

Striving for Sustainable Impact



Sustainability
Report 2020





Welcome to Savola Group's 2020 Sustainability Report

In an unprecedented year for our company, society, and people worldwide, Savola persevered in our commitment to sustainability and continued to have a positive impact across our operations and geographic footprint. What follows is our seventh Sustainability Report, which covers the sustainability strategy, approach, activities, performance, and achievements of our operating companies across the Kingdom of Saudi Arabia, including Panda Retail Company, Afia International Company, United Sugar Company, International Food Industries (IFI) and Savola Group Headquarters (HQ).

The report covers the period between 1 January and 31 December 2020.

A detailed overview of the scope of this report and coverage can be found on page 78.



Table of Contents

01	How we add Value	4	06	Business	24	08	Our People	48	
02	Savola at a Glance	6	Food Investments	26	A Unique Corporate Culture	50	Delivering Training and Development	54	
03	2020 Sustainability Highlights	8	Retail Investments	26	Strategic and Financial Highlights	27	Ensuring Health and Safety	55	
04	Savola Group CEO's Statement	10	Our Journey	28	Our Strategy and Business Model	30	Driving Diversity and Inclusion	56	
05	Sustainability Strategy	12	Investment Case	32	COVID-19	34	09	Environment	58
Savola World Foundation	14	Responsible Management and Ethics	35	Energy	61	Water Consumption	63	Waste Management	64
Alignment with Global and National Initiatives	14	Strong Organizational Culture and Values	36	Waste Management	64	10	Sector	66	
Stakeholders	17	Robust Corporate Governance	37	Certifications, Memberships and Associations	69	Customer Satisfaction	70	Makeen	72
Materiality	20	Organizational Structure	38	Health, Nutrition and Packaging	74	Supply Chain and Procurement	75	Our Sector in 2021	76
Responsible Business Framework	22	Effective Risk Management	41	07	Community	42	11	About this Report	78
				Engaging with the Community in 2020	44	GRI Content Index	80		
				Community Initiatives and Investments	44				
				Volunteering and Charitable Programs	46				
				Negaderha	47				
				Supporting the Community in 2021	47				

How we add Value

Savola Group is one of the leading strategic investment holdings group's in the food and retail sectors, committed to creating exceptional and lasting value for our stakeholders through our secure, reliable, and transparent operations. In 2020, we continued to support our employees, customers, supply chains, investors, community and environment through our core business and diverse sustainability and CSR programs throughout our geographic footprint.

Strategic Points



Our Business

Panda, Afia, USC & IFI

24,000+
employees

Launch of **Savola Venture Fund**

SAR 2.78 billion
sales and distribution expenses

14
major manufacturing markets

50
export markets

Value Created in 2020

Revenue
SAR 21,702 million

Shareholders' equity
SAR 8,232 million

"Great Place to Work"
Certified

National Food Waste Management Program "Negaderha"

Net Profit
SAR 911 million

380+ million
customers (Panda & SFC)

Received **Mowaamah Certification-Gold**

Leading the efforts to achieve the goals of Saudi Vision 2030

Ensuring food security to combat the impact of COVID-19

Food sales for 2020:
1.5 million tons of oil
1.3 million metric tons of sugar
0.3 million metric tons of pasta

7%
increase in female workforce

Savola World Foundation programs and contributions

Our Vision

At Savola, we exist to empower, inspire, and strategically guide our companies, partners, customers, and employees through supportive programs and core values.

Our Mission

We add value to investors, employees, and the wider society

We are a business run for people, by people. This is why Savola's mission is to have a positive impact on society while generating profits and growth through strategic investment in the MENA (Middle East and North Africa) region. We are uniquely equipped for this role because of our sector-specific expertise, strong track record, and excellent market positioning.

In the immediate future, we will increase our focus on our core sectors (food and retail) by gradually selling investments in other industries. These funds will then be used to tap into new markets and enter higher-value product categories. For example, we acquired a majority stake in Al Kabeer (51%), one of the region's leading frozen foods companies.

At an operational level, our goal is to gradually move toward a new model where our companies and brands have greater autonomy. We will do this by proactively providing strategic guidance and thought leadership to our companies enabling them to grow and succeed. This way, they will be able to concentrate on strengthening product marketing and branding to increase consumer loyalty in each country.

We act in accordance with our values

At Savola, ethical principles: integrity, righteousness, fulfillment, and persistence – shape the way we do business. They always have and they always will. That is why we were honored to be ranked fourth in governance and transparency in the MENA region as per Standard & Poor's, Dow Jones, and Hawkamah Institute Index.

Savola at a Glance

Savola is committed to improving the lives of the people and communities we serve.

As a responsible corporate citizen, Savola's goal is to deliver positive impacts on the lives of our people, the communities we serve and the environment we share. This represents a key foundation of our values and governance, which guides our decision-making processes and characterizes all aspects of our operations. Savola maintains the highest standards of safety, governance, environmental and ethical conduct across our value chain, creating value for our business, our communities, and the Kingdom as a whole.

A Leader in Food and Retail

With an extensive portfolio of popular food and retail brands, Savola is one of the leading strategic investment holding companies in the Middle East and North Africa (MENA) region.



1
Saudi Arabia
Panda Stores: 201
Herfy Stores: 388

2
Egypt
Panda Stores: 4

3
Kuwait
Herfy Stores: 8

4
Bangladesh
Herfy Stores: 4



Major / Manufacturing Markets

- Saudi Arabia
- Egypt
- Algeria
- Sudan
- Morocco
- UAE
- Others



Export Markets

- | | | | | |
|----------|------------|-----------------|--------------|----------------|
| Angola | Ethiopia | Libya | Oman | Spain |
| Bahrain | France | Madagascar | Pakistan | Sudan |
| Benin | Germany | Malawi | Palestine | Sweden |
| Burundi | Ghana | Mali | Rwanda | Syria |
| Cameroon | Jordan | Mauritania | Senegal | Tanzania |
| Canada | Kazakhstan | Mauritius | Sierra Leone | Uganda |
| Comoros | Kenya | Morocco | Somalia | United Kingdom |
| Congo | Kuwait | Mozambique | South Africa | USA |
| Djibouti | Lebanon | Netherlands | South Korea | Yemen |
| Eritrea | Liberia | North Macedonia | South Sudan | Others |

Savola focuses on delivering "Value Built on Values" through our diverse and expanding portfolio of investments in the Kingdom's leading food and retail companies, rewarding investors around the world with our strong financial performance, specialist market knowledge and evident commitment to sustainability.

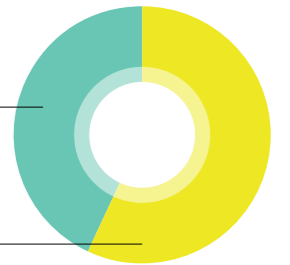
We operate the largest modern retail chain in Saudi Arabia and produce much-loved edible oil, sugar, pasta, bakery products and frozen foods under brands that are household names in over 50 countries worldwide.



Group Revenue

43%
Food
Investments

57%
Retail
Investments



Food Investments

Savola maintains a portfolio of well-known brands across the MENA, producing consumer packaged goods in more than eight countries for export to 50+ markets around the globe, many of which are leading brands in their respective categories.

continuous innovation and strategic growth, rewarding our shareholders with consistent returns.

From this steadfast foundation, we continue to diversify into higher-value categories in these markets, driven by our commitment to

Today, Savola is the largest shareholder (34.52%) in the MENA region's leading food manufacturer and distributor, Almarai Company, and owns a majority stake in Al Kabeer Group of Companies (51%), another leading player in the regional market.

Ownership of Savola Foods Company

100%



Ownership of Almarai

34.52%



Ownership of Al Kabeer

51%



Retail Investments

Savola's retail portfolio is led by Panda Retail, the largest modern grocery chain in Saudi Arabia. With a total of 205 stores (including four in Egypt), Panda enjoys a significant market share with a formidable geographic reach, serving more than 100 million customers each year.

Our portfolio also includes Herfy Food Services Company, one of the Kingdom's leading fast food restaurant, industrial bakery, and meat processing businesses, of which Savola is the largest shareholder (49%).

Ownership of Panda Retail

98.87%



Ownership of Herfy

49%



2020 Sustainability Highlights

Sustainability is part of who we are and defines how we conduct business. We are proud of the considerable progress we have made in the areas we recognized in our strategic approach.



Business



Savola World evolved from a department into a standalone private foundation.

Establishment of Savola Venture Capital Program to invest in disruptive technologies in the food and retail sectors.



Savola was among the **'Top 100 companies in the Middle East'** for 2020 according to Forbes Middle East, ranked 14th in the Kingdom of Saudi Arabia and 39th in the Middle East.



Savola ranked in the top 10 of all non-financial companies traded on Tadawul in the Corporate Governance Index (CGI) by Al Faisal University's Corporate Governance Center.



Community

Ensuring food security in the Kingdom by increasing stock of products in shops, ensuring food availability and price assurance.

SAR 10 million

in donations for COVID-19 related causes through initiatives by Panda and Savola World.

'Our commitment is our duty'

campaign against COVID-19.

'One Family'

event raises awareness and support for productive families in the community.



Panda continued its **"Can't miss Initiative"** for waste reduction.

6,000 people

benefited from Savola's community initiatives and contributions.



Launch of the Negaderha

mobile application for smartphones, expanding the program's reach and impact.



Employees

Savola Group participated in the Great Place To Work award, achieving a rank among the Top 20 companies in the Kingdom's private sector.

Comprehensive COVID-19 response to ensure our employee's health and safety.



Launched a Long-Term Incentive Program (LTIP), called **'Align Program'** that offers an extensive range of inducements to reward top executives for achieving the Group's strategic objectives and retain key talent in mission critical roles.



Savola HQ and SFC maintained Platinum Zone Nitaqat rating.

Employee retention rate reached **91%** in 2020, up from 89% in 2019.

Savola Group was able to deliver majority of its planned training activities through online delivery platforms, which included collaboration with INSEAD to develop high-potential future managers. SFC also delivered the second round of its Iqtedaa Executive Leadership Program.



Environment

Panda completed the installation of LED lights and Smart Thermostats for air conditioning control and energy savings in 20% of stores.

USC reduced water consumption by 13 liters per ton of sugar produced, resulting in savings of 16,400 m³ in 2020.

USC completed the installation and commissioning of a new 5,000 m² evaporator to reduce energy consumption.



Sector

300+ private label food and non-food products in Panda.

75% of IFI's products are trans-fat free.

Quality, Food Safety and Environmental Management certifications across all Savola Group companies.

Mowaamah platform across our intranet, providing valuable resources for all employees.



Savola Group CEO's Statement



Savola Group puts sustainability at the heart of our business. We remain committed to act as a responsible corporate leader in the Kingdom and within our industry, integrating sustainability goals and initiatives across our organization and operations while continuously seeking to create value for our stakeholders.

It gives me great pleasure to present Savola Group's 2020 Sustainability Report, which outlines our progress and achievements during a challenging and eventful year. Proceeding with shared purpose, Savola Group remains dedicated to ensuring the strategic alignment of our businesses, investments and activities with the highest international sustainability standards.

As our ambitions have grown, we have further progressed our programs and objectives, consistently measuring and transparently reporting our progress to stakeholders through our Annual Reports, Sustainability Reports, websites, IR initiatives and other communication channels.

We moved swiftly to implement our remote working program, establish precautionary measures in our offices and facilities, and promote heightened health and safety awareness among our workforce.

Striving for sustainable impact in a challenging year

The COVID-19 pandemic had a devastating impact on countries, companies and individuals around the world. Given the extensive disruptions as a result of the pandemic, and in view of the challenges placed on our business, Savola Group leveraged its extensive capabilities and resources to support our employees, customers and society through this challenging year.

We moved swiftly to implement our remote working program, establish precautionary measures in our offices and facilities, and promote heightened health and safety awareness among our workforce. Comprehensive measures were also taken across our locations to ensure the health of our customers while our new online services allowed for safe, contactless interaction.

Savola Group contributed SAR 10 million in donations to COVID-19 related initiatives and causes throughout the year, including public health information campaigns and food distribution programs across multiple provinces targeting the poor.

Savola Group contributed SAR 10 million in donations to COVID-19 related initiatives and causes throughout the year.

As well as contributing to the Kingdom's food security by maintaining price stability whilst leveraging our robust supply lines and logistics networks, we also undertook rapid action to support our communities during a period of restricted movement. We introduced PandaClick – the new e-commerce platform of our Panda brand. We launched a Negaderha mobile application for smartphones, expanding the program's reach and impact; and delivering COVID-19 campaigns and awareness events.

Furthermore, the formal establishment of Savola World Foundation in 2019 could not have come at a more appropriate time. The Foundation is the product of Savola Group's extensive experience in the field of corporate social responsibility (CSR), gained over many years delivering successful programs to benefit communities, individuals and various special interest groups by ensuring their health, well-being and equal access to opportunities.

This critical milestone in Savola Group's sustainability journey represents a new era in the way we channel our support to society, as well as a paradigm shift in the way companies throughout Saudi Arabia can exercise their corporate social responsibilities in the future.

Enhancing sustainability in a changed world

During the year, we continued to develop and deploy sustainable solutions – both directly and through our Savola World Foundation – that are aligned with the needs of local communities and our strategic pillars – Business, Community, People, Environment and Sector.

Our achievements as a business and a socially responsible organization were recognized by a number of local, regional and international bodies, including being named among the top 100 companies in the Middle East by Forbes in 2020, and being ranked in the top 10 non-financial companies traded on Tadawul in the Corporate Governance Index (CGI) by Al Faisal University's Corporate Governance Center.

Savola was named among the top 100 companies in the Middle East by Forbes in 2020.

As ever, ensuring the safety, health and well-being of our employees were key priorities during 2020. Thanks to our efforts to provide an exceptional working environment for our people, Savola was ranked among Top 20 Great Places To Work® in the Kingdom. Other achievements during the year included the roll out of Align, our new Long-Term Incentive Program (LTIP); a 7% increase in our female workforce; and an employee retention rate increase to 91% from 89% in 2019.

As the basis for good human health and that of future generations, our commitment to the environment is equally important to Savola.

Achievements in our sector in 2020 included ensuring 75% of IFI's products are trans-fat free; achieving Quality, Food Safety and Environmental Management certifications across all Savola Group companies; and launching our Mowaamah platform across our intranet, providing valuable resources for all employees.

Thanks to our efforts to provide an exceptional working environment for our people, Savola was ranked among Top 20 Great Places To Work® in the Kingdom.

Good governance: A key sustainability pathway

Savola has strong governance and ethical standards in place that represent the foundations of our success and sustainability. They reflect the increasing importance of environmental, social and corporate governance (ESG) in the calculations of long-term investors – a trend that shapes our own investment criteria as a Group.

Savola's reputation and exceptional performance therefore hinges on our Corporate Governance rules and guidelines, bylaws, Board Charter, Committee Charters, Code of Conduct, transparency and disclosure policies, conflict of interest policy, and ethical values that collectively ensure the high standards of behavior and responsibility demonstrated by our people. Accountability, trust and integrity are essential elements in the story of Savola, and we have always strived to ensure strong ethical conduct in all our engagements.

We count sustainability among the key considerations when monitoring investments, including those made through our new venture capital program, which targets areas complementary to our core business. Whilst our immediate focus is on governance, sustainability will become increasingly important as businesses continue to grow and generate profits.

Meanwhile, our own sustainability focus will be strengthened in 2021 with the formation of two new committees to operate across the organization at Group level – a CSR and Charity Committee; and an Environment Committee.

These committees, respectively, will: define clear and common goals for Group charity work and related activities, as well as create competitive advantages through our programs and related CSR activities; and implement and build upon the Group's Environmental Policy whilst overseeing all environment-conscious activities.

Looking ahead

In the coming year, Savola Group will continue to allocate considerable resources to support our stakeholders and all segments of society in the Kingdom. In particular, we continue to assist government agencies in their admirable efforts to protect the public from the COVID-19 pandemic.

We will also maintain our support for people with disabilities in the workplace and combat food security issues through the Makeen and Negaderha programs, respectively, and contribute to achieving the long-term goals of the Kingdom's development mission encapsulated in Vision 2030.

As we continue to build on our extensive record of sustainable impacts, we will regularly communicate the progress achieved across our pillars and programs through future sustainability reports.

Finally, I wish to take this opportunity first to thank our board members for their support and guidance and our experienced management team for their continued support and foresight in navigating an unprecedented operating environment, as well as our employees across Savola Group and its subsidiaries for their exceptional resilience and commitment to serving our company and the people of the Kingdom throughout the COVID-19 crisis.

Waleed Khalid Fatani
Group Chief Executive Officer

Sustainability Strategy



2020 Sustainability Strategy

Savola Group is committed to creating broad and lasting value for our stakeholders, throughout the Kingdom of Saudi Arabia and around the world. In order to achieve this ambition, our sustainability strategy provides a clear roadmap for success across a wide range of material areas to be implemented largely through our groundbreaking new Savola World Foundation.



Our Focus Moving Forward

Over the coming years, Savola World Foundation will continue to build on its early successes, evolving its strategy based on a new vision and launching new sectoral-based programs that deliver impact, aligned with its new strategic direction, the priorities of Saudi Arabia Vision 2030 and the UN's Sustainable Development Goals.

Savola World Foundation



A game changer for corporate sustainability practice across the MENA region, Savola World concept was created in March 2017 to create value for Savola Group's stakeholders by promoting socially and environmentally responsible practices. Since its inception, this flagship CSR program has grown and diversified by engaging customers and other stakeholders while forging strong partnerships with the aim of promoting socially responsible behavioral change across the sustainability pillars of Community, Employees, Environment, Sector and Business.

At the end of 2019, with broad ambition and in alignment with international best practices in corporate foundations, Savola Group formalized the importance of Sustainability and CSR by transforming Savola World from a department into a standalone private foundation, called Savola World Foundation. This groundbreaking entity was established as a non-profit organization under the supervision of the Ministry of Human Resources and Social Development.

Funded by Savola Group and managed by the Board of Trustees, Savola World Foundation will continue to grow and diversify over the years ahead to maximize

impact. In close collaboration with a broad network of highly qualified, internationally acclaimed experts, the Foundation focuses on social awareness campaigns, coaching and consultancy, training, events management, research and studies, social impact, and accreditation. Savola Group (The Founder) allocates an annual budget to fund and support Savola World Foundation. It will also seek funding to form partnerships with government and private sector entities to champion environmental, social and governance objectives of Savola Group and the Kingdom of Saudi Arabia, in line with the goals of Saudi Vision 2030.



Alignment with Global and National Initiatives

Supporting the Saudi Vision 2030

Savola has closely aligned our sustainability efforts with the long-term success of the Kingdom of Saudi Arabia. The Saudi Vision 2030 is Saudi Arabia's blueprint for the future and is based on three pillars: 1 - A Vibrant Society, 2 - A Thriving Economy and 3 - An Ambitious Nation. In line with the Saudi national agenda, Savola's growth strategy is focusing on sustainability performance, directly benefiting the Kingdom's socioeconomic development, and reflecting the country's strengths and capabilities.

A Vibrant Society

Under the pillar of "A Vibrant Society", Savola has gained great recognition for our initiatives for Saudi citizens. Long-term initiatives including the "Makeen" program, "Sela" program, "Tawer" program, "housing loans" program for Saudi employees, the "Takaful insurance" and the "Tawoon Fund" are embedded at the heart of Savola efforts to develop advanced talent capabilities, build a workforce for the future and provide opportunities for Saudi professionals.

A Thriving Economy

Savola is committed to supporting the Saudi Vision 2030 for a "Thriving Economy". To build a more dynamic and robust economy, Savola has seized growth opportunities through strengthening relationships with carefully selected partners and distinguished shareholders and investors. Our network of companies within Savola Group has made us eligible for inclusion in the MSCI (Morgan Stanley Capital International) Emerging Market Index, as part of the Saudi Stock Exchange (Tadawul) inclusion into the MSCI Emerging Market Index.

An Ambitious Nation

Savola has invested in a robust framework of governance, which is in line with the "Ambitious Nation" pillar. Savola operates according to the principles of a high-performance, transparent, effective and accountable governance system. Its goal is to achieve financial prosperity, which will ultimately satisfy the economic and social aspirations of the Saudi Vision 2030.

Savola Group takes great pride in actively supporting the implementation of the Saudi Vision 2030. We will continue our efforts to achieve "A Vibrant Society - A Thriving Economy - An Ambitious Nation."

Key Efforts to help in Achieving the Saudi Vision 2030

- Comply and support nationalization programs in management and non-management roles across Savola Group.
- Support the new generation of Saudi talent (e.g. the Is'ham Training Program by Panda).
- Recruit high-caliber Saudi talent.
- Increase Saudi product exports to regional markets.
- Improve quality of products sold in Saudi and abroad.
- Inclusion in MSCI's Emerging Market Index.
- Savola Group is certified as "Great Place to Work".

- Efforts to address food waste reduction through the "Negaderha" initiative and through globally distinguished partners.

- Involve group employees in social initiatives and volunteering, while promoting personal and professional growth.

- Support women and ensure a work-life balance for all employees.

- Encourage employee participation in sport activities and offer health benefits.

- Be recognized for the high quality of its service.

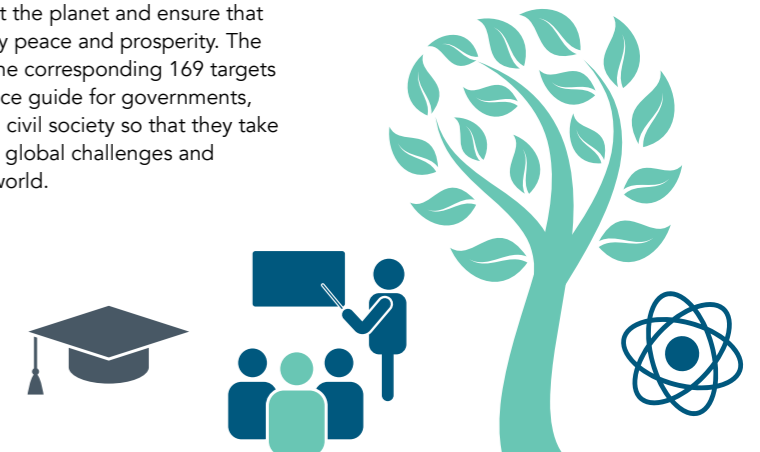
Adopting the Sustainable Development Goals

In 2015, the United Nations General Assembly formally adopted the 17 Sustainable Development Goals (SDGs) as part of the United Nations 2030 Agenda for Sustainable Development, in order to ensure prosperity and well-being for all people while protecting the planet. The SDGs are a global call to action for governments, companies, and civil society to eradicate poverty, protect the planet and ensure that all people enjoy peace and prosperity. The 17 Goals and the corresponding 169 targets act as a reference guide for governments, companies and civil society so that they take action, address global challenges and transform our world.

Savola's Alignment with the Sustainable Development Goals

At Savola, our strategic direction takes into consideration international frameworks and global initiatives, and we have aligned our sustainability strategy with the SDGs.

Our actions can contribute to maximizing the collective positive impact; and we carefully address any potential negative impact from our operations. For the 2020 Sustainability Report, we identified the most important topics and reviewed how they align with the SDGs. After identifying and reviewing them, we concluded that 10 Goals are more relevant to us.



Integrating SDGs into Core Business

To enhance the Group's sustainable performance, maximize the positive impact of our core activities and ensure effective governance of our operations, we have linked our five sustainability pillars to the SDGs.

Relevant SDGs	How we contribute & 2020 Highlights
2 Zero hunger	We work with focus and determination to avoid and minimize food waste. In 2020, we continued our landmark food waste management program, Negaderha, as well as our collaboration with the World Resources Institute (WRI) and the largest food retailers to combat food losses and waste, which was expanded in 2020 through the launch of a dedicated mobile app, while Panda continued its "Can't miss Initiative" for waste reduction.
3 Good health and well-being	We take the health and well-being of our people and our communities very seriously, and this has never been as important as this year during the COVID-19 pandemic. During 2020, we took action to leverage our position and resources to support our employees, customers, suppliers, partners and communities (see page 34), with donations of SAR 10 million for COVID-19 related causes through initiatives by Panda and Savola World. Our commitment to the health and well-being of our employees was recognized when Savola was named one of the Top 20 Great Places To Work® in the Kingdom of Saudi Arabia, while our employees also enjoyed a range of health services, gym access, health campaigns and seminars throughout the year. We also reached a milestone during 2020 of 75% of IFI's products being trans-fat free, supporting the health of our customers and community.
4 Quality education	We aim to be an employer of choice for top talent, with a particular focus on Saudi nationals. We take a proactive approach in attracting, developing and retaining Saudi talent, while investing in their success. We provide learning and development opportunities for all our employees, in order to enhance their skills and careers. Launched in 2010, our Makeen program continued to impact the lives of people with disabilities during 2020, Panda's Is'ham Training Program continued to support the success of young Saudi talent. During the year, SFC also delivered the second round of its Iqtedaa Executive Leadership Program.
5 Gender equality	We are committed to equality, diversity, and inclusion across Savola Group. Through fair hiring practices, we continue to grow our female workforce across the Group, while also establishing and enforcing a range of policies and initiatives to empower our female employees and create a supportive work culture and environment for them. In 2020, we increased our female workforce across the Group by 7% to reach 1,285 women.
8 Decent work and economic growth	We empower and support our employees across Savola Group through a corporate culture of "Value based on Values". As a leading Saudi company and employer of over 24,000 people, we contribute to the economic growth of the Kingdom and create jobs throughout Saudi Arabia and the region. In 2020, we launched a Long-Term Incentive Program (LTIP), called the "Align Program", to create value for our employees, which included the buy-back of SAR 16.5 million worth of shares. We organized numerous programs, including "Makeen", "WAEI" and the "STOP" program, to support, develop and empower our people.
10 Reduced inequalities	We promote diversity and foster understanding across our Group. We enjoy Mowaamah Certification – Gold status in recognition of our commitments and initiatives to support people with disabilities. Our Makeen program has helped us make great strides in reducing inequalities, eliminating discrimination, and boosting the recruitment of people with disabilities throughout the Kingdom. Meanwhile, we increased our female workforce by 7% across the Group, and Savola HQ and SFC both maintained a Platinum Zone Nitaqat rating in 2020.
12 Responsible consumption and production	We recognize the role we play in the Kingdom in tackling sustainable food consumption and responsible production. During 2020, we continued promoting national efforts to drive behavioral change through our flagship Negaderha program, which increased its reach and impact during the year with the launch of the Negaderha mobile application for smartphones. Panda continued its "Can't miss Initiative" to put an end to unnecessary waste, and our partnership with Saudi Grains Organization (SAGO).
13 Climate action	We seek to minimize our environmental footprint and operate in a responsible and sustainable manner. As one of the trailblazers in sustainability reporting in the Kingdom, we seek to continuously improve how we plan, prioritize, measure and account for our environmental impact, energy use and waste management. We recognize the need to build on the foundation we have established to take our sustainability program and initiatives to new heights through focus and collaboration.
16 Peace, justice and strong institutions	We are active in the fight against corruption and bribery, through our robust corporate governance practices, strong risk management function, and corporate culture of openness and accountability. Our Audit Committee, Internal Audit Departments, Risk Management Department, Governance and Compliance Bodies work to reduce risks, while KPMG performs an audit of Group financial statements. We foster open communication and transparency through our Tower program, which helps us listen to our employees, and our Integrity Hotline. Our annual Sustainability Report further enhances transparency and engagement with our stakeholders.
17 Partnerships for the goals	We are constantly working to strengthen global partnerships for sustainable development. As part of the MSCI Emerging Markets Index and the first Saudi company to become a member of the International Labor Organization (ILO) Global Business and Disability Network, we remained focused on building mutually beneficial partnerships during a challenging and volatile year, seeking impact through collaborations with government and private sector organizations within the Kingdom of Saudi Arabia and across our geographic footprint.

Alignment with Global Standards and Charters

In order to integrate sustainability into several aspects of our business, map existing programs to the SDGs and ensure a more comprehensive approach to sustainability, we have consulted a wide range of external sources. These included international sustainability standards and frameworks (such as GRI, CDP and DJSI Index) as well as general guidelines, regional legislation, and sector best practice.

In addition to the Saudi Vision 2030 and the SDGs, Savola Group also endorses several external charters and standards developed by international/national bodies and authorities. Among others, these include:

- The GRI Standards for Sustainability Reporting as developed by the Global Reporting Initiative (GRI).
- Ministry of Labor: labor law charters and principles.
- The Saudi Standards, Metrology and Quality Organization (SASO).
- The International Financial Reporting Standards (IFRS).
- The Saudi Food & Drug Authority (SFDA).
- The General Authority of Meteorology and Environmental Protection (PME).
- The Saudi Authority for Industrial Cities and Technology Zones (Modon).
- The Capital Market Authority: Regulation.
- Standard & Poor's Transparency and Disclosure Standards.

Stakeholders

As a leading strategic investment holding Group in the food and retail sectors in the Middle East and North Africa (MENA) Region, we are accountable to a diverse group of stakeholders, including companies of the Group, employees, suppliers, local community, partners, consumers, customers, investors, shareholders and government. Each of the previously mentioned stakeholders has a specific set of interests and expectations from our business.

Engaging with our Stakeholders

Cultivating and sustaining a two-way dialog is crucial in order for us to achieve mutual understanding and be able to establish strategic decision-making. At Savola, we value our stakeholders' opinions and engage in regular dialog with them through various communication channels, thus ensuring that their needs and expectations are taken into account and that we can respond effectively to their concerns. Input from our stakeholder engagement is the cornerstone of the way we develop and implement our sustainability strategy.

We recognize that working to improve social and environmental issues is a major challenge. We will improve our understanding of current issues and emerging sustainability trends through a journey of cooperation and engagement with stakeholders. At Savola, we strive to create great-shared value and improve life in the societies in which we live and work.

The following table provides a high-level overview of our stakeholders, with specific indications of how we are involved with them on social and environmental issues.

Our Focus

Savola Group will maintain focus and commitment on contributing, through our diverse activities, to the relevant UN Sustainable Development Goals and the goals of Saudi Vision 2030 through the implementation of our Sustainability Strategy, in order to fulfill our Vision and honor our Mission. We will continue to build capabilities, partnerships, and resources to accelerate the impact of the Group's sustainability programs, initiatives and activities to contribute to a better world and a thriving, broad-based national economy.



Our Stakeholders

Investors and Shareholders

Stakeholders
To ensure sustainable and profitable growth, we work closely with investors and shareholders within a responsible and ethical business practices framework.

- Key concerns**
- Positive return on investment.
 - Reputation management.
 - Risk management.

- Engagement type**
- Participate in Shareholders General Assembly and Extraordinary General Assembly Meeting.
 - "Investor Relation Programs" for investors.
 - Financial results.
 - Financial and non-financial reports on Tadawul website and in the published media.
 - Department for shareholders' affairs.
 - Email subscription center and investor relations app.

Suppliers

Stakeholders
To invest in long-lasting relationships with our suppliers. Establishing strategic supplier partnerships ensures value creation in all stages of our extended value chain.

- Key concerns**
- Transparent bidding process.
 - Smooth invoicing and payment processes.

- Engagement type**
- Strengthening relationships with business partners.
 - Integrated social and environmental considerations into the supplier selection process.
 - Adherence to the Code of Conduct and Ethical Values.
 - Support local suppliers in the Kingdom of Saudi Arabia.

Operating companies

Stakeholders
To place emphasis on synergies while streamlining the decision-making process and resource allocation, and to improve our positioning as the premier investment holding company.

- Key concerns**
- Board of Directors.
 - Subsidiaries, Boards and Committees.
 - Regular meetings for strategic and operational direction.

- Engagement type**
- Clear CSR guidelines from HQ.
 - CSR champions assigned across all functions.
 - Clear goals, direction and strategy.
 - Support and tools for improving performance.

Employees

Stakeholders
To work continuously to create an approachable work culture of communication, camaraderie and performance for our valued employees.

- Key concerns**
- Job security.
 - Fair compensation and benefits.
 - Opportunities to develop.
 - Ethical conduct.

- Engagement type**
- Program for training and employing people with disabilities.
 - Initiatives to measure employee engagement, enhance the work environment and bring employees and their families together.
 - Programs for women empowerment and employment.
 - Employee assistance.
 - Health benefits and seminars.
 - Volunteering opportunities.

Community

Stakeholders
To engage with community members, non-profit organizations, charitable establishments, employees, suppliers and other stakeholders in new initiatives and long-standing programs that make a positive impact and enhance community well-being.

- Key concerns**
- Engagement and involvement in decision-making
 - Investment in local communities.
 - Supporting local enterprises.

- Engagement type**
- The "Leave the Change for Them" charity. Panda customers donate the small change from their purchases to charities across the Kingdom of Saudi Arabia.
 - "Makeen" program to train and employ people with disabilities.
 - Cooperation and supporting other social institutions to design educational, health and social programs.
 - Internship opportunities for undergraduates.
 - Corporate Social Responsibility (CSR) Committee (which is currently becoming Board of Trustees of Savola World).



Consumers and Customers

Stakeholders
To focus on understanding and meeting customer needs, and on exceeding their expectations. Through trusted brands, to offer quality products that support the lifestyle choices of our consumers, and to place them at the heart of our operations.

- Key concerns**
- Fair prices.
 - Ethical business conduct.
 - Creating value for society's different economic segments by providing value for money products and services, and world-class quality experiences.

- Engagement type**
- Business development process.
 - Market and satisfaction surveys.
 - Customer care departments.
 - Traditional media channels, social media, and online portals.
 - Website.

NGOs

Stakeholders
To assist in addressing unmet social needs for these most vulnerable segments of society.

- Key concerns**
- Supporting local causes.

- Engagement type**
- Funds and financial support.
 - Partnerships to contribute to social and economic development.
 - Volunteering activities.
 - Social and environmental initiatives.

Board of Directors

Stakeholders
To lead in sustainability and continuously honor our values.

- Key concerns**
- Positive return on investment.
 - Reputation management.
 - Risk management.

- Engagement type**
- Board of Directors meetings.
 - Shareholders General Assembly.
 - Board committees.
 - Engagement with executives.
 - Financial and non-financial reports.
 - Setting the Company's strategic direction and plans.
 - Approving policies and procedures including Corporate Governance Code.

Partners

Stakeholders
To build strong relationships with respected partners, with whom we join forces to create positive value.

- Key concerns**
- Fair dealings.
 - Openness and transparency.
 - Creating value through mutually beneficial dealings.

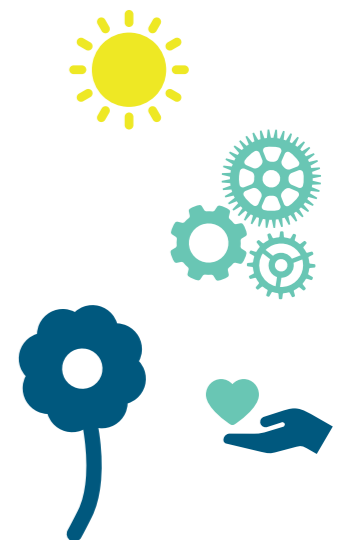
- Engagement type**
- Participate in innovative sustainability initiatives.
 - Develop new programs and solutions.
 - Utilize strengths to make a positive impact.
 - Collaboration agreements (MoUs).

Government and Regulators

Stakeholders
To operate according to national and international laws and regulations, and to work in a responsible manner that contributes to the country's advancement and corporate performance, thus enabling us to support the community's well-being while contributing to a healthy environment.

- Key concerns**
- Compliance with laws and regulations.
 - Local employment opportunities.
 - Support Saudi Vision 2030 and SDGs

- Engagement type**
- Strong management and governance systems.
 - Respond to government requests and participate in government programs.
 - Collaborate with government stakeholders to advance common citizenship goals.
 - Publish quarterly financial results.
 - Support Government COVID-19 response and food security



Materiality

Determining Areas of Focus

In our increasingly interconnected world, organizations deal with many economic, environmental, and social issues on which they can report. Identifying material topics provides direction for strategy and communication. As we operate in a complex and unpredictable business environment, conducting a material assessment allows us to identify the sustainability topics that are a priority to us and our stakeholders.

Savola Group CSR Strategic Objectives

- Improve company social image and position Savola as the "CSR Game Changer"
- Establish Savola competitive edge in scalable and sustainable CSR
- Communicate Savola CSR practices to reinforce Savola ethical brand positioning

- Aim for measurable social return on investments for our sustainability and CSR activities
- Boost external relationships with key stakeholders

Materiality Process

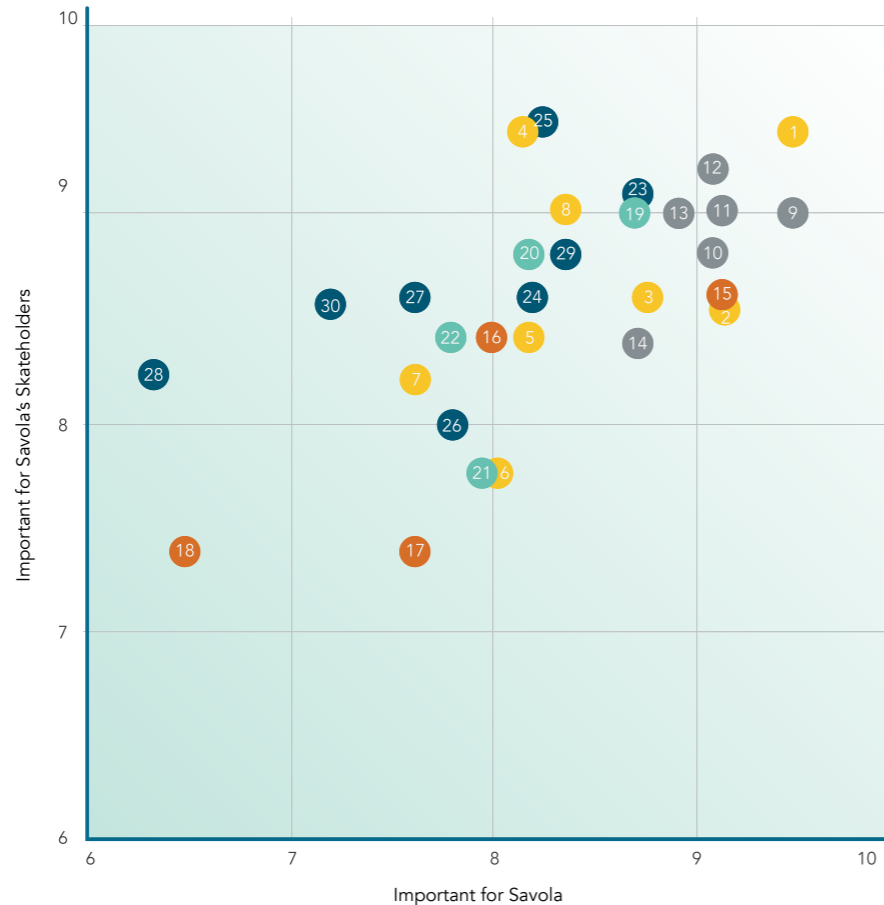
Material topics form the basis of our Sustainability Report and reflect the economic, environmental, and social impacts of the Group. Moreover, material topics influence our stakeholders' decisions. We have conducted an extended materiality assessment and updated our materiality analysis to ensure that both the assessment and the analysis reflect the current business strategy on related sustainability issues and stakeholder priorities. We took into account a range of national, regional and global challenges, trends and approaches. We engaged with internal and external stakeholders to identify the most critical

sustainability issues for our business and stakeholders. We also consulted several international standards, frameworks and best practice examples in order to design and conduct our materiality assessment in accordance with the principles of the GRI standards, including the principle of Materiality. Key steps of the process include:

- 1. Identification**
 - Identification of potential material topics
- 2. Prioritization**
 - Assessment and ranking by internal and external stakeholders
- 3. Validation and approval**
 - Adherence to best practices, standards, frameworks, strategic direction.
 - Validation of topics
- 4. Communication**
 - Communication via the Sustainability Report

Materiality Matrix

An important outcome of the materiality assessment is the development of our materiality matrix, which illustrates all the material issues and their prioritization. Materiality demonstrates our commitment to sustainability and is an invaluable tool for risk management and opportunity identification. The materiality process has revealed 30 material topics that we can possibly categorize under five strategic pillars: Employees, Community, Sector, Environment and Business. At Savola, our sustainability strategy is deeply rooted in maximizing positive impact; the materiality matrix helps us focus our energy and activities on influencing global change and achieving the SDGs and the Saudi Vision 2030.



Material Topics

Business



1. Effective Governance
2. Anti-Corruption & Bribery
3. Corporate Strategy & Investments
4. Ethics & Values
5. Risk Management & Business Continuity
6. Partnerships & Stakeholder Relations
7. Economic Performance & Market Presence
8. High Standards & Compliance

Environment



19. Water
20. Resource Management
21. Energy & Fuel Consumption
22. Emissions

Employees



9. Equal Opportunity & Fair Working Environment
10. Employee Development, Training & Education
11. Employee Wellness
12. Occupational Health & Safety
13. Local Employment/Saudization
14. Diversity & Inclusion

Sector



23. Consumer Health & Nutrition
24. Responsible Communication & Marketing
25. Product Quality & Innovation
26. Shop Accessibility
27. Customer Service Quality & Satisfaction
28. Product Packaging & Labeling
29. Responsible Sourcing & Procurement
30. Local Suppliers

Community



15. Food Waste Reduction
16. Local Community Initiatives & Contributions
17. Volunteering
18. Social Impact



Strategy for an Interconnected World

At Savola, we see every day the positive value that can be created when all stakeholders come together under a common goal. Our active collaboration with government, civil society, international and national expert bodies creates more opportunities and paves the way for an interconnected world. Pursuing our sustainable business strategy and achieving our targets drive impact for the benefit of the well-being of the community and the health of the environment.



Our Focus Moving Forward

As Savola Group's strategy and activities continue to evolve, we will continue to strengthen our relationships with stakeholders and actively engage to update the topics that are material to them and our business. This will provide a strong foundation for keeping our sustainability strategy and operations up-to-date and relevant, while striving to transparently meet our commitments and fulfill our stakeholders' requirements.

Responsible Business Framework

Business

- Effective Governance
- Anti-Corruption and Bribery
- Corporate Strategy and Investments
- Ethics and Values
- Risk Management and Business Continuity
- Partnerships and Stakeholder Relations
- Economic Performance and Market Presence
- High Standards and Compliance



Our People

- Equal Opportunity and Fair Working Environment
- Employee Development, Training and Education
- Employee Wellness
- Occupational Health and Safety
- Local Employment/Saudization
- Diversity and Inclusion



Environment

- Water
- Resource Management
- Energy and Fuel Consumption
- Emissions



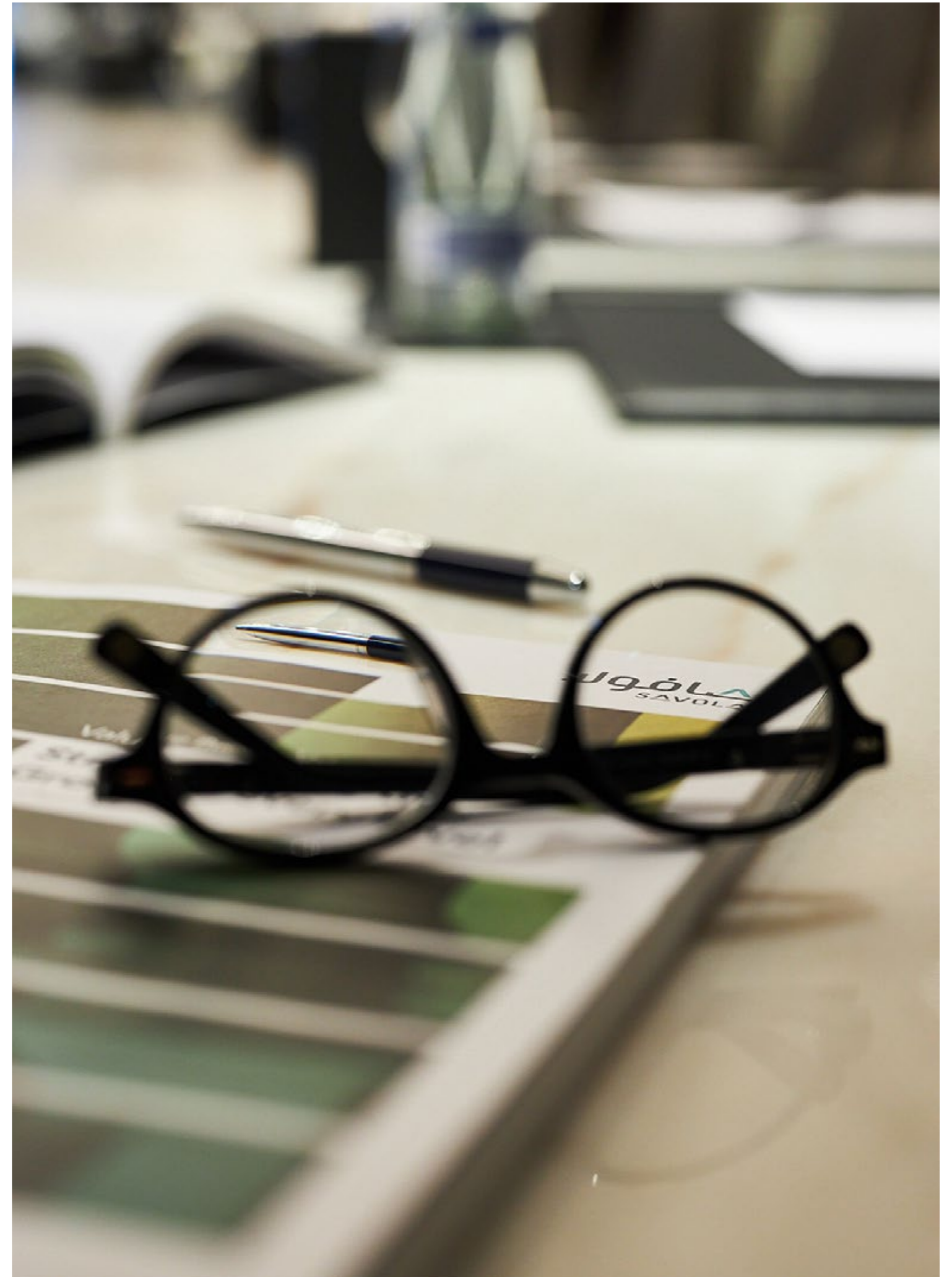
Community

- Food Waste Reduction
- Local Community Initiatives and Contributions
- Volunteering
- Social Impact



Our Sector

- Consumer Health and Nutrition
- Responsible Communication and Marketing
- Product Quality and Innovation
- Shop Accessibility
- Customer Service
- Quality and Satisfaction
- Product Packaging and Labeling
- Responsible Sourcing and Procurement
- Local Suppliers



Business



Business

Savola is committed to improving the lives of the people and communities in which we serve.

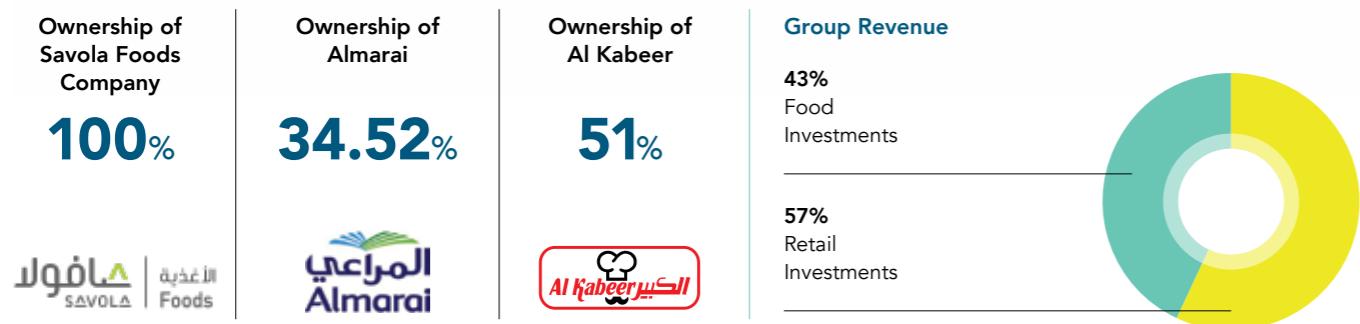
As a responsible corporate citizen, Savola's goal is to deliver positive impacts on the lives of our people, the communities we serve and the environment we share. This represents a key foundation of our values and governance, which guides our decision-making processes and influences all aspects of our operations. Savola therefore maintains the highest standards of safety, governance, environmental and ethical conduct across our value chain, creating value for our business, our communities and the Kingdom as a whole.

A Leader in Food and Retail

With an extensive portfolio of popular food and retail brands, Savola is one of the leading strategic investment holding companies in the Middle East and North Africa (MENA) region.

Food Investments

Savola maintains a portfolio of well-known brands across the MENA, producing consumer packaged goods in more than eight countries for export to 50+ markets around the globe, many of which are leading brands in their respective categories.



Retail Investments

Savola's retail portfolio is led by Panda Retail, the largest modern grocery chain in Saudi Arabia. With a total of 205 stores (including four in Egypt), Panda enjoys a significant market share with a formidable geographic reach, serving more than 100 million customers each year.



Strategic and Financial Highlights

Positive Performance and Profitability

Despite the unprecedented challenges of 2020, Savola achieved resilient revenue growth and a significant increase in profits, driven by a resurgent Panda, growing profits from Al Kabeer, and ongoing cost efficiency and optimization measures, building on our positive momentum and creating sustainable value for our shareholders.

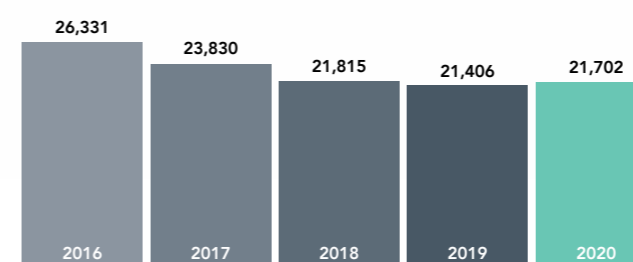
Backed by our dedicated workforce and robust corporate strategy, we successfully maintained our growth trajectory in 2020, with sales revenue rising 1.4% from SAR 21.4 billion in 2019 to SAR 21.7 billion in 2020, largely driven by the strong performance of our retail investments. While revenue from Savola Foods Company's fell by

6% in 2020, revenue from Panda Retail and Al Kabeer Group increased by 9% and 18.8%, respectively. Consequently, Savola's full-year net profit rose from SAR 476 million in 2019 to SAR 910.8 million in 2020, delivering earnings per share of SAR 1.71, compared to SAR 0.89 in 2019.

This performance provides a springboard for further capital investment in complementary new food and retail categories through our new venture capital program targeting acquisitions in disruptive companies and technologies to fuel non-organic growth from our core sectors.

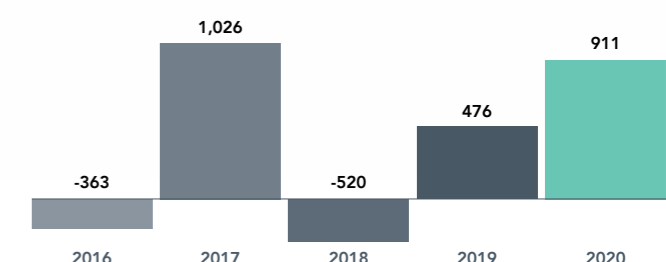
Revenue
SAR million **21,702**

↑ 1.4%



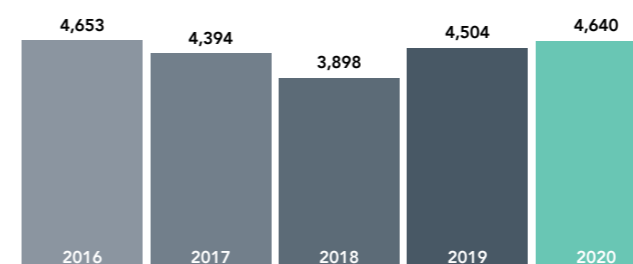
Net Profit
SAR million **911**

↑ 91.5%



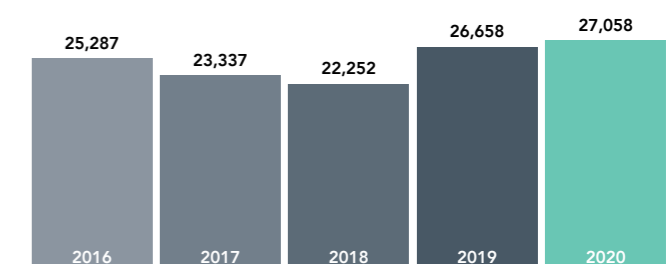
Gross Profit
SAR million **4,640**

↑ 3%



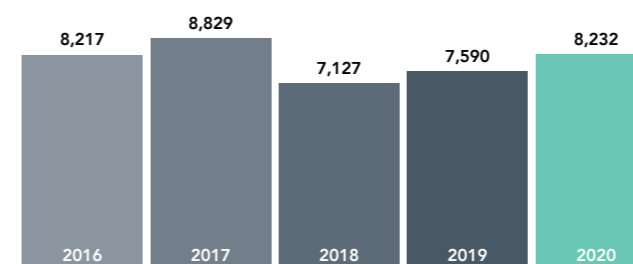
Total Assets
SAR million **27,058**

↑ 1.5%



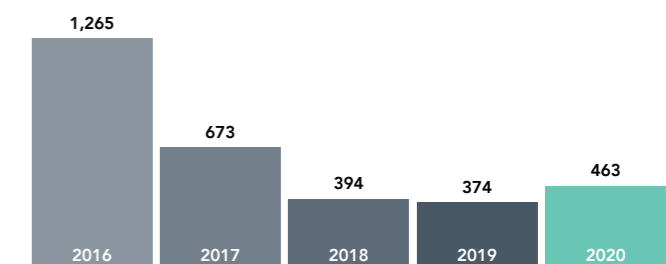
Shareholders' Equity
SAR million **8,232**

↑ 8.5%

















Capital Expenditure
SAR million **463**

↑ 24.1%



Our Journey

Four Decades of Growth and Diversification

1970s	1990s	2000s	2010s	2010s	2020		
<p>1979 Savola is established, with a paid-up capital of SAR 40 million and 50 employees.</p> 	<p>1991 Savola acquires a 40% shareholding in Almarai.</p> 	<p>2003 Savola Foods establishes edible oil businesses in Morocco and Sudan.</p> <p>2004 Panda launches the Hyper Panda format.</p> 	<p>2010 Savola launches its first CSR program, 'Makeen,' to train and empower people with disabilities.</p> <p>SAVOLA WORLD Makeen</p> <p>Herfy is listed on the Saudi Stock Exchange (Tadawul), with Savola retaining 49% of its shares.</p> <p>2011 Standard & Poor's, Hawkamah and the International Finance Corporation rank Savola second among top-listed companies in the Arab world for governance and transparency.</p> <p>Savola Foods enters the pasta market by acquiring El Maleka Company and El Farasha Company in Egypt.</p> 	<p>2015 Savola Foods enters the seafood business with global seafood leader, Thai Union, to launch the famous John West brand in 12 markets across the MENA region.</p>  <p>Savola Foods launches Afia Distribution Company in Saudi Arabia.</p>  <p>2016 Savola unveils a new brand identity, reflecting its evolution into a strategic investment holding company.</p> <p>SAVOLA</p> <p>Savola receives the Sa'afa Award from the Integrity and Transparency Foundation.</p> 	<p>2017 Savola sells a 2% stake in Almarai as part of its capital reallocation, whilst remaining the largest shareholder with a 34.52% stake.</p> <p>Savola is ranked in the top 10 companies for transparency in corporate governance, environment, and social practices in the MENA region by S&P Dow Jones indices and Hawkamah.</p> <p>Savola launches its second CSR program, 'Negaderha.'</p> <p>SAVOLA WORLD Negaderha</p> <p>Savola Foods commissions a new factory in Jeddah to manufacture specialty fats for the B2B market.</p> <p>Savola Foods establishes a joint venture in Iraq with Aves to create Bonus Food Company LLC, which is engaged in the refining and packaging of edible oils and vegetable ghee.</p> 	<p>2018 Savola acquires a majority stake (51%) in Al Kabeer, one of the region's leading frozen foods companies.</p>  <p>2019 Savola issues its second tranche of Sukuk, pursuant to a new program with an aggregate amount of SAR 1 billion.</p> <p>Savola is among 31 companies added to the MSCI Emerging Markets Index.</p> <p>Standard & Poor's, Hawkamah and the International Finance Corporation rank Savola fourth among companies in the Arab world for governance and transparency.</p> <p>The establishment of Savola World Foundation</p> 	<p>2020 Savola is named among the Top 20 Great Places to Work® in the Kingdom of Saudi Arabia.</p>  <p>Savola is ranked among the top 10 non-financial sector companies trading on Tadawul in the Corporate Governance Index (CGI) by Al Faisal University's Corporate Governance Center.</p> <p>Savola named by Forbes Middle East among the 'Top 100 companies in the Middle East' in 2020; ranked 14th in the Kingdom of Saudi Arabia and 39th in the region.</p>   

Our Strategy and Business Model

A Model for Resilience and Sustainable Growth

As a successful strategic investment holding company active in the food and retail sectors, Savola's perceptive strategy and dynamic business model creates increasing value for our stakeholders by stimulating consistent portfolio growth.

Strengths

Strategic Focus

Our operations focus on long-term consumer trends, dynamically allocating capital to generate sustained value growth.

Strong Governance Framework

Our robust governance and transparency framework, prioritized throughout Savola's history, builds shareholder trust.

Infrastructure and Consumer Access

Our holdings represent Saudi Arabia's largest distribution network, retail space and brand portfolio in the country's consumer space, touching the lives of millions of consumers across our markets.

Challenges

- Challenging **macro-environment** across our operating countries, with disruption caused both by the COVID-19 pandemic and ongoing economic reforms that threaten to undermine consumer purchasing power.
- Changing **consumer behavior** is affecting customer preferences and tastes in a pronounced manner, with potential implications for existing products and business models.
- Limited **number of transactable assets**, from the perspective of an investment holding whose key directive is to allocate capital.
- High relative **valuation of food assets**, in view of the scarcity of sizeable assets that fit Savola's investment mandate, as well as other factors such as economic and business cycles, and their impacts on such assets.

How we add value

Leadership and Governance

By identifying and implementing best practices across our portfolio, our governance structures serve to align incentives among our stakeholders and ensure Savola operates under the direction of the most effective leadership and management.

Target Setting and Performance Monitoring

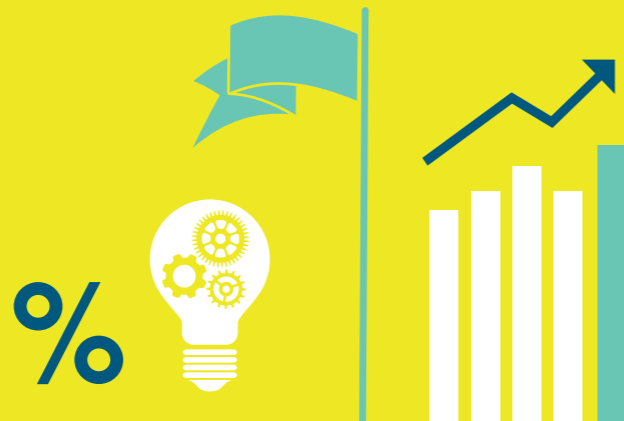
Savola maintains effective performance management across our portfolio by applying short-term and long-term operational and financial KPIs, with proactive periodic reviews that prioritize our core interests.

Capital Allocation

Savola aims to maximize returns on investment through targeted capital deployment, enhancing shareholder returns and creating added value by engaging in segments with long-term potential within the consumer space, whilst also securing sustainable returns.

Long-Term Strategic Planning

Savola takes a holistic view of our business environment, assessing our markets, holdings, and operations with a view to maximizing our share of consumer spend over the long-term.



Our Values

Since Savola was founded in 1979, our values have provided the foundation and motivation for everything we do. They represent a blueprint for the actions we take each day as individuals and teams, and as a responsible company.

Individual

Tawado: (confident humility): the confidence to perform our responsibilities with humility.

It'qan: (the relentless pursuit of perfection): the ability, willingness, desire, and intent to do our best to ensure that work is completed to the highest standards.

Azm: (fierce resolve): applying what we learn to improve ourselves.

Iq'tida: (apprenticeship): seeking out, interacting with, and learning from those who are more knowledgeable than us.

Group

Ihsan Al-Dhan: (trusting): trusting others' intentions without doubt.

Mu'azarah: (caring): providing support to our colleagues to enable their success.

Qabool: (acceptance): embracing the views of others by going beyond tolerance or acceptance.

Iq'bal: (approaching): improving what we do by applying what we have learned from the interaction with others.

Corporate

Taqwa: (conscientiousness): fulfilling our responsibility to external parties.

Amanah: (honesty): fulfilling our responsibilities to investors.

Mujadahah: (personal control): achieving the personal discipline necessary to fulfill our responsibilities.

Birr: (caring justice): fulfilling our responsibilities towards our colleagues and the employees of the Company.

Investment Case

A Unique Investment Proposition

A leading Saudi investment holding company, Savola's portfolio features the largest assets and brands in food production, marketing, distribution, and retail in the Kingdom and beyond, providing shareholders with unparalleled access to these sectors.

Regional Leadership



SAR 22 billion

One of the largest food and retail holding companies in the region, with an annual turnover of over SAR 22 billion.

Forbes Top 100

Ranked 14th in Saudi Arabia and 39th in the Middle East in *Forbes Middle East's* annual list of Top 100 companies in the region

#1 Staple food business

The #1 basic foods business in the MENA, Savola has market leading positions and brands across the consumer staples and value-added ranges, including edible oils, sugar, pasta and frozen foods.

#1 Grocery retailer

The #1 grocery retailer in Saudi Arabia, Panda has strong brand equity and 28%+ market share in the attractive and under-penetrated modern retail space of the GCC's largest domestic market.

A majority shareholder

The largest shareholder in two of Saudi Arabia's leading consumer brands, Almarai and Herfy, as well as popular frozen food brand, Al Kabeer.



Unique Consumer Understanding and Footprint



200+ stores

A dominant retail footprint with 200+ Panda and HyperPanda stores in 40+ cities across the Kingdom, with 100+ million annual transactions, backed by the largest logistics network in Saudi Arabia.

Serving 400+ million potential customers

Direct manufacturing and distribution strength in more than eight countries, with 14 facilities serving a combined population of more than 400 million people.

Attractive exposure

Access to a large and growing population base with favorable demographics i.e., more than 50% below the age of 35 years.

Extensive knowledge

Extensive consumer, market and brand knowledge, leveraged to launch, grow and maintain market-leading positions and products (Afia, Al Osra).

Customer-centric

Delivering continuous customer-centric innovation and product development based on deep consumer outreach, capitalizing on strategic opportunities in the rapidly evolving consumer space in the MENA and beyond.

Dynamic Capital Allocation



Unique investment model

Unique investment-holding business model that allows for strategic investments and value creation in the MENA consumer food and retail spaces.

Experienced leadership

Experienced leadership team with a clear mandate to deploy and reallocate capital to enhance shareholder returns through investments in consumer segments with long-term growth potential.

40+ years

40+ year track record of business growth, active capital reallocation and long-term investment horizon.

Sustainable growth

Actively exploring multiple food and retail investment avenues to drive sustainable growth for the Group.

COVID-19

Safeguarding Savola and Our Stakeholders Against COVID-19



The unprecedented challenges of the COVID-19 pandemic set 2020 apart from any other year in Savola's history, affecting not only our markets but also the immediate social, physical and mental well-being of our employees, customers, suppliers, partners and communities. Our swift, coordinated response leveraged our position both as a key contact point with the communities we serve, and as an integral enabler of food security in the Kingdom and abroad, bringing to bear our extensive, complex and dynamic food and retail supply chains to protect our employees and suppliers, as well as the Kingdom and its people.

For our employees	For our customers	For our suppliers	For our communities	For our shareholders
<ul style="list-style-type: none"> Remote work and support. Diverse precautionary measures in HQ and offices, including regular health and temperature checks, and sanitization of facilities. Promoting increased health and safety awareness through mass communications and training. 	<ul style="list-style-type: none"> Ensuring food security in the Kingdom by increasing stocks in shops as well as providing food availability and price assurances. Creating new, safe channels to access products, such as PandaClick. Frequent, transparent communications. Comprehensive health and safety measures in all locations. 	<ul style="list-style-type: none"> Safeguarding critical elements of the supply chain. Close monitoring of trends and restrictions to enable agile adaptation. Frequent digital communication and collaboration with key suppliers to add inventory buffers as needed. 	<ul style="list-style-type: none"> SAR 10 million in donations for COVID-19 related causes through Panda and Savola World. Community awareness campaigns. Ensuring social distancing at Savola premises. 	<ul style="list-style-type: none"> Virtual Annual General Meeting (AGM), enabling our shareholders to participate in the meeting through a mobile app. Recommended 2020 dividends be increased significantly over those of 2019. Increased frequency of investor engagement through a range of virtual channels. Participation in investor conferences held by leading regional and international financial institutions.

Responsible Management and Ethics

Our Code of Conduct

Savola maintains a steadfast Code of Conduct and Ethical Values that influence every aspect of our business. The Code, which covers the actions of the entire Group and its subsidiaries, sets legal and ethical standards of conduct and acts as an ethical cornerstone for all employees, allowing them to recognize risks and act according to the values of Savola. The Code is therefore fundamental to the duties and responsibilities of Savola employees, covering all key aspects of legal and ethical standards of conduct, including conflict of interest, gifts, harassment, nepotism, employee relations, sales, confidential information, the environment, corruption and bribery.

The Principles of our Business Ethics

All of our relationships and interactions are governed by our ethics, namely: honesty (*Amanah*), conscientiousness (*Taqwa*), caring justice (*Birr*) and personal control (*Mujahadah*).

Honesty

- Always tell the truth, no matter what situation we might find ourselves in or how beneficial lying might appear in the short-term.
- Always fulfill our promises and obligations.
- Always honor our pledges to others.
- Always commit to resolving conflicts with respect and objectivity.

Conscientiousness

- Is the decision legal and have we checked its legality with the appropriate parties or references?
- Even if the decision is legal, will I be able to publicly admit to it and stand by it?
- Do I feel comfortable with the decision?
- Do I feel that what I am doing is not only legal but fair?

Caring Justice

- Provide managers, subordinates and colleagues with clear and accurate feedback.
- Acknowledge the accomplishments and achievements of others, both financially and non-financially.
- Ensure that those we are responsible for develop in accordance with their needs and the needs of the organization.
- Promote the progress of others, especially if they are deserving of this progress.

Personal Control

- Realize our full potential.
- Achieve a life of balance and satisfaction.
- Drive towards self-improvement and increasing self-discipline.

Compliance with Laws, Rules and Regulations

Savola Group adheres to strict corporate governance and regulatory standards and enforces a robust legal structure resulting in:

- Zero incidents reported for legal action regarding competition, monopoly or related outcomes in 2020.
- Zero penalties or precautionary attachments imposed on the Company by the Capital Market Authority or by any other supervisory, regulatory or judicial body.
- Zero cases of non-compliance with regard to breach or loss of customer data.

Savola Integrity Hotline

Integrity is one of our core values and remains central to our business success. To protect our employees and stakeholders, in 2018 we initiated the Integrity Hotline, an independent and secure service that covers all operations in the region.

The Integrity Hotline provides a confidential reporting framework, overseen by the Audit Committee and the Board of Directors. In conjunction with the whistleblowing policy, the Hotline creates a safe and reliable mechanism for reporting concerns about workplace practices. The Integrity Hotline can be accessed through www.hotline.savola.com.

Panda "Speak Up" Program

Panda operates the "Speak Up" program to enable all employees to report misconduct and unethical acts. The platform strengthens trust with our stakeholders, which forms a key aspect of Panda's strategy.

Number of cases reported and investigated in 2020:

Savola Group

2

Savola Food Company

33

Panda

952

In 2021, we will continue to empower our employees to exercise independent professional judgment and act according to our values and ethics. Our value system and advanced business tools, including the Integrity Hotline, guide and support all employees to act in a manner that enhances our relationships with stakeholders and contributes to our reputation.

Strong Organizational Culture and Values

Our business reflects our organizational culture and values, which have a deep meaning for both our internal and external stakeholders. Our values provide the very foundations of Savola Group and are central to our success and longevity. They also underpin everything we do; acting as a blueprint for decisions, we make as individuals and as part of a team. Each day, when our employees engage with our partners and other stakeholders, they act according to our values, our principles and their own personal judgment. Since the Group was founded in 1979, our values, principles and governance mechanisms have served to protect us from potential conflicts of interest.

The three defining, interdependent pillars of our organization's ethos are individual, team and organizational traits and values, which we perceive as follows:

Self-Nourishment (Personal Traits)	Interactive Nourishment (Teamwork Dynamics)	Released Nourishment (Organizational Culture)
<p>Individual values powerfully reflect the individual traits and behavior expected from all Savola employees:</p> <ul style="list-style-type: none"> Modesty Following example Resolution Mastery 	<p>Our teamwork values emphasize the importance of working together as one, with an emphasis on empathy and teamwork:</p> <ul style="list-style-type: none"> Trust Leniency Keeness Solidarity 	<p>Through the Group's organizational values, which complement each other and are integrated into all our activities, Savola continues to provide value and serve our stakeholders in the best possible way, with:</p> <ul style="list-style-type: none"> Righteousness Fulfillment Persistence Integrity

We will continue to place our values at the forefront of our activities and incorporate them into our daily decisions and behavior. Through our organizational culture and values, we retain a keen awareness of our responsibility to our stakeholders and aim to act as role models for generations to come.

Robust Corporate Governance

Strong governance and ethical standards provide the foundations of our success and sustainability. Savola's reputation and exceptional performance hinge on our Corporate Governance Manual, Committee Charters, bylaws, Code of Conduct and ethical values, authority matrix, and other internal CG policies and international leading practices such S&P guidelines for disclosure and transparency that collectively ensure the high standards of behavior and responsibility demonstrated by our people.

Trust and integrity are essential elements in the story of Savola. We have always strived to ensure strong ethical conduct in all our engagements. The Savola Corporate Governance Code, first established in 2004, sets out specific rules, mechanisms and procedures that guide the Company's relationships with its Holding Company and subsidiaries' Boards and Committees. The Code facilitates decision-making and institutionalization, whilst enshrining fairness, competitiveness and transparency to foster a culture of accountability throughout the Group.

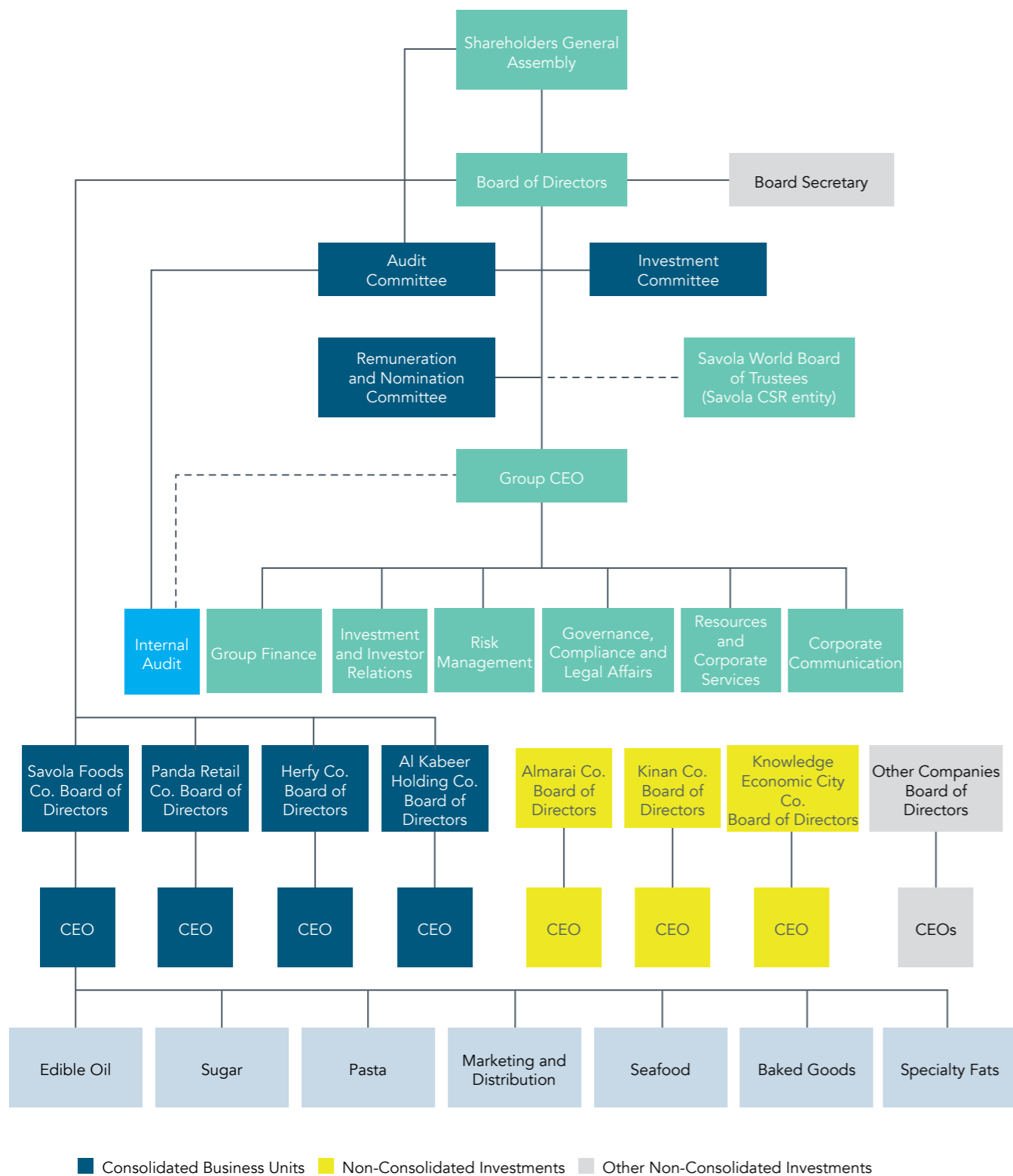
To ensure and monitor the implementation of Corporate Governance requirements, the Board decided to add the role and responsibility of corporate governance to the Remuneration and Nomination Committee (RNC), whilst corporate governance requirements are overseen and monitored by the Board of Directors, the Executive Management and a dedicated Corporate Governance and Compliance Department. The Code is available on our website: www.savola.com

Savola Group Board of Directors

Savola's highest governance body, the Board of Directors plays a fundamental role in setting the Group's strategic direction, priorities and objectives while overseeing their implementation. It sets the tone from the top for shaping and monitoring the ethical culture of Savola while protecting stakeholders' rights, in accordance with its Charter. The Board fosters a culture of honesty and accountability, adheres to the principles of transparency, disclosure and responsibility, and seeks to lead by example. The Board comprises of 11 highly qualified non-executive and independent members. For more details about the role, responsibilities, and members of the Board of Directors, please refer to the 2020 Annual Report and Savola's website: www.savola.com.



Organizational Structure



Key Achievements

- Zero fines and penalties during 2020.
- Compliance with Savola Corporate Governance policies, rules, and Companies' Law.
- All financial disclosures, including the Annual Directors Report, CMA quarterly and annual financial disclosures, other reports and Tadawul announcements were carried out in compliance with the relevant guidelines, local and Corporate Governance best practices.
- All announcements and reports issued in both Arabic and English targeting both Arabic- and non-Arabic-speaker investors.
- Empowerment of Board and committee members by proper utilization of Board Portal for easy materials accessibility of effective operations.
- Conducting annual assessment of Board and all committees under RNC supervision. Savola has been adopting this practice since 2009, whether by doing it in-house or by using an independent expert.
- Approving Savola Group's CSR Policy by the Shareholders' General Assembly.
- Bought back the Company's shares to allocate them for the Long-Term Incentive Program (LTIP) in September 2020. This program aims to attract and retain outstanding talent and to motivate them to further strengthen their performance to achieve Savola Group objectives.

- Continue ensuring our operating companies and subsidiaries have a proper corporate governance framework in place and are acting in line with leading governance practices.
- Active investors' engagement on a continuous basis through dedicated quarterly investor calls and conference attendance, and dedicated IR application.

Group Committees

Board Committees play a key role in Savola's corporate governance system and processes. With different mandates, they support the Board in performing its duties and making sound decisions by filtering opportunities and projects before going to the Board. These committees, operating according to their individual charters, are approved by the Board of Directors or the shareholder general assembly (where applicable). Savola Group has three Committees: the Audit Committee (AC), Remuneration and Nomination Committee (RNC) and the Investment Committee (IC).

The Corporate Social Responsibility (CSR) Committee has been replaced by the Savola World Board of Trustees (see page 14 of this Report for more information on the role and work of Savola World). The committees are comprised of non-executive, independent and external members. Due to the precautionary measures to limit the spread of COVID-19, committee meetings that took place after March 2020 were held virtually. For more details about the role and the responsibilities of the Committees, please refer to the 2020 Annual Report and Savola's website: www.savola.com.

Investment Committee

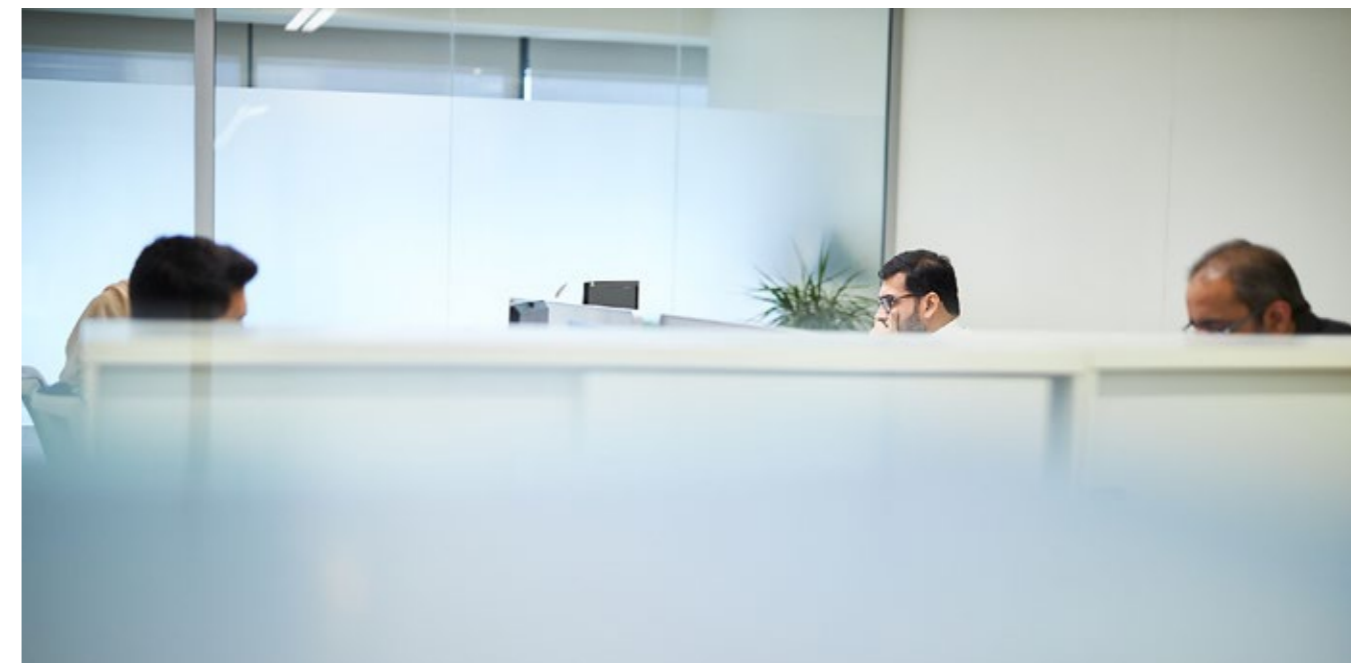
The Investment Committee comprises five non-executive and independent board members. In 2020, the committee held seven meetings to enhance the committee's role in following up and implementing strategic plans regarding investment opportunities. For more details on the roles and the responsibilities of the Investment Committee, please refer to page 89 of Savola's 2020 Annual Report, which is available on the Group's website.

Audit Committee

The Audit Committee consists of five members. The committee meets periodically at the invitation of the president. In 2020, the Committee held six meetings. For a complete list of the Audit Committee's responsibilities and key activities, please refer to page 111 of the 2020 Annual Report.

Remuneration and Nomination Committee (RNC)

The Remuneration and Nomination Committee comprises five members who are independent and non-executive members with expertise in the committee's mandates. In 2020, the committee held three meetings to follow up on its responsibilities in remuneration, nominations, and corporate governance. For a complete list of the responsibilities of the RNC and its major activities, please refer to page 88 of the 2020 Annual Report.



Shareholders Rights

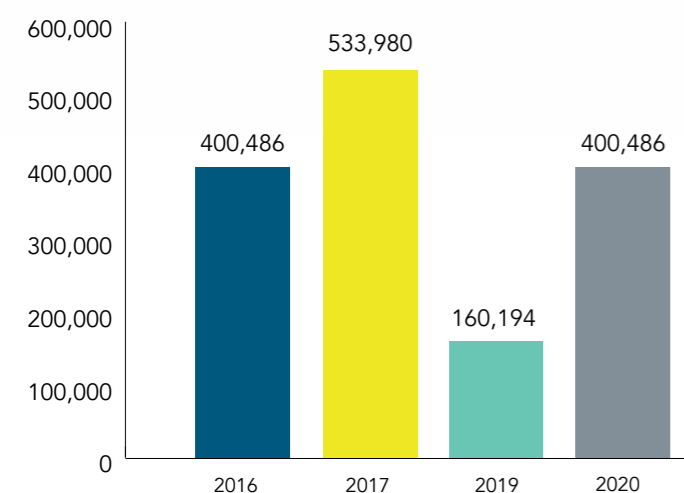
Shareholders General Assembly Meeting

Savola Group held its Shareholders General Assembly on 29 April 2020 virtually due to the precautionary measures to limit the spread of COVID-19. Electronic voting was conducted for all shareholders via Tadawulaty platform. All Board Members and executives attended the meeting remotely, and a considerable number of shareholders participated virtually in the voting. Q&A were addressed by the Board and management. The legal quorum was present and was above 60%.

Dividends

Year	Dividends per share (SAR)	Total of Dividends distributed/declared for the year (SAR'000s)	Net income (SAR'000s)	Percentage
2016	0.75	400,486	(363,287)	-
2017	1	533,980	1,025,618	52.06%
2018	-	-	(520,380)	-
2019	0.30	160,194	475,630	33.68%
2020	0.75	400,486	910,802	43.97%
2016-2020		1,495,146	1,528,383	97.8%

Total of Dividends distributed/declared for the year (SAR '000s)



Shareholders' Information and Share Price Data

As of 31 December 2020, Savola had 95,360 shareholders as per Tadawul records, the following tables provide an overview of Savola's ownership structure including criteria and types:

a) Savola Investors according to nature of investor:

Investor Nature	Percentage of Ownership	Number of Investors	Number of Shares
Corporate Investors	69.75%	578	372,446,481
Individual Investors (including share certificate holders)	30.25%	94,782	161,534,203
Total	100%	95,360	533,980,684

b) Savola Investors according to their nationality:

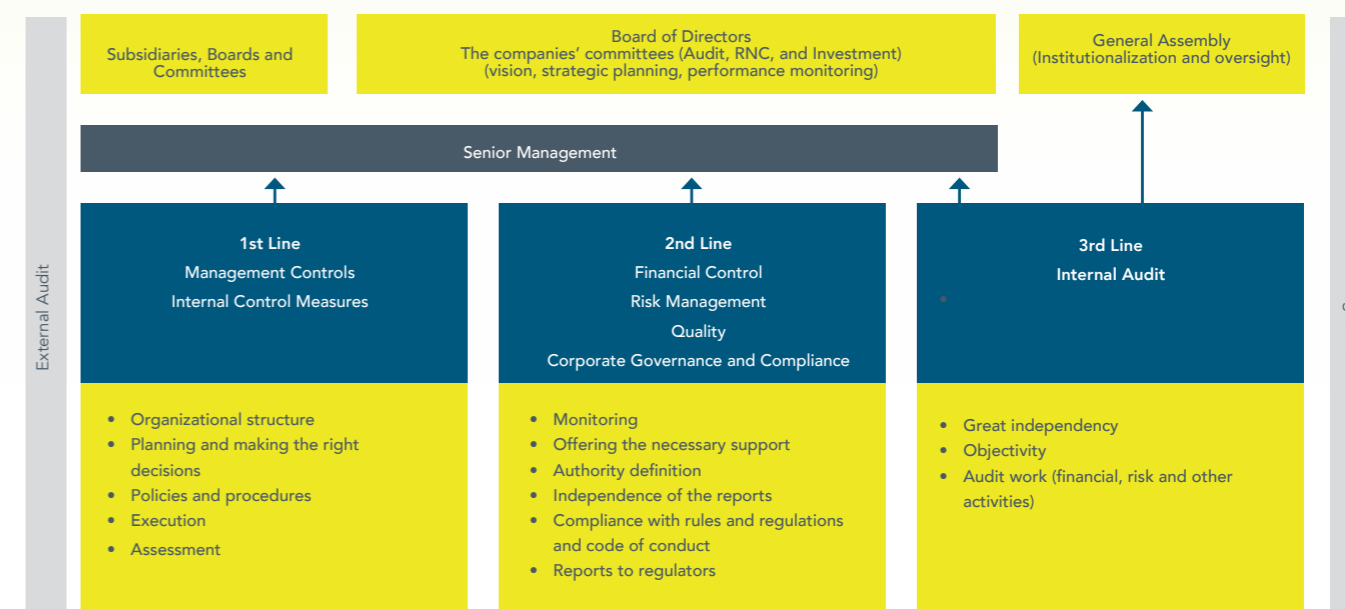
Investor Nationality	Percentage of Ownership	Number of Investors	Number of Shares
Saudi Investors	89.14%	94,366	476,009,679
GCC Investors	1.09%	84	5,796,236
Foreign Investors	9.77%	910	52,174,769
Total	100%	95,360	533,980,684

Effective Risk Management

Savola Group is exposed to a variety of risks and uncertainties, given its focus on investments in the food and retail sectors and extensive range of associated products. Therefore, the Group applies rigorous risk management mechanisms, largely based on training and prevention, in order to safeguard sustainable value for our partners, investors, employees, consumers, communities and other stakeholders.

Savola continues to improve its governance and develop the risk management culture to mitigate risks and protect shareholders interest. Savola's risk governance support this by applying "Three Lines of Defense" model to ensure accountability across the Group for governance, risk management, and internal control. Each of the Three Lines of Defense plays a distinct role within Savola's governance framework.

The Board and senior management are the primary stakeholders, and best positioned to ensure the model is embedded in Savola's risk management and internal control processes.



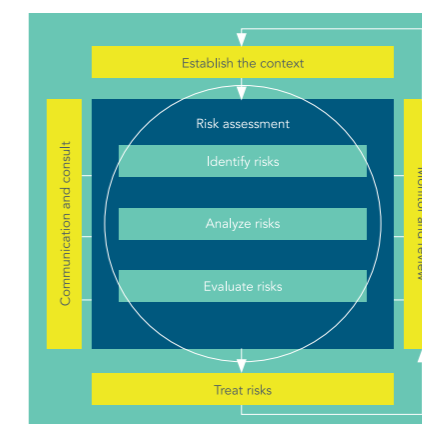
Enterprise Risk Management Framework

Savola has developed an integrated Enterprise Risk Management (ERM) framework to support the success of the Group and progress toward its strategic goals. Drawing on market-wide best practices, the framework involves a collaborative risk management environment that proactively identifies, monitors and mitigates risk, whilst delivering high quality information in order to:

- optimize the cost of managing business risks;
- enable informed and conscious risk management choices on an enterprise-wide basis;
- improve overall business performance.

The ERM framework addresses Savola's business needs while remaining simple, pragmatic and aligned to Savola's strategy.

Savola has aligned the ERM framework with international standards (ISO 31000) and leading risk management practices. The risk management function comprises a dedicated team to lead activities across the Group, assisted by risk champions who implement risk management activities within respective business units/functions.



Strengthening our Risk Management Culture: WAEI

We continue to strengthen our risk management culture and corporate excellence through WAEI program. WAEI is a risk management awareness program, which provides a periodic communication for knowledge-sharing concerning business-related risks as well as risk management key activities and concepts.

Community



Community

As a committed and responsible corporation, Savola Group understands that sustainability is a vital pillar in our community engagement approach and is embedded within all our initiatives to support the Kingdom and its people.

Engaging with the Community in 2020

As a responsible corporate player and member of society, Savola Group maintains a highly active program of community engagement activities and initiatives to improve the well-being of our stakeholders and the success of the nation.

Sustainability is woven into all of these engagements and interactions, reflecting our aim to place the Kingdom on a more socially and environmentally conscious path that will benefit future generations and support the global transition embodied by the UN Sustainable Development Goals.

Throughout 2020, the driving focus of our community activities was on supporting the Kingdom and its people through the COVID-19 crisis. The Group provided

SAR 10 million in support of these initiatives, delivered together with Savola World Foundation.

They included the distribution of 20,000 food baskets to families affected by the crisis, coordinating our efforts with local authorities across the country to ensure maximum impact, and issuing special shopping cards for healthcare workers in cooperation with the Ministry of Health.

In addition, Savola launched an extensive community awareness campaign, delivered through social media, featuring educational videos to increase public awareness regarding the recommended precautions to limit the spread of the virus.



Community Initiatives and Investments

Each of our community initiatives is carefully designed to have a positive impact on society and the people we serve. Sustainability is a key component of this community engagement and has inspired some of our most successful programs to date, such as Savola's landmark Negaderha food waste management campaign and multiple one-off initiatives throughout the Kingdom.

Donations by Panda and Savola World

SAR 10 million

6,000 people

benefited from Savola's community initiatives and contributions



Strengthening food security through waste management

In alignment with Saudi Vision 2030, as well as the global Sustainable Development Goals (SDGs), Savola has a long history of active public involvement in reducing food waste in the Kingdom through the promotion of rational and responsible household and industry consumption practices.

Supporting the WRI

Working alongside the world's largest food retailers, Savola has supported the implementation of the global "10x20x30" initiative, launched by the World Resources Institute (WRI) to halve food loss and wastage among key retailers and suppliers by 2030 in keeping with SDG target 12.3.

Panda "Can't Miss" Initiative

In 2019, Panda Retail Company launched the "Can't Miss" Initiative to put an end to unnecessary waste and reduce environmental pollution. During 2020, implementation continued in a number of Panda stores, which resulted in improved stock management and waste control.

The initiative comprises the fast and efficient sale of items that are approaching their expiration dates at a discount of up to 50%. The results have been outstanding, with increased sales and levels of waste control compared to previous years.

Panda continued to empower and partner with local communities in 2020. As many families faced hardships due the COVID-19 crisis, it rolled out a couple of community initiatives to support people to get through the pandemic.

Donation to Health Heroes

It partnered with Health Authorities and donated SAR 5 million to health frontline heroes.

Panda Caravan

Panda Caravan is a charitable initiative, which aims to promote the spirit of sharing and giving by Panda employees, through donations during the holy month of Ramadan. It took place during this year, marking the 20th consecutive year.

In 2020, the initiative was based on the values of solidarity, giving, and cooperation during the current

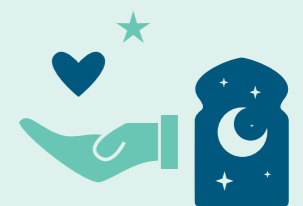
circumstances of COVID-19. It made a true difference for families in need across the Kingdom. The donations were administered by selected government-endorsed charity associations that distributed grocery supplies and essentials to around 2,000 households.

Zakat Al Fitr

Panda partnered with Namaa Association to facilitate paying Zakat Al Fitr. More than 7,000 customers paid their Zakat through Panda checkout counters at Panda stores. The amount of Zakat collected was paid to Namaa Association that took charge of securing supplies to needy families in the Kingdom.

Ramadan Food Baskets

Panda was selected as a trusted partner with several government and private sector organisations to purchase and provide more than 30,000 Ramadan food baskets to thousands of needy households across the Kingdom during the pandemic.



Volunteering and Charitable Programs

Savola Group has always encouraged and supported employee engagement in volunteering to assist the community, and our specially designed volunteer programs support personal and professional growth among our people. Reflecting its deep-rooted commitment to these activities, Savola has taken the extra step of incorporating them into the company's annual employee performance indicators, as well as our corporate culture, which includes every employee.

Given the social distancing requirements implemented as part of national efforts to curb the spread of COVID-19, and to ensure the health and well-being of our employees and their families, volunteering activities were suspended from March 2020 onwards. Nevertheless, we are proud of our achievements in this field and will resume our activities as soon as possible, building on our great partnerships and activities from 2019 including:

Volunteering Activities	Number of Volunteers	Partners	Impact and Beneficiaries
Distributing Ramadan food baskets to beneficiaries	10	Namaa Association	Families in need – 250 family members benefited
Packing and distribution of meals	37	Itaam Association (Saudi Food Bank)	Families in need – 150 family members benefited
Distributing Ramadan Charity Company products (example sugar and oil) to beneficiaries on an annual basis	12	29 Charitable societies in various regions in the Kingdom	Families in need – 1,500 family members benefited
Visiting King Fahad Hospital	23	Namaa Association	100 Patients benefited
Visiting Hisham Attar Center for Dialysis	15	Hisham Attar Center	50 Kidney failure patients benefited
Visiting Neda Al Amal Rehabilitation Center	39	Neda Al Amal Rehab Center	100 Mental disability patients benefited
Delivering educational workshops	7	Dallah Academy for Volunteering	200 People benefited (students, specialists and enthusiasts)

Leave the Change for Them

This charitable initiative operated by Panda encourages shoppers to donate the small change from their purchases at retail outlets to those in need. The funds collected are divided and allocated to a number of different charities across the Kingdom.

Negaderha

Savola's flagship food waste management and reduction program, Negaderha, aims to encourage and instill sustainable practices in households and the HORECA (hotels, restaurants and cafés) sector, reducing waste to strengthen the Kingdom's food security.

Negaderha app

2020 saw the launch of the Negaderha mobile application for smartphones, expanding the program's reach and offering users a suite of new tools and tips. The new application encourages waste-conscious grocery shopping, provides advice on food storage and meal planning, suggests recipes that turn leftovers into delicious new dishes, and offers a portion planner calculator so that users can reduce excess purchases.

A complementary initiative, still under development, will target 6–10 year-olds with the aim of cultivating a food-waste-aware culture among the Kingdom's young people.

Raising awareness

Driving sustainable behavioral change to optimize the use of food resources in the Kingdom remains the ultimate goal of the Negaderha program. This role in promoting food security took on new significance with the onset of the pandemic. Negaderha produced a series of awareness-raising videos for social media about consumer and food security in the context of the supply disruptions caused by COVID-19, covering the full consumption cycle and featuring tips for shopping, food sanitizing, storage, and cooking.

Reducing food waste during G20 workshops

In October 2020, Savola participated in a regional workshop on reducing food waste organized by the Saudi Ministry of Environment, Water and Agriculture in cooperation with Germany's Thünen Institute. Savola World presented a paper at the workshop, which was convened as part of Saudi Arabia's presidency of the G20 Summit, showcasing "Strategies for Food Waste Reduction at Household Level", and sharing its experience from the Negaderha program. The key recommendations of the workshop were to emphasize international cooperation to reduce food waste and lessen the impacts of COVID-19 on global food security.

Negaderha program partners

The Negaderha program collaborates with several local and international organizations in order to achieve its goals and deliver impact, including:



United Nations Environment Program (UNEP)

Savola Group has signed an 18-month partnership with the United Nations Environment Program (UNEP) to leverage their global scope of work and technical expertise. In return, we seek to contribute to provide strategic support and lead the transformation in addressing the excess food waste in the Kingdom of Saudi Arabia through the comprehensive "Prevention and Reduction of Food Waste" Program.



Waste & Resource Administration Program (WRAP)

Savola Group has partnered with Waste and Resource Administration Program (WRAP) to obtain a license to leverage their expertise that includes strategic guidelines, business models, and several specific tools and tips. Through this license, we can utilize the intellectual property of WRAP to enrich our own program.



Saudi Grains Organization (SAGO)

Saudi Grains Organization (SAGO) and Savola Group signed a memorandum of understanding, the first of its kind between the government and the private sectors in the Kingdom, during the launch of the Food Waste and Loss Index in the Kingdom.



Saudi Food Bank (Ita'am)

The Saudi Food Bank (Ita'am) collaborates with Savola to expand their outreach by targeting the hotel, restaurant and cafe sector (HORECA). Through its collaboration with Ita'am, the Foundation aims to bring behavioral change, raise awareness and empower business owners and employees in the hotel, restaurant and cafe sector (HORECA), through technical and practical advice and steps, to reduce food waste that may appear at any stage of the food consumption cycle.

Supporting the Community in 2021

Savola Group and employees across our operations and footprint will continue to dedicate time and funds to support the people of the Kingdom in facing the negative fallout of the COVID-19 pandemic, as well as delivering on our commitments to the nation through various community projects and initiatives.

Specific plans for 2021 include the establishment of new volunteering partnerships, paving the way for greater engagement by our employees in delivering charitable support personally to those in need across the Kingdom once it is again safe to do so.

Meanwhile, our Negaderha program will see new projects and enhancements in 2021, including a high-impact communications campaign during Ramadan, focusing on the portion planning and meal planning; the launch of new household training materials for adults and info-animations for children; and new initiatives to further engage the HORECA sector in the context of food waste prevention, ensuring generations to come can enjoy a secure and healthy supply of food.



Our People



Our People

Savola's inclusive business culture provides an environment in which our talented and diverse workforce can thrive. We deeply appreciate our employees' commitment to Savola's vision and principles, and recognize that our success would not have been possible without their hard work and dedication.

A Unique Corporate Culture

We employ more than 24,000 people, representing over 40 different nationalities. They are the engine of our business success, the front line of our customer experience, and the drivers behind the realization of our vision. As they flourish, so does Savola, and we strive to maintain a positive, balanced and fair working environment in which they can do so, backed by sound governance.

We also encourage professional development, creativity and innovation through our inclusive business culture, wherein every voice is heard, equal opportunities are the norm, and everyone receives the same benefits and compensation for the same type of work. All of our companies operate according to the same values and offer development opportunities for employees through tailor-made initiatives that reflect global best practices.

Among Top 20 Great Places To Work® in KSA

7% increase in female workforce

Employee retention rate increased to 91%

Savola Group has a diverse and dedicated workforce

People

24,331

Nationalities

40+

Saudi Employees

6,893

People with Disabilities

301

Employee Breakdown

	2020		2019		2018		2017		2016	
	Full-time equivalent (FTE)	Contractor	Full-time equivalent (FTE)	Contractor	Full-time equivalent (FTE)	Contractor	Full-time equivalent (FTE)	Contractor	Full-time equivalent (FTE)	Contractor
HQ	52	2	52	2	53	1	46	-	48	-
AFIA	425	286	477	300	510	35	491	387	474	455
Panda	17,827	1,231	18,246	866	19,888	1,138	22,628	1,354	24,591	1,438
USC	421	499	427	547	427	534	410	550	380	56
IFI	58	21	58	21	55	52	-	-	-	-
Total	18,406	2,039	19,260	1,736	20,933	1,760	23,575	2,291	25,493	1,949

Employees by Gender (Full-time equivalent - FTE)

Savola HQ

<30 : 4
30-50 : 28
>50 : 11
Total : 43

<30 : 2
30-50 : 7
>50 : 0
Total : 9

Panda

<30 : 5,165
30-50 : 10,545
>50 : 878
Total : 16,588

<30 : 460
30-50 : 725
>50 : 54
Total : 1,239

USC

<30 : 90
30-50 : 263
>50 : 65
Total : 418

<30 : 4
30-50 : 2
>50 : 0
Total : 6

AFIA

<30 : 68
30-50 : 260
>50 : 81
Total : 409

<30 : 10
30-50 : 6
>50 : 0
Total : 16

IFI

<30 : 3
30-50 : 48
>50 : 10
Total : 58

<30 : 0
30-50 : 0
>50 : 0
Total : 0

50

51

Savola Group becoming an Employer of Choice

Savola aims to be recognized as the undisputed employer of choice in the food and retail industry in Saudi Arabia and across the region. To this end, we seek to accurately gauge and improve employee satisfaction and engagement through multiple initiatives and programs.

In 2016, we developed our 'Tawer' survey to measure employee engagement within the Group, providing a platform for our people to air their views and share any concerns with Savola's HR and senior management.

After being named among the top 20 places to work in the Kingdom's private sector in 2019 by the Great Place to Work® award, we continued to deliver a range of employee engagement activities in 2020 to build upon our 78% engagement score.

We have also launched "Align" program – a new long-term incentive program that offers an extensive range of inducements to reward top executives for achieving the Group's strategic objectives and retain key talent in mission critical roles.

To ensure our exceptional employee value proposition throughout the crisis, we reaffirmed our position as a competitive employer of choice in the region's food and retail industry, with a rising retention rate that reached 91% in 2020, up from 89% in 2019.

Employee benefits

Savola's attractive employee value proposition is a key enabler of our high retention rate and offers an extensive range of benefits that ensures our people are recognized and rewarded for their hard work. These include:

- Basic salary
- Housing allowance
- Transportation allowance
- Medical insurance
- Annual salary increase cycle
- Annual performance bonus
- Bi-annual performance and career development reviews of our entire workforce
- Children's education allowance
- Annual air tickets for Saudi employees
- 30 days paid leave
- Free-of-charge in house childcare
- Free car parking
- Discounted corporate rates

Access to Savola Canteen

As part of our benefits scheme, we offer access to the Savola canteen, where we ensure that healthy, high-quality food is served to more than 1,000 employees.

Supporting our People in Need

Savola continued providing its employees with a range of unique benefits, such as a home loan scheme to our Saudi employees, Takaful insurance to provide support to employees' families in the event of death or disability of an employee, and a Tawoon fund, which was established to help our junior staff in times of financial emergency.

Reflecting our deep commitment to these programs, which have been running since 2013, Mr. Sulaiman Abdulkadir Al Muhaidib, the Chairman of the Board of Directors, donated his annual Board remuneration, attendance allowance and expenses allowance for the fiscal year 2020 – a total of SAR 230,435 – to support the Group's Tawoon fund.

Promoting Employee Well-being

Central to our success as a company is our commitment to maintaining a happy, healthy workforce. This means achieving a suitable work-life balance, which is essential to both productivity and employee satisfaction. Our operating companies therefore implement a host of initiatives to make sure our diverse workforce is both content and engaged in the workplace.

Achieving a healthy work-life balance in 2020

IFI

- Monthly gift bag with Afia products
- Ramadan gift baskets
- Eid Al-Fitr breakfast box and sweets
- Daily canteen lunch
- Transportation to Al-Balad (Old Jeddah)
- Improved accommodation facilities

USC

- Monthly weight loss competition
- Flu vaccination campaign
- In-house health services (hearing test, diabetes and blood pressure, dental checkup)
- Fitness center
- Al-Baik meal
- Annual Ramadan iftar
- Eid lunch
- FIFA tournaments

AFIA

- Recreation hall
- Fitness center
- Reward scheme
- Social activities, family fun and kids' day

Employee Engagement at Panda

Despite the COVID-19 outbreak in 2020, Panda provided numerous opportunities for employees to share authentic moments and experience Panda's culture. Through a wealth of engagement activities, Panda sought to create value for its employees, promote its brand and culture, maintain a healthy, safe, and positive work environment, increase employee productivity, engagement, and motivation. Throughout the pandemic, key staff activities and initiatives focused on well-being, employee motivation and engagement to ensure that we continued to deliver on our commitment to serving our customers at a time they needed us the most. Among the initiatives were the following:

- Application of Panda Measures to Prevent Spread of COVID-19
- Working from Home Tips
- Back to Office Protocols
- Front liners appreciation campaign
- Thank You Campaign for Panda Heroes during the outbreak

- Panda Caravan
- KSA National Day
- Breast Cancer Campaign
- (Movember) Prostate Cancer Campaign
- Panda Biggest Loser Challenge (Sport Activity during the outbreak)
- Health Day
- Mother's Day
- Women's International Day
- Father's Day
- Back to School
- Eid Celebration
- Hajj Eid Observation
- International Workers' Day
- National Days Greetings for employees of different nationalities
- Imtiyazat Panda Application Campaign (Employee Discount Program in app made available for the employees to benefit from discounts obtained from hundreds of well-known brands across KSA)

Panda Internal Communication and Collaboration Platforms

Panda

Internal Communication and Collaboration platforms

FOCUS

Communication and Task Management Tool

FALCON

Employee Self Service Portal

MYTRACKER

Employee Performance Management System Platform for Policies and Procedures

SPEAKUP

Reporting Unethical Behavior and Misconduct

ASK CEO

Direct Communication with the CEO

MY SERVICES

IT Service Management System

MS TEAMS

The Platform to host Panda Employee App

Panda Code of Conduct

Dedicated landing page for the Company's Code of Conduct



Delivering Training and Development

We have been investing in the people of the Kingdom for more than 40 years, expanding the skills and capabilities of our people by providing training and professional development programs to help our employees reach their full potential. This comprehensive offering is tailored to individual profiles and roles throughout Savola via our operating companies.

Despite the challenges posed by the COVID-19 pandemic, we were able to deliver the majority of our planned training activities in 2020 through online delivery platforms. This included our collaboration with INSEAD to develop high-potential future managers through the Developing Emerging Leaders Program.

SFC delivered the second round of its Iqtedaa Executive Leadership Program in 2020, in partnership with McKinsey & Co., benefitting 30 participants at Director and Executive Director levels, and succeeded in holding various other professional development and capability building activities throughout the year.

At AFIA, employee performance and career development reviews take place twice each year, while USC performs an annual training needs analysis assessment linked to the Savola competency model and then builds a training plan based on individual employee needs and gaps.

In 2021, we will continue to maximize the skills of our talented workforce, equipping them to meet 21st century challenges by developing tailor-made training programs and investing in modern delivery approaches.

	2020		2019	
	Total Training Hours	Total workforce	Total Training Hours	Total workforce
HQ	523	54	552	54
AFIA	2,172	425	9,500	477
Panda	84,284	17,450	125,023	18,246
USC	3,705	974	4,234	428
IFI	424	58	527	58
Total	91,108	1,032	139,836	19,263



Ensuring Health and Safety

At Savola, we know how important it is to provide a safe and secure workplace for our dedicated employees. This starts with a culture that enshrines occupational health and safety best practices across all our activities, helping our employees to stay safe at all times.

As a fundamental pillar of our organizational systems and business approach, the Health and Safety (H&S) Committees within each of our operating companies are entrusted with keeping injury, disease and absenteeism to an absolute minimum, and making sure that every work environment is hazard-free.

Protecting our People amid the Pandemic

Our rapid COVID-19 response measures ensured our people remained safe throughout 2020 in the face of the pandemic. Savola's precautionary planning was built on information provided by the Ministry of Health and other concerned authorities.

The immediate priority was to guide the transition to remote working whilst launching complementary awareness activities to keep our people informed and educate them on how best to protect themselves and others.

At the outset of the pandemic, we formed a Crisis Committee to oversee our response and ensure full compliance across our many stores, sites and facilities, while maintaining the efficiency, flexibility and adaptability of our operations and service delivery capabilities.

Isolation rooms were established within employee residential compounds and all frontline employees were immediately issued with personal protective equipment and materials to reduce the threat of infection.

To thank them for their care and dedication amid these difficult working conditions, all of our frontline staff received a special additional allowance during the height of the crisis.

Clinics

Savola runs a dedicated clinic at our HQ, where employees can ask a trained health practitioner for medical advice and can find over-the-counter medicines, while the USC clinic is available 24/7 and provides medicine for common diseases, a quarterly healthcare program as well as weekly random checkups.

IFI

The clinic is available and provides medicine for common diseases, a quarterly healthcare program as well as weekly random checkups so that the company monitors employees' health and takes any necessary action.

Panda
 Training participants: 15,564
 Men: 14,588
 Women: 976
 Management: 5.15% (801 employees)
 Non-Management: 94.85% (14,763 employees)

USC
 Training participants: 402
 Men: 401
 Women: 1
 Management: 14.2%
 Non-Management: 85.8%

AFIA
 Training participants: 842
 Men: 800
 Women: 42

IFI
 Training participants: 150
 Men: 150
 Women: 0

HQ
 Training participants: 13
 Men: 8
 Women: 5
 Management: 8%
 Non-management: 92%

Key Training Programs across the Group

USC

- Risk assessment
- Focus improvement
- Packing and mechanical seals
- Autonomous maintenance
- Food safety principles
- Introduction to centrifugal pumps
- ISO 45001
- Packing technology
- Condition monitoring and reliability
- Advanced sugar refining
- QMS lead auditor
- Advanced training for sealing devices
- Basic motor and industrial control

IFI

- Personal hygiene and GMP
- First aid training program
- Pest control management training
- CCP (Metal Detector Verification)
- Food allergen management
- Labeling and pack control
- Food safety culture
- Site security procedures and food defense
- Procedure for handling glass breakages
- Cleaning tools color codes
- HACCP food safety team training
- British Retail Consortium (BRC) global standard for food safety
- ISO 14001, ISO 22000 and internal auditing

Performance Management System at Panda

Performance Management System is based on tools that measure technical and behavioral competencies and on performance indicators dictated by functional/departmental objectives according to the overall company objectives and strategy.

The performance indicators and objectives are set at the beginning of the year. At the end of the year employees and their line manager perform an indicators and objectives appraisal. The outcome of the appraisal reveals the individual's development plans and career progression decisions.

Performance and Career Development Panda

Employees completed performance and career development review: 16,262
 Men: 15,511 (97%)
 Women: 751 (88%)
 Management: 1,466
 Non-Management: 14,796

AFIA

All 425 employees completed performance and career development review: 100%

HQ

All 54 employees completed performance and career development review, including the Group CEO: 100%

AFIA 2024 H&S Vision

AFIA launched its inspirational journey to achieve HSE operational excellence by 2024 through a broad and expanding health and safety program, including:

- A strong HSE standard system targeting ZERO harm and ill health;
- ISO 45001 and OHSAS 18001 certifications;
- Toolbox talks;
- 100% employee coverage;
- Safety leaders and coordinators;
- Risk assessment and accident/incident investigations; and
- Regular training and system updates.

Overall Training on Health and Safety issues

	Participants	Total training hours	Topic
Panda	16	80	- Workplace, Food Safety & Hygiene
AFIA	842	319.08	- Safety induction - Forklift safely drive - Firefighting - Fire extinguishers - Chemical - Visitors - COVID-19 - Lockout tagout - Safety training WH
USC	1,306	881	- Safety induction - Forklift safely drive - Risk assessment - HSE Awareness - Safety training WH
IFI	66	16	- HSE Induction - Forklift safety - Emergency preparedness and response plan - Risk assessment - Incident Investigation
HQ	12	60	- Fire and evacuation training
Total	2,242	1,336.08	

Looking Forward

We will continue to build on our successful record in 2021 to establish a constantly improving workplace safety culture by increasing awareness, providing training and implementing world-class HSE management and risk reporting systems.

Driving Diversity and Inclusion

Savola aims to set the regional standard for sustainable performance. A vital aspect of this is the diversity and inclusivity of our working environment, which is assured by our robust HR and governance frameworks, and our goal to make each one of our stakeholders proud to be associated with Savola.

Equality has been at the heart of our culture since Savola's establishment, and we are proud to be aligned with national and international initiatives that reflect our own ideals, such as Saudi Vision 2030 and the UN Sustainable Development Goals.

Savola Group therefore welcomes people of all races, ethnic origins, religions and creeds, regardless of gender, age or ability, and continuously strives to create equal opportunities for all.



Equality, Diversity and Inclusion at Panda

Panda continued throughout 2020 to embed equality in the workplace by:

- Increasing equal hiring opportunities, with an emphasis on women (1,248) and people with disabilities (322).
- Increasing women in senior positions in 2020 to 44 women. Nine of them were hired for senior positions during 2020.
- Investing in recruitment process to encourage applications from diverse candidates with different educational and cultural backgrounds to enrich our workforce, which represents 46 nationalities.
- Promoting culture of diversity by undertaking activities that encourage greater understanding of differences (e.g. celebrating different national holidays):
 - National days for employees from 46 nationalities
 - Breast Cancer Campaign
 - Prostate Cancer Campaign (Movember)
 - Panda Biggest Loser Challenge (Sport Activity during the pandemic)
 - Health Day
 - Mother's Day
 - International Women's Day
 - Father's Day
 - Back to School
 - Eid Celebration
 - Hajj Eid Observation
 - International Workers' Day
- Panda Retail Company continues to partner with the Ministry of Human Resources and Social Development to nationalize positions and empower nationals to assume roles that enhance their abilities and equip them with competencies and knowledge. In 2020, Panda maintained the level of nationalization in its Green Zone by increasing the proportion of nationals in the workforce.

Saudization

We are a national champion when it comes to hiring and training Saudi nationals. Reflecting on our commitment to realizing the Saudization objectives of Vision 2030, we maintained our Platinum Zone Nitaqat rating at our HQ and SFC in 2020, while Panda continues to make significant strides forward, achieving the Green Zone rating in 2020.

We employed a total of 6,893 Saudi citizens across HQ, SFC and Panda at end-2020, accounting for 37% of our workforce and representing a significant increase of 21% over 2019.

Number of Employees

	2020		2019		2018		2017	
	Total workforce	Saudization	Total workforce	Saudization	Total workforce	Saudization	Total workforce	Saudization
HQ	54	72.2%	54	72.2%	53	67.3%	46	71%
AFIA	425	54%	477	51%	510	52%	491	47%
Panda	17,450	36%	18,246	36%	19,888	44.8%	22,628	39%
USC	974	51%	428	51.34	427	50%	410	44%
IFI	58	31%	58	26%	55	25%	-	-

Female Inclusion

Savola continues to pursue greater gender equality, as per Goal 5 of the Sustainable Development Goals. By supporting and empowering women – and Saudi women in particular – we hope to make a meaningful contribution to our society in accordance with national priorities and the objectives of Saudi Vision 2030. For this reason, Savola Group is widely recognized in the Kingdom as a pioneer in female inclusion and empowerment.



Female Panda employees

2020	1,239	2019	1,207
2018	768	2017	774



Looking Forward

In 2021, Savola will remain focused on safeguarding the health and well-being of our people and building our reputation as an employer of choice in the food and retail industry across the Kingdom of Saudi Arabia and throughout the MENA region. We will continue to focus on the pillars that have been designed to provide our people with a uniquely rewarding culture and working experience, by enhancing engagement, furthering work-life balance, and delivering high-impact initiatives as part of our Culture Improvement Program to accentuate the shared values, attitudes, standards and beliefs that our people embody and live by.



Environment



Environment

When it comes to the environment, we take our responsibilities seriously. We know that our activities affect the world around us. That is why Savola strives to embed a culture of environmental sustainability and stewardship across our operations to reduce the impacts of our business and safeguard the health and biodiversity of the Earth for future generations.

USC reduced water consumption by

13 liters

per ton of sugar produced

USC completed the installation and commissioning of a new

5,000 m²

evaporator

Energy savings in

20%

of stores due to the installation of LED lights and Smart Thermostats for air conditioning control

Panda updates:

- Installed LED lights in stores that will save around SAR 15,000 annually per store. Implementation is complete in 20% of stores
- Partnered with Energy Solution Est. to install Smart Thermostats for air conditioning control and energy saving. The initiative is estimated to save around SAR 80,000 annually per store (8% of electricity bill). Implementation is complete in 20% of stores
- Initiated Stores Lighting Scheduling Optimization that saves around SAR 30,000 annually per store (3% of electricity bill). Implementation is complete in 85% of stores

Planned initiatives for 2021 additional to 2020's progress are as follows:

- Install Solar Panels to generate power with expected saving of 7% on bills
- Install Smart Sensors for Refrigeration systems to control and save energy.



Energy

Energy awareness is central to this approach. We therefore measure, report and benchmark our energy efficiency performance against international principles and standards. By applying this data to identify areas where we can drive down our energy consumption and related emissions, we not only make our business more economically sustainable, but also contribute to international efforts to limit global climate change.

By reducing our consumption, whilst also adopting cleaner and more efficient energy sources and technologies, we are also fulfilling our commitments to our stakeholders by contributing to Savola's long-term success.

Company	Energy source	2020	2019	2018	Initiatives
USC	Fuel (in Kg per ton of refined sugar output [TRSO])	68	64.3	72.6	Installation of 5,000 m ² new evaporator and adjustment of operation mode
	Electricity (kWh/TRSO)	74	73.6	76.5	
	Steam (T/TRSO)	0.89	0.89	0.99	
AFIA	Fuel (liters)	1,012,586			Replacement of diesel forklifts with electric forklifts
Panda	Electricity (kWh)		-	-	Replacement of in-store fluorescent lighting with LED – completed installation in 20% of stores. Energy Saving through installation of Smart Thermostats for air-conditioning control and energy saving – completed installation in 20% of stores.

In 2021, planned initiatives for Panda include the installation of Solar Panels to generate power, with expected savings of 7% on the electricity bill, and the installation of Smart Sensors for the refrigeration system to control and save energy.

Our Consumption

Fuel consumption

Company	Fuel type (liters)	Consumption per metric ton 2020	2020	Consumption per metric ton 2019	2019	Consumption per metric ton 2018	2018
Afia	Diesel	26.81	10,068,568	28.40	10,607,048	28.58	11,619,634
USC	Diesel	2.04	2,476,843	2.1	2,690,585	2.1	2,383,215
	Light Arabian Crude	75.7	91,691,293	75.6	96,006,990	85.4	96,930,743
IFI	Diesel	91	3,616,000**	96	3,152,000	134	2,696,000

Energy consumption

Company	Type	Consumption per metric ton 2020	2020	Consumption per metric ton 2019	2019	Consumption per metric ton 2018	2018
HQ	Electricity (kWh)	-	2,091,886	-	2,204,435*	-	2,331,926*
AFIA	Electricity (kWh)	154.85	56,967,000	139.09	55,048,260	109.76	50,328,480
	Steam (MT)	0.26	95,894	0.25	100,243	0.23	99,715
USC**	Electricity (kWh)	74.1	89,688,343	73.4	93,178,000	76	86,249,669
IFI	Electricity (kWh)	336	13,247,994	442	13,713,572	430	8,661,375
	Steam (MT)	1.01	39,200**	1.12	34,434	0.98	18,500

* Inclusive of the entire Savola tower, which consists of 15 floors, as well as Panda HQ

** Increase arises from the increase in the Production plan, but overall there is a reduction in the consumption

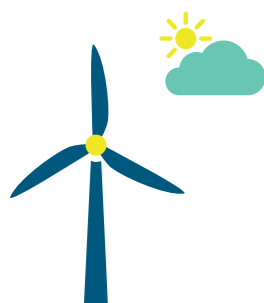
Reducing Consumption

In 2020, USC completed the installation and commissioning of a new 5,000 m² evaporator and started operating the evaporation station in triple effect mode rather than double effect mode. This initiative aims to reduce fuel consumption from 3,500 MJ/TRSO to 2,800 MJ/TRSO. So far, we have achieved energy consumption of 2,961 MJ/TRSO while our goal is to reduce our energy consumption to 2,523 MJ/TRSO.

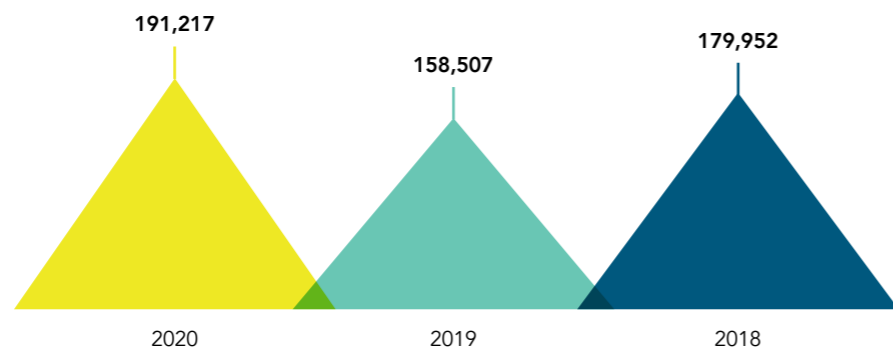
In 2020, AFIA undertook the below initiatives to reduce consumption:

- Installed timers in AFIA offices to switch off the air conditioning at night
- Replaced halogen globes with LED globes in all streetlights
- Replaced R22 Gas with 410 A Gas. Due to the nature of R410a properties, which is a HFC (hydrofluorocarbons) refrigerant, it does not have any ozone depletion potential (Zero ODP) and thus introduced as a greener choice for R22
- Reduce maintenance cost of lights and air conditioners

In 2021, AFIA aims to replace all the lighting in the component factory.



USC GHG emissions scope 1 (tCO2e)



IFI GHG Emissions	Mean values for Jeddah facility (mg/Nm ³)	GAMEP limits
NO	-	-
NO ₂	-	-
NO _x	71.8	500
SO ₂	17.3	600
CO	0	-
CO ₂	-	-
O ₂	5.44	-

Panda fleet	2020		2019	
	Owned	Leased	Owned	Leased
Employee buses	40	155	125	141
Trade movement trucks owned	651	0	Distance travelled: approx. 50 million kilometers	

Water Consumption

As a business that largely operates in water-scarce regions, Savola is keenly aware of the importance of responsible water use. We are therefore highly committed to embedding sustainable water consumption and waste management practices in our operations, in keeping with our own environmental targets as well as the goals of Saudi Vision 2030.

Water is integral to food production processes and is therefore of significant strategic importance to the operation of our business. Consequently, we carefully monitor our consumption with a view to implementing more sustainable practices and patterns of use throughout our production processes and retail operations.

In 2019, Afia installed mass flowmeters in each water supply line to monitor consumption of water for each area. The corresponding consumption reports are monitored regularly to control high water consumption, so that adjustments and improvements can be made. In 2020, AFIA installed float switches and control valves for more efficient management of water.

In 2020, water consumption by USC improved slightly from 444 liters of water per ton of sugar produced to 431 liters, owing to a combination of waste prevention actions. These included domestic (non-industrial) water consumption controls such as the

deployment of motion-sensor activated water taps across the plant – saving around 1,900 m³; and recovery of multi-effect evaporator condensate for use as boiler feed water, saving around 14,500 m³ of water/year, providing a combined saving of 16,400 m³ in 2020.

Whilst design problems delayed the planned commissioning of USC's reverse osmosis unit, constructed in 2019, the Company is collaborating with its partner, Veolia, to resolve the issue and achieve plant operation, significantly enhancing our water use efficiency.

Water consumption (m³)

	Consumption per metric ton 2020	2020	Consumption per metric ton 2019	2019	Consumption per metric ton 2018	2018	Consumption per metric ton 2017	2017
HQ	-	7,236*	-	6,576*	-	6,735*	-	323,187
Afia	0.76	249,255	0.79	294,058	0.69	283,272	0.73	323,187
USC	0.43	521,669	0.44	563,500	0.44	499,000	0.50	565,000
IFI	1.78	70,783	1.91	61,061	2.16	43,567	3.43	25,275

*Inclusive of the entire Savola tower, which comprises 15 floors and Panda's corporate HQ.

Total volume of water discharged (m³)

	Consumption per metric ton 2020	2020	Consumption per metric ton 2019	2019	Consumption per metric ton 2018	2018
AFIA	0.38	146,212	0.35	142,027	0.25	110,448
USC	0.14	168,000	0.14	171,696	0.16	184,296
IFI	1.02	40,149	1.16	36,054	1.05	20,662



Our 2021 Targets

We will continue to seek further energy efficiency in 2021 to reduce consumption and associated GHG emissions, using our detailed monitoring frameworks to identify opportunities for improvement across our business through targeted energy saving initiatives.



Enhancing Water Conservation in 2021

Our efforts to ensure the most efficient use of water resources across Savola's operations will continue in 2021, as we roll out further initiatives to deliver more sustainable resource monitoring and water saving. These include a plan to rely on a single desalination unit. To this end, we aim to reduce water consumption from 1,200 m³/day to 900 m³/day by utilizing excess water from refinery cleaning activities rather than clean desalinated water and mitigating the projected increase in water consumption due to the operation of our flue gas desulfurization system by using excess water and effluent treated water instead of fresh desalinated water.



Waste Management

Savola is committed to achieving sustainable, environmentally conscious patterns of resource usage that minimize waste and its negative effects on our natural surroundings. In alignment with the objectives of Saudi Vision 2030, we seek to design and implement effective resource management initiatives in all areas of our business to reduce waste and maximize resource efficiency.

These resource reduction, reuse and recycling measures include ongoing efforts by USC to use 'carbocake' (waste calcium carbonate) to initiate a reaction that captures harmful sulfur dioxide emissions to form gypsum, which can then be collected and sold to construction factories and cement producers.

Beyond our internal programs, our Negaderha food waste management and reduction program continued to encourage more sustainable practices across the Kingdom, targeting both households and the HORECA (hotel, restaurant and cafe) sector.

Waste Management in 2021

Savola will build upon our successes around resource rationalization and saving in 2021 to further increase efficiencies and drive down waste, whilst also encouraging more sustainable practices through our Negaderha program as we raise awareness among households and the HORECA sector of the urgent need to curtail food waste in Saudi Arabia.

Waste (MT)

	2020	2019	2018	2017
HQ	82	140	135	25,662
Afia	254,984	242,892	139,158	126,413
USC	22,573	21,614	21,006	20,300
IFI	40,159	36,307	24,242	7,627

USC Waste (MT) 2020



Sector



Sector

Savola Group is on a journey of continuous improvement, as we leverage our strength and influence in the food and retail sectors, as well as the talent and capabilities throughout our organization, to bring about positive change for our consumers and society.

75%
of IFI's products are trans-fat free

300+
private label food and non-food products in Panda

As a proactive and socially responsible corporate citizen, Savola Group seeks to use our unrivalled position in our operating sectors to benefit society by delivering on our sustainability commitments across all business initiatives and practices.

The impact of these activities illustrate the extent of our employees' dedication, not only in maintaining exceptional service standards, but also by acting every day for the good of society and the nation, bringing about positive change in the community for the benefit of current and future generations.



Certifications, Memberships and Associations

Our operating companies fully adhere to the guidelines set by the Saudi Arabia Standards Organization and holds a variety of other national and international certifications in a broad range of areas, from workplace safety and hazard analysis to environmental management and lab testing.

Standards and Scope	Company	Standards and Scope	Company
ISO 14001 / ISO 45001 Occupational Health and Safety	• USC • AFIA	Hazard Analysis and Critical Control Points (HACCP)	• AFIA
ISO 17025 Testing Laboratories - Lab Accreditation	• USC	Saudi Standards, Metrology and Quality Organization (SASO)	• AFIA • IFI
ISO 9001 Quality Management	• USC • AFIA	Halal	• Panda • IFI • AFIA
ISO 22000 Food Safety Management	• USC • AFIA • Panda • IFI	AIB International Consolidated Standards for Prerequisite and Food Safety Programs	• IFI
ISO 22301 Societal Security - Business Continuity Management	• USC	Roundtable Sustainable Palm Oil (RSPO)	• IFI
ISO 14001 Environmental Management	• USC • AFIA	Mowaamah*	• Savola Group • Panda • AFIA • USC
ISO 55000 Asset Management	• AFIA		
British Retail Consortium (BRC) Global Standard for Food Safety	• USC • IFI • Panda		

*New in 2020

Furthermore, we maintain an extensive network of associations and relationship with industry bodies, charitable and special interest entities, and standards organizations. Savola Group is a founding member of the Qaderoon Business Disability Network and the first Saudi company to become a member of the International Labor Organization (ILO) Global Business and Disability Network. We hold a gold category Mowaamah certificate that recognizes Savola as a suitable working environment for people with disabilities.

Savola Group

Ministry of Labor: labor law charters and principles
Jeddah Chamber of Commerce & Industry

AFIA	Panda	IFI
<ul style="list-style-type: none"> • Business Disability Network (Qaderoon) • Arab Center for Nutrition (ACNU) • American Oil Chemists Society (AOCS) • Chamber of Commerce • Gulf Petrochemical and Chemical Association (GPCA) 	<ul style="list-style-type: none"> • Ministry of Labor: labor law charters and principles • Disabled Children's Association • Jeddah Chamber of Commerce & Industry • Advisory Council on the Development of the Human Resources Development Fund 	<ul style="list-style-type: none"> • International Financial Reporting Standards (IFRS) • Saudi Food & Drug Authority (SFDA) • The General Authority of Meteorology and Environmental Protection (PME) • MODON (The Saudi Authority for Industrial Cities and Technology Zones)

Customer Satisfaction

Our internal systems and processes ensure that our products and services meet the very highest international quality standards and, above all, deliver on the expectations of our customers in terms of quality and cost.

Customer-centricity is a key driver of our success as a company, and we place great emphasis on ensuring complete satisfaction for all our customers – be it in terms of their shopping experience, the standard of the service they receive or the quality of the products they purchase.

This approach is embedded in our strategy and within the ethos of our brands. As one of the leading players in grocery retail in the Kingdom, Panda continued to deliver against consumer expectations.



Panda Achievements

Panda was ranked as one of the Most Supportive Brands during the COVID-19 outbreak in Saudi Arabia, based on a survey conducted by IPSOS, a global leader in market research. The survey measured consumers' perceptions towards leading national brands in Saudi Arabia in terms of their influence on communities during COVID-19 and their impact on people's lives.

Panda product availability

increase of

4%

(from 91% in 2019 to 95% in 2020)

Complaints Management 2019

Source	Complaints received (number)	Complaints responded (%)
IFI	Email	8 100%
Panda	Call center, website and social media	14,623 99%

Store Inventory Management System (SIM)

Store Inventory Management (SIM) is one of Panda's key digital transformation projects. The system is a comprehensive software with inventory management features that will help Panda control and track stock and items flow, making store operations more efficient.

Achievements

10 weeks

to deliver full roll out of SIM 16 in 201 stores

8,417 employees

trained with SIM 16

2,063 CCO team members

participated in awareness sessions

6,354 store team members

received training from key users

15 December

for completion of the project, two weeks ahead of schedule

New Store Checkout Planogram and Fixtures

Consistent with Panda's program to enhance our store environment and product display, creating a value for our customers and positively impacting their shopping experience, Panda recently revamped the display of the front-end and checkout areas by implementing a new planogram and fixtures that have collections of small and easy-to-grab products for customers on their way out.

The new planogram and the fixtures were successfully implemented in some of the stores across the Kingdom during the fourth quarter of 2020.

Region	Number of Stores
North Riyadh	5
South Riyadh	7
Eastern	7
South	2
West	10
Total	31

Outof Panda Project (Four Seasons Project)

The Four Seasons Project, also known as Outof Panda, is one of the strategic turnaround initiatives in Panda. It is part of a larger strategic program aiming to build Panda's store of the future. It will consist of well-displayed departments that customers tend to visit regularly for their fresh food essentials available in top-of-the-line assortments that enable the community not only to get the best products but also to follow a healthier lifestyle.

The project, to be rolled out in a number of stores in the Kingdom, has proved to be a resounding success at Sari Hypermarket in Jeddah. The latest remodeling concepts focus on visually appealing displays and merchandizing products utilizing state-of-the-art light solutions and display techniques.

The Outof Panda project aims to improve the presentation of fresh foods, through a range of solutions and outstanding concepts to drive distinction, inspire customers and enhance their shopping experience in Panda stores. It provides customers with a selection of fresh local and imported foods, offering them fantastic categories of their choice and preference. Furthermore, the new fresh remodeled departments are expected to drive basket size and allow Panda to gain a further competitive advantage.

Bakers Development Training

As part of Panda's ongoing commitment to developing the skills of its personnel and ensuring the bakers are constantly well prepared and trained to support the Panda Fresh Program, the Operations and Human Resources Divisions initiated, in December, an ambitious training program to upskill around 800 bakery employees, at both theory and practical levels.

The training program targets Bakers, Assistant Bakers and Bakery Supervisors in all regions across the Kingdom. At its pilot phase, the program was successfully implemented in two stores in the Western Region. It will be rolled out gradually in other regions up to its completion by March 2021. The theoretical part of the training aims to educate the bakers about a collection of standard operating procedures that illustrate the baking steps and the delivery of quality service by following visual instructions, precision and accuracy, efficiency, and problem-solving. On a practical level, the bakers are shown the various baking methods and practice them to prepare a wide variety of freshly baked products for customers throughout the day.

The two-week program, held in full alignment with the regional and store leadership teams, is implemented in two shifts on the field by Panda trainers and supervised by a professional pastry chef to allow trainees to showcase the standards, implement production planning, and get live reactions from customers. In addition to the bakery-specific skills, the training helps employees to develop Good Manufacturing Practices (GMP) and demonstrate appropriate work behavior as well as attitude.

DSD to DC Conversion Project

Panda's LIFT Program began three years ago and since then Panda stores have seen a great deal of improvement in shelf availability. One of the key pillars in the LIFT Program is the DSD to DC Conversion Project. The project includes enabling suppliers to convert supplies meant to be delivered to the stores to be redirected to the distribution centers in a way that correlates the needs of supplies in the stores and ensures a sufficient stock of SKUs. Moreover, the project is also essential to the improvement of on-shelf-availability and effective planogram implementation, and as a result enhancing the customers' shopping experience in Panda stores. In addition, the centralized deliveries help optimize the supply chain cost for Panda's suppliers and improve, in parallel, Panda's supply chain efficiencies.

The project was re-launched in January 2019 and covered grocery food and grocery non-food suppliers. To date, the majority of the suppliers in scope have either accepted or switched from DSD to DC delivery mode.

Scan & Go Services Introduced at Panda Stores

As part of Panda's ongoing digital transformation and in order to best serve customers, Panda was the first retailer to introduce "Scan & Go" service in the Kingdom.

"Scan & Go" will allow customers to use the "PandaClick" Application to scan the items they wish to purchase as they shop in Panda stores. At the checkout, all customers will need to do is proceed with the in-app payment, saving time and delivering a faster checkout experience.

New Private Label Product

During May 2020, Panda launched its latest anti-infection Private Label. The goal is to engage in the management of COVID-19 infection control, fulfilling the increasing needs for sanitization products in the market.

Panda provided high quality and affordable hand sanitizers in the form of gels and sprays to meet various customer preferences.

New Store Opening

During the COVID-19 pandemic, the teams in Operations Excellence, Capital Projects, Procurement, Maintenance, Installation, IT, and Regional Support worked on the completion of Jalmudah Supermarket in Jubail, East Region. During the curfew, significant progress was made, to eventually culminate in the opening of the new store on 15 June with all its FMCG Departments.

Launch of PandaClick App

In order to support our customers in the current circumstances, help them stay safe at home in compliance with the authorities' instructions, Panda launched its e-commerce PandaClick Application. The application was launched to enable customers to access and shop online from Panda stores while staying safe at home. Through this application, it is now easy for customers to check weekly prices and promotions, place their orders, and receive their purchases directly on their doorsteps.

Launch of Jamjom Fulfillment Center

Panda strives to make PandaClick the premier online grocery shopping service provider in the Kingdom, ensuring that products are delivered reliably and on time to our loyal and new customers, further enhancing the services provided to customers.

Panda launched Jamjom Fulfillment Center "FC 775" in August as a standalone 3,000m² operations center. The new center is fitted with all equipment and utilities as well as trained employees to run the center effectively and to meet customers' orders in a satisfactory manner.



Makeen

The Makeen program epitomizes our dedication to the people of the Kingdom and reflects our commitment, as a company and as individuals, to building a more inclusive society and establishing an ethos of equal opportunities in the workplace.

We founded Makeen to empower people with disabilities by creating appropriate training and career opportunities. The Makeen program provides an extensive range of activities, policies and practices that serve to raise societal awareness of the barriers faced by people with disabilities, with a view to eliminating discrimination against persons with disabilities in the Kingdom.



Makeen At a Glance

- Since its inception in 2010, a total of 1,221 employees with disabilities across the Kingdom have been recruited through Makeen, and many have passed through the Mentor & Buddy Program that aims to familiarize people with disabilities in the work environment. The program provides guidance to employees to deal with colleagues with disabilities at the workplace that aligns with Savola's spirit to create an inclusive and welcoming environment for persons with disabilities.
- Furthermore, since 2017, the Makeen online portal – a specialized, free-of-charge resource – has facilitated multiple offers of employment by bringing together private sector employers and job seekers with disabilities.
- In 2020, accreditation was obtained from the Technical and Vocational Training Corporation for the training aspects and the content of the Mentor & Buddy Program.
- Makeen has provided extensive training on interacting and working with people with disabilities, both for our own workforce and for external organizations, government departments, NGOs and private companies.



Public Awareness and Communications

In responding to the very particular challenges facing persons with disabilities during the COVID-19 pandemic, Makeen quickly mobilized to produce a series of 12 infographic videos providing essential safety tips and measures for people with physical, mobility, hearing, visual or intellectual disabilities.

Other communications materials issued in 2020 include a series of 16 infographic films produced in Arabic and English – and featuring sign language and subtitle text – to enhance disability awareness among the community. The films addressed a variety of issues, introduced Makeen's goals and services, and discussed the feasibility of employing persons with disabilities, the Mentor & Buddy program, the Universal Accessibility program, and how to effectively communicate with people with mobility, hearing, visual and intellectual disabilities such as autism.

Events and International Participation

Owing to social distancing requirements, Mentor & Buddy training activities were suspended, as was our usual program of Makeen training and external engagement activities. However, Savola continued to participate in virtual conferences and events examining potential responses to the pandemic specific to people with disabilities. This included *Business Leadership in Comprehensive Disability Responses during the Coronavirus Pandemic*, a virtual Seminar of the Global Business and Disability Network of the International Labor Organization (GBDN-ILO); a virtual seminar on *Attendance, Mental Health and Work Performance during the Pandemic*; and a virtual workshop, *Work of Persons with Disabilities during the Coronavirus Pandemic*.

Makeen also participated in several virtual workshops to enhance digital accessibility for people with disabilities: (*Concepts and Trends of Digital Accessibility and Preparing Applications on Smart Devices for People with Disabilities*), a workshop organized by

Number of disabled employees (FTE) 2020

	Panda		HQ		USC	
	Men	Women	Men	Women	Men	Women
Managers	13	-	1	-	1	-
Team leaders	7	5	-	-	1	-
Blue-collar employees	229	42	-	-	2	-
Total	249	47	1	-	4	-

Number of disabled employees (FTE) 2019

	Panda		HQ		USC	
	Men	Women	Men	Women	Men	Women
Managers	4	-	1	-	1	-
Team leaders	23	7	-	-	1	-
Blue-collar employees	202	26	-	-	2	-
Total	229	33	1	-	4	-

Number of disabled employees (FTE) 2018

	Panda		HQ		USC	
	Men	Women	Men	Women	Men	Women
Managers	8	-	1	-	1	-
Team leaders	22	8	-	-	1	-
Blue-collar employees	213	20	-	-	2	-
Total	243	28	1	-	4	-

the Prince Mishaal bin Majid bin Abdulaziz Center for Social and Humanitarian Research, *Private Sector Contribution in Employment of Persons with Disabilities: Reality; Obstacles; Requirements for Success* and a further event organized by the General Presidency for the Affairs of the Grand Mosque and the Prophet's Mosque, The Universal Accessibility Program in the Two Holy Mosques. Other engagements through the Makeen program included virtual participation at the Vision Forum with Ebsar Foundation for rehabilitation and visual impairment services to celebrate International Sight Day and White Cane Day, and to raise awareness among the community and authorities of the rights of people with disabilities.

Purple Light and International Events

Through the Savola World Foundation, we participated in the global Purple Light initiative, to promote the "Economic Participation of Employees with Disabilities in Society" by reviewing the experience of our

partners in employing people with disabilities through Makeen. The infographic film produced for this initiative, *Not all disabilities are visible*, was broadcast worldwide during the International Day of Persons with Disabilities on 3 December 2020.

Makeen also joined Saudi Airlines Ground Services to mark the occasion and carried out an evaluation of services available to people with disabilities while traveling.

Launching Mowaamah via the Savola intranet

Also, during 2020, we launched the Mowaamah platform across our intranet, providing valuable resources for all employees interested in building their knowledge and practices on various issues related to disability, including: etiquette and guidelines; policies and procedures; the concept of universal access; web accessibility according to (W3C) standards; and services and support programs.

Makeen Program Partners

The Makeen program collaborates with several local and international organizations to achieve its goals and deliver impact, including:



International Labor Organization - Global Business and Disability Network (ILO-GBDN)
Savola Group signed a collaboration agreement with the International Labor Organization in the Swiss capital, Geneva in 2017, with the aim of adhering to the ten principles of the Global Business and Disability Memorandum, with the aim of providing more training and employment opportunities for people with disabilities, and cooperating with international organizations to create an attractive work environment for them to protect their rights.



Business and Disability Network (Qaderoon)
Savola Group participated in establishing the Business and Disability Network "Qaderoon" in 2014, which seeks to motivate employers to empower people with disabilities to be active members of the workforce, and to provide guidance, scientific and practical tips and the best practices for business owners to facilitate employment and maintain the workforce for people with disabilities through supportive government policies and an appropriate work environment, in addition to educating employers to include people with disabilities among the working teams by creating an appropriate work environment.



The Global Alliance to Facilitate Access to Technology and the Environment (GAATES)
Savola Group obtained the International Accreditation Certificate in Universal Access Standards from GAATES in 2013 and was re-evaluated in 2018.



Al-Modon Engineering Consulting (Office MCEC)
Savola Group signed an agreement with the Al-Modon Engineering Consulting Office in 2011 to be the execution arm in terms of construction and engineering for the Accessibility Project.



International Adviser for "Makeen" (LEO)
Savola Group signed an agreement in 2009 with the Liu Office of Employment Counselling for People with Disabilities from the Netherlands, which has vast experience, accredited global practices and successes in employing persons with disabilities in Europe.

Health, Nutrition and Packaging

The health and well-being of our customers is a key priority for the Group and an important aspect of our sustainability approach. We therefore strive to provide sufficient nutritional information and transparency regarding our products in order to allow our customers to make healthy choices.

Our labeling is transparent, providing guideline daily amounts for all food products to ensure our customers remain fully informed, and conforms with Saudi Food & Drug Authority guidelines and standard specifications

We also continue to pursue a more environmentally conscious path that reflects the broader goals of the Kingdom with regard to damaging non-biodegradable plastic waste entering the ecosystem. As the Kingdom adopts new certification standards, we continue to switch to more biodegradable consumer product materials in alignment with the latest requirements of the Saudi Standards, Metrology and Quality Organization (SASO).

We also aim to provide high quality and nutritious goods, with an increasing emphasis on healthy options across our various retail lines. For example, since 2019 we have focused our innovation and research on sourcing and developing new product formulations such as fine sugar, a wider range of spray oils, and new specialty fat products.

In 2020, IFI, the specialty oils and fats facility in Jeddah, reached 39,000 metric tons of production.



Supply Chain and Procurement

We aim to ensure that our products are as sustainable as possible by adopting responsible manufacturing and supply chain management mechanisms. Furthermore, we carefully select our suppliers and partners to strengthen sustainability best practices throughout the product manufacturing and distribution cycle.

Therefore, each of our operating companies seeks to have a positive impact not only on customers but also on the entire supply network, helping to build a robust system that is transparent, reliable and aligned with our values.

The companies are also able to apply rigorous yet adaptable supplier qualification criteria to ensure the best, most responsible partners are selected for contracts.

During the COVID-19 pandemic, Panda's Corporate Procurement faced an increasingly high demand for products and materials needed for the control of infection, not only on the organization's premises but also to ensure business continuity, to further drive supplier collaboration, and to meet the daily needs for various supplies while reducing the risks involved.

The Company's centralized Corporate Procurement closely engaged with every part of its supply chain to manage and prevent disruption of supplies, production and distribution. The business continuity measures that were put in place to help ensure supply enabled the Company to actively work to identify risks and find alternatives to any part of the supply chain.

The CCP successfully developed new approaches and practices that led to improved outcomes under challenging conditions.

Reacting Fast and Safe

Combining protective measures is the most effective way to keep Panda team members safe, while still fulfilling its responsibility to meet consumer demands. From the beginning of the crisis and throughout the lockdown, the Procurement Team worked to meet business needs with agility and tackled unique challenges in sourcing hygiene supplies and protective equipment to prevent the spread of COVID-19. The team was committed to ensure the supply of face masks, face shields and gloves to all Panda stores, distribution centers, compounds, and offices immediately to effectively manage the protection of both employees and customers.

Task Force

A Corporate Procurement Task Force was created to manage the sourcing activities of COVID-19 products and find alternatives to keep sufficient stock available for store operations.

Engaging Suppliers

Throughout the lockdown and the unpredictable environment, the Procurement Team further engaged Panda suppliers to meet the organization's priorities during the crisis and worked together to maintain the continuity of the supply chain for major business projects such as Footprint, PandaClick and the Ramadan Season.

This included:

- 53 key suppliers jointly and effectively cooperating during the crisis;
- 30% decrease in the delivery time for fast-track orders; and
- 50% reduction of procurement processes and approval cycle to meet increasing e-commerce demand.

The Direct Store Delivery (DSD) Centralized Ordering is a key project within the LIFT Program. The project aims to maintain better shelf availability by ordering items that are directly delivered from suppliers to stores, with the right quantity at the right time by the Supply Chain's Planning team in the Head Office.

In August 2020, the DSD project was completed, with 2,400+ SKUs centralized within the Grocery Food and Grocery Non-Food business units.

Formal processes followed by our operating companies included:

- Pre-qualification and initial screening processes, according to set evaluation list requirements.
- Evaluation and formal screening based on requirements and specifications, which include specifications, experience, previous qualifications, financial dealings and supplier reputation.
- Inspection visits and product sample testing, if necessary.



Empowering Local Suppliers

As part of its responsibility and commitment to the Kingdom, Panda encourages and supports national manufacturing and production. It prioritizes procurement from local suppliers and consciously works closely with them, provided that they meet all quality standards and requirements, and comply with the Company's ethical values and standards.

The COVID-19 pandemic placed additional pressure on Panda's supply chains and, in particular, on its egg supply to the various regions across the Kingdom. As a result,

Panda stores, like other retailers, faced a shortage of egg supplies while customer demand for eggs increased significantly. To address the egg supply chain shortage, various functions in Panda responded in a collaborated and coordinated manner to diversify its supplier base, identify, and include more local producers based in different regions of the Kingdom.

Panda participated in an agreement with the Eggs Producers Cooperative Association, facilitated by Mo'an Association, a grocery industry NGO, to help keep sufficient egg supply levels in Panda stores throughout the

COVID-19 crisis. This new agreement contributed to mitigating the demands for eggs and providing sufficient stock of eggs in stores, while also improving productivity and access to local and regional suppliers. This initiative enabled small businesses to establish new and direct partnership relationships with Panda.

In 2020, one of USC's main achievements was the identification of local suppliers for PKG materials, encouraging local production.

Suppliers	Total Number of Suppliers	Total Expenditures to Suppliers (SAR '000s)	Total Number of KSA National Suppliers	Total Expenditures to KSA National Suppliers (SAR '000s)
Panda	865	11,500,384,350	779	11,178,795,062
USC	546	1,808,423,477	414	268,045,256.8

Our Sector in 2021

In 2021, we will continue to prioritize our collaborative activities to ensure the health, well-being and food security of the people of Saudi Arabia.

However, we will not lose sight of our broader sustainability goals, and will work closely with associations, societies, national and international bodies to improve our strategy, share our insights and contribute to sustainable development for the good of the sector, the economy and the nation. This will include building new partnerships through our Makeen program with companies that share our passion for supporting social causes, particularly in the field of disability.

We will also continue to improve our performance, both as individuals and collectively as Savola Group, according to the best practices and the latest international standards, working with national and international bodies to achieve the UN Sustainable Development Goals (SDGs) and Saudi Arabia's Vision.



About this Report

This is Savola Group's seventh Sustainability Report, covering the period of 1 January to 31 December 2020. The previous Sustainability Report covered the period from 1 January to 31 December 2019. The Company is committed to sustainability and CSR activities through an annual Sustainability Report to inform and engage all the stakeholders.

Scope and Boundaries

This Report covers the sustainability approach, priorities, activities, performance and achievements of our operating companies within the Kingdom of Saudi Arabia, including Panda, Retail Company, Afia International Company, United Sugar Company, International Food Industries (IFI) and the Group's Headquarters (HQ). It does not include the activities or performance of our suppliers, contractors or partners, unless stated.

Report Structure

The content of the Sustainability Report is based on the strategic priorities identified and Savola Group's Responsible Business Framework, which consists of the following pillars:

- Business
- Employees
- Community
- Environment
- Sector

Savola Group as a whole and our manufacturing facilities in particular, adopts a precautionary approach to all decisions. We are proactive in our risk management strategies concerning climate change and the environmental impact of our activities, performing regular reviews of risk in our operations, and supply chain.

International Standards

This report has been prepared in accordance with the GRI Standards: Core option

The Sustainability Report is also aligned with the newly published Saudi National Standards for Sustainability Reporting.

External Assurance

We do not commission independent assurance of our Sustainability Report.

Support

The 2020 Sustainability Report was developed with the guidance and support of Instinctif Partners MENA.

Previous Sustainability Reports

You can view our previous Sustainability Reports and the Group Annual Report at www.savola.com.

Contact Details

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GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission	Alignment with Saudi National Standards for Sustainability Reporting*
GRI 101: Foundation 2016				
General Disclosures				
ORGANIZATIONAL PROFILE				
	102-1 Name of the organization	1		GNS, Disclosure: 1.1
	102-2 Activities, brands, products, and services	4-7		GNS, Disclosure: 1.1
	102-3 Location of headquarters	78		GNS, Disclosure: 1.4
	102-4 Location of operations	6		GNS, Disclosure: 1.4
	102-5 Ownership and legal form	40, 2020 Annual Report		GNS, Disclosure: 1.4 GNS, Disclosure: 1.4
	102-6 Markets served	6, 7,		GNS, Disclosure: 1.4
	102-7 Scale of the organization	4-7		GNS, Disclosure: 1.5
	102-8 Information on employees and other workers	50,51		GNS, Disclosure: 1.5
	102-9 Supply chain	5,6,71,75,76		EGD, Disclosure: 5.2
	102-10 Significant changes to the organization and its supply chain	4, 2020 Annual Report		EGD, Disclosure: 5.2
	102-11 Precautionary Principle or approach	41		
	102-12 External initiatives	16,43-47,71,73		GNS, Disclosure: 8.3
	102-13 Membership of associations	69		GNS, Disclosure: 8.3
STRATEGY				
	102-14 Statement from senior decision-maker	10-11		EGD, Disclosure: 2.4
	102-15 key impacts, risks, and opportunities	14-22,50,53,56,72		GNS, Disclosure: 2.3
ETHICS AND INTEGRITY				
	102-16 Values, principles, standards, and norms of behaviours	4,5,31,36,37, 2020 Annual Report		GNS, Disclosure: 4.1
	102-17 Mechanisms for advice and concerns about ethics	41, 2020 Annual Report		GNS, Disclosure: 4.2
GOVERNANCE				
	102-18 Governance structure	37-39, 2020 Annual Report		GNS, Disclosure: 3.1 EGD, Disclosure: 2.1
	102-19 Delegating authority	2020 Annual Report		GNS, Disclosure: 3.3
	102-20 Executive-level responsibility for economic, environmental,	39,		GNS, Disclosure: 3.2
	102-21 Consulting stakeholders on economic, environmental, and social topics	18,19		
	102-22 Composition of the highest governance body and its committees	37-39, 2020 Annual Report		EGD, Disclosures: 2.2, 2.5
	102-23 Chair of the highest governance body	2020 Annual Report		EGD, Disclosure: 2.5
	102-24 Nominating and selecting the highest governance body	2020 Annual Report		EGD, Disclosure: 2.6

GRI 102: General Disclosures 2016

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission	Alignment with Saudi National Standards for Sustainability Reporting*
GRI 102: General Disclosures 2016	102-25 Conflicts of interest	35		EGD, Disclosures: 1.2, 3.5
	102-26 Role of highest governance body in setting purpose, values, and strategy	2020 Annual Report		GNS, Disclosure: 3.6 EGD, Disclosure: 3.1
	102-27 Collective knowledge of highest governance body	2020 Annual Report		GNS, Disclosure: 3.5
	102-28 Evaluating the highest governance body's performance	2020 Annual Report		GNS, Disclosure: 3.6
	102-29 Identifying and managing economic, environmental, and social impacts	16-24		GNS, Disclosure: 6.1
	102-30 Effectiveness of risk management processes	41, 2020 Annual Report		EGD, Disclosure: 3.3
	102-31 Review of economic, environmental, and social topics	2020 Annual Report		GNS, Disclosure: 6.4
	102-32 Highest governance body's role in sustainability reporting	37-39, 2020 Annual Report		GNS, Disclosures: 6.1,
	102-33 Communicating critical concerns	38, 39, 2019 Annual Report		GNS, Disclosure: 5.4
	102-34 Nature and total number of critical concerns	35, 2020 Annual Report		GNS, Disclosure: 5.4
	102-35 Remuneration policies	2020 Annual Report		
	102-36 Process for determining remuneration	2020 Annual Report		
	102-37 Stakeholders' involvement in remuneration	2020 Annual Report		
	102-38 Annual total compensation ratio	2020 Annual Report		
	102-39 Percentage increase in annual total compensation ratio	2020 Annual Report		

*Saudi National Standards for Sustainability Reporting
GNS = General National Standards, EGD = Economic and Governance Dimension, SD = Social Dimension, ED = Environmental Dimension

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission	Alignment with Saudi National Standards for Sustainability Reporting*	
STAKEHOLDER ENGAGEMENT					
GRI 102: General Disclosures 2016	102-40 List of stakeholder groups	18-21		GNS, Disclosure: 5.3	
	102-41 Collective bargaining agreements	Not applicable in Saudi Arabia		GNS, Disclosure: 5.2	
	102-42 Identifying and selecting stakeholders	17-19		GNS, Disclosure: 5.1	
	102-43 Approach to stakeholder engagement	18,19		GNS, Disclosure: 5.2	
	102-44 Key topics and concerns raised	22, 23		GNS, Disclosure: 5.2	
	REPORTING PRACTICE				
	102-45 Entities included in the consolidated financial statements	2020 Annual Report		GNS, Disclosure: 9.1	
	102-46 Defining report content and topic Boundaries	1, 78		GNS, Disclosure: 7.2	
	102-47 List of material topics	20,21		GNS, Disclosure: 6.2	
	102-48 Restatements of information	61, 63			
	102-49 Changes in reporting	14,15		GNS, Disclosure: 7.3	
	102-50 Reporting period	78		GNS, Disclosure: 7.4	
	102-51 Date of most recent report	78		GNS, Disclosure: 7.4	
	102-52 Reporting cycle	78		GNS, Disclosure: 7.5	
	102-53 Contact point for questions regarding the report	78		GNS, Disclosure: 7.5	
	102-54 Claims of reporting in accordance with the GRI Standards	78			
102-55 GRI content index	80-85				
102-56 External assurance	78				
Material topics					
ECONOMIC					
PROCUREMENT PRACTICES					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-21			
	103-2 The management approach and its components	69,76			
	103-3 Evaluation of the management approach	4,5,75,76			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	76		EGD, Disclosure: 5.2	
ANTI-CORRUPTION					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	19-24			
	103-2 The management approach and its components	18,23,24,41			
	103-3 Evaluation of the management approach	16,35,22			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	35		EGD, Disclosure: 6.2	
	205-3 Confirmed incidents of corruption and actions taken	No incidents		EGD, Disclosure: 6.3	

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission	Alignment with Saudi National Standards for Sustainability Reporting*
ANTI-COMPETITIVE BEHAVIOUR				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-21		
	103-2 The management approach and its components	37, 35		
	103-3 Evaluation of the management approach	37,35		
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	37, 35		EGD, Disclosure: 7.1
ENVIRONMENTAL				
ENERGY				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	20,21		
	103-2 The management approach and its components	60-62, 16, 20, 21, 22		
	103-3 Evaluation of the management approach	60-62		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	60-62		ED, Disclosure: 3.1
	302-4 Reduction of energy consumption	61,62		ED, Disclosure: 3.4
	302-5 Reductions in energy requirements of products and services	61,62		ED, Disclosure: 3.4
ENVIRONMENTAL COMPLIANCE				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-21		
	103-2 The management approach and its components	9,11,16-19,20,21,45,47,60-64,74		
	103-3 Evaluation of the management approach	35,39, 60-65		
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	No incidents 35, 39, 60-65		GNS, Disclosure: 12.1
SUPPLIER ENVIRONMENTAL ASSESSMENT				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-21		
	103-2 The management approach and its components	69		
	103-3 Evaluation of the management approach	75,76		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	75,76		ED, Disclosure: 8.1

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission	Alignment with Saudi National Standards for Sustainability Reporting*
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SOCIAL

EMPLOYMENT

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-21		
	103-2 The management approach and its components	50-55,72,73		
	103-3 Evaluation of the management approach	69,72-74,50		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	50-55		GNS, Disclosure: 10.1 SD, Disclosure: 1.1
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	52-53		

OCCUPATIONAL HEALTH AND SAFETY

GRI 103: Management Approach 2018	103-1 Explanation of the material topic and its Boundary	18-21		
	103-2 The management approach and its components	10,21,22,34,55,73		
	103-3 Evaluation of the management approach	39,55,69		
GRI 403: Occupational Health and Safety 201	403-1 Occupational health and safety management system	55,20,21		SD, Disclosure: 3.9
	403-2 Hazard identification, risk assessment, and incident investigation	55		SD, Disclosure: 3.2
	403-3 Occupational health services	55,69		SD, Disclosure: 3.3
	403-4 Worker participation, consultation, and communication on occupational health and safety	55		SD, Disclosure: 3.4
	403-5 Worker training on occupational health and safety	54		SD, Disclosure: 3.5
	403-6 Promotion of worker health	55		SD, Disclosures: 3.4, 3.6
	403-8 Workers covered by an occupational health and safety management system	55		SD, Disclosures: 3.1, 3.6
403-9 Work-related injuries	55		SD, Disclosure: 3.8	

TRAINING AND EDUCATION

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-21		
	103-2 The management approach and its components	54, 70-73,15,16,18,19,22		
	103-3 Evaluation of the management approach	54		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	54		SD, Disclosures: 4.2, 4.5
	404-2 Programs for upgrading employee skills and transition assistance programs	54		SD, Disclosures: 4.2, 4.5
	404-3 Percentage of employees receiving regular performance and career development reviews	54		SD, Disclosures: 4.1, 4.3, 4.5

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission	Alignment with Saudi National Standards for Sustainability Reporting*
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DIVERSITY AND EQUAL OPPORTUNITY

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-21		
	103-2 The management approach and its components	56,16,21,22,72,73		
	103-3 Evaluation of the management approach	2020 Annual Report		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	56, 2020 Annual Report		SD, Disclosures: 5.1, 5.3

LOCAL COMMUNITIES

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-21		
	103-2 The management approach and its components	19, 1,14,16, 44-47, 73, 71		
	103-3 Evaluation of the management approach	50-52		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	44-47, 71-74		SD, Disclosure: 8.1
	413-2 Operations with significant actual and potential negative impacts on local communities	44-47, 71-74		SD, Disclosure: 8.1

SOCIOECONOMIC COMPLIANCE

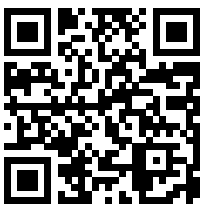
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-21		
	103-2 The management approach and its components	4-7		
	103-3 Evaluation of the management approach	35-41		
GRI 419: Socio-economic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	No incidents		SD, Disclosure: 13.1

CUSTOMER HEALTH & SAFETY

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-21		
	103-2 The management approach and its components	34, 69, 70, 71		
	103-3 Evaluation of the management approach	34, 69		

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