

SUSTAINABILITY REPORT

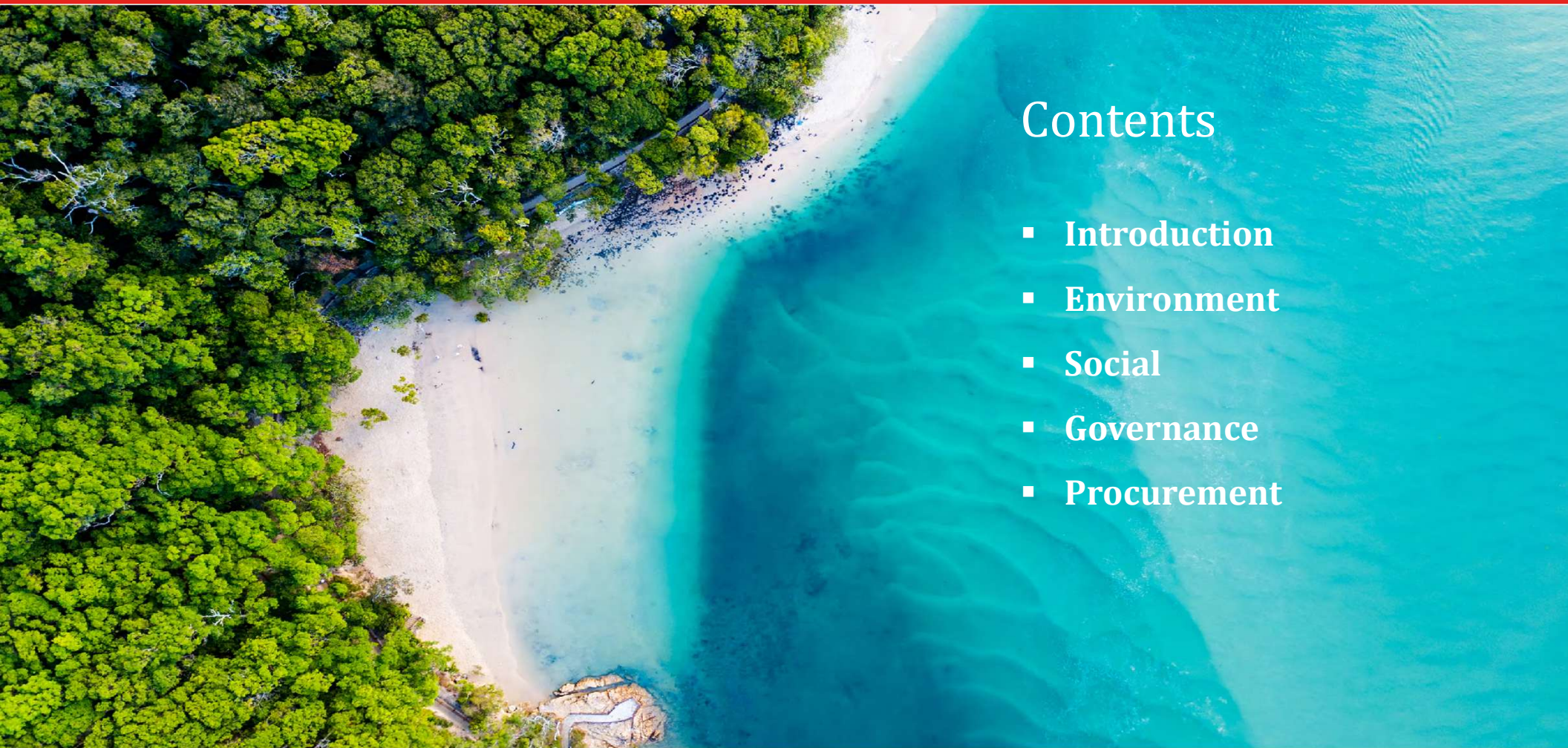
2024



Prepared by: Manager Human Resources
Reviewed by: Manager Operations.
Date: Sep 2024

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Sustainability Initiative

We've updated our sustainability approach by adding a circular economy model, which focuses on reducing waste and reusing materials. This strategy is designed to benefit our customers, protect the environment, and strengthen our business by being both restorative and regenerative. This integrated approach will not only help address urgent global challenges like resource scarcity, pollution, and climate change but will also ensure that we continue to meet the needs of our customers and stakeholders for years to come. Our updated sustainability strategy reflects our long-term vision to use **sustainable innovation** to build a better, more resilient world.

Our sustainability plan is based on four key areas where we can make the biggest impact:

● Minimizing our Environmental Impact

We aim to use synergies to lessen the operational impact of our business in ways that reduce waste, water use, and global warming.

● Building Responsive Sourcing

We endeavor to safeguard the environment, lessen its negative effects, and support workers and agricultural communities throughout our supply chain.

● Engaging Communities & People

We strive to build an accepting and secure culture where we value diversity and give back to the local communities where we source and carry out our activities.

● Driving Sustainable Innovation

We seek to embed regenerative approaches and circular design principles into our products, processes and research and development (R&D) pipeline.

Why Production Sites Matters To Sustainability



Site Sustainability Metrics

**O1** Water intensity**O2** Energy intensity**O3** Renewable proportion of energy**O4** Greenhouse gas intensity**O5** Residuals intensity**O6** Air releases intensity**O7** Water releases intensity**O8** Proportion of natural land**P1** Recycled/reused content**P2** Recyclability**P3** Renewable materials content**P4** Non-renewable materials intensity**P5** Restricted substances content**P6** Energy consumption intensity**P7** Greenhouse gas emissions intensity

Environment

1

Our Climate Transition Plan

To drive efficiency in GHG emissions reduction, we are focusing our efforts on **four** areas where we believe we can have **the** greatest **influence** and the most significant impact, and where we have access to better data to track our performance:



1

Our operations (scope1 & 2)

Investing in our manufacturing decarbonisation programme, we are focusing on three areas:

- Water efficiency
- Energy efficiency
- Waste management



2

Establishing our Customer and Supplier Climate Programme

Developing strategic partnerships and collaboration



3

Environmentally friendly packaging solutions

Focusing on upstream and downstream sustainable solutions for packaging



4

Scaling up partnerships for climate action

Exploring and deploying innovative and scalable solutions and technologies to spur collective action

Strategy



The Eco-Effectiveness Team is a key part of our Sustainability Business Council, which is made up of four different groups. The leaders of this team have an important job: they are responsible for using our strategies to manage and reduce our impact on the environment. This team includes senior managers from our Operations and Sustainability departments. Together, they work to ensure that we are making progress in our sustainability efforts. Every three months, the Eco-Effectiveness Team reviews our key performance indicators (KPIs). These are specific measures that help us understand how well we are doing in reaching our sustainability goals. By regularly checking these indicators, the team can see if we are on track or if we need to make changes. Once a year, the team also selects projects that focus on sustainability. These projects are chosen for specific locations that align with our company's goals. By doing this, the Eco-Effectiveness Team helps us move closer to our overall objectives, ensuring that we operate in a way that is beneficial for the environment and society.

Standards And The Methodology Used to Calculate Environmental Data

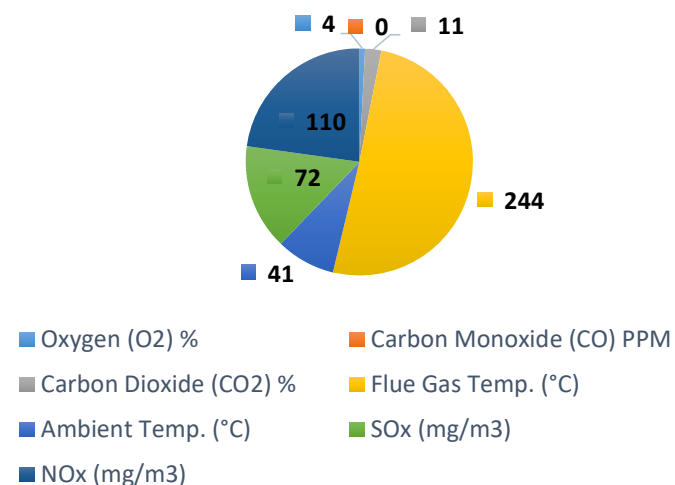
Emissions Calculation:

The amount of greenhouse gas (GHG) emissions produced at the site. Emissions are calculated based on what products are being made and a method called mass balance, which looks at the inputs and outputs of materials in the process.

The main greenhouse gases considered in these calculations are Carbon Dioxide (CO₂) Oxygen (O₂) Carbon Monoxide (CO) Sulfur Oxides (SO_x) Nitrogen Oxides (NO_x)

Stack Emission Quality							
Results	UAE FEA-Limits	2019	2020	2021	2022	2023	Target 2024
Oxygen (O ₂) %	-	5	4	5	4	4	Comply with the allowed limit.
Carbon Monoxide (CO) PPM	500	0	2	1	0	0	Comply with the allowed limit.
Carbon Dioxide (CO ₂) %	-	12	13	13	12	11	Comply with the allowed limit.
Flue Gas Temp. (°C)	-	222	246	247	245	244	Comply with the allowed limit.
Ambient Temp. (°C)	-	44	24	42	40	41	Comply with the allowed limit.
SO _x (mg/m ³)	500	76	78	74	73	72	Comply with the allowed limit.
NO _x (mg/m ³)	500	117	68	107	112	110	Comply with the allowed limit.

Stack Emission Quality



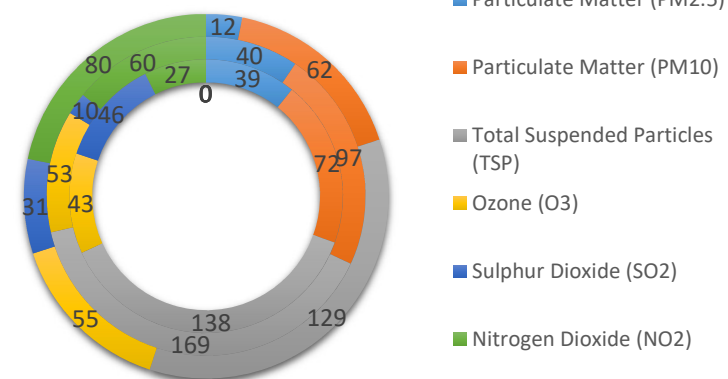
Ambient Air Quality Monitoring

As part of our ambient air quality monitoring program, we measure the concentration of particulate matter of a size less than 10 microns (PM10) and particulate matter of a size less than 2.5 microns (PM2.5) at monitoring stations.

Ambient Air Quality

Results	UAE FEA-Limits	2020	2021	2022	2023	Reduction Target 2024
Particulate Matter (PM2.5)	-	39	40	12		Reduction by 1% FY 2024
Particulate Matter (PM10)	150	72	97	62		Reduction by 1% FY 2024
Total Suspended Particles (TSP)	230	138	169	129		Reduction by 1% FY 2024
Ozone (O3)	120	43	53	55	Result will be published in Dec 2024	Reduction by 1% FY 2024
Sulphur Dioxide (SO2)	150	46	10	31		Reduction by 1% FY 2024
Nitrogen Dioxide (NO2)	150	27	60	80		Reduction by 1% FY 2024
Carbon Monoxide (CO)	10	1	2	2		Reduction by 1% FY 2024
Total Volatile Organic Compound (TVOC)	-	2	2	4		Reduction by 1% FY 2024

Ambient Air Quality



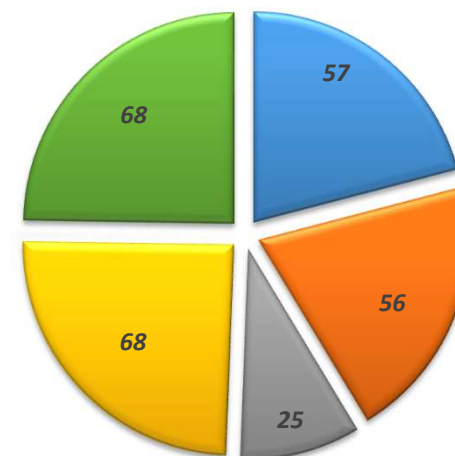
Ambient Noise Level Quality

Noise reduction, in our opinion, is a crucial component of our social obligation. We make a lot of effort to keep the noise level at our manufacturing site low because, after all, noise can cause stress in people. The noise-control professionals from our Environment department are constantly onsite. They check the noise level at workplaces and monitor the sound level the plant emits beyond the premises.

Ambient Noise Levels Quality

Results	UAE FEA-Limits	2020	2021	2022	2023	Target 2024
Day Time dB(A)	60-70	51	57	57		Adhere to the permitted limit
Night Time dB(A)	50-60	51	57	56		Adhere to the permitted limit
Temperature °C	-	21	24	25	Result will be published in Dec 2024	Adhere to the permitted limit
Relative Humidity (R/H) %	-	59	59	68		Adhere to the permitted limit
Wind Speed (W/S) m/s	-	1	1	0		Adhere to the permitted limit
Wind Direction (W/D) Deg.	-	228	102	68		Adhere to the permitted limit

Ambient Noise Level Quality



- Day Time dB(A)
- Night Time dB(A)
- Temperature °C
- Relative Humidity (R/H) %
- Wind Speed (W/S) m/s
- Wind Direction (W/D) Deg.

ENERGY MANAGEMENT

Implemented a comprehensive energy optimization strategy utilizing data-driven analysis and targeted efficiency methods.

Impact:

1. Reduced energy consumption.
2. Lowered greenhouse gas (GHG) emissions

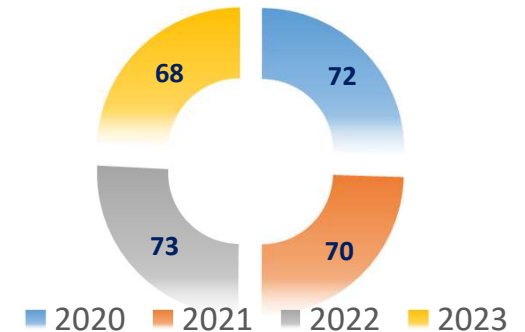
Electricity Consumption

Description	Unit	2019	2020	2021	2022	2023	Reduction Target 2024
Electricity Consumption per year	KWh	1,735,040	1,663,680	1,813,760	1,444,800	1,942,880	Cons. In 2024 to be reduced by 1%
Production MT	MT	22,693	23,122	26,059	19,902	28,439	
Consumption / MT	KWH/MT	76	72	70	73	68	Cons. In 2024 to be reduced by 1%

Electricity Consumption Reduction by Improving Efficiency

Action: Installed VFD (Variable Frequency Drive) control panels to regulate the speed of electric motors, optimizing energy usage and lowering peak energy demand. across Plant operations

ELECTRICITY CONSUMPTION / MT



USING VARIABLE FREQUENCY DRIVES



WATER MANAGEMENT

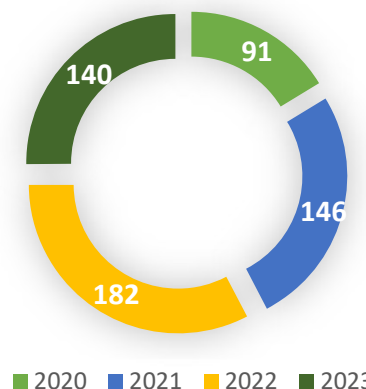
Water plays a vital role in our production processes at IFFCO Chemicals, particularly for cooling and cleaning. As part of our commitment to sustainability, we ensure that any wastewater generated is treated before being safely disposed of. By optimizing water usage and implementing advanced wastewater treatment systems, we are reducing waste, conserving resources, and maintaining a responsible approach to environmental management.

Water is fundamental to our survival and the survival of our planet. At IFFCO, we understand its vital role and are proud to have achieved a 20% reduction in water intensity in 2023 compared with 2022. Despite our portfolio's reliance on water as a key ingredient, we have demonstrated that it is possible to make significant environmental progress while maintaining product excellence

Water Consumption GL

Description	-	2019	2020	2021	2022	2023	Reduction Target 2024
Water Consumption per year	GL	2,235,200	2,103,640	3,795,000	3,616,580	3,896,860	Cons. In 2024 to be reduced by 5 %
Production MT	MT	22,693	23,122	26,059	19,902	28,439	
Consumption / MT	GL/ MT	<u>98</u>	<u>91</u>	<u>146</u>	<u>182</u>	<u>140</u>	Cons. In 2024 to be reduced by 5 %

WATER CONSUMPTION / MT



EVERY DROP MATTERS



FUEL MANAGEMENT

We have installed a Xenogeneic Plate on the boiler's blower to make our operations more efficient and eco-friendly. This plate helps in two main ways.

- The Xenogeneic Plate improves the way air flows into the boiler, which makes the fuel (diesel) burn more efficiently. As a result, we use less diesel to achieve the same level of energy output, which lowers our fuel costs. With better combustion, fewer harmful gases are released into the air, such as carbon dioxide (CO₂) and nitrogen oxides (NO_x). This helps us lower our environmental impact and meet emissions standards.
- In short, the installation of the Xenogeneic Plate allows us to save fuel, operate the boiler more efficiently, and reduce pollution, contributing to both cost savings and a cleaner environment.

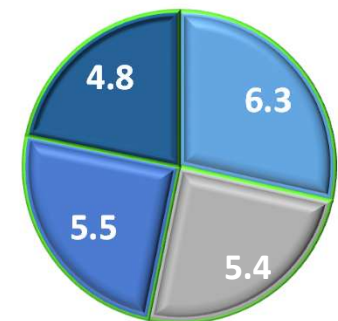
Diesel Oil Consumption

<u>Description</u>		<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Reduction Target 2024</u>
Diesel Oil Consumption per year	GL	166,411	145,090	141,312	109,295	136,231	Cons. In 2024 to be reduced by 2%
Production MT	MT	22,693	23,122	26,059	19,902	28,439	
Consumption / MT	GL/ MT	<u>7.3</u>	<u>6.3</u>	<u>5.4</u>	<u>5.5</u>	<u>4.8</u>	Cons. In 2024 to be reduced by 2%

Xenogeneic Plate



Consumption / MT



 2020
  2021
  2022
  2023

As part of our full waste reduction plan, we continually identify and monitor trends that have an impact on what we produce. We constantly compare our key performance indicators to our targets. Concentrated on improving our recycling rates and phasing out the idea of waste in our business.

Commercial & Industrial Waste Disposal to Bee'ah Environment Co.

Description	Unit	2020	2021	2022	2023	Reduction Target 2024
Commercial & Industrial Waste Quantities per Year	Tons	188	195	150	107	Significant reduction

Non-Hazardous Chemical Liquid Waste Disposal to Bee'ah Environment

Description	Unit	2020	2021	2022	2023	Reduction Target 2024
Non-Hazardous Chemicals Liquid Waste Quantities per Year	Tons	603	780	520	608	Significant reduction

Recycling of Hazardous Waste

Description	Unit	2020	2021	2022	2023	Reduction Target 2024
Recycling of Hazardous Waste Quantities per Year	Tons	25	34	6	4	

WASTE MANAGEMENT

Waste Reduction -Commercial waste generated during the manufacturing process, such as empty plastic bags and raw materials' packaging, is segregated and send to an environmental agency for recycling.

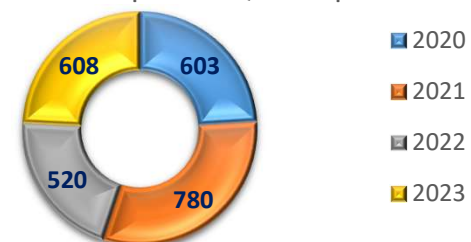
Waste Reduction – Lowering the number of raw material that produce wastewater as a byproduct through modification of processing formulation. Implemented a water monitoring system to track water usage patterns over time.

Recycling of Hazardous Waste – Indirect reuse: Materials such as solvents are reused, without purification, in a different process. For example, a solvent used to clean the Reaction Vessel is used for the mfg. of low-cost Finish Goods. Maintenance, eg preventing leaks, waste streaming and staff training.

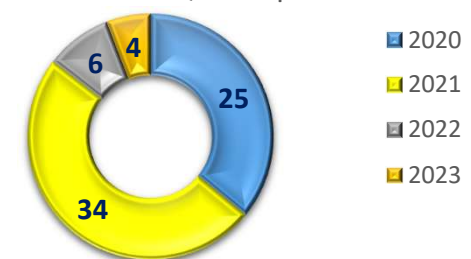
Commercial & Industrial Waste Quantities per Year



Non-Hazardous Chemicals Liquid Waste Quantities per Year



Recycling of Hazardous Waste Quantities per Year Tons



Social

Our employees
Learning and development
Human rights
Diversity and inclusion
Health, safety and wellbeing



Our employees

We recognise that our people are our greatest strength, and the core of our journey to success. As a people-centric organisation, we are focused on creating an environment where all our people can thrive by implementing a range of engagement, empowerment and wellbeing measures. That commitment is reflected in the fact that People is one of our five strategic priorities, along with Growth, Sustainability, Customer and Consumer, and Governance.

OUR APPROACH

Our efforts are focused on the following areas:

- **Succession planning:** We aim to establish a robust succession planning framework to ensure leadership continuity and seamless transition of roles, with the aim of building and training unique successors for at least 25% of key leadership roles by 2025.
- **Career path clarity:** We understand the importance of clear and attainable career paths. Our objective is to implement transparent career progression frameworks across all departments, ensuring that every employee has a clear understanding of potential career trajectories within IFFCO.
- **Cultural aspirations:** We strive to build a culture of accountability where every team member takes ownership of their actions and contributions. Through our strong Performance Management Process (PMP) and continuous feedback, we aim to create a culture where each individual is personally accountable for objectives that support wider organisational and company objectives in the short and long term.

OUR PROGRESS

Following our group-wide Employee Engagement Survey (EES) in September 2022, all business groups developed and signed off on detailed action plans. The purpose of this survey was to provide an opportunity for employees to share their genuine thoughts about life at IFFCO and provide business leaders with information about areas that may require improvement.

After the survey, all action plans were meticulously calibrated by business group leaders and HR business partners, working with the Talent Development Centre of Expertise, to ensure alignment with our strategic objectives. This allowed us to better understand where we stand as an organisation and identify those areas where we need to focus and implement concrete actions.

Action plans are clearly aligned with our People agenda, with 80% of actions already integrated into our Ambition Plan. To continue the conversation with our employees and maintain transparency, we introduced an HR newsletter, "People Matter". This publication highlights key achievements related to employee feedback, reinforcing our commitment to a responsive and dynamic workplace.

Building on the success of our initial engagement action plans, we will continue to develop a culture where employees feel heard and valued. Our goal is to enhance the overall employee experience by implementing strategies that promote engagement, satisfaction, and retention. **g**



Creating a caring working environment

Our Code of Conduct, [OurCode](#), sets out the standards and behaviours that guide us in our own workspaces, in the marketplace and in the communities we serve. OurCode is our ethical practice compass, guiding us to make the right choices and decisions. The goal is to create spaces where everyone is treated with care and respect, and where people feel valued and heard, and are comfortable with raising concerns where they see wrongdoing or injustice.

We have also been working to transform the systems and processes that support our approach to people management. Project Transform aims to create a single source of information for all employees, providing a great digital experience that supports more efficient and effective working practices. For employees, it will mean a more streamlined end-to-end experience and easier access to useful data, tools and resources, while our HR colleagues will now have a single source for all information relating to employees, "from hire to retire".

NEXT STEPS

- **Ensure that core values** are seamlessly integrated into every part of the employee lifecycle, including recruitment, performance management, talent development and recognition
- **Incorporate values-based questions** into interviews and assessment, and clearly communicate our values to prospective employees from the outset
- **Use real-life examples** to help further embed our values into our performance management system
- **Develop and implement** specific training modules and workshops focused on our values
- **Ensure that employees who exemplify our values** are appropriately rewarded and recognised, including giving specific awards and acknowledgements

People are our biggest strength	Integrity above all	Excellence is our passion	Consumer and Customer delighted customers and consumers	Entrepreneurial approach to business
Strengthening our core values	As our company undergoes rapid transformation and growth, our core values remain the cornerstone of our evolution. These values guide our actions, ensuring that they align with what matters most to our company. To reinforce this alignment and foster a sense of ownership and belonging, we have launched the Values Campaign.		Multimedia channels are being used to raise awareness, and to inform, inspire and engage employees across the organisation. We also developed an innovative experiential values workshop designed to excite, educate, and actively involve employees, ensuring that our values are deeply embedded in our daily	
	The Values Campaign was created to reaffirm our commitment to our values. It involves the development of behaviour statements that will support how we live our values every day. The campaign started with a robust communication initiative featuring a series of leadership webinars, followed by an ongoing journey to embed our values		Through the Values Campaign, we aim to reconnect with our core principles and reinforce our collective commitment to living our values. This initiative is a testament to our dedication to building a strong, cohesive, and values-driven culture, where every employee feels a sense of ownership and belonging, as we	

Learning and development

We make continuous efforts to enhance our people's professional development, based on our belief that every employee has the potential to grow and succeed.

OUR APPROACH

Our approach to learning and development is based around the following principles:

- **Leadership development:** Supporting employees to take on leadership responsibilities helps them grow as individuals and ensures the continued success of our organisation. We work to identify potential leaders, and provide mentoring, coaching and focused training, including effective management skills.
- **Skills enhancement:** We offer a range of training programmes, workshops and courses to improve technical, soft and leadership skills in areas including cloud computing, data analysis (including AI and SQL) and UX design.
- **Employee engagement:** We work to promote a culture of curiosity and personal responsibility for growth. When employees feel invested in their development, they are more likely to stay committed to us.
- **Succession planning:** We plan for the future, identifying and developing talent for key roles to ensure continuity and minimise disruption. This includes preparing high-potential employees to step into critical positions when needed.

OUR PROGRESS

This year we officially launched our initiative to build a feedback culture at IFFCO. Part of our Talent Development Strategy, the initiative brings together two of our most critical people processes, IFFCO Talent Assessment and Development (ITAD), which focuses on assessing employee skills, abilities and potential for growth, and our Performance Management Process (PMP), which we use to monitor, evaluate and improve performance.

By combining discussions on these two areas, we are able to provide employees with more holistic feedback, taking into consideration both past performance and future career aspirations.

To date, 82% of employees have participated in a feedback conversation and worked with their line managers to create an individual development plan (IDP). These are based on a 70:20:10 model, with 70% of development occurring "on the job", 20% through interactions with others and 10% through formal education and learning, putting a strong emphasis on practical experience and social learning. [g](#)



At IFFCO, we are committed to supporting everyone in reaching their potential. That means working with our people to understand their individual needs and career aspirations, and increasing the breadth and depth of the learning opportunities we offer. We are also looking to the future, investing in the talents of tomorrow."
Eda Caliskan, Head of Talent Development

We are taking steps to ensure that we have a robust learning curriculum in place to meet these training needs. This includes significantly boosting the number of training programmes available on our Open Sesame e-learning platform from 100+ to more than 1,000. We are also setting up a new Learning Centre of Expertise (CoE) in partnership with Global Business Services (GBS) to provide more focused learning opportunities, in a strategic move aimed at significantly impacting our growth and employee development.

Our goal is for the new Learning Centre of Expertise (CoE) to become a powerful hub for knowledge sharing, skill enhancement and innovation. Through the partnership with GBS, we gain access to a global network of professionals, enabling us to meet diverse needs across different regions and business units. Key benefits include:

- **Efficiency:** GBS provides operational efficiency by streamlining processes, managing resources, and ensuring consistency. The Centre benefits from GBS's expertise in process optimisation and scalability.
- **Cross-functional collaboration:** GBS teams work across various functions including finance, HR, and IT. By partnering with them, the Centre can tap into this cross-functional knowledge, fostering collaboration and innovation.
- **Agile learning solutions:** GBS's agility in adapting to market changes aligns with the Centre's goal of staying current. Together, they create responsive learning solutions that address emerging trends and business challenges.

Our new IFFCO Graduate Trainee Programme forms an important part of our efforts to create a sustainability pipeline of talent, developing and nurturing the leaders of the future. This year, we welcomed 20 trainees from five countries to gain experience of our Finance, Sales, Marketing, Supply Chain and Operations functions.

Each trainee is assigned a mentor for the duration of their journey. For many, this is their first opportunity to spend time in a corporate environment, gaining valuable first-hand experience as well as benefiting from the experience and expertise of their mentors. We will be reviewing the impact of the programme and using the findings to shape our future plans.

KEY ACHIEVEMENTS IN 2023

- **20 graduates** enrolled on to our graduate training scheme
- **1,000+ trainings** now included in our Open Sesame e-learning platform, up from 100+

NEXT STEPS

- **Revisit our focus agenda**, to identify how we can better support and empower the development of our people
- **Continue building** a robust learning curriculum based around the learning priorities identified in employees' Individual Development Plans (IDPs)
- **Build on the launch** of our new Learning Centre of Expertise (CoE)

Learning



Explore, Learn, and Unleash Your
Full Potential

Achieve your goals and master new skills. Anytime, anywhere.



At IFFCO, respect for human rights forms a fundamental part of our commitment to people. That includes both our own employees and everyone we reach with our business, at every stage of the value chain and throughout the communities we serve.

OUR APPROACH

Our approach is guided by the [UN Guiding Principles on Business and Human Rights](#). In line with these principles, we are committed to establishing a framework for assessing and addressing human rights impacts that we may cause, contribute to or be linked with through our operations, products or services. This includes monitoring our performance and communicating and engaging with affected stakeholders.

OUR PROGRESS

At the end of 2022, we established a working committee led by our Group HR Director. The committee's remit is to gather findings from previous audits and heat maps, review human rights standards and gather examples of good practice as a step towards setting clear human rights goals for our organisation.

The focus for 2023 was on due diligence. This four-stage process involved:

- **assessing** the current state of practice around priority areas
- **identifying** and implementing corrective action where needed
- **tracking** progress
- **raising** awareness through communication of actions and impacts

Human rights aspects have also been integrated into the Group Standard Operating Procedure for Safe Space. This focuses on the wellbeing of employees during their employment, and includes guidelines encompassing equal opportunity, protecting human rights, managing grievances, discipline and behaviour standards.

KEY ACHIEVEMENTS IN 2023

Human rights embedded into IFFCO's Code of Conduct, [OurCode](#)

Human rights aspects integrated into the published Group Standard Operating Procedure for Safe Space

Launched IFFCO-wide communication campaign to raise awareness about the human rights policy, adopting a "train the trainer" approach to reach employees across different geographies

NEXT STEPS

Continue to progress our action plans, reviewing policy and practice relating to each of our human rights salient issues

Embed human rights policy in our [Supplier Code of Conduct](#), carrying out due diligence to ensure compliance of our external vendors and partners

Develop a human rights strategy and targets for our palm upstream value chain, focusing on building supplier capacity and giving a voice to workers



We are working to develop a human rights strategy and targets for our palm upstream value chain, focusing on building supplier capacity and giving a voice to workers

Diversity and inclusion

We encourage diversity and embrace the richness of different cultures, backgrounds and experiences of our people. We believe strongly that this approach fuels our innovation and strengthens our ability to cater for the diverse needs of our global consumer base.

OUR APPROACH

We are committed to providing equal opportunities for all employees, without discrimination on the grounds of age, disability, gender identity, nationality, race, religion, sexual orientation or any other personal attributes that are within an individual's unique identity. All employment practices, including recruitment, selection, training, promotion and transfer, are based on the individual's merit and suitability for the role.

OUR GOALS AND TARGETS

20%

Increase in female representation at manager level year on year, with the aim of accomplishing 30% female leaders by 2028

2%

Increase in Emiratisation year on year

75%

Target percentage of Saudisation (within KSA) by 2030

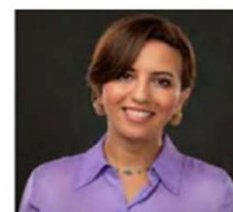
25%

Nationality mix in GCC countries to include no more than 25% of one expat nationality by 2028

OUR PROGRESS

Cultural, religious, regional and international observances and festivities form an important part of how we recognise and celebrate our people, and we are proud to host events marking a range of occasions including [International Women's Day](#), national days in the countries where we operate, Diwali, Ramadan, Eid, and Christmas, among others.

Our commitment to diversity is reflected in the geographical and generational make-up of our organisation. Across the five business groups that fall within the scope of this report, there are more than 65 different nationalities, and a diverse mix of ages across both management and non-management roles.



At IFFCO we have an ongoing commitment to create diverse and inclusive teams, where all voices are heard. By creating a culture of belonging we enable employees to contribute their best, supporting them to make better decisions and come up with innovative ideas that benefit us all." Imane Amrhar, Group Director, Human Resources

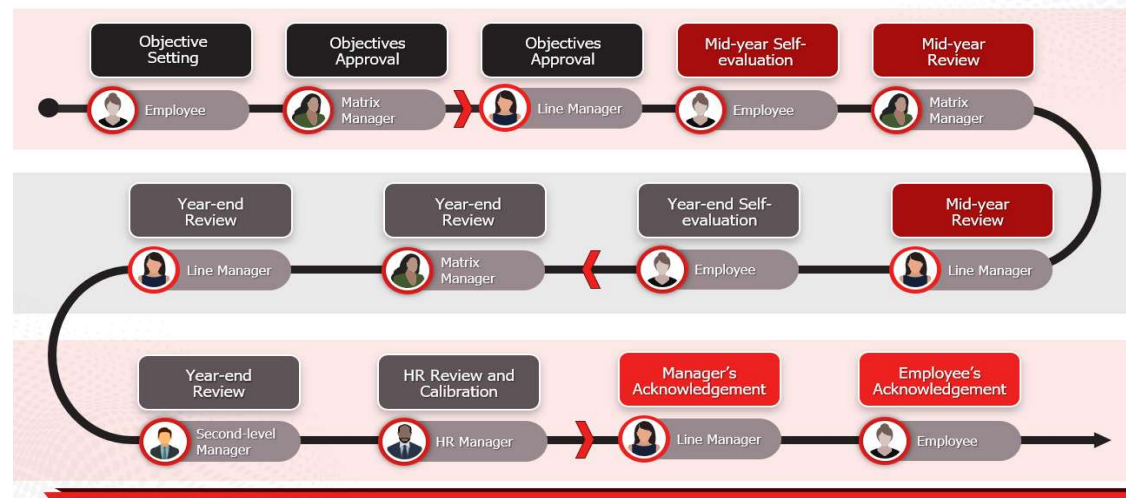
Performance Management

Performance management at IFFCO Chemicals is an evolving process. Line managers and their direct reports work together to formulate annual objectives that caters core business aims as well as professional development goals. We use SuccessFactors to capture performance history, strengthen accountability and enhance transparency.

All permanent employees (around 17 from management positions while other non-management were 41) were given access to performance management system on SF where they evaluated their performance against their set objectives and received performance reviews. Employees receive formal progress evaluations twice a year, creating opportunities for feedback to thrive continuous improvement. Beyond those conversations, managers are encouraged to provide feedback throughout the year. The feedback process is further enabled by the implementation of various industry-leading assessment tools. Those targeted tools provide exceptional insights for managers, and when coupled with facilitation, elevate the performance of our employees and teams and serves as basis of salary increments and promotions

Performance Standard	Achievement level	In SF
Consistently exceeded expectations	= > 125%	★★★★★
Exceeded Expectations	105% < 125%	★★★★
Met Expectations	95% < 105%	★★★
Missed some expectations	80% < 95%	★★
Consistently missed expectations	<80%	★

Performance Evaluation (1)



Health, Safety and Wellbeing

We see our responsibility to ensure the health, safety and wellbeing of our people in the workplace as non-negotiable, and essential to driving the sustainable growth of our business.

OUR APPROACH

Our [Health, Safety and Environment Policy](#) guides our everyday activities across our locations, helping us to manage risk that could otherwise impact our people, the environment, our assets and our reputation. This means setting and achieving the highest standards and working closely with our stakeholders.

We also recognise that health, safety and well-being goes beyond protecting physical safety, and that fostering a supportive work environment is essential to both health and happiness. We therefore provide centrally led programmes and facilitate employee-owned projects around the world at all our facilities and offices, including offering access to expert medical advice and support services, and nurturing an atmosphere that prioritises physical and mental wellbeing.



Medical support for employees in our factory includes a voluntary influenza vaccination programme

OUR PROGRESS

One of our priorities this year has been the development of a new Health, Safety and Environment Policy. This reflects the fast-changing nature of the health and safety landscape, with innovative ways of “doing safety” based on research into systems, psychology and anthropology. We also see a need for a renewed focus on the safety of our contracted personnel, following a small number of serious incidents during the reporting period.¹ The new policy will be supported by a five-year strategy, providing a framework for planning and target-setting across the business, replacing the current locally based system of targets.

EMPLOYEES

Health and safety metrics in 2023:



Fatalities **0**

High consequence work-related injuries **6** Recordable work-related injuries **26**
Hours worked **13,015,148**

We continued our programme of regular inspection of facilities and testing of equipment including ladders, forklifts, power trolleys and storage racks, using Hazard Identification Risk Assessment (HIRADC) methodology to identify work-related hazards that pose a risk of high-consequence injury.

As a result of these assessments, we have taken steps throughout the organisation to mitigate risk, including physical measures such as installing guards and safety devices, providing personal protective equipment (PPE), introducing licensing and permit to work schemes, and revising policies and working practices to ensure that they are fit for purpose and up to date.



Our unwavering focus is on maintaining a culture of elevated standards, with a strong emphasis on building safety.” Munira Alblooshi, Manager, HSE

Benefits & Wellbeing


 TruDoc 24x7
 You Click. We Care.

IFFCO Group, has a grid defined for all levels of engagement starting from the MD's, and Management (HD, MM, AM, JM) to the non-management categories of C1, T1, C2, T2, H. IFFCO offers a safe work space, equal opportunities, an array of competitive benefits to meet the diverse needs of our employees and their eligible dependents. From healthcare, Air tickets, Relocation benefits, Annual Leave, Accommodation, transportation etc. Our aim is to help our employees enjoy happy and healthy lifestyles while maintaining a good work-life balance.

We also recognize the importance of supporting employee well-being in different ways, we frequently arrange health check programs and awareness sessions that helps employees reach personal health goals and to avoid life style diseases. Employees can learn vital information about their overall health by taking an assessment and participating in a biometric screening. We have installed a TruDoc 24x7 Health & Wellness Virtual Clinic at our offices and labor accommodation sites for ease of access and instant consultation. We also continue to offer programs that support the flexibility and work-life balance of our employees, including the following:

- **Annual Leave** : In addition to the observance of public holidays throughout the year, we provide eligible employees time off based on their years of service.
- **Paid Time Off**: We maintain a discretionary paid time off program for employees to deal with emergency situations and unexpected or unavoidable events (as per company policies and in line with UAE Laws).
- **Flexible Work Program**: We are in process of designing a flexible, work-from-home policy depending on each job profile and role

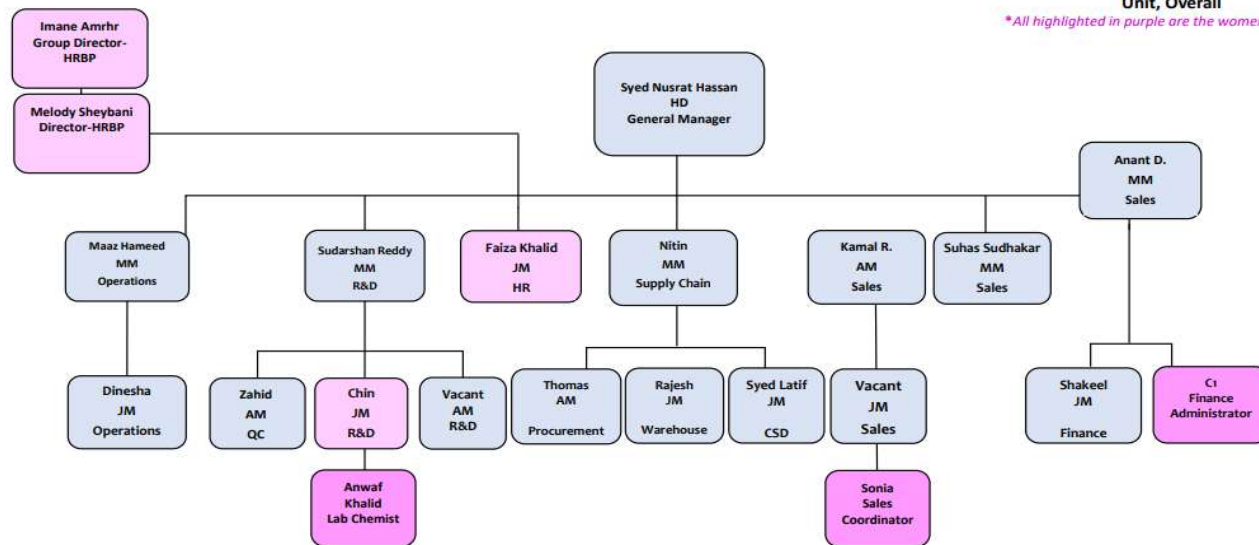
Leave Category	Description	Days Allowed	Entitlement Conditions	Supporting Documents Required
SICKNESS ABSENCE		Up to 90 calendar days	<ul style="list-style-type: none"> First 15 days: full pay Next 30 days: half pay Next 45 days: nil pay Payable only if valid supporting proof is provided If followed/prefixed by any other leave/weekly off/holiday or taken during notice period, or where line manager sees a trend of abuse, certificate needed for single day as well Sickness is considered and marked as unpaid leave if taken during probation 	Signed doctor's note for leaves in excess of 1 days
EXAM		As per exam schedule and capped at 10 calendar days	<ul style="list-style-type: none"> Full pay Eligibility on completion of 2 years of employment For examination days only for an unrepeatable year; does not apply for preparation and re-sits For accredited courses, university degrees and training seminars Total leave cannot exceed count of examination days 	Proof of education such as exam calendar/ admit card/ enrolment paper, etc.
GARDEN		Up to the limit of contractual notice period	<ul style="list-style-type: none"> Full pay To manage a separating Employee, serve a portion or the complete duration of their notice period away from their place of work. Employee is expected to uphold the terms of their Contract of Employment throughout Garden Leave. The Line Manager can agree with the Employee, the terms of Garden Leave as appropriate in line with the Notice Period 	Budget Holder approval
JOB-SEARCH		1 calendar day per week	<ul style="list-style-type: none"> Applies for company-initiated termination where notice is being served Apply 3 days in advance Entitlement is 1 unpaid day per week during the notice 	
MILITARY SERVICE		As per summon letter	<ul style="list-style-type: none"> Pay & employment conditions determined as per policy (normally full pay) Duration determined as per the official compulsory military training document 	Summon letter and completion letter
WORK INJURY		Up to 360 calendar days	<ul style="list-style-type: none"> Up to 180 days: full pay Next 180 days or until recovery or disability proven, whichever occurs first: half pay 	Police & medical report
UNPAID			<ul style="list-style-type: none"> Nil pay Subject to line manager's approval and normally granted during probation or when annual leave balance has been fully exhausted for emergency and/or with a valid reason Days off/holidays that fall between unpaid leaves are considered as unpaid Not envisaged to exceed one (1) or two (2) days in most cases. Unpaid leave days are reduced from the employment tenure for benefits/settlement calculations 	Approved leave request stating the reason

Gender Diversity

Being a plant-based business, we face challenges in securing and retaining female candidature for our business however, we have successfully been achieving our gender parity/diversity targets and creating a women-friendly work atmosphere. Our current gender diversity organization structure looks like below ;

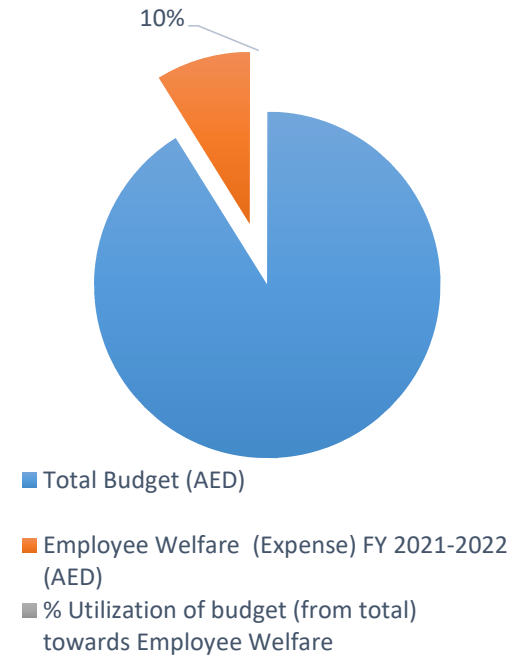
Organizational Structure (Gender Diversity)

IFFCO Chemicals



Employee Benefits	As is FY-2022	Target 2023
Performance Bonuses	48% (for all employees falling between 3-5 (ratings))	5% increase every year
R&R's (Cash rewards / appreciation certificates)	* 28% of the total population were recognized for their exceptional performance, a Job well done! , Initiatives and more, in year 2021-2022,	Improvement (engagement and rewards) by 3% every year.(part of EES action planning)
Increments based on their performance ratings	100%	100%
Promotions (FY 2021-2022)	4%	Based on performance ratings
Other Allowances:	<u>Employees were paid/given allowances throughout year 2021-2022 under various categories.</u>	
Transportation & Accommodation	100% - for non management staff	100%
Telephone:	100% for Management staff on bills 100% for non management staff through voucher (as per policy.)	100%
Ramadan: (Festival allowance)	100% non management staff	100%
OverTime: (As per UAE Labor Law)	100% where Applicable (only non management staff)	
Gifts and Rewards		
Celebrations :	Each and every occasion is celebrated and budgeted for as staff welfare expense every year. This includes : (Birthdays / Iftaar meals and Annual dinner / Special and Normal Overtime / Welcome and Farewell celebrations / Spot Awards/ Recreational activities etc.)	
Uniforms and Safety kit	Provided to all employees	

Employee Welfare Projects Cost FY 2021-2022



Governance

- Sustainability Governance Framework Ethics and compliance
- Awareness, Engagement and Communication

IFFCO 2023 REPORT

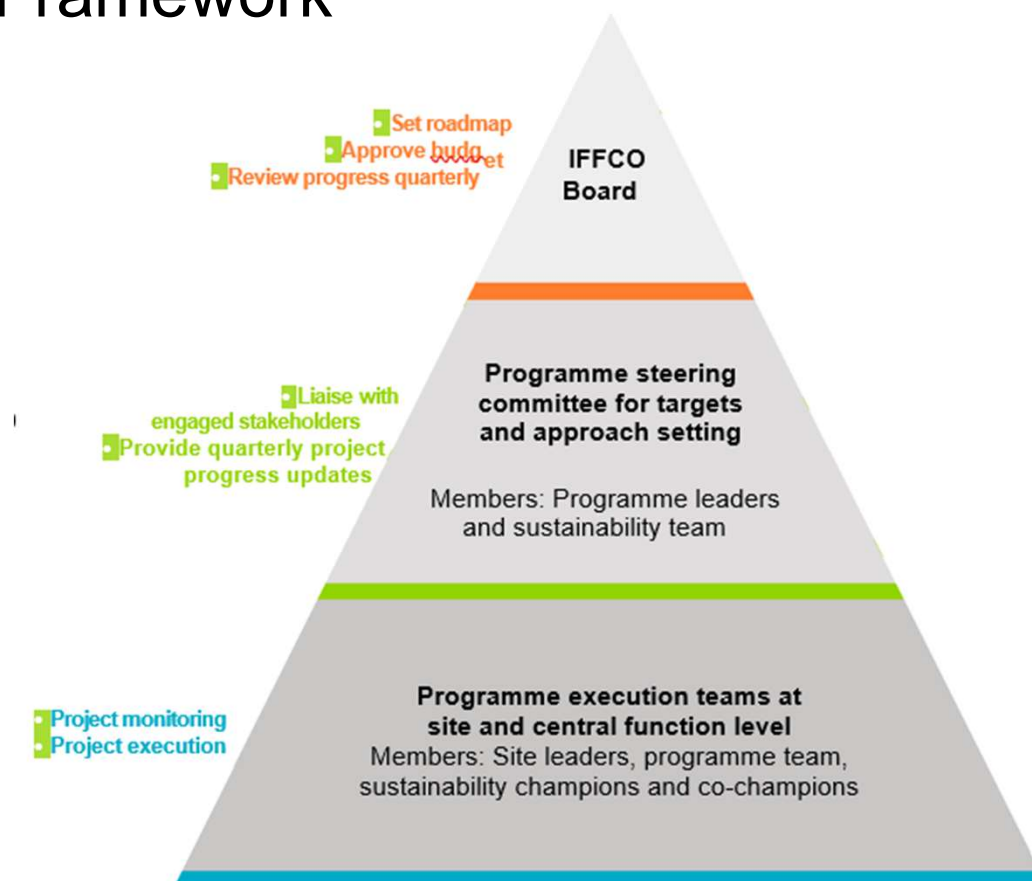
Sustainability Governance Framework

In 2021, we launched our sustainability programme under the pillars of Planet, People, and Product. We also put in place a strong governance structure (see graphic), and initiated a range of awareness, engagement and communication programmes to raise awareness and build stakeholder engagement.

A key component of our governance structure is that each IFFCO business group leader is accountable for leading certain sustainability programmes with support from the sustainability team. Each leader monitors progress against the targets, which are then integrated into quarterly business updates reviewed and approved by the IFFCO Board. This approach ensures that sustainability remains a priority across all operations. This is also reflected in the personal KPIs of business group leaders and more than 80 employees in critical roles across the company. These in turn are linked to personal compensation benefits.

Our commitment to ethics and compliance is an essential part of taking a long-term view and ensuring the sustainable growth of our business. We work to ensure compliance both with our own codes and standards, and with relevant legislation and guidance.

We prioritise responsible sourcing, transparency and reporting, along with a plan to integrate sustainability KPIs into our equipment procurement process. This reflects our commitment to continually improving our sustainability performance while pursuing our corporate goals with integrity. We have also initiated a range of dedicated awareness and communication programmes to encourage stakeholder engagement.



Ethics and Compliance

We promote a culture of transparency and accountability across all our operations, and our approach to ethics and compliance is a fundamental pillar of our business model. It is embodied in our Code of Conduct, OurCode, which outlines our commitment to conducting business with integrity and in compliance with applicable laws in areas including social and environmental responsibility, fair employment, diversity and inclusion, health and safety, human rights and privacy.

OUR PROGRESS

The [Code of Conduct](#) provides clear guidelines on acceptable and unacceptable behaviour, serving as a practical guide for all IFFCO employees. It is provided to all new employees on joining the team.

We are committed to using IFFCO's property and information only for proper and legitimate business purposes, and we aim to make decisions independently of personal interests. We prohibit all forms of corruption, including bribery and fraud. Regular training helps employees maintain a high level of awareness of the policy and its requirements.



Supporting employees in raising concerns

We maintain a culture in which employees and contractors feel free to raise concerns about possible violations of our Code of Conduct without fear of retaliation or other negative consequences. Our approach is guided by our [Whistleblower Policy](#). In addition to reporting any concerns to their line manager, employees and contractors can also contact our Compliance Officer, or call the Business Ethics Hotline. Our employee grievance mechanism is set out in our Group Standard Operating Procedure for Safe Space.

OurCode guide



In 2023 we provided additional guidance in the Code of Conduct on controllership and money laundering mitigation, and anti-bribery, as well as the receipt of responsible gifts and hospitality. To further employee understanding, we published the OurCode guide, divided into three main sections:

- **Ours to Value:** Our values and the behaviours we all need to live by
- **Ours to Protect:** How we make sure nothing gets into the wrong hands

Awareness, Engagement and Communication

At IFFCO, sustainability is not just a priority, it's the very foundation of our vision. We believe a thriving future for our business is inextricably linked to a sustainable future for our planet.

OUR APPROACH

We recognise that achieving our ambitious sustainability goal requires a collective effort. Therefore, we are committed to raising awareness and fostering engagement with all our stakeholders. Through education and collaboration, we aim to empower everyone to understand why the sustainability agenda matters and how we can all play a crucial role in building a more sustainable future, together.

Expert insights

As part of our activities marking COP28, we hosted Alexey Kokorin, a Nobel Prize-winning climate change scientist, at our headquarters. With an impressive 45 years of scientific and analytical experience, Alexey generously shared his profound insights and predictions on climate change. He also provided a valuable summary of COP28 discussions and agreements, highlighting the emerging significance of the food and agriculture sectors (pictured above). Federico Marcon, Deputy Director of Development Advancement at Monash University, led a session focused on incorporating sustainability into corporate strategy, covering compliance, sustainable practices, renewable energy, workforce development, net zero roadmaps and more.



We sought out partnerships to increase our reach into the business and wider community. This includes working with PepsiCo Middle East on the [Greenhouse Accelerator Program](#), providing a boost for start-ups that have developed innovative solutions for agriculture with the aim of driving positive change and creating a more sustainable future.

INFORMATION SECURITY

IFFCO's vision is to become the preferred provider of sustainable value-added products and services for everyone, everywhere and every day. Information Security provides confidence for growth in the new digital world and is integral to avoiding business disruption. IFFCO's information, IT infrastructure and operational environments, including Operational Technology/Industrial Control Systems (OT/ICS), must be protected against both internal and external threats to optimize risk and maintain profitability, legal compliance, competitive edge and reputation.

The objective of information security policy is to:

- ✓ Ensure that an information security strategy is defined;
- ✓ Ensure that Information security policy requirements are established, maintained and enforced that support the information security strategy;
- ✓ Ensure that appropriate information security responsibilities are captured and communicated within job descriptions and staff contracts;
- ✓ Ensure that expected information security responsibilities and behavior is communicated to the workforce through appropriate and tailored awareness and training activity;
- ✓ Ensure information risks are assessed and addressed using a standardized methodology and that controls maintain the risks at acceptable levels in line with IFFCO business objectives and risk appetite; and
- ✓ Ensure the design and implementation of controls are assessed to determine the level of adoption and effectiveness on mitigating risks to an appropriate level and in line with legal or regulatory requirements.

This policy applies to employees, contractors, consultants, service professionals and all personnel affiliated with third parties who access and use facilities of IFFCO and its group companies. This policy applies to all information processing facilities and information assets of IFFCO. This Information Security Policy is a part of the Information Security Policy Framework. The below illustrates the policy hierarchy –



IS Policies



SUSTAINABLE PROCUREMENT

We have initiated following policies to strengthen our procurement and responsible sourcing:

Supplier code of conduct (16.1)

IFFCO is committed to conducting business honestly and fairly and in compliance with all laws and regulations. IFFCO also has a strong commitment to sustainability, promoted through a positive impact on the environment, society and economy in which we operate.

Sustainable procurement policy (16.2)

IFFCO wish to meet its needs for goods and services in a way that achieves value for money in terms of generation not only to the organization, but also to the society, whilst minimizing environmental damages.

Supplier sustainable survey (16.3)

Supplier survey to achieve right selection of supplier.

Supplier ethics and code of conduct (16.4)

IFFCO is committed to carrying out its operations in a clear and transparent manner. Suppliers are requested to adhere to the highest standard of moral and ethical conduct, respect local laws and not engage in any form of unethical business practices.

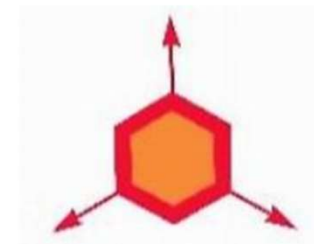


Women empowerment:

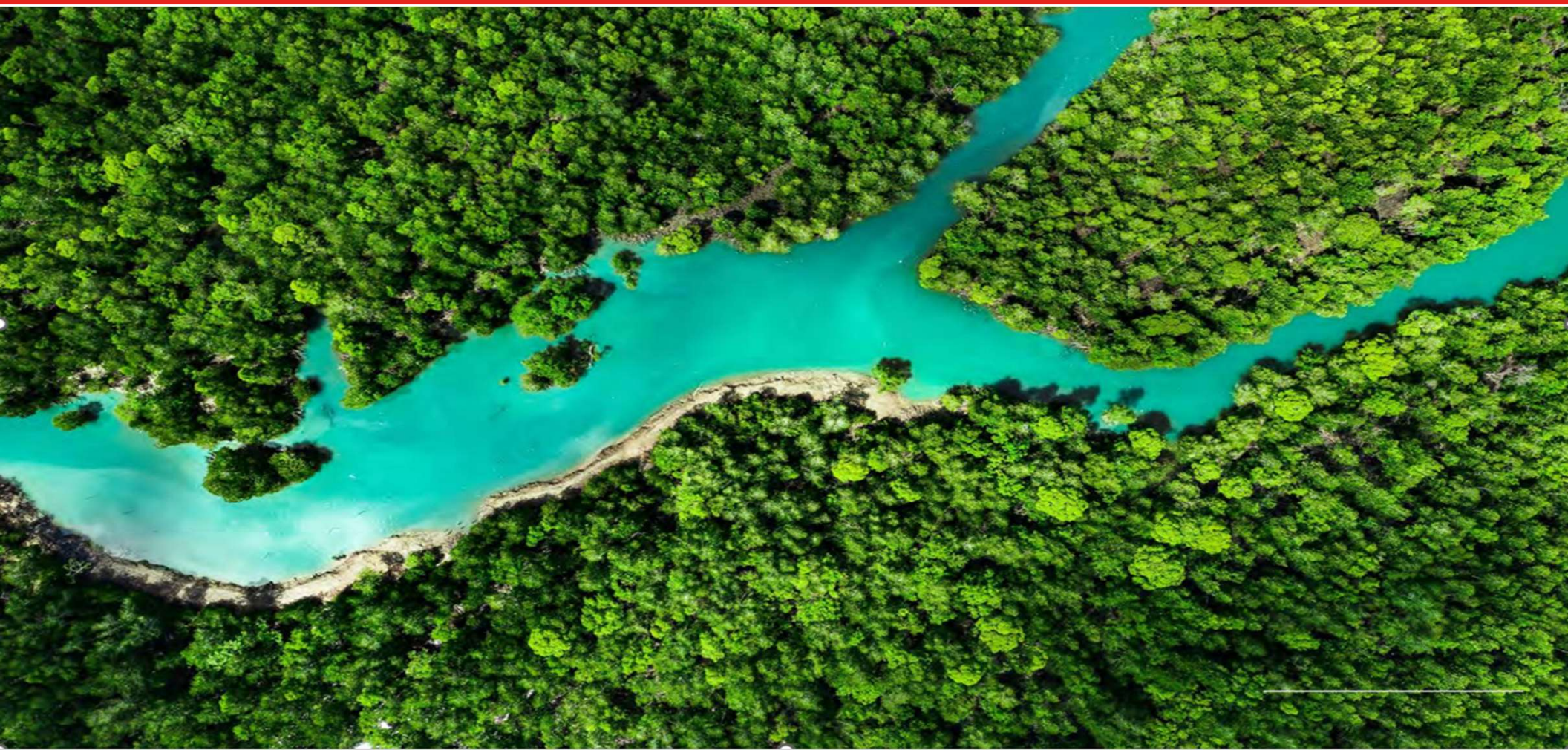
We are working on increasing the participation of companies managed by women entrepreneurs':

LIST OF COMPANIES OWNED BY WOMEN ENTREPRENEURS:

- 1) Aadish Impex Private Limited
- 2) ABC Chemicals Exports Private Limited
- 3) Deeprise General Trading LLC
- 4) Disha Petrochem FZCO
- 5) Eternity Technical Services LLC
- 6) Euro Pack Industries LLC
- 7) Gurdaspur Cargo Transport



End of the Report



End of the Report

2024

2024