverage sector.



UN SUSTAINABLE DEVELOPMENT GOALS



MATERIAL TOPICS

Consumer Awareness through Marketing & Communications

Product Safety & Quality

Nutritional Product Portfolio

Responsible Supply Chain Management & Sourcing

Responsible Marketing & Consumer Awareness

Our commitment to ethical marketing practices and proactive consumer education is integral to our mission of enhancing trust, promoting healthy lifestyles, and contributing to societal well-being. Our duty to our customers extends to our marketing endeavours, which we seek to align with our social and environmental efforts.

In 2023, we conducted an ‘ESG Brand Screening’ for each brand of Agthia, assessing ESG performance to identify strengths and weaknesses. This evaluation empowers us to capitalise on ESG strengths, mitigate risks, and strengthen our competitive advantage. We delved into the importance of ESG and sustainability, sharing success stories from diverse industries. The session underscored the alignment between sustainability and our business objectives, emphasising its potential to drive growth while benefiting the environment.

Looking ahead, our strategy involves further integrating sustainability into marketing, ensuring that our brands mirror our commitments, enhancing resilience, and future-proofing our portfolio by always adding value to the brand itself and to the community we operate in.

Furthermore, the following initiatives have been designed by our brands to drive consumer awareness and marketing responsibly:

Riaya Farmer Education Programme



We firmly believe that sustainable animal farming practices are integral to our continued success. Our ‘Riaya Farmer Education Programme’ stands as a testament to this belief, and its effectiveness is evident in the growing number of satisfied farmers benefiting from it.

This initiative is dedicated to enhancing farm productivity and improving the quality of produce, ultimately contributing to the sustainability of our operations. The Riaya programme has empowered farmers with valuable knowledge and skills and improved their confidence, positioning them as advocates for our brand.

Through close collaboration with these respected farmers, our Agrivita team has curated customer testimonials highlighting their positive experiences with our products and programmes. These testimonials, shared extensively on social media platforms, serve as powerful endorsements and contribute to the successful launch of new offerings such as Agrivita Ruminants Feed 13% and Agrivita Premium Mumtaz Mixed Grain.

ADAFSA Campaign



The Abu Dhabi Agriculture and Food Security Authority initiated the smart subsidy programme on July 1, 2023, aiming to establish a local animal feed market for 18,000 registered farmers. This program seeks to incentivise local farmers to participate in animal farming, thereby enhancing food security in the country. In response to this opportunity, Agrivita undertook a product innovation initiative, introducing two new products tailored to the programme’s objectives. These products are available to farmers at subsidised prices through the ‘TAMM’ mobile application.

To support this initiative, the Agrivita team launched the “ADAFSA Campaign,” a responsible marketing endeavour comprising various activities. These activities include direct marketing, social and digital engagement with farmers through video tutorials demonstrating how to download and order products via TAMM, informative videos outlining product features and benefits, influencer engagement, customer engagement activities, and contests. Furthermore, testimonials from satisfied customers regarding the convenience of ordering through the TAMM App and the benefits of Agrivita’s new products were shared within the farming community, promoting cost-effective farming practices.

Agrivita Mobile App



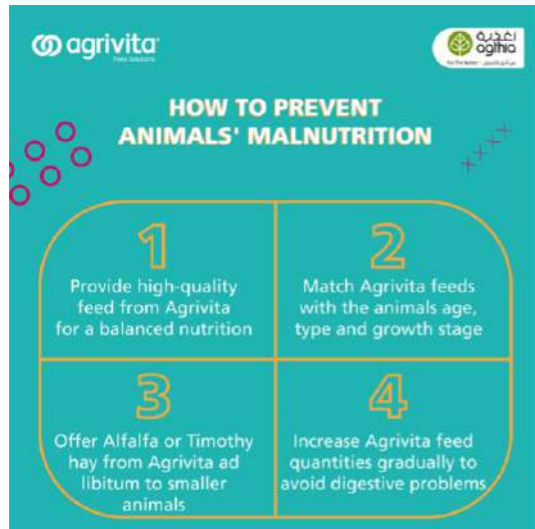
Agrivita’s marketing strategy centres on “Creating value through knowledge-power and continuous customer engagement” to address the diverse needs of the nation’s livestock. As part of our commitment to uplifting and transforming the farming industry in the UAE, we invest in new technologies and digital tools.

Following the successful launch of the Agrivita mobile app, farmers now benefit from accessing nutritional information about all available products, enabling informed decisions on feed requirements and purchases. To foster continuous engagement and attract more users, we conducted Ramadan and Eid activations through the Agrivita App, offering participants double loyalty points on purchases.

Moreover, winners were rewarded with the Free Feeds of Sheep and Camel programmes, totalling 25 metric tons during the Ramadan draw. Eid draw winners received ‘Al Nuaimi Sheep’ for breeding, a gesture of appreciation for their farming efforts, with a total of 25 sheep provided continuously for the 5th year. Beyond feed provisions, this reflects our care and commitment to supporting UAE farmers who are integral to our nation’s food security.

The impact of these campaigns is evident in the positive sales outcomes, with 38% of channel contributions attributed to the Agrivita mobile app.

Social Media Education



We have launched social media campaigns aimed at educating consumers about maintaining healthier lifestyles and diets for animals across varying climatic conditions throughout the year. These campaigns communicate the significance and application of farming and feeding strategies tailored to different life stages and cycles of livestock, including summer and winter care protocols. Emphasising the importance of balanced nutrition, appropriate farming practices, vaccination necessities, and disease prevention measures, the campaigns provide information on common diseases prevalent in various species and life stages. Supported by videos and real-life examples from the UAE farming environment, social media education endeavours to promote informed decision-making among consumers.

Al Foah Enrich Everyday Campaign by Date Crown



Our approach to consumer education centres on clearly articulating product features both on packaging and through in-store communications. This strategy is reinforced by the expertise of our sales representatives, who play a crucial role in efficiently conveying the benefits of their products to retailers.

In our latest initiative, the “Enrich Everyday” campaign launched in India, Date Crown has focused on highlighting the nutritional advantages of dates as a key component of a family’s diet. This campaign employs compelling storytelling and factual presentations about nutrition to engage consumers. It skilfully brings to light the multitude of health benefits associated with date consumption, underlining the fruit’s richness in essential vitamins and minerals vital for maintaining a healthy lifestyle.

Al Foah EZad – B2B eAuction platform



In 2018, following a directive from the Abu Dhabi government, Al Foah established an alternative sales channel for dates. This initiative aimed to assist farmers in selling dates not covered under the government’s price subsidy programme, which had proven challenging for them to market independently. Al Foah proposed the innovative idea of an online auction platform, designed to connect UAE farmers with buyers globally.

This visionary proposal received the government’s approval, and a pilot phase was launched in 2019 with a select group of farmers and buyers. By 2021, with Agthia Group’s support, the platform underwent a significant overhaul, encompassing both technological advancements and an enhanced user experience, culminating in a successful soft launch.

The platform’s functionality and viability were proven, garnering support and endorsement from the Abu Dhabi Agriculture and Food Security Authority (ADAFSA) in 2022. This collaboration included a joint marketing campaign, significantly bolstering farmers’ confidence in the platform.

Now in its second year of full operation, eZad has registered 14,400 farmers and 1,600 buyers from 24 different countries. The 2023 season marked a milestone, with eZad facilitating the sale of 3,183 metric tons of dates, directly connecting UAE farmers with an international market. This resulted in a gross merchandise value exceeding 6 million dirhams, thus providing farmers with a lucrative secondary income stream. This achievement not only surpassed expectations but also transformed previously undervalued or animal feed-designated dates into commercially viable products, underlining eZad’s pivotal role in enhancing the agricultural sector’s sustainability and profitability.

Timarat



At Timarat, our dedication to integrating sustainability into farming practices is fundamental to enhancing the UAE's agricultural ecosystem across four pivotal areas: Efficient Resource Management, Yield & Quality, Innovation, and People. Each domain significantly contributes to our overarching goal of sustainable agricultural advancement.

Within the Efficient Resource Management domain, we have made advancements in desalination technologies, automated and sensor-monitored drip irrigation systems, and data-driven agricultural support mechanisms. These innovations have doubled our water availability for irrigation while reducing water loss by 40%.

In the realm of Yield & Quality, our efforts have enhanced the quality of dates, with an increase from 1% to 35% in premium grade dates in 2023. Additionally, we've achieved over a 95% success rate in offshoot planting, substantially lowering the costs associated with cultivating new trees.



Our commitment to Innovation is evident through the adoption of agri-tech solutions that optimise farm performance and also tailor cultivation practices to suit specific crop varieties and environmental conditions. This strategic approach positions the UAE as a frontrunner in agricultural transformation and enables the transfer of knowledge and expertise to neighbouring regions.

Lastly, the People pillar focuses on elevating the skill set and professionalism of farm labour, directly enhancing their quality of life and ensuring a more skilled workforce within our agricultural sector. This strategy underscores Timarat's commitment to enabling a sustainable, efficient, and people-centric agricultural ecosystem.

consumers about nutritional facts and ingredients. We empower them to make informed choices by understanding the specifications, benefits, and potential drawbacks of our products in relation to their diets. This initiative fosters a well-informed consumer base, capable of choosing products that best align with their health and dietary requirements.



Timarat is a startup that helps farmers transform their farms into sustainable ecosystems, focusing on Date Palm trees and green crops. We work with international companies to deliver the best farming practices, starting with upgrading the farm's infrastructure and irrigation system using water sensors and apps for smart management. All initiatives are based on developing the date sector by improving the yield and quality and saving water consumption. In addition, Timarat cooperates with AlFoah in the 'Dates Lab' initiative as part of its Digitization strategy to use cutting-edge technology and AI to classify date fruits and trees, with more than 125 varieties commercially demanded

Sultan AlShamsi

General Manager and Senior Director Supply Chain, Al Foah



BMB

BMB Consumer Education

In our pursuit of sustainability and consumer education, we have implemented several strategies across our brands, focusing on transparency, efficiency, and awareness.

For our in-store promotions, particularly in major retail chains like Carrefour, we ensure that our brand promoters are well-trained. They inform parents about our school-safe snack options, emphasizing the suitability of these snacks for school children. This training extends to all promoters and merchandisers representing BMB brands, who are well-versed in communicating the local production of our products.

Furthermore, we maintain a policy of complete transparency, especially concerning dietary considerations. Customers inquiring about the suitability of our products for specific diets—be it Keto, Diabetic, or Celiac—are provided with honest and detailed information about our product's nutritional facts and ingredients, ensuring they can make informed decisions suited to their dietary needs.

For our Mini Benoit line, we encourage customers purchasing in higher volumes to opt for bulk orders. This strategy not only offers cost benefits to the customers but also significantly reduces packaging waste, aligning with our environmental sustainability goals.

Lastly, our efforts with Freakin' Healthy focus on educating consumers about nutritional facts and ingredients. We empower them to make informed choices by understanding the specifications, benefits, and potential drawbacks of our products in relation to their diets. This initiative fosters a well-informed consumer base, capable of choosing products that best align with their health and dietary requirements.

**Agthia and Veolia/RECAPP Co-Branded Campaigns**

Charity Campaign for Ramadan

Total Points Donated
1,000,000,000

Total Vouchers Generated
1,571

Total Recyclables Collected
9,421 KG



Beach Clean-up on Global Recycling Day

Product Safety & Quality

At Agthia, our commitment to product excellence encompasses standards in quality, safety, and transparency. We are driven towards consumer-centric innovation, enhancing the nutritional profile of our offerings to meet the evolving health needs of our region.

Our approach is grounded in active consumer engagement and an awareness of the dynamic landscape of food, nutrition, and health. By aligning closely with health and regulatory bodies, we ensure our products not only meet but also advance regional health standards. This synergy of customer insights and expert collaboration fuels our comprehensive R&D strategy, guiding us to refine our products in harmony with consumer preferences, without compromising on quality and taste.



An operational environment
where facilities follow proper sanitary design principles.



A skilled workforce
(Quality Assurance, Operations, and Supply Chain teams) trained on the highest food safety standards and best practices.



Best food safety management
systems and processes across the whole food supply chain.



At Agthia, we continue to strive to exceed customer and consumer expectations. Our strategy in Food Safety and Quality Assurance towards “Best in Class” is based on six main pillars, with an objective to:

- Provide a Lean Structure with better clarity on roles & responsibilities.
- Better communication & visibility.
- Help in making decisions faster.
- Have direct communication with the responsible Business Unit Heads as one point of contact.

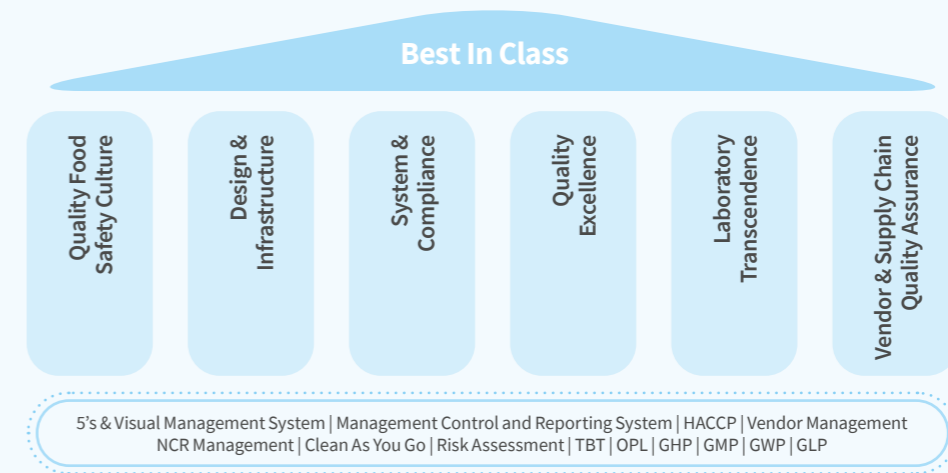
The Quality Management Systems implemented across all sites in the Group ensure that risks have been mitigated at every step of the process. In a challenging year, we have continued to implement and enhance the systems and standards across our newly acquired businesses to be in line with those of Agthia.

Sanjay Jagtap
Senior Director Food Safety & Quality Assurance



Agthia's Quality & Food Safety Strategy

is based on six pillars:



Quality Food Safety Culture

We ensure that our staff are well equipped with essential knowledge and guidelines. Our approach includes delivering comprehensive training through various methods such as toolbox talks, one-point lessons, and the Agthia Academy online platform.



Design & Infrastructure

We ensure that the design and infrastructure of our manufacturing sites and warehouses are secure. Equipment used in production undergoes thorough risk assessment, monitoring, and maintenance to assure the safety and reliability of our products for consumers.



Quality Excellence

All our sites hold Food Safety Certifications from Lloyds Register Quality Assurance (UK). This is achieved on a foundation of systems, procedures, and trained staff. Internal audits are conducted for 5S, Good Manufacturing Practices, and Good Warehouse Practices to support continuous improvement within the business.



Laboratory Transcendence

All our Laboratories operate in accordance with the ISO 17025 standard. Participation in global ring tests with LGC UK and BIPEA France allows us to continually evaluate our Laboratory Analysts' competencies, enhancing confidence in our analytical results.



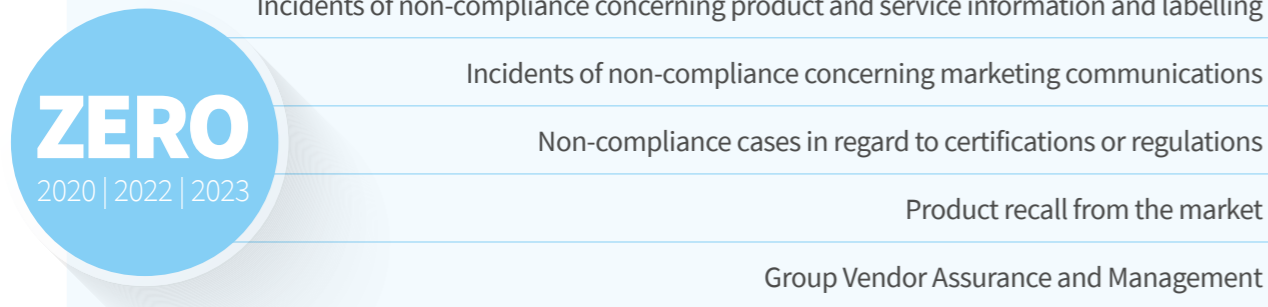
Vendor & Supply Chain Quality Assurance

We conduct thorough risk assessments of all vendors and raw materials, ensuring alignment with Agthia's high standards. Our audits on Good Manufacturing Practices and Good Warehousing Practices reinforce our assurance that all products reach our customers and consumers in optimal condition.



System & Compliance

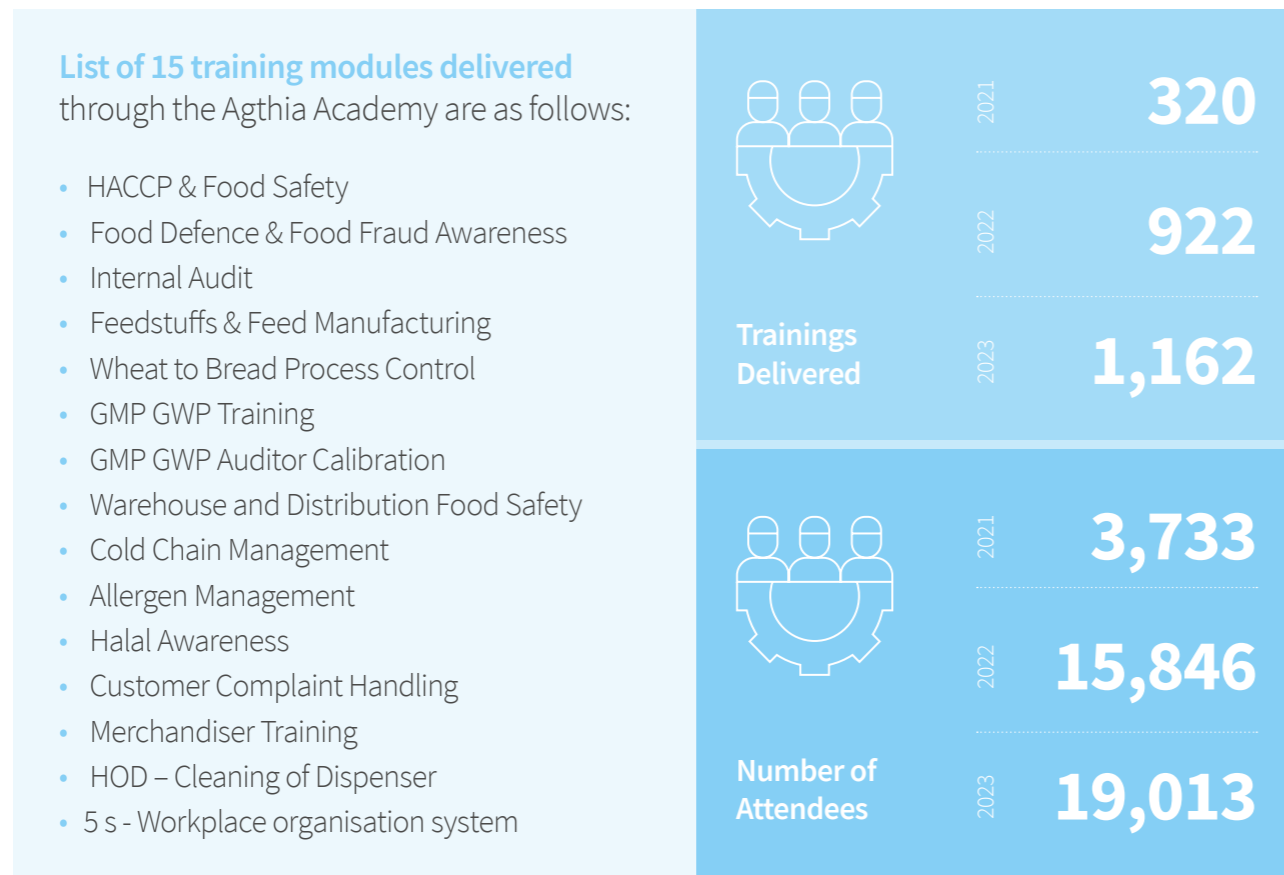
Through Quality & Food Safety Procedures, we conduct extensive risk assessments of all processes. Risk Assessments are conducted on all processes, and pre-requisite programmes such as approved suppliers, premises and equipment, potable water supplies, high standards of personal hygiene, trained staff, effective cleaning and disinfection, equipment calibration, preventive maintenance, integrated pest management, waste management, stock rotation, labelling, traceability and recall procedures are all implemented. All finished products are tested and analysed in line with regulatory requirements and compliance with GSO Standards.



Raising the Bar on Food Safety Systems

Aligning with leading food safety authorities from industry, government, and academia, we have successfully certified 9 out of 20 of our sites to the FSSC 22000 v5 by Lloyds Register Quality Assurance (LRQA) in the United Kingdom, with 17 out of 20 sites recognised under GFSI’s schemes.

Education and empowerment of our employees in food safety and quality measures are core to our strategy. Our Quality Assurance department is continually enhancing and evaluating our system’s performance, focusing on developing educational materials. This approach ensures the delivery of safe, high-quality products. We are particularly proud of the increase in both the number and attendance of our training sessions.



Major food safety findings by Certifying & Regulatory bodies

2020 | 2021 | 2022
ZERO

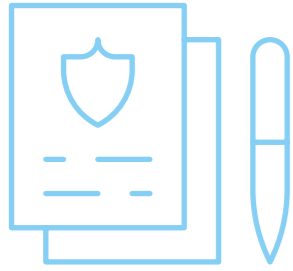
Agthia Group Food Safety Policy

At Agthia, our dedication to food safety is ingrained in every phase, from sourcing materials to delivering final products. We have implemented a systematic framework for objective setting, regular reviews, comprehensive communication, and ongoing system enhancement.

Agthia Corporate Quality and Food Safety Procedures

Agthia has 13 Quality and Food Safety Procedures at the Corporate level, which form umbrella documents and consistency across the whole group – ONE AGTHIA. These are:

01.	Group Recall & Withdrawal
02.	Group Pest Management
03.	Group HACCP
04.	Group Food Fraud
05.	Group Food Defence
06.	Group Document Control
07.	Group Customer Complaint
08.	Group Calibration
09.	Group Allergen Management
10.	Group Management Review
11.	Group Integrated Management System
12.	Group Integrated Management of Change
13.	Group Vendor Assurance and Management



Agthia Group Food Safety Policy

At Agthia, our dedication to food safety is ingrained in every phase, from sourcing materials to delivering final products. We have implemented a systematic framework for objective setting, regular reviews, comprehensive communication, and ongoing system enhancement.

We uphold international best practices across our manufacturing and warehousing facilities, aligning with standards like the British Retail Consortium and Food Safety System Certification 22000. Our routine internal audits, covering GMP for manufacturing sites and GWP for warehouses, are conducted by our highly trained staff. Over the last three years, we have set and surpassed ambitious goals to enhance cleanliness, hygiene, food safety, behaviour, infrastructure, and workplace conditions. In 2023, we revised the GMP checklist with the aim of advancing our own high standards across our operations.


Indicator	2020	2021	2022*	2023**
GMP	91.6	90.7	91.55	90.21

*2022 Ratings derived from Consumer & Agri-Business (excluding newly acquired sites).

**Decrease in score due to a revised more stringent GMP checklist.

Our cutting-edge laboratories ensure rigorous analysis and testing of raw materials, processes, and final products, maintaining top-tier quality and safety standards. Our certified analysts undergo regular audits to maintain adherence to the highest safety and quality protocols. Furthermore, we engage in global proficiency tests with organisations like BIPEA (France) and LGC (UK).

99% LAB Proficiency

GMP Score
90.21
achieved

At Agthia, we prioritise excellence in our quality assurance system, aiming to surpass global standards for product complaints. We track key performance indicators, including complaints per million units sold, to gauge success and ensure compliance with health and wellness criteria.

In 2023, the average of complaints per million (CPM) is higher compared to last year primarily due to an uptick in complaints related to leaking bottles from the HOD (Home and Office Delivery) category.

Moving forward, we remain committed to elevating our performance through continuous improvement initiatives driven by our robust quality assurance system.

Complaints per Million Sold	2021	2022	2023*
Consumer Business (Units)	0.79	1.18	2.03
Agri-Business (KG)	0.1	0.07	0.07

*Average is higher than last year due to an increase in complaints of HOD leaking bottles.

KPIs for Quality & Food Safety	2021	2022	2023
Product Recall	0	0	0
Market Withdrawals	1	8	4
Major Non-Conformances	0	0	0

Risk Assessment

At Agthia, we recognise the critical role of Risk Assessment in upholding food safety and quality standards while providing assurance to our customers. To this end, we have developed a comprehensive Risk Assessment programme to evaluate both our products and processes.

This programme undergoes regular refinement, particularly during our integration with newly acquired businesses. Initially, a thorough workshop with our technical team identifies potential risks and verifies the adequacy of existing controls. Concurrently, we conduct prerequisite programme audits to identify potential risks and process audits to validate control effectiveness.

Across all our sites, the Risk Assessment matrix is rigorously applied, with annual reviews conducted to ensure programme efficacy. This iterative process not only helps us meet our objectives but also identifies areas for enhancement, enabling us to continuously improve our strategies.

Severity	Almost Certainly Will Occur	Good Chance it Could Occur	Likely to Occur	Unlikely to Occur	Extremely Likely to Occur
	Consequence to occur on a weekly basis or more frequently	Consequence expected to occur more than once in 3 months, but less than once a week	Consequence expected to occur more than once a year, but less than once in 3 months	Consequences expected to occur more than once in 3 years, but less than once a year	Consequences expected to occur less than once every 3 years
Disastrous	25	24	22	19	15
Critical	23	21	18	14	10
Serious	20	17	13	9	6
Significant	16	12	8	5	3
Minor	11	7	4	2	1

Significant Hazard
 Less Significant Hazard
 Not a Significant Hazard

	FOOD SAFETY	QUALITY	REGULATORY	SAFETY	ENVIRONMENT
Disastrous	<ul style="list-style-type: none"> Fatality(ies) from illness or injury > AED 1,00,000 liability Immediate plant closure Prosecution imminent Extensive public alarm and media coverage 	<ul style="list-style-type: none"> Loss of sales over 1,000,000 AED Permanent loss of significant customer 	<ul style="list-style-type: none"> Any major regulatory non-conformity product Contaminated product in the Market cause death Banded ingredients use 	<ul style="list-style-type: none"> Fatality 	<ul style="list-style-type: none"> Prosecution & Directors / Senior Managers jailed on criminal charges by Regulatory body Widespread and extensive impacts affecting multiple environments Extensive public alarm, media coverage Extensive disruption to public
Critical	<ul style="list-style-type: none"> Multiple serious illness (es) or injury (ies) < AED 1,000,000 liability Possible plant closure Prosecution likely Product recall required Major public alarm attracting media attention 	<ul style="list-style-type: none"> Loss of sales over 100,000 AED Permanent loss of minor customer 	<ul style="list-style-type: none"> Product out of legal specification Contaminated product in the Market cause illness Non registered product launched 	<ul style="list-style-type: none"> Disabling injury ie amputation and/ or permanent loss of bodily function 	<ul style="list-style-type: none"> Prosecution & maximum penalty. fine imposed by Regulatory body Environmental impact extends well beyond site boundary Major public alarm, attracting media attention Major disruption to public activities
Serious	<ul style="list-style-type: none"> Multiple illness or injury < AED 100,000 liability Significant impact on sales Product recall required Significant public alarm 	<ul style="list-style-type: none"> Multiple customers complaints which may jeopardize contract with key customers Damage customer or Agthia brand 	<ul style="list-style-type: none"> Physical contamination in FP Wrong Receipte used Wrong packaging Product out of internal controlled spec Allergen ingredients used without declaration on the label Rejected material by legal authority 	<ul style="list-style-type: none"> An injury resulting in more than 1 week off normal duties 	<ul style="list-style-type: none"> Prosecution & penalty/ fine imposed by Regulatory authority Environmental impact extends beyond immediate site boundary Serious public alarm Serious disruption to public authorities
Significant	<ul style="list-style-type: none"> Single illness or injury within days < AED 50,000 liability Product recall required Negligible public alarm Loss of production 	<ul style="list-style-type: none"> Multiple consumer complaints 	<ul style="list-style-type: none"> Improper date coding on the FP Unapproved packaging in use 	<ul style="list-style-type: none"> An injury resulting in less than 1 week off normal duties 	<ul style="list-style-type: none"> Warning notice issued by Regulatory body Environmental impact contained within site boundary Negligible public alarm Negligible disruption to public activities
Minor	<ul style="list-style-type: none"> No illness or injury < AED 20,000 liability Cosmetic/quality issue Brand quality/ reliability 	<ul style="list-style-type: none"> Occasional customer/consumer complaints 	<ul style="list-style-type: none"> Wrong label in printing Not clear date coding Improper external packaging 	<ul style="list-style-type: none"> Minor first aid injury 	<ul style="list-style-type: none"> No action from Regulatory body Environment impact localised to area of occurrence No public alarm No disruption to public activities

Product Research & Development

Our cutting-edge research and development (R&D) facility upholds rigorous quality standards to ensure excellence in all our products. We prioritise the creation of unique products that address both explicit and implicit consumer needs, fostering sustainable growth. Through collaborations with local and international partners, we continually seek new opportunities for innovation.

Equipped with state-of-the-art technology, our R&D centre empowers our team to develop advanced, efficient, and cost-effective products. Our goal is to deliver value to consumers while driving business expansion through innovation.



At Agthia, the Research and Development team think differently, we challenge constructively, and we innovate. We are always looking for a better way of doing things. Through strategic focus, cross-disciplinary collaboration, agile methodologies, and market-centric innovation, our R&D team has become the driving force behind our success. As we look towards the future, we are confident that the groundbreaking, functional, and sustainable solutions emerging from this department will continue to define the industry. We are following our vision to become the most innovative & sustainable F&B company in the region and contribute to building a better future for all.

Danijel Juric

Research and Development Director



Product Innovation, Health & Wellness

At Agthia, we embrace innovation holistically, extending beyond new product development (NPD) to innovative packaging solutions for sustainability and convenience. Furthermore, we enhance consumer experiences and introduce novel business models/routes to the market.

In 2023, we completed 68 innovation projects, compared to 48 in 2022, with a focus on seven ESG-focused projects, including four in packaging and three in New Product Development (NPD).

Key Innovations Priorities for 2023 & 2024

 <p>Delivering functionally superior products built on science</p>	 <p>Fulfilling the need to improve health and wellness</p>	 <p>Acting on environmental issues that our consumers care about.</p>
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Positive Nutrition	Permissible Indulgence	New Experiences	Optimized Formulation	Sustainability
Fortified with nutrients	Sugar reduction/ sweeteners	Elevated the Experience	Process Optimization	Circular Economy
Clean Eating	Less fat/ Sodium	Convenient & Easy	Eco Reformulation	Zero Wastage
Rich in fiber / protein			Reduces losses and provide opportunity to use the by products	Locally Sourced
Functional benefits (immunity boost/ Gut glory/ Energy boost)				Functional benefits (immunity boost/ Gut glory/ Energy boost)

In pursuit of a better future and with innovation at the heart of everything we do, in 2023, we launched GrowthLab, an initiative dedicated to enabling growth through innovation. GrowthLab is a pivotal step towards fostering a structured and targeted approach to innovation.

GrowthLab

Our Purpose:

Become a force for good

At GrowthLab, we're not just about personal or company growth. We want to grow for the greater good of our people and the world by offering loved brands and innovation responsibly.

Mission:

Empowering Growth Through Innovation



We have recently launched Agthia GrowthLab. This initiative reflects a commitment to innovation and progress in key focus areas to shape a better future. Positive nutrition, new experiences, sustainability, and permissible indulgence are strategic pillars to foster a thriving and conscientious community.

Narjiss El fadi
Senior Director Innovations & Insights

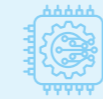
GrowthLab's Strategic Pillars



Cultivating an innovation ecosystem | We believe that innovation flourishes in a diverse and inclusive environment.



Empowering agile strategies | We support the need to navigate uncertainty and iterate rapidly, while embracing the art of continuous learning.



Unlocking a new frontier of growth | We fuel disruptive technologies and concepts.



Championing ethical impact | We believe that innovation should not only drive financial gain, but also create a positive impact on people, the community, and the planet.

GrowthLab champions continuous change - moving forward with four pillars to ensure sustainable success:



A Holistic Approach | Our approach touches all dimensions of our business. From product development to expansion and efficiency, no aspect is left behind in our pursuit of innovation.



An Innovation Ecosystem | GrowthLab is a thriving ecosystem fostering collaboration, knowledge sharing, and the cross-pollination of ideas. It brings together a diverse community of innovators, entrepreneurs, experts, and mentors, to nurture an environment made for ground-breaking change.



Empowerment with Resources and Tools | We empower our community with cutting-edge technology, mentorship programmes, educational resources, and practical frameworks. These equip our community with the necessary skills and knowledge to advance and grow.



Measured Impact and Scaling Success | GrowthLab is committed to measuring and scaling the impact of our growth. Using metrics, we track progress and evaluate our innovations so we can achieve impact and success.

Agthia Innovation Awards

As we strive for excellence and continuous improvement within our organization, we initiated the first-ever “Best Innovation of the Year” awards program. This initiative aims to celebrate and recognize the outstanding efforts of our category teams in driving innovation across our organization. We further aim to both recognise our progress and spark further action by introducing the innovation award initiative, which includes a special prize for green innovation.

The nomination criteria were based on the three important aspects of Impact, Creativity and Uniqueness and Sustainability and Scalability. We held an internal award ceremony to recognise innovations from all our categories and brands. Four categories of awards were created to reward and recognize the best innovation projects and promote our innovation priorities:



High impact in terms of financial performance, driving premiumisation of the business
Winners: **Abu Auf Coffee cups**



Disruptive innovation pushing our boundaries and tapping into more value-added
Winners: **Agrivita App - Last mile delivery**



Supporting our ESG commitment
Winners: **Al Ain Water rPET**



Better for you – functional led-benefits
Winners: **Date Crown**



Award for Innovation Supporting our ESG Commitment
Al Ain Water rPet



Better for you Functional led benefits
Date Crown



Award for Disruptive innovation pushing our boundaries and tapping into more value-added
Agrivita App: Last Mile Delivery

As part of our growing innovation pipeline, we launched the first locally produced 100% rPet water bottle in April, and a new functional water, “Al Ain Plus” in May, fortified with Zinc & Magnesium to meet the growing demand for healthier products and lifestyles. In our snacking portfolio, the rollout of new gifting and value-added ranges in dates (for example, chocolate enrobed dates), as well as product and packaging innovation (snack packs, date pouches) have supported strong growth across the category, with BMB recently launching a new travel retail range, initially in Dubai International airport.

We were awarded the “Quality Standards Award” by the Ministry of Industry and Advanced Technology at the “Make It in the Emirates” forum, in recognition of our commitment to setting a new benchmark for the industry and providing consumers with consistently secure and reliable food products.



Agthia Group - Key Innovations | Aligned with the Abu Dhabi Economic Vision 2030, aiming to achieve global leadership in innovation, our innovative culture has led to the launch of pioneering products, including, but not limited to:

2018

Al Ain Plus with Vitamin D

Agthia launched Al Ain Plus with Vitamin D, the world's first Vitamin D-enriched water, responding to the region's significant Vitamin D supplementation need.



Bambini Water

We launched Al Ain Bambini Water for babies, which is rightly balanced in essential minerals and meets the highest food safety standards to make it ideal for infants. Agthia upgraded the filtration and disinfection system, which has no nitrate, no fluoride, no sodium and no bromate.



2019

Alpin Alkaline

Agthia positioned Alpin, the natural mineral water as Alkaline, from natural springs with rich alkalisating compounds, pH8.5



Al Ain Zero Bromate

We launched Al Ain Zero Bromate for kidney patients and pregnant mothers, sold exclusively in pharmacies. Al Ain Zero Bromate is easy on the kidneys and well suited to consume during pregnancy with all the naturally occurring bromate completely removed.



Al Ain Water Box

Agthia launched Al Ain Water Box, an ultra-convenient, environmentally-friendly water product that is 100% recyclable. It uses a more sustainable packaging solution made from a corrugated board on the outside and a PE bag with water inside. As it is light, it cuts on energy during transport while reducing waste and carbon emissions.



2020

Yoplait Plain Yogurt

We launched Yoplait Plain Yogurt, the first yogurt made freshly in the UAE from grass fed cow's milk, with no added hormones.



Al Ain Plant Bottle

Agthia Launched Middle East's first plant-based water bottle, Al Ain Plant Bottle. It is environmentally friendly and made of 100% plant-based sources, including the cap.



2021

Agrivita Broiler Pre- Starter

We launched the Broiler Pre starter to stabilise the growth of day-old chicks. The product leads to increased productivity, reduction in energy and other farm management costs and a reduced environmental impact.



Agrivita Layer Parent Nutrition

Layer breeding is a crucial segment of the poultry industry in the country. This year, we introduced the complete life stage feeding program for the layer breeders that are critical for the success of breeding farms, enabling complete control on factors impacting the commercial flock's health, productivity and profitability. Supporting sustainable egg production in the country ensures the availability of top-quality protein for all ages of consumer, enhancing the country's food security.



2022

Freakin' Healthy's Raw Date Cookies

These Raw Date Cookies are filled with nut butters that are minimally processed and preservative-free. The recipe utilises very few ingredients, therefore, reducing our carbon footprint significantly.



Freakin' Healthy's Nut Butter-Filled Dates

These are Agthia's latest innovation where we cut out unnecessary processes by making our chocolate and nut butter in-house, and sourcing our dates locally, once again reducing our carbon footprint.



Freakin' Healthy's Vegan Cheese

This is a cashew-based non-dairy alternative cheese spread that utilises HPP technology to maintain our preservative-free promise while simultaneously extending shelf life, therefore, reducing food wastage.



Date Crown 5G Pouches

The pouch's 5th generation (5G) packaging uses a combination of lightweight and recyclable materials, making it both sustainable and cost-effective.



Al Ain Glass Bottle

Agthia's Glass Bottle innovations include improved aesthetics, better differentiation, reduced glass weight, and no labels.



On-the-Go Date Crown Pouches

Agthia's innovation of these low unit pack of dates enables the affordability of luxury dates by all markets.



2023

Al Ain 100% Recycled PET Plastic Water Bottle

Launched at Gulfood 2023, the new 100% rPET bottle is made of post-consumer recycled plastic and is infinitely recyclable. This new 100% rPET bottle is the first to be locally produced by a UAE brand.



Abu Auf Protein Puffs:

These puffs redefine snacking with a healthier twist for the modern consumer: a protein-packed, baked-not-fried delight, designed to cater to the growing demand for nutritious, budget-friendly munchies in a post-pandemic world.



Al Ain Plus

The New Al Ain Plus is fortified with Zinc & Magnesium, minerals which are key ingredients for fortifying immune systems. Al Ain Water's superior taste with high mineral concentrations but sediment-free stands out as a premium product.



Sustainability Awards & Achievements



Agthia received the Quality Standards Award from the Ministry of Industry and Advanced Technology at the “Make It in the Emirates” forum

In recognition of our commitment to setting a new benchmark for the industry and providing consumers with consistently secure and reliable food products.

Our CEO, Alan Smith, has been recognised as one of Forbes Middle East’s Top 100 Sustainable Leaders in Food & Agriculture for 2023.



Agthia as Gold Sponsor at the second edition of Make It in the Emirates forum.

Our CEO, Alan Smith, was a part of an impactful panel as he discussed Industrial Sustainability and the COP28 roadmap

Agthia as FMCG partner of the ADIFE 2023



Crystal Superior Taste Award to Al Ain Water

Al Ain Water has received the Crystal Superior Taste Award once again, making history as the only brand within the region to achieve this prestigious honour. In 2023, we held an internal award ceremony to recognise innovations from all our categories and brands. 4 categories of awards created to reward and recognize the best innovation projects and promote our innovation priorities:

Al-Nabil Company recognised as one of the most notable ambassadors of the Jordanian industry.

Won first place in the field of exporting food industries at the Jordanian Industry Day and were honoured for that significant win by His Excellency Prime Minister Dr Bisher Khasawneh.



Responsible Supply Chain Management

With sustainability ingrained in the very fabric of Agthia, we strongly believe that our supply chain should be aligned with our vision and core values. Our suppliers play a key role in our sustainability journey, and their alignment is monitored from the very beginning of the partnership.

The processes of supplier pre-qualification and performance assessment stand as integral practices for key suppliers. A mandatory pre-qualification procedure is implemented for suppliers of key materials, ensuring their adherence to Agthia's stringent quality standards before being added to our database. As part of the Agthia policy, ongoing monitoring and regular reviews of supplier performance are conducted by the procurement director in collaboration with the quality department. These evaluations are reported to the executive committee on an annual basis.



40 supplier site audits conducted

Suppliers Code of Conduct (SCC):

As part of our commitment to responsible growth and supporting the local economy, Agthia mandates all registered vendors to adhere to our Suppliers Code of Conduct (SCC).

Supplier Self-Assessment

To ensure the safety, legality, and quality of supplied products, we conduct comprehensive Supplier Self-Assessments, strengthening trust and striving for excellence in quality.



Material Traceability to Origin

Maintaining stringent controls over material traceability to origin is integral to our operations, enabling us to meet the rising demand for certified products.



Prioritising Local Suppliers

We prioritise local suppliers, recognising their role in reducing the carbon footprint of our products. Moreover, we conduct site audits against international standards to drive continuous improvement.



As we further integrate sustainable programmes into our core business activities, direct material suppliers play a significant role. Whether providing our manufacturing sites with raw materials, ingredients, packaging solutions or producing finished product on our behalf, the manner in which our suppliers navigate their environmental and community impact holds paramount importance to us and our overall sustainability performance.

Don Doherty
Director- Vendor Assurance



We collaborate closely with our suppliers to proactively manage risks and leverage opportunities. utilising the Agthia Group Self-Assessment Questionnaire, we systematically evaluate the risk of suppliers falling short of our food safety, quality, and sustainability standards. This questionnaire is a mandatory component for each new supplier undergoing screening and is periodically applied to existing suppliers. Our risk assessment, coupled with thorough document reviews, may necessitate additional requirements, including site audits, ensuring comprehensive scrutiny before the registration process is deemed complete.

Supplier Insights	2020	2021	2022	2023
Number of approved suppliers (direct materials/co-manufacturers)	586	805	873	1050
Number of total suppliers screened (self-assessment questionnaires - new and Reassessed)	114	135	109	104
The number of suppliers that have undergone a site audit (year total)	23	19	22	40
Percentage of total suppliers screened	100%	100%	100%	100%
Total number of suppliers declined/not approved	5	9	12	10*
Percentage of major non-compliant gaps with corrective actions implemented	100%	100%	100%	100%

*6 for Food Safety concerns and 4 for incomplete documents



100%
of suppliers are screened on quality, social and environmental criteria

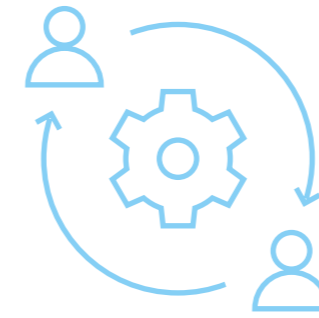
This year, we worked towards improving and expanding our supplier base, which saw almost a 20% increase from last year. We assessed and screened 104 suppliers, conducting 40 follow-up site audits to ensure compliance with our standards for food safety, legality, quality, and continuity of supply. In cases where major non-compliances posed a significant breach, we rejected ten suppliers, six for food safety concerns and four for incomplete documents. Additionally, with our stringent screening processes in place, 11 suppliers were either conditionally approved and/or approved after receiving a follow-up corrective action plan and/or site visit.

For environmental considerations, we require our suppliers to adhere to relevant national environmental legislation. This entails adhering to legal compliance through comprehensive training programmes, fostering awareness, implementing operational controls, and continuous monitoring. Furthermore, we expect our suppliers to systematically manage their environmental performance, aiming to proactively prevent, minimise, and rectify any adverse environmental impacts arising from their activities, products, and services, with a particular focus on addressing concerns related to air, noise, and water pollution. As an integral part of this commitment, the management of waste must align with all applicable legal requirements. During the 2023 assessments, no negative environmental impacts were reported on our supplier base.

Supplier Screening Using Environmental Criteria	2022	2023
Number of total suppliers screened (self-assessment questionnaires - New and Reassessed)	109	104
% risk assessment carried out regarding environmental issues for potential new suppliers (due diligence)	100	100
% risk assessment carried out regarding environmental issues for existing suppliers to identify those that are high risk	100	100
% Physical environmental inspection audits of suppliers	22	40
% Supplier training on environmental issues	0	0
% Action taken to manage the environmental impact of suppliers through encouraging reporting or impact reduction	0	0
Number of suppliers identified as having significant actual and potential environmental impacts.	0	0
Significant actual and potential negative environmental impacts identified in the supply chain.	0	0
% of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment.	0	0
% of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment.	0	0

Concerning social aspects, we require our suppliers to align with all relevant national and international Food Safety legislation, ensuring legal compliance through comprehensive training and awareness, implementing operational controls, and continuous monitoring. Moreover, our expectations extend to the maintenance of Human Rights considerations within the supplier’s operations, encompassing equal opportunities for its workforce, a commitment against Forced Labour, and the implementation of basic Health and Safety systems to safeguard its employees, contractors, and visitors. Finally, we mandate that the supplier abstains from engaging in any form of corruption and bribery, refraining from attempts to unjustly influence public officials, the judiciary, or obtain undue advantages. This prohibition extends to interactions with any employees of the Agthia Group, aiming to uphold ethical standards and prevent any attempts to unduly influence business decisions.

Supplier Screening Using Social Criteria	2022	2023
Number of total suppliers screened (self-assessment questionnaires - New and Reassessed)	109	104
% risk assessment carried out regarding social issues for potential new suppliers (due diligence)	100	100
% Risk assessment carried out regarding social issues for existing suppliers to identify those that are high risk	100	100
% Physical social inspection audits of suppliers	22	40
% Supplier training on social issues	0	0
Number of suppliers identified as having significant actual and potential negative social impacts.	15	12
Significant actual and potential negative social impacts identified in the supply chain.	15	12
% of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment.	11	11
% of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.	4	6



3.54BN_{AED}

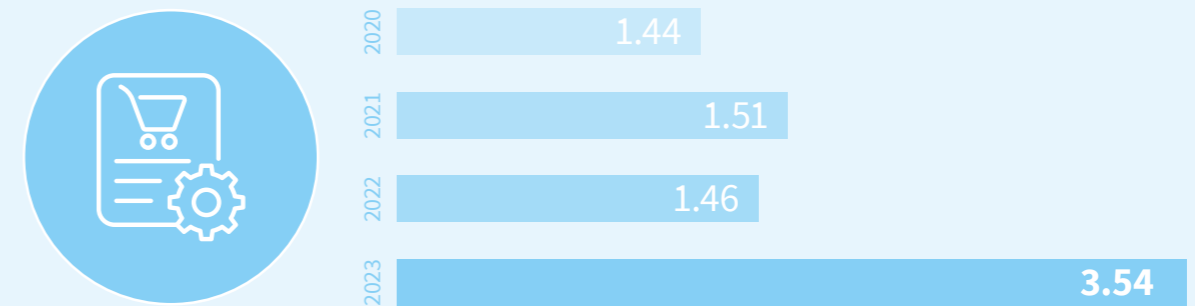
in procured goods and services

Local procurement is of strategic importance to Agthia, holding the dual responsibility of mitigating operational risks and contributing positively to the local community. This commitment is rooted in our endeavour to foster sustainable business opportunities with local enterprises, enhancing the overall efficiency of our supply chain. We prioritise the proximity in our supply sources to gain control over critical factors such as safety and ethical practices, quality, lead time, and costs, demonstrating our dedication to responsible and locally-centred business practices.

In 2023, our procurement efforts spanned across small, medium and large enterprises, both locally and internationally, representing a substantial investment of AED 3.54 billion.

Notably, 67% of our procurement endeavours were channelled through locally registered suppliers within the UAE, marking a 6% increase from 2022, equating to AED 2.4 billion spent on local procurement.

Total Procurement Volume (Billion AED)



	2020	2021	2022	2023
Procurement from local suppliers	61%	60%	61%	67%
Procurement from international suppliers	39%	40%	39%	33%

Fostering Positive Potential

This chapter outlines our efforts to harness the positive potential of each individual, contributing to the collective success of Agthia. Our commitment extends to cultivating an inclusive workplace, one that cherishes and embraces the diversity of our employees. Our goal is to nurture an atmosphere rooted in respect and equal opportunities. We champion policies and practices that safeguard and propel human rights to build a workplace culture that prioritizes fairness and opportunities for all.



UN SUSTAINABLE DEVELOPMENT GOALS



MATERIAL TOPICS

Workplace Health & Safety

Employee Development, Retention & Well-being

Workplace Diversity & Equal Opportunities

Community Contribution & Investment



“

In alignment with our 2025 Growth Strategy, we have solidified our presence in the MENA region, championing responsible business practices that yield enduring benefits. Our dedication to Corporate Social Responsibility reinforces our accountability to employees, communities, and society, facilitating ethical conduct, clear priorities, enhanced performance, and meaningful stakeholder engagement as integral components of our strategic journey.

Our commitment to sustainability serves as the foundation of our strategic vision. Rooted in our core values of people, social value creation, and responsible conduct, our focus is on fostering an inclusive and respectful environment for all our employees, driving their well-being and success. This dedication permeates every facet of our operations, propelling us toward a sustainable, stakeholder-centric workplace.

Abdulla Al Marzooqi

Senior Vice President Human Capital

Our People & Culture

This chapter spotlights the driving force behind our sustainable endeavours – our diverse and dedicated team. Our enduring success and evolving business approach are credited to our people who possess the capacity to instigate positive change within their teams, communities, and the broader world.

In prioritising the well-being of our people, we have paid special attention to the development of our culture. In 2023, we proudly introduced Tamkeen – Agthia’s Culture Renovation Program, an initiative including a Culture Survey conducted in September 2023, which engaged 11,000+ Agthia employees, giving them a platform to contribute their perspective on Agthia’s culture, values, and work environment. This effort achieved an impressive 80% response rate. The Culture Health Index Score for the Group within the Tamkeen results stands at an impressive 83%. Notably, the Employee Experience pillar excels with a score of 85%. The program addresses how Agthia can proactively:

Shape and manage our organisational health

Renovate our culture on a long-term basis

Acknowledge the strengths that we have today and shape more traits that we need for tomorrow

Key Highlights of Tamkeen include



Employee Engagement

A total of 1600 employees actively participated in a manager-led team dialogue initiative, reinforcing our commitment to a more inclusive and engaging environment, with 250 managers and leaders trained on how to conduct team dialogues on culture.



Learning & Development Initiatives

Curated learning paths, including virtual trainings, webinars, e-books, and audio books. Having conducted a year long development track for our executive leaders and a culture master class to enhance employees’ understanding and alignment with Agthia’s culture.



Culture Communication Strategies

Our bi-weekly newsletter, “Culture Corner,” serves as a dynamic platform for raising awareness and understanding about culture and employee engagement.



Tamkeen Insights

The Tamkeen project included 20 focus groups and workshops at both company and functional levels, culminating in an all-hands presentation for senior managers and leaders. The results were shared transparently through company-wide and functional-level presentations, facilitating an actionable Tamkeen action plan.

Employee Engagement

In line with our people-centric approach, our employee engagement initiatives are designed to stay attuned to the evolving needs of our workforce, consequently heightening team morale and productivity. These include:

Happiness Committee

Comprising of passionate employees from various locations who volunteered to organise events, gatherings, and area get-togethers facilitating and fostering meaningful connections within their respective areas.

Engagement Calendar

A meticulously curated monthly calendar enables a continuous flow of activities and events, celebrating successes, fostering team spirit, and aligning with global observances such as World Mental Health Day and UAE National Day.

Collaborative Campaigns

Conducting impactful campaigns like employee health screening, Agthia Safety Week and beach cleanup days in Dubai and Abu Dhabi, reinforcing our commitment to health, safety, and environmental responsibility in partnership with the HSE department.

Happiness@Work Communication

Our dedicated communication channel releases regular updates on opportunities for employees, averaging 2-3 per week, focusing on employee well-being, engagement, and a sense of belonging. Through this channel, employees enjoy access to diverse entertainment activities across the UAE, enhancing work-life balance and promoting a positive workplace culture.

Sports and Recreation

The Sports Committee within the Happiness Committee organises cross-team sports events, including the successful inaugural Agthia Cricket Tournament. Additionally, employees have access to partner-arranged sports events such as the Gulf Multi-Sport and Abu Dhabi Sports Council activities.

Engagement Activities 2023

In line with our culture and belief in values that reflect the meaning of togetherness and cooperation, various activities were held throughout the year to promote the spirit of engagement among employees.



New Joiners - Executive Leaders Connect



UAE National Day Celebrations

Agthia Carnival

The annual ceremony (Agthia Carnival) held in December spearheaded by the Corporate Communication Team, brought together more than 650 employees working in the United Arab Emirates, in line with our culture and belief in values that reflect the meaning of togetherness and cooperation, and promote the spirit of engagement among employees.



Culture Boost



Cricket Tournament



Ice Cream Day

Learning & Development

Our approach to Learning and Development is guided by our commitment to put our people first. We are constantly searching for the most relevant tools and resources to equip our employees with the necessary skills and knowledge to reach their full potential, with L&D initiatives focusing on coaching, feedback and recognition to support both the personal and professional growth of our people.

We are thrilled to share that over the past year, we have made good progress, from tracking the training hours of only our UAE staff in 2022 to covering the learning and development of all staff throughout the entire Group. To this end, we have dedicated an amount of more than AED 2.8 million towards their development and growth, further contributing to a positive and collaborative workplace culture that prioritises excellence. Moreover, in 2023 we achieved close to a 50% increase in the average hours of training completed per employee compared to 2022.



Average hours of training	2021	2022	2023
Average hours of training per year per female employee	2.23	4.2	12.6
Average hours of training per year per male employee	0.57	5.6	11.0
Average hours of training per year per employee	0.70	5.4	11.1

**2022 data is calculated based on UAE based staff who attended training in 2022
**2023 data is inclusive of the Gorup's international entities*

Employee hours of training per Category	2022	2023
Non-Supervisory Employees (Grade 5 and below)	5.4	7.2
Supervisory Employees (Grade 6 and above)	5.4	21.0



2.8MN^{AED}
total investment
on training

“

In an ever-evolving business landscape, our true strength lies in the capability of our people and the vibrancy of our organisational culture. It's through fostering an inclusive and engaging environment that we can achieve our ambitions and redefine the boundaries of success. Our commitment towards sustainable economic growth involves promoting a culture of continuous learning and embracing innovation that protects our planet, communities, and people. I believe that responsible development stems from an organizational ethos where every individual is empowered to contribute to sustainability. It is through this collective wisdom and action that we not only respect our earth but shape a prosperous future for all.

Ki-Jeoung Nam
Learning & Culture Director



This year, Agthia's Learning and Development team focused on leadership development, launching the following leadership development programmes for leaders across all departments of the Group.



The 6 Critical Practices for Leading a Team:

This leadership training programme instils critical mindset shifts to enhance leadership success. Leaders maximise team engagement through regular one-on-one interactions, fostering an understanding of team challenges, and empowering them to solve problems independently. Emphasis is placed on clarity in team goals, effective delegation, and providing the right support.



Introduction to Coaching for Leaders:

This training programme equips leaders with effective coaching skills, covering initiating and managing coaching conversations, building supportive relationships, employing diverse coaching techniques, and measuring coaching success. It aims to enhance leaders' proficiency in guiding and developing their teams.



Leading in A Multinational Environment:

This training programme cultivates an understanding of diverse teams through the lens of cultural differences. It promotes an attitude that values diversity as a strength against unconscious bias and provides skills to effectively manage diverse teams while fostering a sense of belonging and togetherness among team members.



Coaching for Peak Performance:

This training focuses on enhancing workplace engagement and productivity by coaching teams to identify and bridge skill gaps, fostering mindset of continuous improvement, and building resilient teams through effective coaching strategies.



Power and Influence:

Focused on enhancing a leader's effectiveness, this training programme explores the sources and dynamics of power. It emphasises how power contributes to achieving goals through resource utilisation, skill application, and network management. Participants delve into nuanced levels of influence, confidence, and persuasiveness to refine their leadership capabilities.

Furthermore, along with several hours of technical training offered to our employees, numerous sessions focused on soft skills were introduced in 2023:



Emotional Intelligence:

This training programme focuses on comprehending factors that influence trust within teams and managers. It explores how to navigate uncertainty and emotional exposure for personal and professional growth. The dynamics of blaming in relation to trust and vulnerability in the workplace are examined, enhancing participants' emotional intelligence and interpersonal relationships.



Anatomy of Conflict:

Centred on cultivating the ability to navigate conflicts effectively, this training programme offers guidance on how to set aside distractions, maintain focus, and sustain the necessary energy to achieve goals. Participants engage in understanding diverse conflict types, identifying root causes, and acquiring strategies for achieving positive resolutions when faced with interpersonal conflicts.



Innovative Thinking & Problem Solving:

This programme is designed to develop innovative thinking and problem-solving skills. Participants learn to create an extensive list of options and possibilities through effectively conducted, unfiltered brainstorming sessions and practical applications. It fosters a culture of creativity and open-minded problem-solving within the organisation.



This year, Agthia’s Learning and Development team focused on Technical development, launching the following Technical development programs for employees across the group.



Selling Skills for Commercial Teams:

This training introduces the 6 Steps of Selling Process to empower our sales force in achieving excellence in Sales Execution. By strategically planning, understanding customer needs, and executing tailored solutions, our team can effectively close deals and foster long-term relationships. Following through ensures customer satisfaction and lays the foundation for sustained business growth.



Value Chain Awareness Sessions:

A series of Value Chain awareness sessions were conducted for employees in commercial, Finance and other Value Chain functions, encompassing various essential aspects such as demand planning, customer service, supply planning, warehouse management, and distribution strategies. This initiative aimed to equip employees with the necessary skills and knowledge to optimize the value chain process effectively. Through targeted sessions, participants gained insights into enhancing coordination, improving customer satisfaction, streamlining supply chains, and optimizing warehouse operations.

Lastly, several Digital Learning Platforms were launched Group-wide providing our employees with not just physical, but digital means of development.

			
<p>1500 Licences</p>	<p>125 Licences</p>	<p>2500 Licences</p>	<p>100 Licences</p>

Learners Testimonials



I am dedicated to lifelong learning, which is crucial in our ever-changing world. Earning certifications in relevant courses has significantly enhanced my expertise. These certifications symbolize my commitment to excellence and keeping up with industry advancements. Each course I have completed has bolstered my skill set and contributed to my overall growth. I highly recommend the ‘Developing leadership presence’ and ‘How to have productive one-on-one meetings’ courses for improving leadership skills. Thanks to Agthia Academy and LinkedIn for the inspiration and knowledge. Excited to keep learning and growing with this amazing community.

Hareesh Kumar, Regional Sales Manager



Continuous learning is crucial to enhance employee competencies for career and organizational development. In an era dominated by memes and nonsensical videos, I choose to focus on essential topics and skills, learning that it’s about continuous growth and unwavering curiosity. Each completed course motivates me to tackle challenges with newfound knowledge, improving productivity at work. This platform’s user-friendly courses have made me more competitive and competent. I eagerly anticipate further learning opportunities and have enjoyed this experience.

Bernadette Coles Alvarez, Logistics Supervisor



Speaking out of experience, I have found LinkedIn learning as El Dorado at my fingertips. I can have online courses anytime and anywhere. I can attend long courses on complex subjects or short clips of 1-2min on the go. I can set career target (i.e. job title) as a learning path, while broadening my knowledge on different fields of study. And I can intersect with new networks as well as recommending courses to my colleagues. Among the 30 courses that I have completed successfully during last couple months, I do recommend “Empathy for Sales Professionals” by Sophie Wade, who touches on a pivotal soft skill that is difficult to measure for all professionals and sales people in particular. To all Agthians, let’s live the momentum!

El Mehdi El Koutari, Sales Representative



Workforce

Our teams form an integral part of Agthia’s success story. This section provides insights into the distribution of our manpower, demographics, and the collective expertise that propel us forward. From skilled professionals to visionary leaders, each number encapsulates the human capital driving Agthia’s progress in business and contribution to global impact.

Over the last year, we have worked hard to align all our recent acquisitions to our policies and procedures and have established strict monitoring systems. We are glad to note that in 2023, Agthia’s total workforce stood at 11,726 employees, and we welcomed 1826 new employees. Even with the increase in our total number of employees, our turnover rate remained at 10.6% in 2023.

Our Workforce in Numbers

Category	2021	2022	2023
Full-Time Employees	8,017	8,954	11,726
Part-Time Employees	0	0	0
Newly Hired Employees	809	1,293	1,826
Voluntary Employees	11%	10.7%	10.6%

* All 2022 Human Resources-related data excludes our new acquisition, Abu Auf.

Benefits & Compensation

We truly believe that our workforce is our most precious resource. We are committed to fostering a supportive and inclusive work environment that acknowledges and rewards the contributions of our team members. To this end, we offer an extensive benefits programme designed to meet the diverse needs of our employees, ensuring their well-being and satisfaction, which include:



Medical Escort leave



Compassionate (bereavement) leave



Annual leave of 25 working days per year



Emergency health leave of 3 days a year, without a medical report



Sick leave



Three days' paternity leave.



Wedding (marriage) leave



Study leave



Haj leave



Maternity leave of 60 calendar days

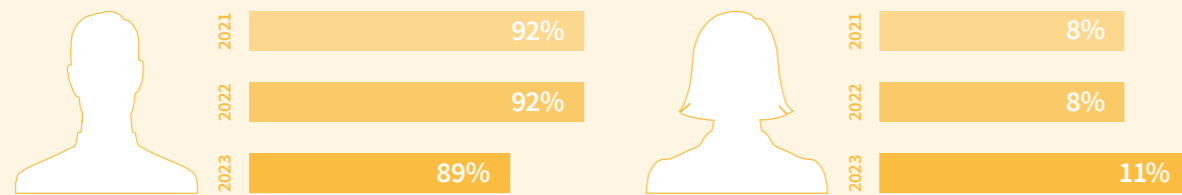
In addition, we offer a competitive compensation scheme that includes housing and transportation allowances, long-term incentive plans for senior management, performance-based annual bonuses, sales, and other incentives, overtime (as per the Labour Law), schooling assistance, family airfare, life insurance, and comprehensive medical insurance for employees and their families. Our employees also have the option to carry forward unclaimed leave days into the following calendar year. Additionally, we provide our employees with the opportunity to join the Agthia Savings Plan to support them further.

Gender Equality

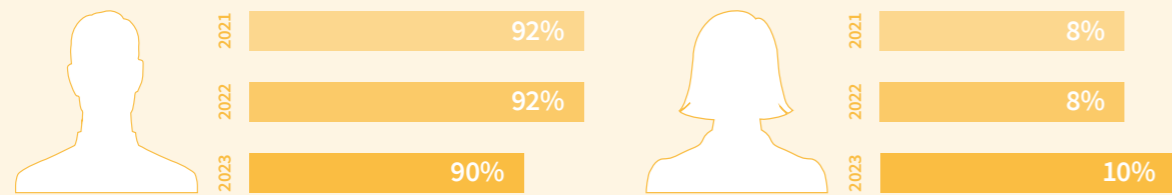
We are proud to be part of a nation that is progressing forward in terms of gender equality and women's empowerment. In 2023, the UAE launched the National Policy for Empowerment of Emirati Women – 2031 to facilitate equitable and comprehensive participation of women in all sectors and enhance the quality of life in the society. In alignment with the policy and our values, we are constantly developing and implementing standards and practices that define an optimal work environment for women. Over the years, we have built a strong culture that believes in women's capabilities and supports them to excel in their roles. The remuneration rate at Agthia is 1:1 between female and male employees.

Over the past year, throughout our organisational expansion, we remained mindful of gender diversity across the Group. After two years, we witnessed a 3% increase in the percentage of full-time female employees in comparison to male employees. Moreover, we observed a 2% increase in newly hired female employees. Our efforts are gradually coming to fruition, and we look forward to maintaining this upward trajectory in the coming years.

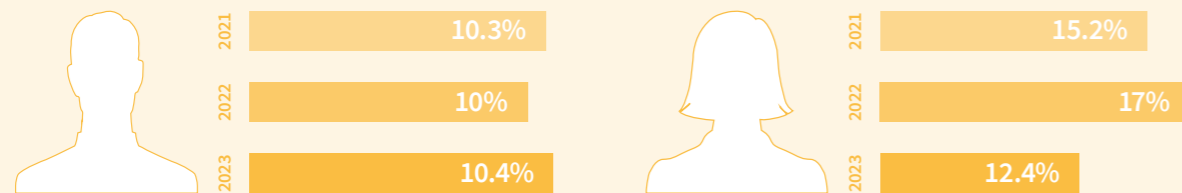
Full-time Employees



Newly Hired Employees



Turnover by Gender



Female Employees

Female Employees in Non-Management Positions



Female Employees in Management Positions



3.3%
Increase in our
female employees
in Management positions



Parental Leave

We believe that providing adequate parental leave supports the well-being of our employees and their families while contributing to overall job satisfaction and retention. As such, we are dedicated to continuously evaluating and enhancing our parental leave policies to ensure they align with best practices and meet the evolving needs of our workforce. In 2023, we prioritised parental leave and its tracking and are pleased that 98% of active employees who took parental leave continued to work post their parental leave.

Parental Leave	2023
Total number of employees that were entitled to parental leave	1664
Total number of employees that took parental leave	87
Total number of employees that returned to work in the reporting period after their parental leave ended	87
Retention rate of employees that took parental leave	98%

Age Diversity

Our workforce comprises individuals from various generations, each contributing unique perspectives and experiences that enrich our corporate culture. While seasoned professionals bring a wealth of knowledge and leadership, we invest in cultivating the potential of the next generation of talent. Our recruitment endeavours prioritise the engagement and development of young professionals, with 68% of our new hires in 2023 being under the age of thirty. An age-inclusive environment enables us to nurture talents of all age groups, helping to enhance our position as industry leaders in the food and beverage sector.

Full-Time Employees by Age Groups*	2021	2022	2023
Under 30 Years	26%	28%	35%
Between 30 – 50	66%	65%	58%
Above 50	8%	7%	7%

* All Human Resources-related data excludes our new acquisition, Abu Auf

Newly Hired Employees by Age Groups	2021	2022	2023
Under 30 Years	60%	58%	68%
Between 30 – 50	39%	41%	31%
Above 50	1%	1%	1%

Full-Time Employees by Years of Service	2021	2022	2023
0 – 4 years	42%	46.4%	52%
5 – 9 years	32%	28.2%	26%
14 – 10 years	18%	17.4%	14%
15 years and more	8%	7.9%	8%

68%
of newly hired employees
are under 30 years of age



Fostering Inclusion

At Agthia, we choose to define diversity as an amalgamation of thought, experience, education, and lifestyle. In a bid to achieve a rich contrast within our workplaces, we've created a vibrant workforce that's inclusive of age, culture, gender, ethnicity, and background. Our idea is to recognise that people are different from one another, then learn to appreciate those differences and work together to achieve common goals.

We are aligned with the Forward Economy pillar of the 'We the UAE 2031 Vision', which reflects the UAE's belief in the importance of human capital as the main driver of the next 10-year development plan. We believe that our expatriates and UAE nationals are essential in driving this plan forward and helping us reach our sustainability goals. We are also committed to creating a culture of respect and appreciation for the unique contributions of both our employee groups. The percentage of UAE national employees in the UAE in supervisory levels and above is as following:

UAE national employees	2021	2022	2023
UAE national employees in UAE in supervisory level and above	23%	21%	21%

Furthermore, our employees are trained in the 'Leading Diverse Teams' programme that teaches team leaders and individuals to appreciate diversity, different cultures, and perspectives in order to incorporate different ideas, opinions, and perspectives for a more inclusive workplace.



Agthia's Safety Vision

To passionately develop and sustain a culture of care where **people possess the skills, knowledge, and confidence to work safely, feel respected, and are engaged with their hearts and minds**

Health & Safety

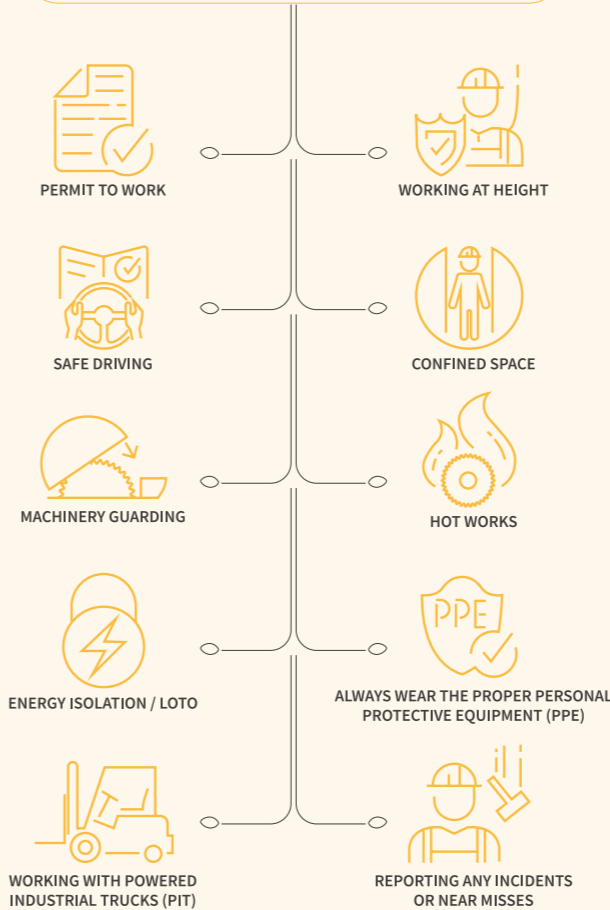
At Agthia, safety comes first and foremost in everything we do. In line with our Safety vision and aim of becoming one of the safest manufacturing companies globally, we have built our HSE Strategy to ensure the safety of our employees, our contractors, visitors on our sites, and any person involved in our operations. This is a commitment that we take wholeheartedly and by sharing this value across the organisation, safety does not become one person's responsibility; rather, a shared responsibility across all levels of our company.

Our overarching objective is to cultivate a work environment that is both safe and secure, achieved through the continual minimisation of potential workplace hazards and operational threats. Committed to the highest standards of safety, we implement rigorous measures across all our facilities and provide comprehensive training to our employees.

We take pride in our exemplary Health, Safety, and Environment (HSE) performance, consistently aligning our practices with the latest health and safety regulations. Our leadership actively fortifies our HSE strategy, underscoring the paramount importance we place on the safety of our staff.



10 GOLDEN RULES OF SAFETY



Safer Together

Building on the highly successful Agthia HSE 10 Golden Rules Campaign, we have launched 'Safer Together', a health and safety e-book aimed at valuing safety as a key ingredient of our existence and vision. We want everyone to go home safe to their families – just the way they arrive each day at our plants and offices.

To support this and ensure the safety of everyone involved, we have articulated our Golden Rules. These rules are a set of simple and clear instructions covering activities with the highest potential risk to the safety of everyone involved in such activities. Our 10 Golden Rules are implemented to keep people and assets safe, and it is critical that we all take it as our responsibility to follow them.

Leading with Safety Workshop

In 2023, Agthia conducted the Leading Safety Performance Workshop entailing an interactive two-day session designed to delve into ‘Leading with Safety’ concepts, emphasizing the cultivation of a safety-centric culture and the pivotal role of leaders in this pursuit. The Workshop included participants exploring fundamental safety concepts, including the Blueprint for Safety Transformation™ – elucidating key elements that drive safety performance, while also underscoring foundational concepts explaining why safety leadership is integral, detailing its influence on overall organizational performance.

One aspect explored was the role of culture, emphasizing specific organisational dimensions predictive of high performance linked to leadership style and practices. The session shed light on how leaders shape activities, systems, and culture to produce safety outcomes, highlighting emotional intelligence as crucial for safety leaders. By fostering effective communication, empathy, and understanding, leaders have the potential to create a safer and more cooperative work environment.

Behavioural aspects were thoroughly covered, empowering participants to explain human action drivers and design strategies for behaviour change. The workshop included Toolbox Talks on Job Safety Briefings, covering essential elements like anchor points, communication skills, and conducting impactful end-of-job debriefings. Practical skills were imparted in the session on Safety Contacts, encompassing effective safety observation techniques, discerning safe and at-risk behaviours, delivering precise feedback, and initiating meaningful safety conversations.

The session concluded with participants setting self-reflective actionable goals, emphasizing their integration into the formal performance appraisal process. Furthermore, so that all employees understand the importance of HSE and are equipped with the necessary competencies to carry out their quality control tasks, we have established a detailed training matrix that outlines the required training and competency requirements.

In 2023, a total of 43,496 health and safety training hours were carried out, which is a significant improvement from the 36,790 hours achieved last year.

The number of employees attending toolbox training increased by 1,900 attendees.



Health and Safety Training

	2021	2022	2023
Total worked hours	16,522,904	25,831,564	25,391,104
Total health and safety training hours	27,524	36,790	43,496
Number of toolbox training attendees	4,050	6,300	8,200
Average health and safety training hours per employee	3.7	4.08	3.62

Incident Cause Analysis Method (ICAM)

Training & Process Safety Programme Development & Upskilling HSE Team

What is ICAM?

ICAM is an investigation tool to demonstrate to employees that the organisation’s leadership cares about them; it fulfils legal requirements, determines compliance with applicable safety regulations, outlines the cost of an indicator, and processes workers’ compensation claims.

What Can ICAM Do for Us?

- Provide a consistent approach to incident investigation
- Provide repeatable results
- Provide tools for learning the right lessons from an incident – look beyond ‘blame’
- Identify ‘error tolerance’ improvement opportunities
- Identify attainable and measurable safety targets

Training Investigation Objectives of ICAM

- Establish the facts surrounding the event
- Identify contributing factors and underlying causes
- Review the adequacy of existing controls and procedures
- Recommend preventative and corrective actions
- Report the findings to share key learning
- Not apportion blame or liability

We have completed 5 days of training for all HSE teams to build their capabilities and be able to conduct thorough investigations for all site accidents.

Process Safety Programme

We completed 5 process safety Standard Operating Procedures (SOP) with a consultant to evaluate the following:

- Boilers
- Flammable Liquids
- Machinery Safety
- Ammonia Safety
- Consumable Dust
- Chemical Handling

The purpose of this project was to provide comprehensive process safety training to Agthia Group personnel. The training aims to enhance understanding and application of Agthia’s Health, Safety, and Environmental (HSE) standards related to the operation, equipment, and production processes within the plant. The training programme covered the following key topics:

- **Evaluate boiler operations, maintenance, and safety procedures** | The training seeks to enhance the competence of staff, improve boiler efficiency, reduce the risk of accidents, ensure compliance with safety regulations and minimise downtime.
- **Assess the handling and storage of flammable liquids, identify potential hazards, and enhance safety protocols** | The training aims to reduce the risk of fire incidents, improve response in case of emergencies, and ensure the safe storage and transportation of flammable liquids, thereby safeguarding personnel, property, and the environment.
- **Assess machinery-related risks, safe operating procedures, and maintenance practices** | The training is designed to reduce workplace accidents, enhance the skills of employees operating and maintaining machinery to ensure machinery is used safely and efficiently, thereby preventing injuries and equipment damage.
- **Evaluate ammonia handling, storage, and safety protocols** | The training aims to increase awareness of ammonia hazards, improve emergency response, and ensure safe handling and maintenance practices. This will lead to a reduced risk of ammonia-related accidents and better protection of employees and the environment.
- **Assess the management of consumable dust in the production process, identify potential hazards, and improve containment measures** | The training intends to minimise dust-related incidents, ensure proper handling and storage, and create a safer work environment with reduced health risks for employees.
- **Evaluate chemical storage, handling, and disposal practices** | This enhances the knowledge and skills of personnel in chemical management, reducing the risk of chemical exposure incidents, and promoting safe, environmentally responsible chemical handling and disposal.

Health and Safety Inspections

Our Good Manufacturing Practices (GMP) and Good Warehouse Practices (GWP) inspections ensure adherence to essential HSE standards and proper procedural compliance. These audits serve as a crucial mechanism for Agthia to stay aligned with pertinent regulatory, legislative, industry, and best practice standards. The regularity of these audits is instrumental in verifying the timely implementation of mandated safety measures, thereby mitigating the risk of potential workplace accidents and illnesses.

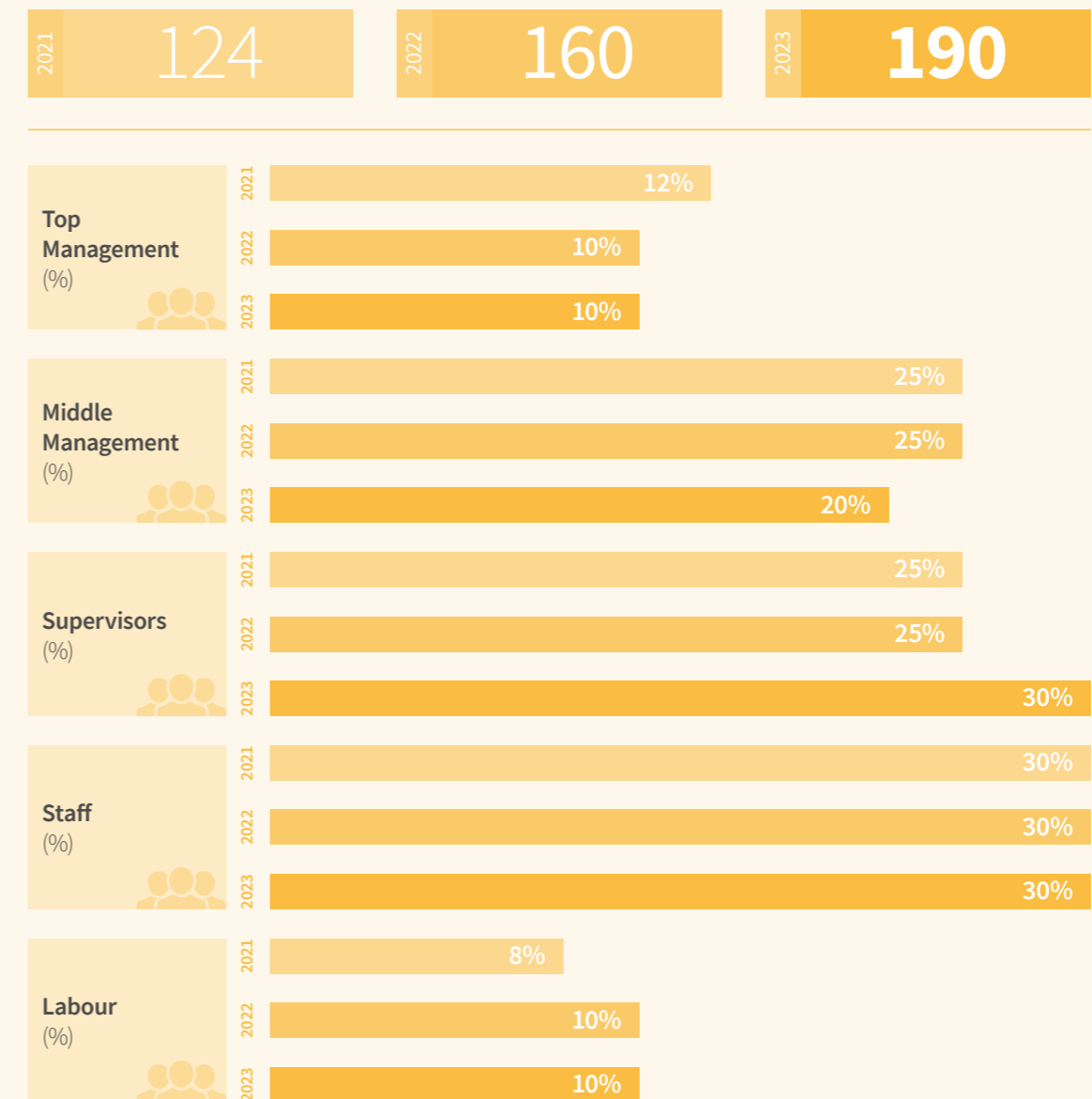
In 2023, despite a marginal decline in our GMP scores, we extended our promise to encompass all newly acquired businesses where GMP was recently introduced. The assimilation of these businesses into our HSE practices reflects a harmonised commitment across our entire portfolio, collectively aspiring to elevate HSE standards to new heights.

HSE audits across the Group (%)	2021	2022	2023
	93	90	81

HSE Committee

The establishment of HSE committees across our operational sites signifies our dedication to creating an inclusive environment where every employee’s voice is not only heard but actively addressed. Notably, we achieved an 19% increase in employee participation within a single year, a testament to the effectiveness of our engagement processes. These committees adhere to a structured agenda aligned with our key performance indicators and convene on a monthly basis, ensuring a consistent focus on health, safety, and environmental matters.

Number of Employees at Health and Safety Committees



19% increase in the number of employees in our HSE committees



Personnel Health and Safety

Our strategy for hazard elimination and risk mitigation is thorough and all-encompassing. We undertake an in-depth analysis of relevant incidents, extracting useful insights which help us to update our procedural frameworks. This proactive approach enables us to continuously refine our safety measures.

Our dedication to health and safety at Agthia has yielded remarkable results, as evidenced by a notable decline in our Lost Time Injury Frequency Rate (LTIFr), which dropped from 2.7 in the previous reporting year to 1.81 in 2023. Additionally, our commitment to safety is reflected in the positive trends observed in our collision rates and violations. This substantial improvement showcases the effectiveness of our enhanced safety protocols and rigorous training initiatives.

Health and Safety Metrics	2021	2022	2023
Number of Lost Time Injuries (LTIs)	10	67	46
Number of lost days from LTIs	50	201	555
Lost Time Injury Frequency Rate (LTIFR)	1.05	2.7	1.81
Number of fatalities	1	2	4
Number of near misses	2999	4441	4759
Vehicle collision rate (Collision/Million KM)	0.6	1.4	0.76
Vehicle violation rate (Violation/Million KM)	5.62	10.5	8.36
Number of Collisions	25	68	40
Number of Violations*	219	496	443
Vehicles Audits Score*	80.82	79%	81%

Safety Integrity Functionality (SIF)

To enhance safety protocols, Agthia is currently implementing a Safety Integrity Functionality (SIF) methodology. Crafted with the aim of averting serious incidents and fatalities, Agthia's Safety Integrity Functionality (SIF) methodology focuses on proactively identifying potential risks and taking action to mitigate exposure. Any event, incident, near miss, damage, or injury with SIF potential undergoes thorough investigation, leading to the implementation of corrective measures aimed at reducing SIF exposure.

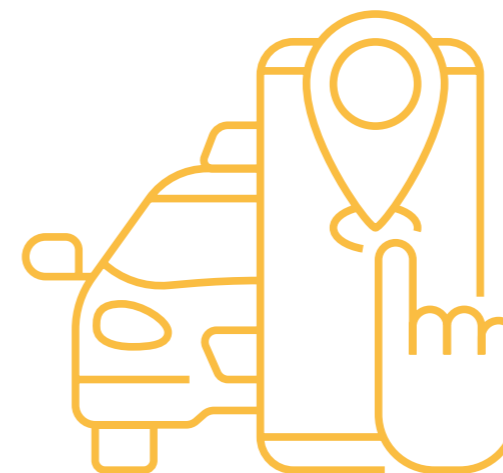
In a strategic move to ensure the effective implementation of the SIF methodology, dedicated SIF committees have been established for each business unit, each chaired by senior leadership. Formed in March 2023, these committees conducted the inaugural SIF review in April. Their key responsibilities include identifying potential risks, devising corrective actions, and diligently monitoring the execution of these measures.

Additionally, the HSE department has crafted comprehensive HSE action plans for individual business units. These plans undergo monthly reviews with area owners, enabling a collaborative approach to address safety concerns and proactively prevent injuries. The emphasis lies on identifying potential risks and implementing preventive measures to continually enhance safety across the organisation.

Fleet Dashboards

Our fleet safety dashboards serve the purpose of closely monitoring drivers' performance and regulating potential violations. Driver performance undergoes constant scrutiny, tracking violations, accidents, and incidents, with prompt corrective actions implemented as necessary.

Additionally, we are dedicated to enhancing data quality concerning the fleet. This initiative involves capturing data from all sites, including acquisitions, and executing required actions. This approach aims to identify and address potential risks, thereby minimising the likelihood of accidents and injuries.



90% of vehicles have GPS installed

Fleet campaigns in the UAE

In 2023, we conducted three road safety campaigns in UAE, in the Al Ain Factory, Al Foah Al Saad Factory and Al Wathba Factory. Approximately 600 staff who work in these sites attended sessions. These campaigns were organised, planned and conducted over a number of days, with the participation of Abu Dhabi and Al Ain Police Traffic Department, Ahalia Medical Center, Al Ghandi Automobiles and Middle East Tires. There were many activities conducted during the campaign, including:

A health screening campaign was organised, encompassing BMI measurements, blood sugar and blood pressure checks, dentist appointments, eye checks and consultation with general physicians. This initiative aimed to equip staff with a better understanding of any medical conditions they may have and receive advice from healthcare professionals on how to maintain their health.

To underscore the importance of using a seatbelt, a seatbelt convincer machine was used to demonstrate to drivers the importance of the use of seatbelts and the impact they have on safety.

Trainers from Middle East Tires provided safety awareness sessions on tyres like the importance of maintaining the correct tyre pressure, signs of wear and tear and how to inspect tyres, measures we can take to keep the tyres in good condition. The best drivers according to GPS driver ranking were awarded certificates.

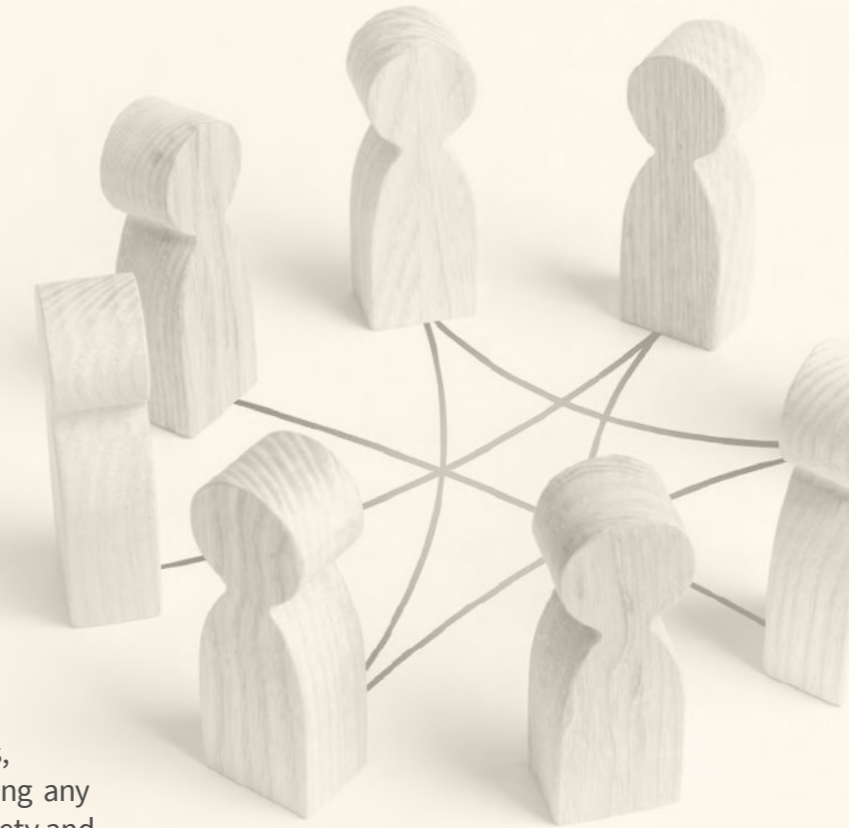
Additionally, as part of our commitment to promoting safety culture, World Safety Day campaigns were organised at various sites. These events featured engaging activities such as quiz competitions and games, with prizes awarded to the winners, fostering a culture of safety awareness and participation among employees.



Community Engagement

At the Group level, we have embarked on a comprehensive and integrated journey towards ESG and Sustainability. Driven by our Growth Strategy of 2025, we have successfully established a strong presence across the MENA region and are dedicated to furthering our growth in a sustainable manner.

Our commitment to ethical business practices underpins our aim to create lasting, sustainable benefits for all stakeholders. Recognising the importance of CSR impact in our community and its importance to achieve the sustainability goals, we always give CSR priority when approaching any project or initiative that has impact to our society and community. This approach also facilitates meaningful engagement with stakeholders, reinforcing our commitment to responsible and impactful business practices.



659,400^{AED} in community investments

Community Development

Purpose

To make tangible contributions to uplifting local communities in terms of tackling poverty, improving infrastructure and the surrounding environment, while raising standards of living for the wider population.

Focus Areas

- To contribute to the uplifting of communities in need



Ramadan Initiatives by Agthia Group

Throughout the year, we implemented several initiatives to support those in need through partnerships

Red Crescent

In Ramadan, we donated 5,163 near-expiry date products, followed by 3,279 items in July, and 15,484 items in August, including Nabil protein products like Beef Burger and Chicken Nuggets. In September, we contributed 11,088 units of Alpin Water 1.5 Liter. These donations aim to provide essential resources to families facing challenges.



Ma'an

We partnered with Ma'an to distribute iftar boxes to over 18,000 people in Abu Dhabi. Each box contained Al Ain Water and Al Foah Dates, providing essential sustenance to those in need during the holy month.

Group-wide Charities and Donations

Abu Auf dedicated 10% of proceeds, amounting to AED 215,000, from coffee cup sales to send aid through the Food Bank to assist the people of Gaza facing food insecurity, gaps in medical care, orphan crises, and more. Agthia Group also sent 5000 flour bags to Turkey and Syria to help the people affected by the earthquake.



Breast Cancer Awareness and Support by Abu Auf and Nabil

Abu Auf partnered with Baheya Breast Cancer Hospital for Breast Cancer Awareness Month, during which time, 10% of all proceeds from Abu Auf's spices went directly to this cause. They also actively engaged in the "What Can You Do to Help" campaign, amplifying awareness about early breast cancer detection and enhancing patient well-being through various activities like workshops and social media campaigns. Nabil has a long-standing partnership with the King Hussain Cancer Foundation, which is the largest association for cancer treatment in the region.



Community Development Initiatives in 2023

For the Better by Agthia Group

This transformative initiative, launched in December 2022 under our Corporate Social Responsibility programme, "For the Better", provides extensive support to our employees and their families across the Group and has, over the past six months, helped a number of employees with their critical medical conditions, education, and home assistance needs.

Through this initiative, financial support totalling AED361,870 was provided to those employees in dire need of support. A multidisciplinary committee was set up to review the 1,200 requests submitted and each request was thoroughly verified, shortlisted and approved. This initiative not only assisted 113 employees in overcoming obstacles and navigating difficult life circumstances but also brought them happiness. We firmly believe in our commitment to enhancing the lives of our employees, and we are proud to see the Agthia Group family come together to help those who are a part of it.



Healthy Lifestyle and Nutrition

Purpose

To educate, raise awareness and promote actions that contribute actively to the creation of healthy lifestyles while improving nutrition and overall well-being.

Focus Areas

- Educate and raise awareness about the benefits of a balanced diet, healthy nutritional choices and an active lifestyle
- Encourage consumers and the public to lead a healthier and more active lifestyle



Key Healthy Lifestyle and Nutrition Initiatives in 2023

Healthy Lifestyle Partnerships by BMB

Agthia's commitment to fostering a healthier lifestyle is exemplified through BMB's strategic distribution of healthy snacks in gyms and fitness clubs across Dubai. BMB has successfully engaged with over 200 individuals to meet their goals.

Partnership with Energy Camp and BIA Warrior

BMB conducted events in partnership with the Energy Camp to promote fitness in the local community by sending them monthly sponsorships to promote a healthy lifestyle. The events also aimed to showcase how different healthy snacks react to the body for the general public. Furthermore, on the occasion of Emirati Women's Day, BMB provided snacks to the only women's exclusive fitness group in Dubai to promote a healthy lifestyle amongst young women.



Community Football matches

BMB carried out community outreach within the sporting community by sponsoring football matches, as well as providing healthy snacks for approximately 30 individuals at football matches weekly near the HQ in Dubai Investment Park on a weekly basis.

Sports Events Sponsored by Al Ain Water

In partnership with the Abu Dhabi Sports Council, Al Ain Water supports the Council's aim of promoting an effective, emirate-wide sports calendar that stimulates the desire to participate in quality sports among all Abu Dhabi residents, helping the talented and motivated reach their sporting potential.

Zayed Charity Run Abu Dhabi 2023

The Zayed Charity Run is a global humanitarian running race honouring the UAE's Founding Father, Sheikh Zayed, which was established over two decades ago. Al Ain Water sponsored AED 33800 worth of products for the over 20,000 participants of the event this year, supporting this year's cause with the proceeds from the Zayed Charity Run held in Abu Dhabi going to support innovative and life-saving treatments for cancer patients through the Abu Dhabi Stem Cell Center.



ADNOC Abu Dhabi Marathon

30,000 people lined the streets of the UAE's capital for the fifth edition of the ADNOC Abu Dhabi Marathon, which stands as a shining symbol of excellence, bringing together a diverse community in the pursuit of well-being and triumph. The event paints a beautiful picture of the society of the Emirates; An oasis of tolerance, love, and brotherhood among different cultures and generations.



Bike Abu Dhabi Gran Fondo

Launched to encourage the public to stay healthy and promote a fun and easy way to keep fit, the Bike Abu Dhabi Gran Fondo, a challenging 154km race, welcomed over 2000 participants in the second edition held in Abu Dhabi.



WeWalk

WeWalk is a yearly charitable walkathon event that offers an opportunity to support and be inspired by individuals and groups within our communities. In 2023, all proceeds and funds raised were donated to the Dubai Autism Center in support of DAC's mission to empower children with autism through education and therapeutic interventions.



Sports Events in Partnership/ Sponsorship with Al Faysal

RSS Marathon

The Al Faysal and RSS marathon promoted a healthy lifestyle to younger generations while increasing brand awareness. The event encouraged physical activity and motivated children to adopt healthier habits.



KNES Sports Day

KNES Sports Day is an annual event for kindergarten children, promoting physical activity and healthy lifestyles. Sponsored by Al Faysal, the day features fun activities that encourage teamwork and participation. Al Faysal's support allows for the development of motor skills and a love of exercise in young children.



Job Creation and Empowerment Initiatives in 2023

Empowerment by Nabil

Eye on the Future

Educational initiatives can play a crucial role in guiding high school graduates towards choosing the right university major. Our team at Nabil took the initiative to set up a booth during a carnival where students could interact and learn about career paths in the food industry. Additionally, Nabil sponsored the launch event for volunteers during the carnival.



Industrial Engineers Forum (IEF)

The Industrial Engineers Forum (IEF) serves as an annual platform dedicated to facilitating the career development of fresh graduates and senior students in the field of industrial engineering. At the recent IEF event, Nabil actively contributed by delivering a compelling speech and participating in the fair to showcase the pivotal roles industrial engineers play within food factories. Through such engagements, Nabil effectively promotes career opportunities and fosters knowledge exchange among industrial engineering enthusiasts.



Al Faysal

Industrial Tour by Al Faysal

Al Faysal facilitated an industrial tour created to facilitate knowledge sharing and offer young individuals practical learning experiences. The visit seeks to provide practical insights that will help nurture the younger generation's understanding of different fields and procedures involved.



Job Creation and Empowerment

Purpose

To improve opportunities for employment amongst the youth and women in general and contribute to their professional growth, education, skills development and overall empowerment.

Focus Areas

- Empower youth with the view to increase their employability and expand their skills
- Support women of all ages to expand their professional and leadership skills



Agrivita

Riaya Farm Care Program by Agrivita

This programme is designed to empower farm owners with expert guidance on livestock nutrition aimed at enhancing productivity and yields. This initiative improves the confidence of farmers, positioning them as informed advocates for “safer food responsibility,” while fostering a community of knowledge sharing and best practices.

The Agrivita team conducts on-site visits to offer training on feeding programmes and superior farm management practices. These sessions are tailored to illustrate the impact of nutrition on animal health and overall farm output. To ensure sustained success, the programme includes ongoing support and training at critical growth phases.

These engagements are documented and disseminated across digital and social media platforms. This strategy not only serves educational purposes but also enhances the visibility and reputation of the brand within the agricultural community.



BMB

Factory Tours for Children by BMB

BMB organised an engaging and educational tour in collaboration with the Abu Dhabi HomeSchoolers Association (ADHSA) at their chocolate factory. The event provided a captivating exploration for young minds, offering an immersive experience of chocolate production and innovation.



Environmental Stewardship

Purpose

To improve public awareness, encourage action and contribute to behavioural change regarding our environmental impacts and the overall protection of the environment.

Focus Areas

- To raise awareness on promoting environmental action in topics such as recycling, waste, and water management



Environmental Stewardship Initiatives in 2023

Al Ain Water

Hydrate, Recycle & Donate by Al Ain Water

Al Ain Water’s “Hydrate, Recycle & Donate” campaign during Ramadan was a model of innovative social and environmental responsibility. Participants engaged in recycling through the RECAPP app, collecting 9,241 kg of recyclables. Al Ain Water and RECAPP then matched these donations to support the Jalilah Foundation in their 30 Days Campaign.



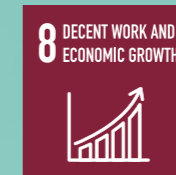
Shared Accountability

Cultivating a sense of shared responsibility drives effective partnerships among stakeholders, laying the groundwork for a culture of accountability.

Our commitment to ethical conduct guides every business decision we make and through meaningful collaboration and strategic alliances, we aim to catalyse sustainable development, empowering communities, and driving positive social and economic change wherever we operate.



UN SUSTAINABLE DEVELOPMENT GOALS



MATERIAL TOPICS

Corporate Governance

Data Privacy & Digitalisation

Responsible Growth

Corporate Governance

Our company’s ability to compete effectively and realise our full potential is attributed to a solid foundation of good corporate governance and business ethics. This entails leadership marked by integrity from our management team, supported by disciplined oversight from our Board of Directors. It also involves engaging with shareholders and stakeholders, while prioritising the creation of sustainable value through sound business principles, corporate social responsibility, and environmental stewardship.



Effectively applied corporate governance guidelines are the foundation of business integrity and support our management’s commitment to delivering value to shareholders through sustainable business results. We maintain high levels of transparency and accountability which includes adopting and monitoring appropriate corporate strategies, objectives, and procedures that comply with its legal and ethical responsibilities.

This chapter of the report provides a detailed look into our efforts to foster a safe and compliant work environment. It showcases our initiatives in governance, risk, and compliance, leading to notable advancements in meeting ADQ’s minimum compliance standards.



In our Snacking business unit, ensuring the inclusion of healthy and nutritionally enhanced products within our innovation pipeline is paramount. We are committed to meeting the needs of our customers and are excited to have augmented our snacking portfolio with products designed to provide the highest health and nutrition standards. To complement our internal endeavours, we actively engage with government leaders and organisations to promote sustainable practices and policies. We are persistently exploring new and creative ways to make our products more sustainable and remain dedicated to constantly bettering our sustainability efforts in the coming years.

Mubarak Al Mansoori

President – Snacking & Government Relations

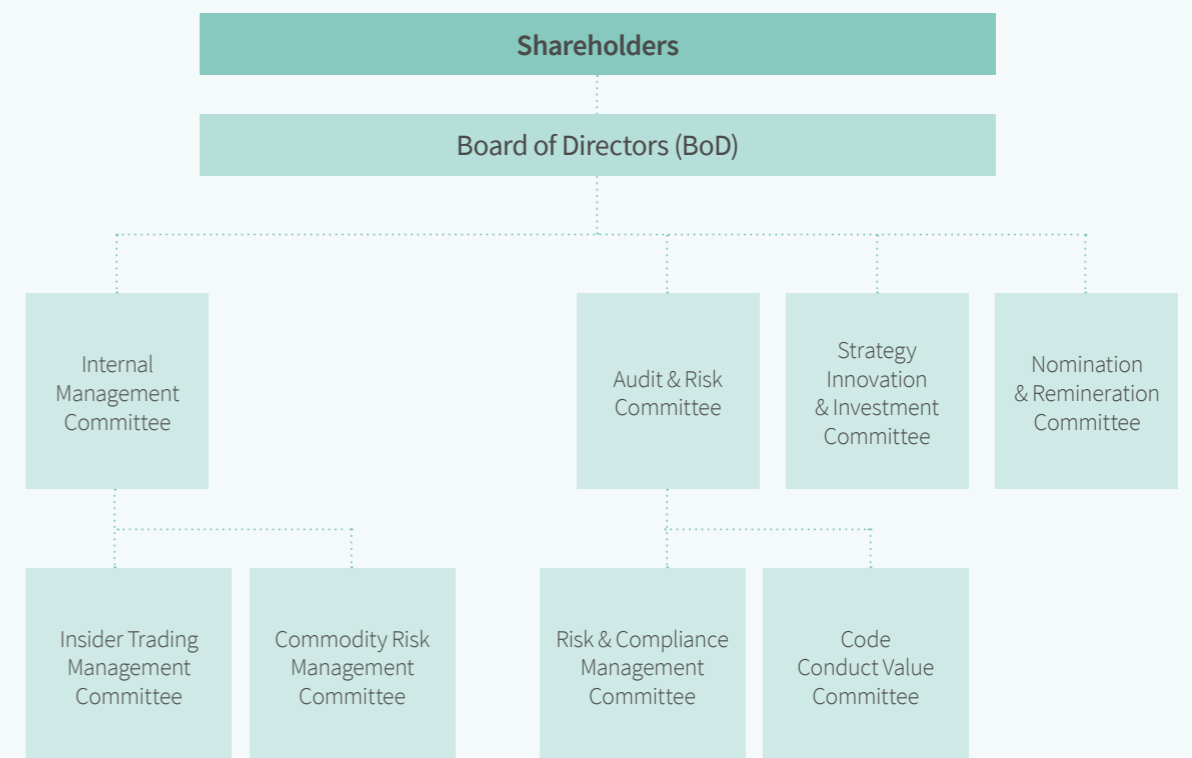


Governance Structure

We have established governance structures that promote effective decision-making and oversight. These structures include board committees, such as audit, risk, and sustainability committees, which assist in addressing specific governance aspects. These committees work collaboratively to ensure that ESG considerations are integrated into our overall governance framework.

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Group Governance Structure



Our Corporate Governance Manual is approved by the Board to reflect the requirements of Resolution 3 and determines the structures and processes by which the Group is controlled through the Board and the guiding governance principles followed by the Group. The manual clarifies the roles and responsibilities of all stakeholders involved in governance processes.



Our Board of Directors


The responsibility of the Board of Directors is to create and deliver long-term value through efficient company governance on behalf of the shareholders. It is the Board's responsibility to ensure that effective management is in place to implement the Group's strategy.

The Board is the principal decision-making authority for all matters that are material to the Group. The Board has a rolling agenda to ensure that the key areas remain in focus throughout the year.


Board Structure and Composition

The current Board of Directors was chosen for a three-year term at the Annual General Meeting on April 17, 2023. Eight independent non-executive directors and an independent non-executive chairman make up the board's current membership of nine. The Group feels that diversity improves the caliber and efficacy of governance and encourages women to enter and remain in the corporate world. The Group accepted nominations for the most recent Board election from both male and female candidates. Agthia was successful in electing two additional female board members in April 2023, in addition to the one already in place. The board continuously makes sure that Directors have the abilities, know-how, and experience needed to carry out their responsibilities.


Composition of the current Board of Directors:




Khalifa Sultan Al Suwaidi
Chairman




Salmeen Obaid Alameri
Vice Chairman




Sharmila Jennifer Murat
Member




Gil Adotevi
Member




Svet Varadzhakov
Member




Maurizio Patarnello
Member



Caitlin Nguyen
Member



Khamis Mohamed Buharoon Al Shamsi
Member



Mariam Ahmed Al Remeithi
Member

The Board Committees

The Board has established four Board Committees to assist the Board in discharging its responsibilities. The Committees operate in line with their respective charters approved by the Board. The charters set out their roles, responsibilities, the scope of authority, composition, and procedures for reporting to the Board.



Strategy, Investment and Innovation Committee

Strategy, Investment and Innovation, Committee (SIIC) is formed to assist the Board by reviewing and endorsing:

- The Group's strategy.
- Business development activities, including merger & acquisition and greenfield and brownfield development, and disposal of assets and businesses.
- Proposals for capital expenditure or abandonment expenditure by a member of the Group, whether such proposals are for projects that are part of the approved annual budget or the approved capital program, which are not within the approval authority of the Group Chief Executive Officer according to the Delegation of Authority.
- Receive quarterly treasury report and financing activity as defined in DOA.
- Annual budget and business plans, as well as overruns defined in DOA.

This Committee also oversees the implementation of the strategies and investments, or disposals approved by the Board. During the year 2023, four meetings were conducted.



Conduct and Values Committee

The Conduct and Values Committee is appointed as a sub-committee of the Audit Committee by the Board of Directors to assist the Audit Committee to review arrangements by which staff of the Group may, in confidence, raise concerns about possible improprieties including fraud, and to ensure that a process is in place for the independent investigation of such matters and for appropriate follow-up action. The Committee is entrusted by the Audit Committee with responsibilities for receiving, reviewing, assessing the credibility of allegations, and investigating allegations. The Committee through its' established mechanism has reviewed all such cases or allegations reported in 2023 and reported the conclusion of the proceedings to the Audit Committee. The Committee convened four time in 2023 to discuss on all matters relating to employee conduct and the status of the allegations reported on the Whistle-blower hotline.



Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for the review of the Group's HR framework and compensation programs. The Committee makes recommendations to the Board on the remuneration, allowances, and terms of service of the Group's senior executives to ensure they are fairly rewarded for their individual contribution to the Group. All three Committee members are Independent Non-Executive Directors of the Board. During the year, three Nomination and Remuneration Committee meetings were held.



Insider Trading Management Committee

The Insider Trading Management Committee is appointed by the Board as a Management Committee to oversee and follow up on insiders' trading and their holdings. The Chairman of the Insider Trading Management Committee, Mr. Neeraj Jain – Vice President Group Controller, acknowledges responsibility for the follow-up and supervision system on transactions of the insiders in the Company through discharging the Insider Trading Management Committee's mandate across the Group, review of its work mechanism and ensuring its effectiveness in line with the approved charter.

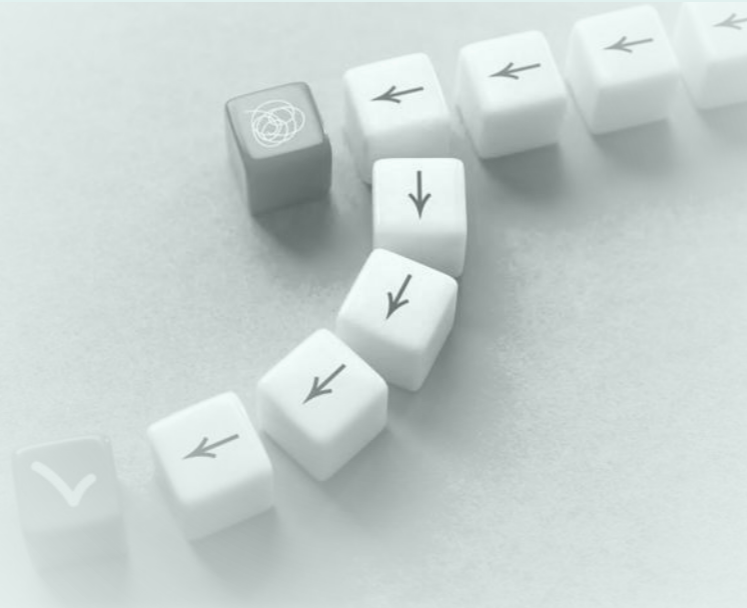


Audit and Risk Committee

The Board of Directors appointed the three members of the Audit Committee. There were three non-executive members that were independent. The Audit and Risk Committee's Chairman, HE Khamis Mohamed Buharoon Al Shamsi, accepts accountability for carrying out the committee's mandate throughout the Group, which includes evaluating the committee's work process and making sure it operates effectively in accordance with the Audit Committee's approved charter. Six meetings of the Audit Committee were convened in 2023.

Risk Management

The Agthia Group Enterprise Risk Management (ERM) framework is designed to assess and mitigate risks to minimise their potential impact and support the achievement of Agthia's long-term objectives. A top-down assessment is performed at the group level once a year called Key Business Risk (KBR). A bottom-up assessment occurs in parallel, resulting in aggregation of the individual risk assessments. This creates a good understanding of the company's key risks to allocating ownership to drive specific actions around them and take any relevant steps to address them.



The structured approach is equally compatible with ISO 31000.



Our commitment to sustainability is integral to our governance framework, aligning with our core values and long-term vision for responsible business practices. We recognise the importance of identifying and mitigating environmental, social, and governance (ESG) risks, and have implemented robust policies to ensure compliance with relevant regulations. Transparent reporting and regular assessments are key components of our governance approach, enabling us to proactively address sustainability challenges and adapt to evolving compliance requirements.

Alok Tuteja
Director Risk & Governance



Our approach to risk management further aligns with our broader commitment to Environmental, Social, and Governance (ESG) principles in the following ways:



Identification of Risks

We conduct regular assessments to identify potential risks that may impact our operations, stakeholders, and the environment. This process involves a comprehensive review of internal and external factors, including regulatory changes, market dynamics, social trends, and environmental challenges.



Assessment of Risks

Once identified, risks are assessed based on their potential impact and likelihood. We use a systematic approach to prioritise risks, taking into account their potential effects on our ESG performance, financial stability, and reputation. This assessment includes consideration of both short-term and long-term implications.



Risk Mitigation Strategies

We are committed to implementing robust mitigation strategies to address identified risks. These strategies may include changes to our operational processes, investment in sustainable technologies, stakeholder engagement, and collaboration with industry partners. By proactively addressing risks, we aim to minimise their impact and foster long-term resilience.



Integration of ESG into Risk Management

ESG considerations are integrated into our overall risk management framework. This ensures that environmental, social, and governance factors are given due consideration in the decision-making process across all levels of our organisation. We believe that effective risk management is intrinsically linked to our ability to create sustainable value for our stakeholders.



Continuous Improvement

We recognise that the business landscape is dynamic, and new risks may emerge over time. As such, our risk management practices are continually evolving. We remain dedicated to staying abreast of emerging trends, regulatory changes, and stakeholder expectations to adapt our risk management strategies accordingly.

By transparently addressing risks in this Sustainability Report, we aim to provide our stakeholders with a clear understanding of our commitment to sustainable and responsible business practices. We believe that effective risk management is fundamental to achieving our ESG goals and maintaining the trust of our stakeholders.

Internal Control (Audit)

Our system of internal control aims to ensure that the Board and management can fulfil the Group's business objectives. An effective internal control framework contributes to safeguarding the shareholders' investment and the Group's assets.

The objective of our internal control framework is to ensure that internal controls are established; those policies and procedures are properly documented, maintained, and adhered to, and are incorporated by the Group within its normal management and governance processes.

In accordance with the requirements set out in Abu Dhabi Accountability Authority (ADAA) Resolution No (1) of 2017. Management performs an ongoing process of identifying, evaluating, and managing the risks faced by the Group and establishes and maintains effective controls for the risks identified including those over financial reporting. We carry out the review of our internal controls over financial reporting on an annual basis, with respect to all material financial balances whereby the Management assesses the adequacy of design and operating effectiveness of such internal controls over financial reporting. This management assessment is reviewed by the Group's independent auditors.

Ethical Business Conduct

Our commitment to conducting business is rooted in integrity, transparency, and adherence to legal and ethical standards. This approach ensures that our operational decisions have positive impacts across all our stakeholders - customers, employees, suppliers, investors, and the communities we serve. Our comprehensive Code of Business Conduct, encompassing Anti-bribery and Corruption guidelines as well as Whistleblower and Fraud policies, establishes the ethical framework within which we operate. It delineates the core principles that all Agthia employees are expected to follow, fostering a constructive and ethical work environment.

The Whistleblower Policy provides a confidential avenue for stakeholders to report any deviations from our Code of Business Conduct, internal policies, or applicable legal and regulatory requirements. Access to these reports is restricted to the Conduct and Values Committee and the Audit Committee, ensuring confidentiality and integrity in handling.

Every new member joining our team receives thorough training on these policies as part of their induction, with annual refreshers to reinforce their understanding and compliance. We're proud to share that our increased efforts have resulted in 100% of our employees were trained on anti-corruption policies and procedures.

In 2023, there were two instances in which the Code of Business Conduct was not adhered to. Both cases were managed in an appropriate manner. We witnessed zero confirmed corruption cases, along with zero bribery and discrimination cases this year.



Compliance

In 2023, Agthia’s Board of Directors ratified the newly developed Group Compliance Policy and framework, establishing a set of principles and standards to effectively manage Compliance Risks throughout the organisation. This document outlines the essential roles and responsibilities of the independent Group Compliance function, ensuring support for the Group in adhering to all applicable laws, rules, and regulations. It is imperative that all members of the organization strictly follow these guidelines, as any deviation may result in disciplinary actions to maintain our commitment to integrity and compliance.

Our commitment to ESG principles is deeply ingrained in our corporate culture, and we recognise the importance of transparently communicating our efforts in this regard.



Legal and Regulatory Compliance

We are committed to complying with all relevant laws and regulations that govern our operations. This includes, but is not limited to, environmental protection laws, labour standards, human rights regulations, and corporate governance requirements. Our legal and compliance teams actively monitor changes in legislation and regulations to ensure that our policies and practices align with the evolving legal landscape.



Industry Standards and Best Practices

In addition to legal requirements, we strive to meet or exceed industry standards and best practices in areas related to environmental sustainability, social responsibility, and corporate governance. We actively engage with industry associations, participate in relevant forums, and collaborate with peers to stay informed about emerging standards and continuously improve our practices.



Internal Policies and Procedures

We have established internal policies and procedures that guide our conduct in alignment with our ESG commitments. These policies cover a wide range of topics, including environmental impact, employee well-being, diversity and inclusion, ethical business practices, and governance structures. Regular reviews and updates are conducted to ensure that our internal frameworks remain robust and responsive to changing circumstances.



Stakeholder Engagement

We engage with our stakeholders, including employees, customers, suppliers, and investors, to understand their expectations and concerns regarding our ESG performance. This ongoing dialogue helps us identify areas for improvement and ensures that our practices align with the values of our diverse stakeholders.



Transparency and Reporting

We are committed to providing transparent and accurate reporting on our ESG performance. This ESG report serves as a key communication tool, outlining our compliance efforts and progress toward our sustainability goals. Regular reporting allows us to be held accountable by our stakeholders and provides insight into our commitment to responsible business practices.



Continuous Improvement

We recognise that the landscape of ESG considerations is dynamic, and we are committed to continuous improvement. We regularly review and enhance our compliance programmes, seeking ways to integrate sustainability into our core business strategies and operations.

Supporting Human Rights

In recent years, Agthia’s compliance function has gone through a paradigm shift in the corporate landscape, prioritising and advancing human rights within the Group’s operations. This positive evolution reflects a growing awareness of the crucial role that Agthia plays in shaping societal norms and fostering ethical practices. The key developments in human rights within Agthia are in the following domains:



Policies Framework

We have established a comprehensive human rights policy outlining our commitment to upholding fundamental rights and ethical business practices. This policy addresses non-discrimination, fair labour practices, and environmental sustainability issues. By formalising these commitments, we aim to set the foundation for responsible business conduct with internal and external stakeholders.

Human rights are of paramount importance to Agthia. The Agthia Human Rights Policy encompasses ethical, legal, social, and other related considerations. Agthia is committed to upholding human rights in the following areas:

- Community and stakeholder engagement
- Diversity and inclusion
- Safe and healthy work environments
- Prevention of forced labour and human trafficking
- Eradication of child labour
- Fair work hours, wages, and benefits
- Sustainability
- Promotion of a healthy lifestyle
- Integrity and honesty

These elements are covered under our Code of Business Conduct and Ethics (COBEC) as well as our Human Rights Policy. We consistently conduct training programs to raise awareness about these policies among both our new and existing employees. In 2023, we organized leadership awareness sessions, induction programs for new joiners, and refresher sessions for existing employees. Approximately 85% of our white-collar employee base, equipped with IT resources such as laptops, desktops, and mobile phones, participated in this program. Our blue-collar workforce is being informed through our Health, Safety, and Environment (HSE) team via Toolbox Talks programs, which disseminate information and raise awareness about these policies.



Ethical Sourcing Practices

We actively engage in responsible sourcing practices, prioritising suppliers and partners who share their commitment to human rights. This involves scrutinising suppliers’ labour conditions, environmental impact, and ethical practices. Ethical sourcing mitigates risks and contributes to creating a more sustainable and responsible supply chain



Stakeholder Engagement

Recognising the impact of our operations on various stakeholders, we engage with a broad range of stakeholders. This includes not only employees but also local communities, customers, and advocacy organisations. By actively seeking input and feedback, we can identify and address potential human rights issues proactively.



Human Rights Impact Assessment

Our Risk and Compliance department has adopted human rights impact assessments to systematically evaluate the potential impacts of our operations on human rights. These assessments help identify risks and opportunities for improvement, enabling us to develop targeted strategies to address any adverse effects and enhance positive impacts.



Technology and Human Rights

The integration of technology in business operations has opened new avenues for promoting human rights. Agthia’s risk function is exploring opportunities in leveraging technology for human rights due diligence, monitoring, and reporting.



Supply Chain Transparency

Acknowledging the interconnected global economy, we are taking steps to ensure that our supply chain adheres to human rights standards. Transparency initiatives involve disclosing information about suppliers, auditing practices, and working conditions. By scrutinising the supply chain, we aim to identify and address potential human rights violations within their extended network.



Cyber Security, Data Privacy & Digitalisation

We continually work towards enhancing data protection for all our stakeholders, including consumers, customers, vendors, and distributors. We are dedicated to advancing our security maturity and consistently modernizing policies to address emerging challenges and trends such as artificial intelligence. Our investment in resources and tools strengthens governance and compliance, while the adoption of cybersecurity technologies, including Brand Monitoring services, elevates our protective measures. We also focus on enhancing our team’s expertise through the Cybersecurity Awareness Program and have established a state-of-the-art Security Operations Center (SOC) in the UAE, all in pursuit of creating a more secure digital environment. We have also embarked with a new project this year to assess cybersecurity maturity at our key production plants in UAE, covering 3 plants under this initiative.

To this end, our Cyber Security function employs an employee-centric security management approach focusing on the development of security policies, delivering training on cybersecurity best practices, and managing access controls for both employees and external partners.

This year, Agthia Group’s Cyber Security and Compliance function has rolled out several key initiatives to bolster our cybersecurity framework:



The establishment of a 24/7 Security Operations Center (SOC) dedicated to continuous security incident monitoring.



The deployment of a Brand Monitoring platform designed to detect and prevent brand abuse and proactively address phishing domains to protect our brand’s integrity



The introduction of a Cybersecurity Awareness platform, targeting the education of employees on potential threats and promoting safe online practices.



The execution of an Operational Technology (OT) Cyber healthcheck to evaluate the cybersecurity stance of critical manufacturing units.



New joiners receive monthly Security Awareness trainings, supplemented by a comprehensive online session for all employees, led by Agthia Group's Cyber Security function. Furthermore, with the **introduction of our new Security Awareness Platform, these monthly sessions will be automated, allowing for more efficient tracking of efficacy. In 2023, 25% employees were trained on data privacy and security.**

Digitalisation Plan

We have significantly advanced Business Digital Transformation, establishing a Digital & Technology Center of Excellence. This initiative, marked by the recruitment of top-tier talent and the development of a comprehensive Digital Transformation roadmap across various functions, incorporating state-of-the-art technologies. Strategic partnerships with industry leaders like Microsoft and other technological frontrunners further underscore our commitment, enabling us to deliver exceptional customer experiences and establish commercial foundations, transforming Agthia into a data-driven enterprise. Our continuous emphasis on reliable, efficient, and secure business operations is underpinned by the pivotal role of digital and technology advancements.



Cost Optimisation

In 2023, we proudly initiated over 40 sustainability optimization projects, each contributing positively to the environment by either enhancing positive impacts or mitigating negative ones. These projects span various environmental and sustainability dimensions, aligning with our comprehensive sustainability strategy and contributing directly to the SDGs. They also fall under our four robust ESG pillars: Environmental Integrity, Scaling Health and Wellness, Fostering Positive Potential, and Shared Accountability.

Key areas targeted by these initiatives include waste reduction, local sourcing of ingredients to significantly reduce carbon emissions in our supply chain, and advancements in sustainable packaging solutions. Additionally, we have implemented a key project in partnership with Schneider Electric aimed at reducing our utility and energy consumption, as highlighted below:

Grand Mills Power Monitoring Expert (PME) Project with Schneider Electric



Agthia Group's Grand Mills, a key site recognized for its high electricity demand, has embraced an advanced Energy Optimization Project in partnership with Schneider Electric's Power Monitoring Expert (PME). Recognizing the critical need for meticulous energy management, we have invested AED 510,000 in this innovative project.

The PME system, operational at our Grand Mills facility in Zayed Port, Abu Dhabi, enables sophisticated visualization and monitoring of energy consumption at various levels including plant, category, zone/line, and specific equipment. This granular view allows us to identify potential opportunities for energy savings effectively.

The system has identified significant energy-saving prospects, estimating reductions of up to 177 kilowatt-hours in utilities and 350 kilowatt-hours in operations. This translates to a substantial environmental benefit, potentially reducing CO2 emissions by 0.35 tons per hour.

The successful outcome and beneficial impacts of our pilot program at Grand Mills have encouraged us to extend the implementation of the PME across an expanded scope of infrastructure. Our focus remains on sites with substantial electricity needs. This strategic expansion is designed to ensure a smooth integration of PME across Agthia's diverse locations, enhancing our energy management capabilities and driving cost reductions.