



IFFCO  إفكو

2022 ESG REPORT

**Fostering a Sustainable
Legacy for Future
Generations**

WWW.IFFCO.COM



We acknowledge that our products play a crucial role in the lives of our consumers, and any impact on them directly affects us. As an extension of our consumer-centric philosophy, we are commencing a transparency journey by releasing our first Environmental, Social and Governance report. This report aims to address our main sustainability-related impacts as we continuously work towards improving our ESG.



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About this report

This document represents the first ESG Report of IFFCO Holdings Limited and Allana International Limited (together and interchangeably referred as "IFFCO") for the reporting period of 1st of January to 31st of December 2022.

In this report, any reference to "IFFCO" or "IFFCO Business Groups" is to be intended as inclusive of the five Business Groups of IFFCO Group, which are namely "Oils & Fats", "Agri Business", "Beauty", "Culinary", "Sales and Distribution" [1].

The report (subsequent reports will be prepared on an annual basis) has been prepared covering the environmental, social, and governance performance of the above mentioned IFFCO's five Business Groups. Any limitations in the scope of the data reported will be explained in the relevant sections.

In order to communicate its sustainable journey in a comparable and transparent way, IFFCO has compiled this report with reference to the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards).

[1] For the full list of facilities included in this report, see the [GRI content index](#). Please note that the scope of this report does not include the following Business Groups: Impulse food (biscuits, snacks, chocolates and confectionery), Packaging and Transportation.



The GRI Standards are the world's most widely used standards for sustainability reporting and the details of the GRI disclosures reported by IFFCO are shown in the [GRI content index](#).

To ensure data reliability, the use of estimates has been limited as far as possible. Where necessary to supplement data gaps, an explanation is provided in the related section.

This ESG report has been approved by the Supervisory Board Members of IFFCO. The report is available on our website, and the link to the section where the document can be accessed is [\[sustainability policy\]](#).

For any questions or queries about this ESG Report, please contact us at our sustainability email: sustainability@iffco.com

A Message to Our Stakeholders

We are pleased to introduce IFFCO's first ESG report, a momentous step on our sustainability journey.



Shiraz Allana
Supervisory Board Member



At IFFCO, we remain steadfast in our commitment to contribute to a sustainable shift in the food system, driven by our vision of “Investing in the Future”.



We are pleased to introduce IFFCO's first ESG report, a momentous step on our sustainability journey. The past year has been marked by significant challenges, including disruptions to global value chains resulting from political conflicts and/or climate change. These challenges have impacted the production of agricultural commodities and created water scarcity issues in many of the regions where we operate. As a responsible enterprise, we understand the importance of responding with resilience and innovation, and we remain committed to advancing sustainable practices across our operations and value chains.

At IFFCO, we remain steadfast in our commitment to contribute to a sustainable shift in the food system, driven by our vision of “Investing in the Future”. To this end, we are dedicated to continuously enhancing our operations and value chain practices to offer food and services that minimise potential risks within our corporate footprint, optimise the use of natural resources, and improve the quality of life for communities. Our sustainability agenda prioritises accelerating our efforts in reducing greenhouse gas (GHG) emissions through concrete actions or initiatives, minimising

emissions from land use change, including endeavours towards zero deforestation in key crops that we source, decreasing waste generation, using packaging with a lower environmental impact, and addressing water scarcity through enhanced water consumption efficiency throughout our operations.

As part of our sustainability journey, we have set significant milestones to be achieved by 2025 under the Planet, People, and Product pillars. An example of which is Thryve™- IFFCO's pioneering plant-based venture and the first of its kind to launch in the Middle East region. Thryve™ focuses on regenerative, local manufacturing of plant-based meat to spark a shift towards a sustainable and healthy food chain in the Middle East. We believe that adopting a plant-based protein diet may lead to a healthier, more resilient and more secure supply chain.

We recognise that addressing climate change requires investment in resource-efficient operations and collaboration with suppliers who contribute to positive environmental and social impacts. We are excited to share details of our recent partnership with HSBC,

which has provided Sustainability-Linked Financing to support the development of a sustainable palm oil supply chain. This project has earned three “HSBC Living Business Awards”, including the Country Winner for Best ESG Project in the UAE, Best Governance Project and Best Supplier Engagement sub-category. We invite you to explore our other achievements outlined in this report, which we are proud to have accomplished as a team.

In conclusion, sustainability lies at the heart of IFFCO's future. We are unwavering in our commitment to contribute towards a sustainable transformation of the world's food systems. Our focus will remain on addressing significant environmental challenges and generating positive impacts across our value chain. We trust that our ESG report will inspire thought-provoking discussions, knowledge sharing, and strengthened collaborations with our stakeholders, as we collectively strive to contribute to a more sustainable and equitable world.

About IFFCO

The IFFCO Group

Established in 1975 in the United Arab Emirates, the IFFCO Group commenced operations as a commodity trading company. While the enterprise still engages in commodity trading, it has grown, organically and tactically through acquisitions, into a multinational processor of agricultural raw materials and Fast Moving Consumer Goods (FMCG) organisation with numerous well-known own brands across a well-integrated range of mass-market food products, related derivatives, intermediates and services.

IFFCO Around the World

Our operational locations, markets and customers around the world keep us apprised of the global, regional and local sustainability challenges. Our determination, innovation and expertise is leveraged across facilities and countries to lead us on our sustainability journey.



IFFCO Vision

“The preferred provider of sustainable value-added products and services for everyone, everywhere & every day.”

IFFCO Group at a glance

95
Operations

50
Countries

15,000+
Employees

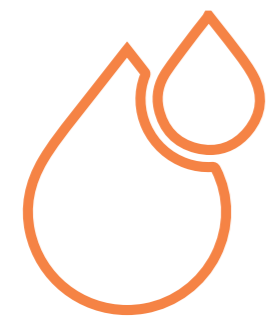
101
Countries with sales
across 5 continents

60%
Of sales are outside
GCC countries

80+
Brands

The Five Business Groups of IFFCO within this Report

The complete list of facilities can be found in the [GRI content index](#). This list pertains to the Business Groups and their respective facilities relevant to the calendar year 2022, since when they may have been subject to change.



Oils and Fats

IFFCO's Oils and Fats Business Group has produced various vegetable oils, including palm, soybean, sunflower and canola oil, among others, for more than three decades. The group has its own olive plantations as well as manufacturing and packaging facilities.

Product categories include:

- Oils
- Ghee
- Olive Oil
- Specialised Fats



Agri Business

IFFCO's Agri Business covers a spectrum of products from "farm to fork", which includes poultry, animal nutrition, flour, ingredients, frozen foods and fresh produce.

Product categories include:

- Flour
- Animal Nutrition
- Bakery Ingredients
- Fresh Poultry
- Eggs
- Frozen Foods

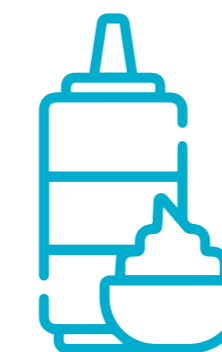


Beauty

IFFCO's Beauty Business Group offers a range of personal care and beauty products, including hair care and skincare. The group has its own manufacturing and R&D facilities.

Product categories include:

- Bar Soap
- Liquid Hand Wash
- Sanitiser
- Shower Gel
- Dish Wash
- Shampoo
- Deodorant

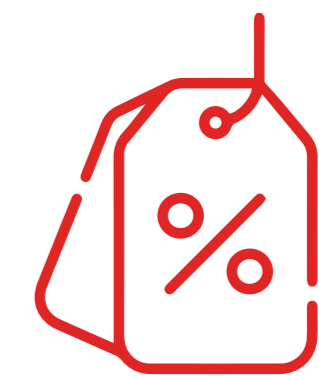


Culinary

IFFCO's Culinary Business Group offers a wide range of culinary products. These include ketchup, mayonnaise, dressings and specialty sauces, designed and packaged with care for both kitchen and table use. The group has its own manufacturing and packaging facilities.

Product categories include:

- Condiments
- Creams
- Seasonings



Sales and Distribution

IFFCO's Sales and Distribution Business Group is responsible for the marketing, sales, and distribution of all the Group's products. The Group offers dry, temperature controlled and frozen goods across a large spectrum of consumer and professional channels.

Facilities include:

- IFFCO Consumer [Channel](#)
- IFFCO Out of Home [Channel](#)
- IFFCO Industrial Solutions [Channel](#)

IFFCO Sustainability Milestones

1975

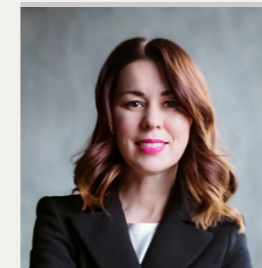


- Group's entry into UAE with establishment of International Foodstuffs Co (IFFCO) in Sharjah, UAE

2019

- 100% of IFFCO palm-based processing facilities are RSPO (Roundtable on Sustainable Palm Oil) SCC (Supply Chain Certificate) Certified
- IFFCO incorporated NDPE (No Deforestation, Peat, and Exploitation) Commitment in its Group Policy on Sustainable Palm Oil Sourcing and launched a [sustainability webpage](#) to support transparency and facilitate reporting of progress

2021



- IFFCO created its Sustainability department, hiring Dina Epifanova as Group Head of Sustainability



- IFFCO conducted its first energy audit and commissioned its first photovoltaic (renewable solar energy) plant at its Olive Oil production plant in Spain

2022

- IFFCO completed its first Materiality Assessment to identify the sustainability issues that mattered most to our business and stakeholders
- IFFCO Pakistan Seeds Crushing Plant and IFFCO Italy celebrated the successful integration of the second and third photovoltaic plants
- IFFCO employees participated in an employee welfare program, collectively walking nearly 23,000 km in 25 days
- IFFCO won three HSBC Living Business Awards for its partnership with HSBC to build a thriving palm supply chain:
 - The Country Winner for Best ESG project in the UAE
 - Best Governance Project
 - Best Supplier Engagement sub-category for the partnership with HSBC to build a thriving palm supply chain
- IFFCO launched the Gulf Region's first 100% Plant-Based Meat Venture and manufacturing facility in the UAE, THRYVE™

2023



- IFFCO publishes its first ESG report and is committed to submitting climate targets to the Science-Based Targets initiative

2023 Status Will be published in 2024

An Interview with IFFCO Group Head of Sustainability

With over two decades of experience in the food industry and a dedicated focus on sustainability for the past 12 years, Dina has been leading the charge as Group Head of Sustainability at the IFFCO Group since 2021. Her extensive experience in the field has been instrumental in driving IFFCO's sustainability efforts to make a positive impact and inspire change within our industry.



Dina Epifanova
Group Head of Sustainability



“We are immensely proud of our employees’ commitment to sustainability as they have started incorporating sustainable practices into their daily tasks. Their collective efforts have provided a solid foundation for us to make progress in our ESG strategy’s key areas.”



Why did IFFCO release its inaugural ESG report this year?

IFFCO's success is firmly rooted in its cultural, ethical, and historical values. In 2022, sustainability became formalised as one of our top five business priorities, integrating traditional practices with tangible efforts. IFFCO's ESG report accurately reflects this approach, aligning with the group's vision to “Invest in the Future” and setting a benchmark for responsible business practices.

In the past year at IFFCO, what sustainability achievement are you most proud of?

We are immensely proud of our employees’ commitment to sustainability as they have started incorporating sustainable practices into their daily tasks. Their collective efforts have provided a solid foundation for us to make progress in our ESG strategy's key areas. Each of our ten strategy programmes is led by a Business Group Leader. In addition, 833 managers within the IFFCO Group have sustainability-focused KPIs. The Sustainability team is providing “Train the Trainer” sessions to IFFCO managers, known as First Movers,

who then become the trainers for their own team members, creating more awareness and ownership about sustainability. To date, a total of 613 people have been trained in this programme. We are thrilled to embark on this journey, and we sincerely appreciate our colleagues’ contribution to driving us towards a sustainable future.

What is essential for the success of IFFCO's ESG Strategy?

We are on our journey towards a better future and this report demonstrates the progress we have made as we remain accountable to “Invest in the Future”. However, we recognise that there is still much work to be done. To achieve our goals, we must continue to make meaningful advances, and this report serves as a foundation for our ongoing efforts. Going forward, we aim to set science-based targets for reducing emissions, partnering with our suppliers to establish similar targets and transparency in their operations, and accelerating energy transition, among other initiatives.

Our ESG Strategy

Our sustainability agenda is based on three core elements: Planet, People, and Product.

We have embarked on our sustainability journey and are committed to contributing to a sustainable shift in food system policies by continuously improving our value chain practices to protect the environment, make efficient use of natural resources, and enhance the quality of life in the communities in which we operate.

At IFFCO, we are committed to continuous improvement across all ten of our sustainability programmes. We will continue to report on our progress regularly via our website, social media platforms and in our next ESG report.

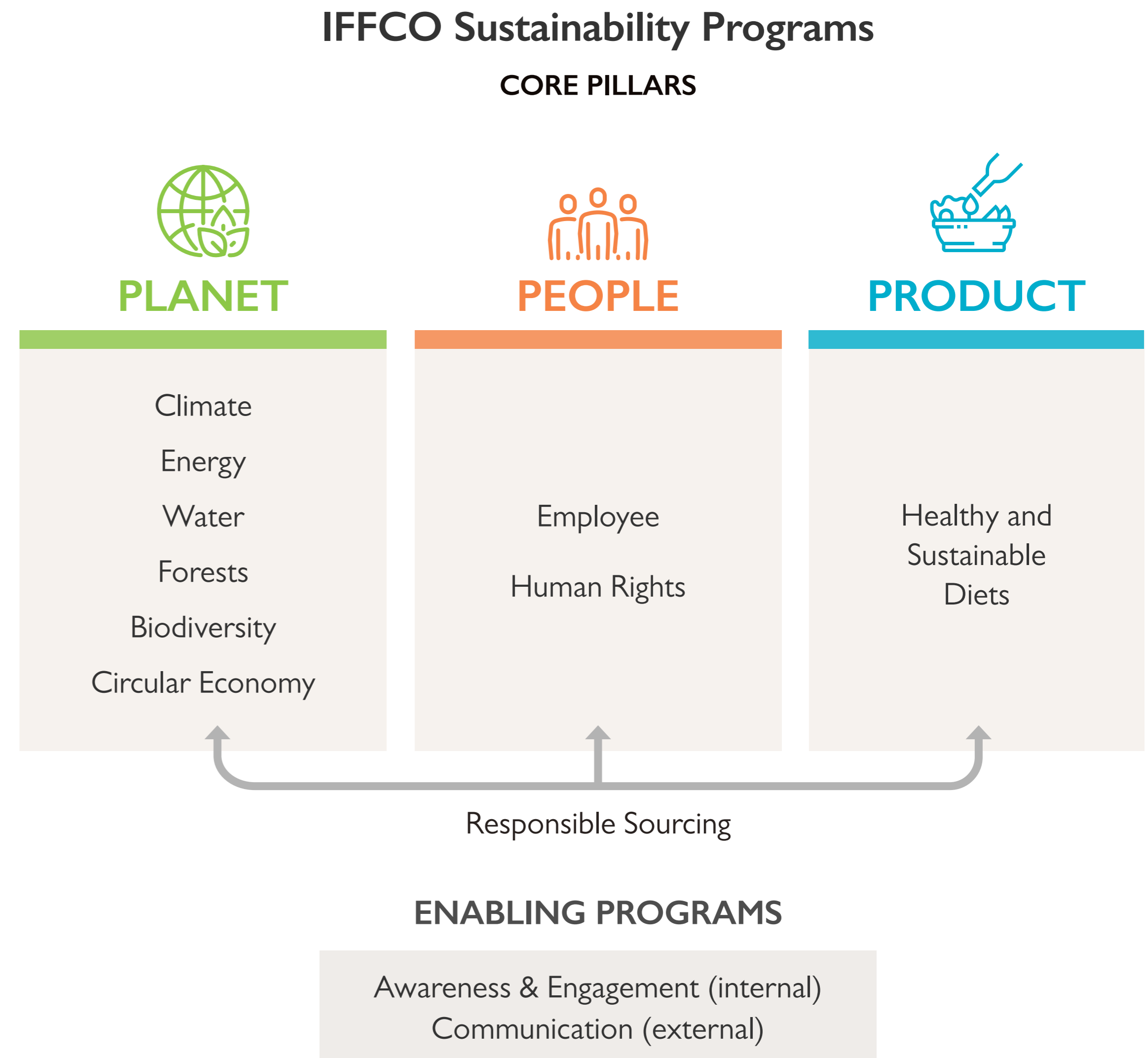
Materiality Assessment

In 2022, we conducted our first materiality assessment in order to identify the most relevant ESG topics for IFFCO, and to direct our focus for areas of improvement in our ESG strategy.

The aim of the assessment was to identify IFFCO's sustainability priorities, both in terms of key issues for stakeholders and an impact on our long-term success.

We sought input to help determine focus areas for our ESG strategy from 287 key stakeholders. Of those, 148 completed a survey covering 24 ESG topics*. From the completed surveys, 40% were internal stakeholders and 60% were external stakeholders (mainly suppliers, customers, financial institutions, consulting companies and NGOs) from different countries of operation.

* The full list of ESG topics can be found in the [GRI Content Index](#) in the Appendix of this report.





Mr. Rizwan Ahmed
Executive Director



“Our ESG Strategy is the result of extensive consultation with our internal and external stakeholders and its success is dependent on the collaboration, ownership and leadership of IFFCO management, employees and our partners. Our focus includes the broader environmental and social issues as identified by the United Nations Sustainable Development Goals, especially those of relevance to the regions in which our facilities are located and where we operate. This report embodies our commitment to transparency, engagement and improvement as we learn by doing.”



ENVIRONMENT



Learning and Acting for
the Better: Now, and in
the Future



The Environment

Acting for the Better: Now, and in the Future.

At IFFCO, we firmly believe that protecting the environment is not only an imperative for the continuity of our business, but, more importantly, it is a fundamental right of future generations to inherit a healthy and thriving environment.

We acknowledge the challenges of being located in a region that is particularly vulnerable to the effects of climate change, such as droughts, long-term water scarcity or floods and extreme temperatures. As an international FMCG business, many of our operations depend on good quality agricultural crops, and their availability all year will be determined by our capacity to maintain a healthy ecosystem through more sustainable agricultural practices.

Our ESG strategy revolves around the seamless integration of sustainable practices across our operations and products, leveraging advanced technology and innovation to enhance our environmental performance while optimising the use of precious natural resources.

We have pinpointed six crucial areas in which we aim to make tangible efforts in terms of environmental performance. This report delves into the progress made by the five Business Groups within its purview across these areas.



Our Commitments by 2025



Climate Change

- 17% reduction - in Scope 1 and 2 Greenhouse Gas (GHG) emissions* by 2025 (compared to 2021)

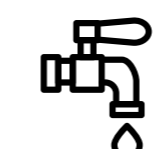
We are committed to regular tracking, transparent reporting and reducing our carbon footprint. We build our Climate targets based on SBTi guidance and aim to have them validated by the SBTi in 2024.



Energy Management

- 4.8% reduction - in energy consumption by 2025 (compared to 2021)
- 3.7% reduction - in GHG through renewable energy generation on site as a part of total energy consumption by 2025 (compared to 2021)

We are committed to reducing energy consumption and increasing use of renewable energy sources.



Water Management

- 1.1% reduction - in absolute water withdrawal in 2023 (compared to 2022). The targets for 2024 and 2025 will be defined in 2023.
- **WASH4Work for 100% of our employees.**

We are committed to reducing our water

withdrawal and improving our wastewater management as well as ensuring compliance with WASH4Work standard to 100% of our employees at the production facilities in our Oils & Fats, Agri Business, Beauty and Culinary Business Groups.



Forests

Deforestation-free roadmap for key commodities processed at IFFCO facilities including palm, soy, wheat and their derivatives.

We are committed to working towards Zero Deforestation in key crops that we are sourcing and reducing our impact on forest ecosystems



Circular Economy

We are committed to reducing waste generation, introducing packaging with a reduced environmental impact and are working towards setting goals which will be communicated in the near future



Biodiversity

We are committed to reducing the impact on biodiversity from our operations by piloting programmes at our olive oil plantations as a first step. We will be using data and information from this and similar programmes to inform our future work in this important area.



Main Highlights

As we commence our sustainability journey, we have launched a number of programmes, initiatives and projects, learning from our experiences and leveraging those learnings across the Group.

- We conducted our first materiality assessment in 2021, reaching 287 key stakeholders and with a response rate of 52% that has helped to inform the identification and prioritisation of relevant ESG focus areas for IFFCO
- We calculated for the first time our 2021 (January to December) Scope 1, 2 and 3*
- We have started a programme to initiate renewable energy projects across 11 facilities with a target to reduce our energy consumption** from non-renewable sources by 3.7% until 2025, an equivalent of 11,700 tCO₂e reduction per year
- We have committed to implement Energy Efficiency projects across 8 sites with a target to reduce our energy consumption** by 4.8%, an equivalent of 15,000 tCO₂e reduction per year
- For the full year 2021, 58% of palm oil processed in five IFFCO palm-refineries was verified to be delivered deforestation-free, based on the NDPE-IRF (No Deforestation, No Peat, No Exploitation – Implementation Reporting Framework) tool, with a further 8% making tangible progress and 31% committed to action as verified by Control Union***
- We adopted the [WASH4Work](#) initiative, ensuring access to clean water and sanitation facilities for all employees following the highest standards

Footnotes:

* Scope 1 emissions are direct emissions that occur from sources that are owned or controlled by IFFCO.

Scope 2 emissions are indirect emissions from the consumption of purchased electricity, heat or steam.

Scope 2 emissions included in "The Environment" section were calculated with the market-based approach. A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims. [Source: GHG Protocol Scope 2 Guidance]

Together, Scope 1 and 2 emissions are under the control of IFFCO.

Scope 3 emissions are indirect emissions from value chain activities, including upstream and downstream sources, such as purchased goods and services, transportation, and waste disposal.

**From a 2021 baseline, with implementation of projects between 2023 and 2024.

*** [Control Union](#) is an international certification and inspection organisation that provides services in the areas of sustainability, certification, and verification of supply chains.

Climate Change

Our Approach

As an enterprise with operations in the Middle East, North Africa, South and Southeast Asia, and Europe, we are first-hand witnesses to the profound effects of climate change. We adopt a science-based targets approach for developing roadmaps and actions plans.

“In 2020, we took decisive action to lay the foundations of a robust and science-based sustainability strategy. Through conducting a materiality assessment and two carbon footprint analyses (for 2021 and 2022), we came to understand our contribution and responsibilities, establishing the necessary internal governance structure to support our ambitious journey to mitigate climate change. We moved fast, diligently and methodically and I am proud of the milestones our people have achieved in such a short timeframe.”

— Mr Rizwan Ahmed, Executive Director

As is the case with many global FMCG companies relying heavily on agricultural commodities, the main contributor to IFFCO's carbon footprint is our Scope 3 emissions – about 97% of our total emissions in 2022. Our carbon footprint analyses have clearly identified our hotspots and are guiding

our actions in addressing them as well as providing focus for immediate efforts to reduce our Scope 1 (direct GHG emissions) and Scope 2 (energy indirect GHG emissions), which are controlled by IFFCO.

IFFCO 5 Business Groups Carbon Footprint Hotspots

- Purchased goods (palm, soy, wheat, sunflower)
- Transport (upstream and downstream)

IFFCO controlled Emissions

- Fuels
- Electricity

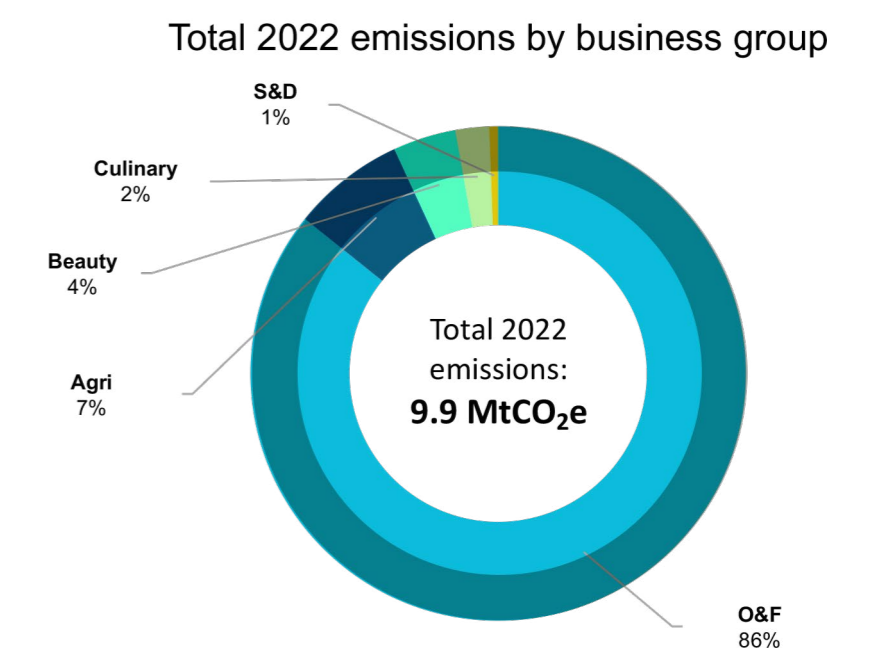
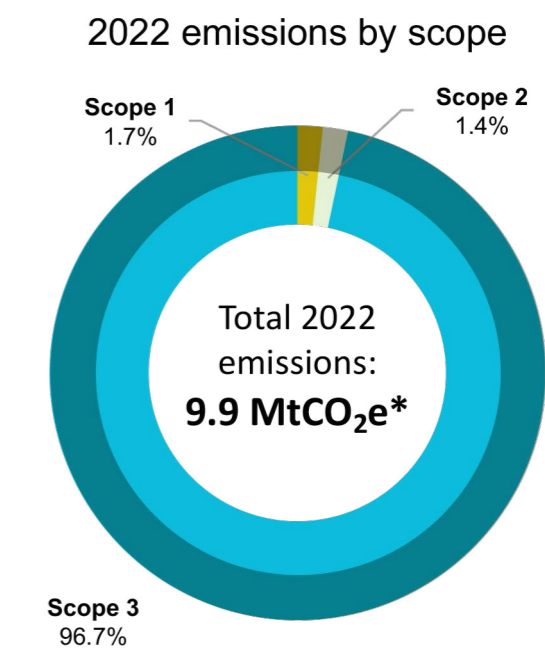
Where we are Today

IFFCO started to estimate Scope 1 and 2 emissions in 2020. In 2021, we added some categories of Scope 3 emissions, and for the first time in 2022*, improved the granularity of data and methodologies, adding additional categories within Scope 3. Therefore, our Scope 3 emissions have not been compared from 2021 to 2022 as it would not represent an accurate comparison due to methodological improvements conducted in 2022. We will be working on recalculating 2021 scope 3 emissions following recommended best practices. With our progress to date, we are confident that we will be able to calculate science-based targets, devise GHG emission reduction trajectories and build our climate roadmap for the months and years ahead.

*The 2022 carbon footprint of IFFCO's five Business Groups within scope of this report was calculated by [Quantis International](#), a leading sustainability consultancy.

IFFCO Carbon Footprint 2022

Our 2022 GHG emissions were calculated following the GHG Protocol and relate to the Scope 1, 2 and 3 emissions of the five Business Groups of IFFCO within the scope of this report: Oils & Fats, Agri Business, Beauty, Culinary and Sales & Distribution.



* Megatonnes (10⁶) carbon dioxide equivalent

Note: Carbon dioxide equivalent is a commonly used unit for measuring the climate impact of multiple gases (such as CH₄ and N₂O) by converting the total into an equivalent amount of carbon dioxide.

Our Scope 1 and 2 Emissions (Market-based) - 2021 and 2022

2022 v. 2021: -3%

Results

- IFFCO Scope 1 and 2 emissions in 2022 accounted for about 3% of the total footprint
- Facility emissions in 2022 accounted for 93% of Scope 1 & 2 emissions

Comparisons

- The total emissions from Scope 1 and 2 decreased by about 3% from 2021 to 2022, which is primarily due to the increase of usage of energy produced by renewable sources which was confirmed by application of Renewable Energy Certificates (iRECs) in 2022
- The usage of 40,000 MWh of renewable electricity generated from solar energy in the UAE resulted in a decrease of electricity-related emissions (Scope 2) of 9%
- Fleet emissions increased by 18% in 2022 compared to 2021, due to a 21% growth in the number of trucks in the fleet

Our Scope 3 Emissions – 2022*

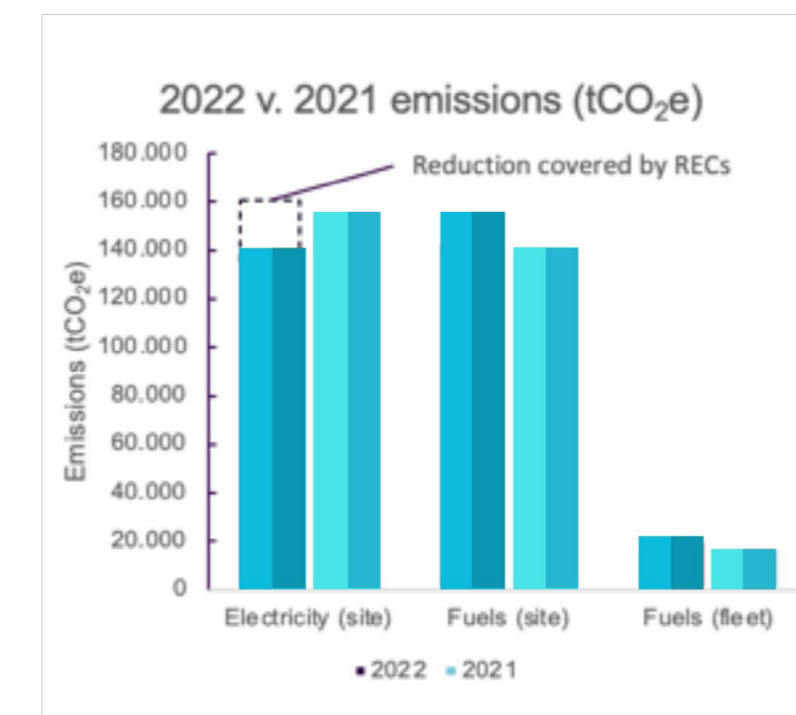
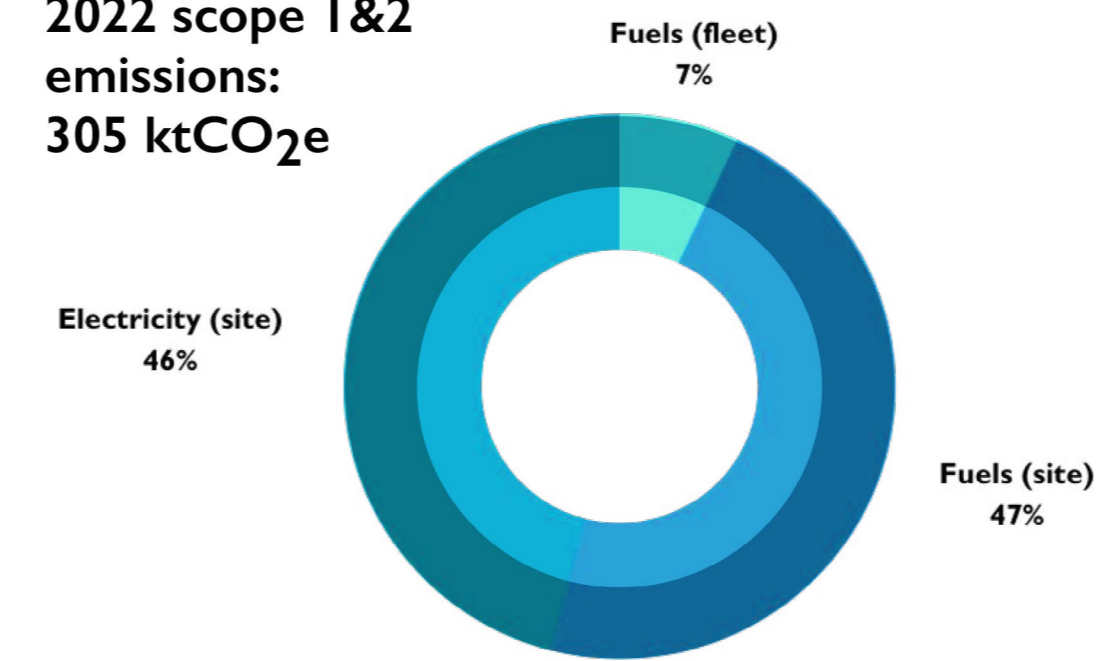
*Scope 3 calculations for the 2022 emissions, improving accuracy and granularity of data and adding additional categories within Scope 3.

Results

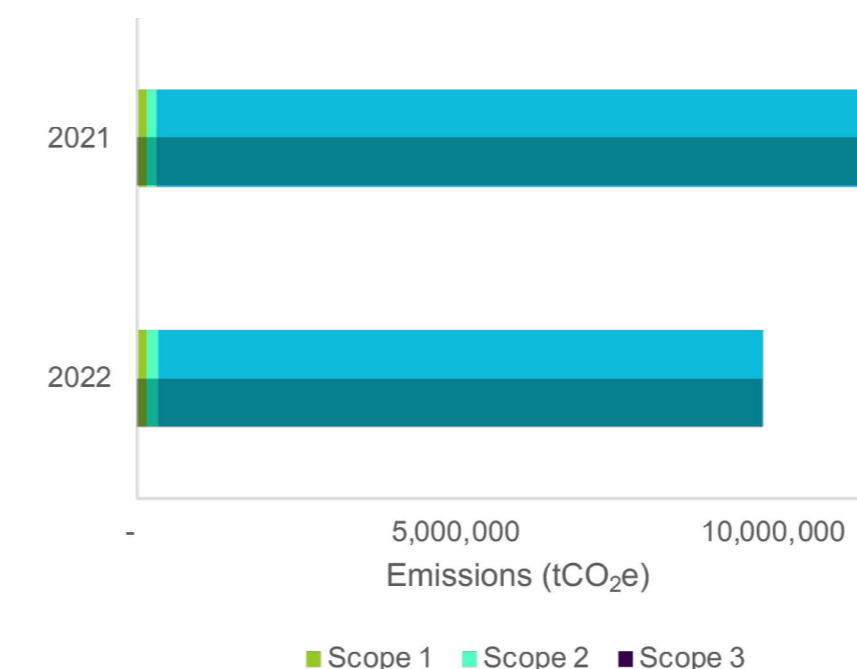
- IFFCO Scope 3 emissions in 2022 accounted for about 97% of the total footprint (Scope 1, 2 and 3)
- Palm, soy, wheat and sunflower are the main commodities procured by IFFCO, accounting for 70% of the total footprint. Palm and soy oil emissions are in special focus due to the potential of land use change (LUC)*. In 2022, palm and soy contributed to 64% of our total GHG emissions, and overall, LUC emissions accounted for 47% of the total GHG emissions
- Transport (shipments) accounts for 10% of the total footprint

*LUC is the conversion of a piece of land from one land use to another land use such as agriculture, forestry, pasture or natural land, incurring deforestation in some cases.

2022 scope 1 & 2 emissions: 305 ktCO₂e



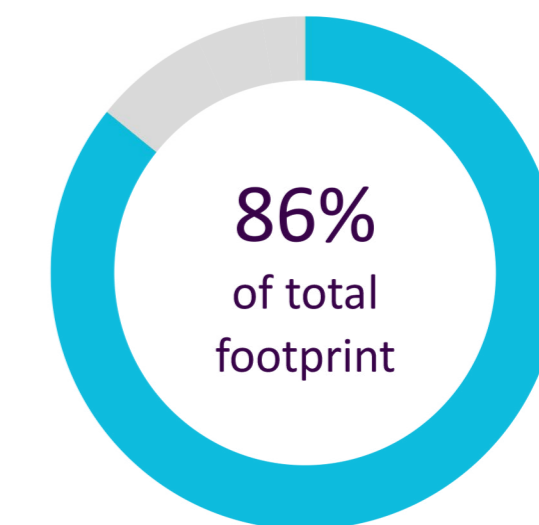
2022 v. 2021 emissions



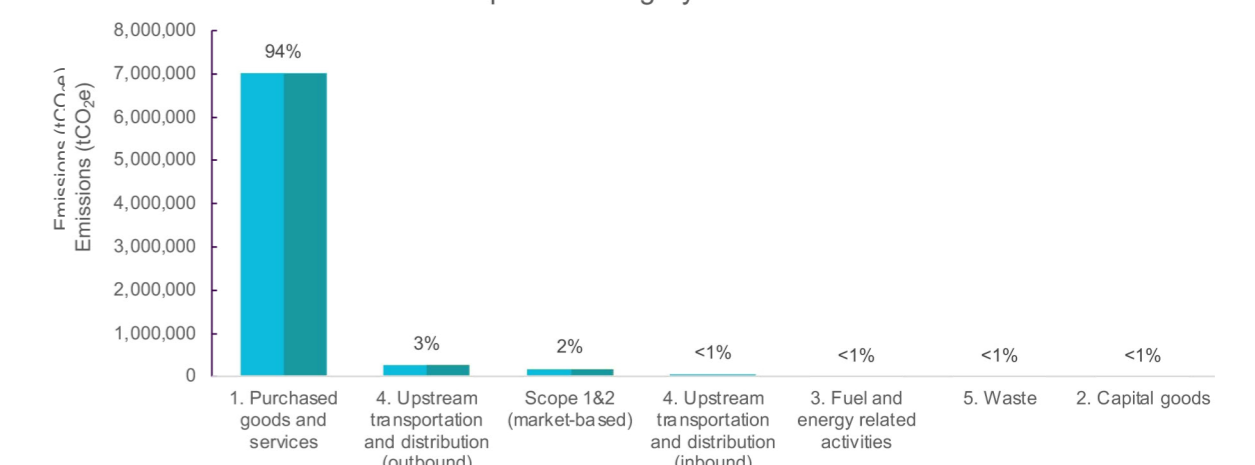
Oils & Fats GHG Emissions 2022

Results

- Purchased goods and services accounted for 94% of Oil & Fats' emissions
- Palm represented the largest quantity of purchased goods (80%) followed by soy (7%), contributing significantly to Oils & Fats' emissions
- Transport accounted for 4% of Oil & Fats' emissions while Scope 1 and 2 accounted for 2%



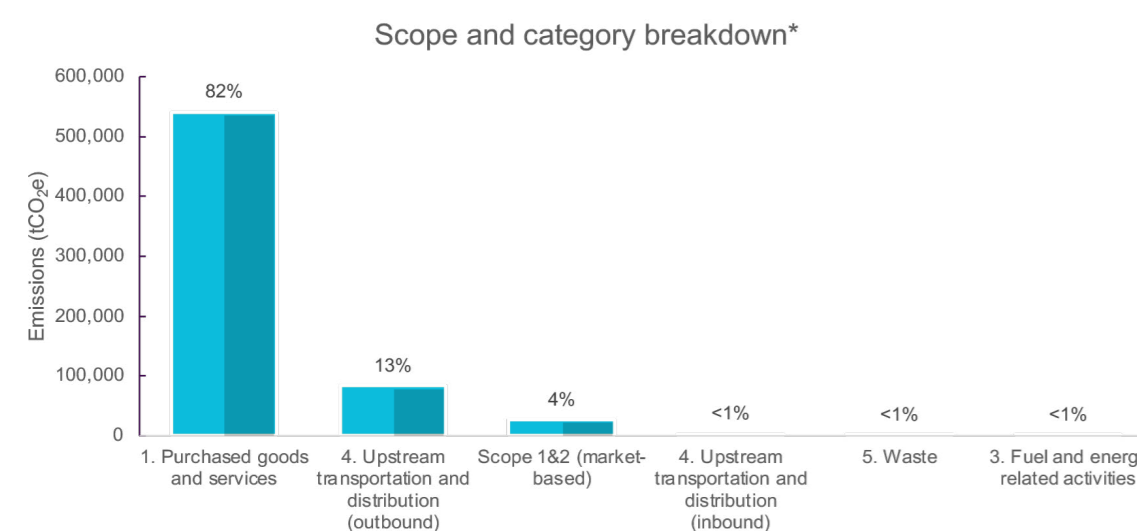
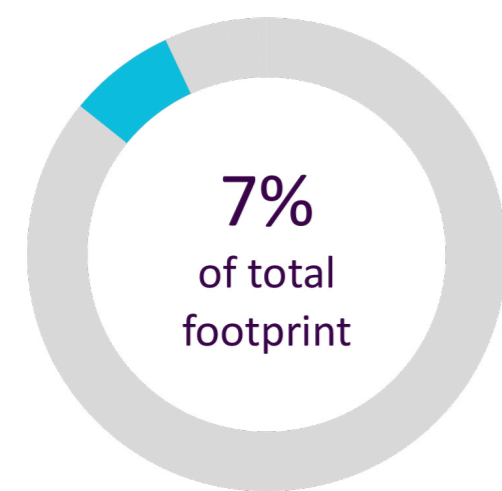
Scope and category breakdown*



Agri Business GHG Emissions 2022

Results

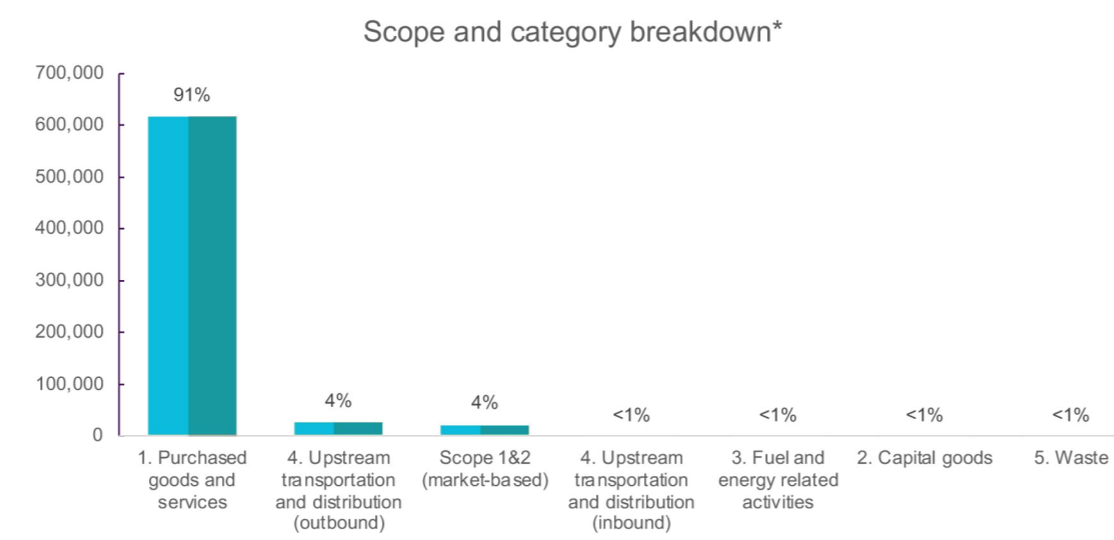
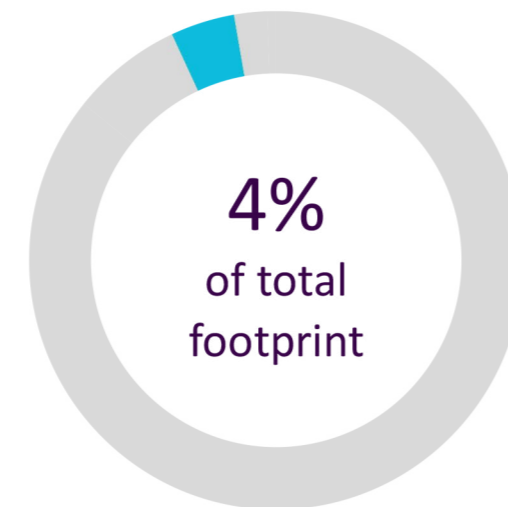
- Purchased goods and services accounted for 82% of Agri Business' emissions.
- Wheat represented the largest quantity of purchased goods (68%)
- Transport accounted for 13% of Agri Business' emissions while Scope 1 and 2 accounted for 4%



Beauty GHG Emissions 2022

Results

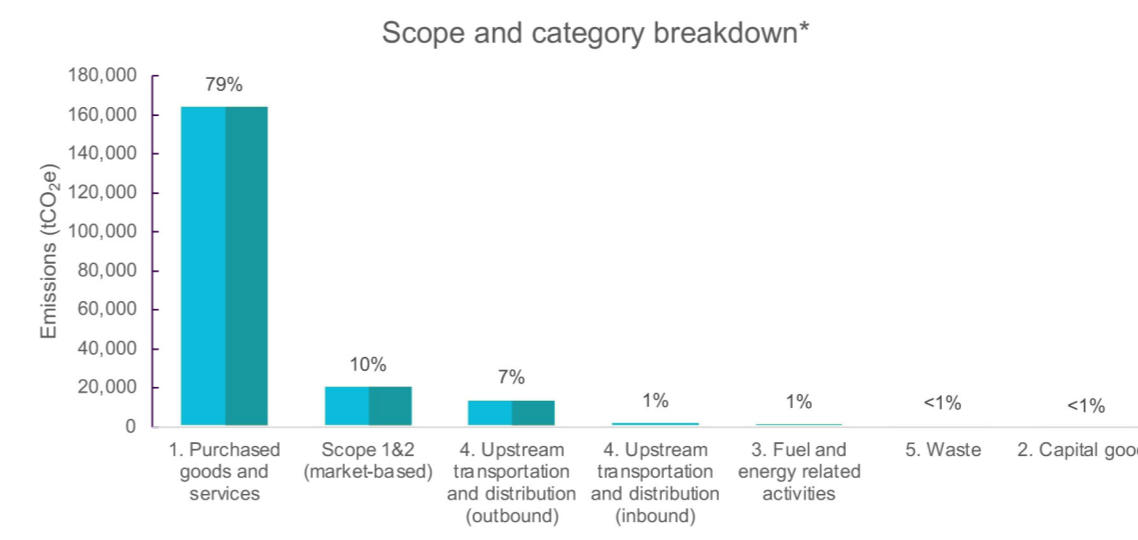
- Purchased goods and services accounted for 91% of Beauty's emissions
- Palm represented the largest quantity of purchased goods (75%)
- Transport accounted for 5% of Beauty's emissions while Scope 1 and 2 accounted for 4%



Culinary GHG Emissions 2022

Results

- Purchased goods and services accounted for 79% of Culinary's emissions
- Palm, soy, sugar and fats combined represented the largest quantity of purchased goods (54%)
- Scope 1 and 2 accounted for 10% of Culinary's emissions while transport accounted for 8%



Rahma Extra Virgin Olive Oil – an IFFCO Initiative for enhanced Carbon Footprint Reduction

- Cradle-to-grave 2021 carbon footprint assessment of IFFCOs Rahma Extra Virgin Olive Oil(EVOO) and EVOO Organic, following the Greenhouse Gas Protocol (GHGP) Product LifeCycle Reporting Standard
- Identify reduction actions for GHG emissions reductions.

Initial Findings* of the total GHG Emissions of Rahma EVOOs:

- 76% from the purchased ingredients (olive production)
- 1% Manufacturing (mostly electricity)
- 15% Packaging (mostly glass bottles)
- 6% Transport (truck/land and sea freight)
- 2% End of Life (waste, often in landfill)

* Further results and the future roadmap will be communicated in the 2023 ESG report.

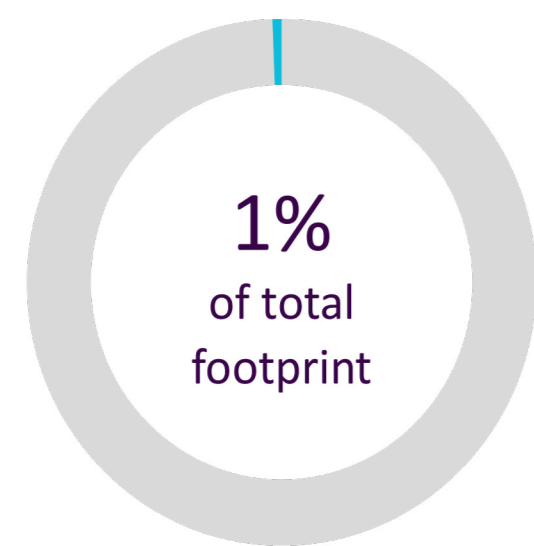
“Our Extra Virgin Olive Oil (EVOO) and EVOO Organic brand, Rahma, in the Middle East is a testimony to our dedication to quality, heritage and traceability and it is only natural that we are looking very carefully at a meaningful carbon footprint reduction roadmap aligned with the prestige of the brand and the sustainability ambitions of IFFCO”.

— Paul Thachil, Managing Director, Oils & Fats

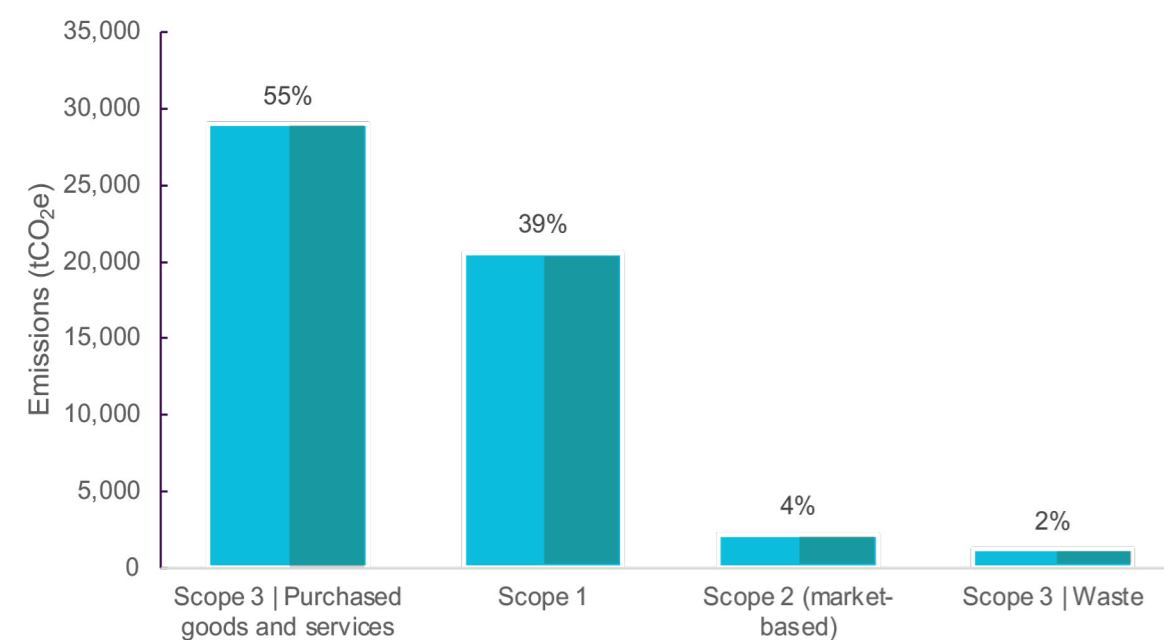
Sales & Distribution GHG Emissions 2022

Results

- Purchased goods and services (within Scope 3) accounted for 55% of Sales & Distribution's emissions
- Scope 1 and 2 accounted for 43% of Sales & Distribution's emissions



Scope and category breakdown



Reducing our GHG Emissions

While building a greater understanding of our carbon footprint, we identified immediate opportunities for reducing our emissions from both our controlled emissions (Scope 1 and 2) as well as our Scope 3 emissions. Some of the actions already undertaken include:

- Completed solar panel installations in Spain, Pakistan and Italy with more planned in the coming years
- Improved energy efficiency resulting in reduced energy (electricity) consumption
- Increased the amount of palm oil obtained from certified sustainable sources
- Commenced projects for light weighting and use of recycled and recyclable packaging materials

Looking ahead

Our journey involves a steadfast focus on analysing and reducing our carbon footprint by building on our understanding of our emissions (Scope 1, 2 and 3), enhancing data gathering and modelling, and establishing long term goals for the reduction of our GHG emissions.

In the following pages, we explain in more detail our actions and goals for addressing climate change and we look forward to updating our stakeholders on our progress in subsequent communications and reports.

Energy Management

Our Approach

At IFFCO, we take the responsibility of fully addressing the issue of GHG emissions of our own operations. This is why our immediate focus is on our energy consumption*, responsible for 2.6% of IFFCO’s total GHG emissions, of which 50% is from facility electricity consumption.



Our action plan to reduce energy consumption is based on three pillars: a determined focus on energy efficiency, an increase in renewable energy share and a shift to less carbon-intensive sources wherever possible. We are evaluating the potential for further emissions reductions by using alternative fuels and heat recovery systems, among other solutions.

Our commitment to action is seen in our 2025 Energy goals:

* Full details of IFFCO’s energy consumption can be found in the [appendix](#)

“We will continue to improve our energy efficiency and increase our share of renewable energy, while ensuring the continued and sustainable growth of our enterprise.”



Planned Energy Usage

Scope 2 emissions reduction from increase in renewable electricity use by 2025*

=Reduction of 11,700 CO₂e/annum by 2025 (1)

Additional increase in energy efficiency, renewable energy use and implementing other solutions for more sustainable energy mix by 2025*

=Reduction of 15,000 CO₂e/annum by 2025 (2)

* Calculations based on SBTi guidelines and pending submission and validation

(1) Compared to the baseline year of 2021

(2) Based on the current pipeline of energy efficiency projects versus the baseline year of 2021



Where we are Today

Energy Efficiency

IFFCO has proactively undertaken measures to enhance energy efficiency across our operations. Our journey began by conducting a comprehensive evaluation of energy consumption within the 24 production facilities encompassed in this report. From this analysis, we pinpointed the eight facilities that possess the most substantial potential for reducing greenhouse gas emissions

Advancing Energy Efficiency Facility by Facility:

- Top 8 facilities with the greatest potential for GHG emissions reductions accounting for more than 80% of Scope 1 and 2 emissions across the 5 Business Groups.
 - 5 energy audits in 2022 across UAE, Egypt and Indonesia (Oils & Fats and Agri Business Business Groups)
 - 3 energy audits to be completed in 2023 across UAE, Saudi Arabia and Italy (Oils & Fats and Culinary Business Groups)
- Form the foundation of the IFFCO energy management roadmap for 2025 and beyond

IFFCO Renewable Energy - Solar Energy Installations at our Facilities

Installation by 2022

3 facilities - Spain, Italy and Pakistan (Oils & Fats and Culinary Business Groups) **Operational by 2025**

8 additional facilities in Egypt, Pakistan, Tunisia, Indonesia and UAE* (Oils & Fats, Agri Business, Culinary)

Under consideration to be operational in 2025
6 potential additional facilities – UAE, India and Iraq (Oils & Fats and Culinary Business Groups)

* 3 facilities’ renewable energy plants are currently under review due to local regulations.

Renewable Energy

In the course of evaluating our energy consumption impacts, IFFCO identified the potential for adopting renewable energy as a part of its energy mix strategy. By the end of 2022, solar energy generation was installed in three facilities in Spain, Pakistan, and Italy. Leveraging the experience and success from these first installations, IFFCO has identified a further 8 facilities where solar energy generation units will be operational by 2025.

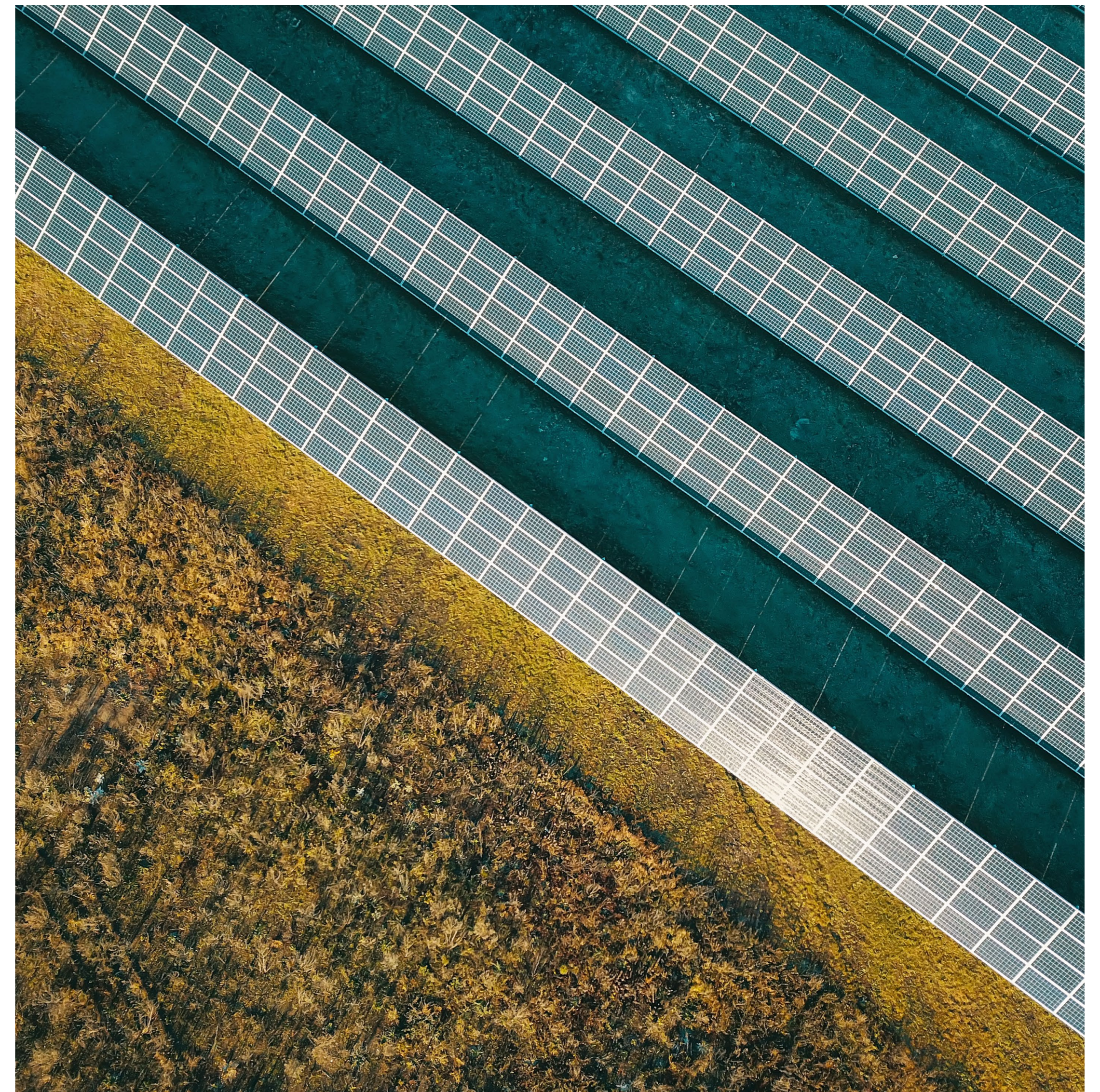
HIGHLIGHT STORY

Learning and Acting – Renewables Already Contributing to Reducing IFFCO Emissions

Oils & Fats Seed Crushing Business (SCP) Plant, Pakistan:

Our Oils & Fats SCP Plant in Pakistan crushes, refines and packages high-quality edible oils and animal feeds such as soybeans, canola, and sunflower seeds

- Operational: May, 2022
- Actual renewable energy generation in 2022: 700 MWh
- Annual emissions avoided in 2022: 418 MT CO₂e per year
- Total emissions to be avoided: 15, 466 MT CO₂ (estimated)
- Equivalence: 15, 466MT CO₂ is equivalent to GHG emissions of 1,686 average petrol-driven passenger cars racing around the Earth's equator



“It seems obvious, but harnessing the power of our natural resources for electricity production makes sense for the environment and our business, especially with a surge in global energy demand and price fluctuations. With the plan to install more solar energy generation capacity in IFFCO facilities in the coming years, I’m glad our experience and expertise can be leveraged by the Group around the world.”

— Osama Iqbal Shah, Production Manager, Pakistan Seed Crushing Plant

Looking ahead

At IFFCO, we recognise the need to constantly evolve and adapt to new challenges in the pursuit of sustainable development. Our Technology and Projects function oversees project implementation across our global operations. We leverage the entire Group’s experience to ensure that our projects are executed with a strong focus on sustainability. This includes planning for Capital Expenditure and prioritising the use of more energy-efficient technologies.

We are committed to:

- Renewable Energy projects across 11 sites and three Business Groups by the end of calendar year, 2025. The total solar energy plant projects, when commissioned, will give us an opportunity to reduce energy consumption by 3.7% from non-renewable sources and achieve an equivalent of 11,700 tCO₂ reduction.
- Energy efficiency projects across 8 sites and three Business Groups and implementing other solutions for more sustainable energy mix. This will give us an opportunity to reduce energy consumption by 4.8% and achieve an equivalent of 15,000 tCO₂ reduction.



HIGHLIGHT STORY

Learning and Acting – Renewables Already Contributing to Reducing IFFCO Emissions

Oils & Fats Olive Oil Production Plant, Spain:

IFFCO facility in Spain processes and bottles olive oil received from selected Andalusian fields

- Commissioned: April 2021
- Actual renewable energy generation in 2022 145 MWh
- Renewable energy share of in facility’s total 2022 energy site/BU Percentage consumption: 30%
- Annual emissions avoided: 55 MT CO₂e per year (estimated)
- 1,210 MT CO₂ is equivalent to GHG emissions of a race by 110 average petrol-driven passenger cars round the Earth equator.

[*According to the US Environmental Protection Agency, Greenhouse Gas Equivalencies Calculator](#)

Water Management

Our Approach

At IFFCO we operate in diverse geographies across the Middle East, Africa, Europe and Asia, which exposes us first-hand to the far-reaching impacts of water-related challenges. We are committed to taking a responsible approach to water - a crucial element in our production processes and a fundamental ingredient in our products.



Water is an indispensable resource, and therefore it is necessary to approach its management with deep respect. Recognising its fundamental role in sustaining life and the communities where we operate, as well as the entire food value chain, water is at the core of our sustainability initiatives, a key focus across all our operations, and a reflection of our commitment to responsible resource management. At IFFCO, our water priorities are:

- Reduce water withdrawal and water intensity in our operations
- Wastewater reduction in all operations
- Ensure that all employees have access to clean water for hydration, and hygiene and safe sanitation facilities in the workplace, in line with the highest WASH4Work standards.

Where we are Today

In 2022, in alignment with our carbon footprint calculation, we strengthened our approach by measuring our water withdrawal and intensity. 24 production facilities of four of the Business Groups (Oils & Fats, Agri Business, Beauty and Culinary) within the scope of this report have taken a series of steps to understand their current baselines and to identify any gaps in efforts to accelerate our water stewardship ambitions.*

*Sales and Distribution Business Group has not been included in this water analysis as the activities are primarily warehousing and logistics and not production

2022 Water Withdrawal at 24 IFFCO Production Facilities

Oils & Fats: 1,264,544 m³
 Agri Business: 1,094,365 m³
 Beauty: 430,113 m³
 Culinary: 519,827 m³

Total water withdrawal across the four Business Groups: 3,308,849 m³

WASH4Work and IFFCO in 2022

IFFCO recognises that access to water and sanitation is a fundamental human right acknowledged by the United Nations, and thus is also a core business responsibility - as such, we guarantee the provision of this right to all our employees.

In 2022, IFFCO adopted the WASH4Work initiative, ensuring access to clean water and sanitation facilities for all employees following the highest standards. Facilitated by The United Nations Global Compact’s CEO Water Mandate, WASH4Work mobilises businesses to address Water, Sanitation, and Hygiene (WASH) issues. Through our active participation in this initiative, we uphold sustainable practices and contribute to global efforts for universal access to clean water and sanitation.

To assess the status of WASH provisions at our production facilities in multiple countries, IFFCO utilised the WASH Pledge Self-assessment tool, benchmarking against international best practices. Our commitment extends across facilities in the United Arab Emirates, Egypt, Saudi Arabia, Pakistan, Tunisia, Italy, India, Algeria, Malaysia, and Indonesia.

By implementing this project as the first key step of our water strategy, IFFCO will ensure safe access to WASH to all our employees

24

Production Facilities analysed
(across Oils & Fats, Agri Business,
Beauty and Culinary)

6

Facilities compliant

18

Facilities with varying levels of gaps
identified for action

727,000
USD

Committed to address gaps

By
31 March
2024

All facilities to be compliant

Looking ahead

Our priorities of improving water use, reducing water withdrawals, enhancing wastewater treatment and improving access to water for drinking, sanitation and hygiene form the basis of our overarching 'Water Programme' which includes:

1. Water risk assessment across all facilities to gain insight into the types of water-related risk and business impact and how facilities may respond to them

2. Water policy development for IFFCO facilities outlining actions to respond to identified water risks, guide reporting requirements and inform the standard for WASH4Work requirements

Additionally, we recognise the importance of increasing our knowledge of water related impacts and dependencies across our value chain, in order to develop context-based water-related strategies and actions.

“We are committed to more efficient water use in our production facilities as well as the roll-out of our WASH4Work programme, ensuring access to safe water, sanitation and hygiene for 100% of our employees across the Business Groups within the scope of this report. These efforts are rooted in our core values and beliefs and woven into the fabric of our sustainability strategy.”

— Mr Rizwan Ahmed, Executive Director

IFFCO Italy reduces Water Withdrawal while doubling Production

IFFCO Italia S.R.L., a part of the Culinary Business Group, produces dairy and vegetable creams for domestic and professional customers and is based in Marcianise, in the southern Italian region of Campania. In 2021, the facility implemented three main measures on water management and has reached a 47% reduction in water withdrawal compared to 2020.

Water withdrawal at Italy site:

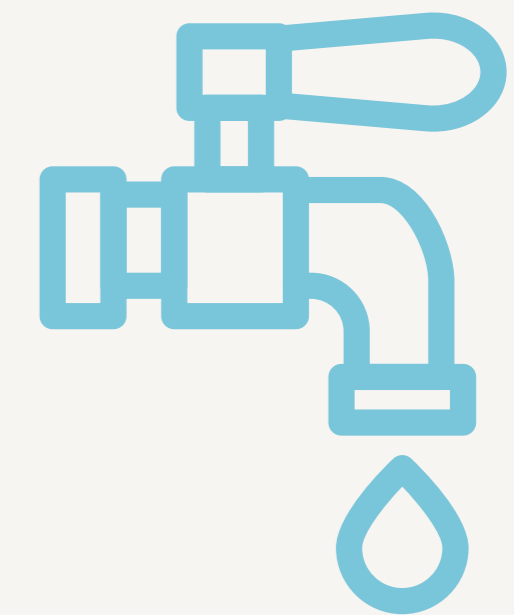
2020 : 518,250 m³

2021: 273,000 m³

2022: 254,712 m³

Actions in 2021 by the Marcianise facility:

- Optimisation of production based on washing cycles
- Construction of a reverse osmosis plant for water purification
- Awareness campaign for staff on the importance of reducing water withdrawal



Circular Economy

Our Approach

At IFFCO, we are dedicated to operating efficiently, which also requires effective management of waste generation from our production processes and introducing packaging solutions with a reduced environmental impact. To this end, we are guided by our three principles for managing waste:



- **Avoid & Reduce to minimise waste generation through avoidance and raw materials reduction strategies**
- **Reuse or repurpose waste where possible and preferably immediately within the production process or site**
- **Recycle**



Where we are Today

In 2022, we integrated the requirement for each Business Group within the scope of this report to separate, weigh and report liquid and solid waste.

As we progress, we are 'learning by doing', drawing on best practices and examples from across the IFFCO Group. The aim of this is to develop a resilient framework and set clear objectives for waste reduction throughout our processes and products. An example of some of these best practices include:

Bottle redesign projects to reduce GHG emissions

As part of IFFCO's ongoing packaging weight reduction initiatives, two projects were undertaken in 2022 in our Oils & Fats Business Group which will result in additional GHG emissions reductions. To be rolled-out for the 2023-24 operating year, these include:

- A lighter bottle produced with a new design and bottle blowing technology using recyclable HDPE (High-Density Polyethylene)
- A change in cap design to an industry standard 1-piece plug-seal ROPP (Roll-On Pilfer-Proof) design

Agri Business Pilot Project reduces Feed and Commodities Bag Weight by 16%



In 2022, the Animal Nutrition facility, part of Agri Business in the UAE, undertook a pilot project to reduce the weight of UNIFEED woven sacks used for animal feed and commodities while maintaining quality standards. The initiative involved a collaboration between Purchasing, Marketing and Production teams and will now be extended to cover all products sold under the UNIFEED brand, including poultry and ruminant feed as well as commodities. The pilot resulted in:

- 16% reduction in weight versus the original version of the woven sack

From used cooking oil to biodiesel

IFFCO Egypt collaborated with Green Pan to repurpose used cooking oil as biofuel feedstock. Through the auspices of our 'Sunny' cooking oil brand, used cooking oil from households was collected and reused to manufacture biofuel, providing a more sustainable solution for the disposal of used cooking oil. In exchange, the households receive Sunny cooking oil delivered to their doorstep by Green Pan representatives.

In 2022, Green Pan Project resulted in:

- 900,000 kg: used cooking oil collected
- 2,400 tonnes CO₂e avoided
- 107,400 trees planted

Looking ahead

IFFCO prioritises sustainable practices in waste management and packaging, guided by our hierarchy of priority, "Reduce, Reuse, Recycle", to reduce our environmental impact.

To further enhance these efforts, we are setting targets based on thorough evaluations which will include targets for eliminating site packaging leakage and reducing food waste. We have also embarked on a journey to improve recyclability of the packaging of our consumer goods, which will start with a comprehensive audit and assessment of packaging in terms of recyclability of materials, examining recycling rates in countries where we have a presence and integrating the carbon footprint of various consumer packaging materials into our decision-making of various consumer packaging materials into decision-making process. This will allow us to focus on eco-design efforts for improving the sustainability of our consumer goods packaging.



Forests

Our Approach

At IFFCO, we recognise our role in providing food to feed a growing population, as well as the potential environmental impacts associated with the production of agricultural raw materials that we are sourcing along the value chain.



We also acknowledge the important role of forests in regulating climate change, protecting biodiversity, sustaining ecosystems for long-term crop production and providing livelihoods for local communities. As such, we are committed to sourcing deforestation-free palm, soy, wheat, sunflower and their derivatives.

Our efforts in addressing deforestation is a central component of our business strategy and planning, and is a crucial element of our climate action plan. We aim to strike a balance between food security and environmental preservation for the benefit of present and future generations.



Land use contributes about one-quarter of global greenhouse gas emissions, notably CO₂ emissions from deforestation and N₂O (nitrous oxide) emissions from fertiliser use (United Nations Intergovernmental Panel on Climate Change (IPCC) Special Report, 2023).

Where we are Today

Starting in 2019 with a focus on palm, IFFCO made significant progress in transparency of our palm oil and palm kernel oil sources. We are taking proactive measures in addressing the industry-wide issues of deforestation linked to palm oil expansion. We follow the No Deforestation, No Peat and No Exploitation (NDPE) Implementation Reporting Framework (IRF) to track progress, identify gaps within our supply chain and implement required action plans.

Our palm traceability efforts and assessment of direct mills have enabled us to begin mapping our palm supply chain and measure progress on zero deforestation commitment using the NDPE - IRF. Another measure that we have taken to help us reach deforestation-free palm, is a commitment to increase our sourcing of Roundtable on Sustainable Palm Oil (RSPO) certified sustainable palm oil, a multi-stakeholder initiative that promotes the production and use of sustainable palm oil.

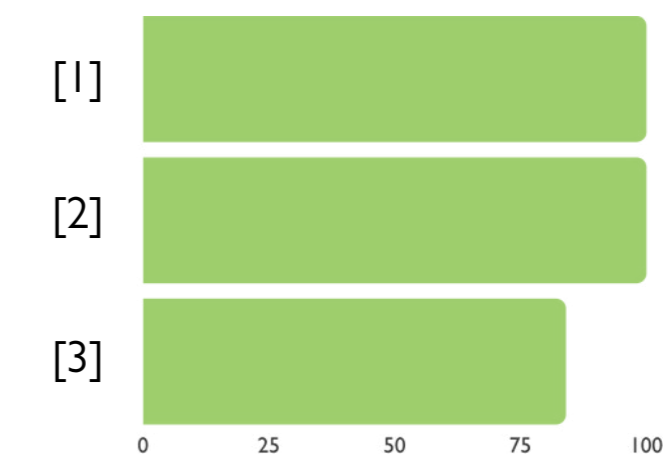
RSPO standards for environmental and social responsibility include protecting high conservation value areas, respecting the rights of workers and local communities, and reducing greenhouse gas emissions.

In 2022, we appointed a technical expert to conduct geospatial analysis based on satellite imagery to map, assess and monitor deforestation-risks in the supply base of our Indonesia-based refinery.

[1] 100% of IFFCO palm-based processing facilities are RSPO Supply Chain certified

[2] 100% traceability of IFFCO palm oil (to the mill)*

[3] 84% traceability of IFFCO palm oil (to the plantation)



* IFFCO self-reporting

95% traceability to plantation for crude palm oil volume produced by PT Synergy Oil Nusantara, our Indonesia-based refinery (Oils & Fats Business Group) verified by Control Union**

** Control Union is an international certification and inspection organisation that provides services in the areas of sustainability, certification, and verification of supply chains.



Volume of RSPO Certified Palm Oil (MT)*

- 2020 – 78,501
- 2021 – 94,838
- 2022 – 167,344

In Top 7% - IFFCO Holdings Limited was among the 110 organisations out of more than 1,700, with scores of over 8.5 for the RSPO Shared Responsibility Scorecard commitment.

*1.8% IFFCO share from global RSPO-certified sustainable palm oil uptake in 2022, increase from 0.7% in 2019 (based on the RSPO-certified sustainable palm oil uptake data from RSPO)



NDPE IRF
Incorporated into the IFFCO Group Policy on Sustainable Palm Oil Sourcing

No Deforestation, No Peat, No Exploitation - Implementation Reporting Framework

Since 2020, we have worked closely with our palm oil suppliers, assessing our palm supplying mills using the NDPE Implementation Reporting Framework that evaluates our suppliers' progress on NDPE IRF commitments, and categorises them accordingly.

58% - of IFFCO volumes in 2021 are delivering on their 'No Deforestation' commitment based on the NDPE-IRF tool – verified by the Control Union

5th place - IFFCO ranking with Mighty Earth Palm Oil Trader Tracker in 2021 acknowledging our efforts in addressing grievances associated with deforestation



Looking ahead

We are committed to tackling the main drivers of GHG emissions for each of the main commodities that we buy with a robust action plan along the value chain.

Focus on Palm Oil

In 2023, we will extend our deforestation satellite-based monitoring to encompass a wider supply base of our five refineries located in the United Arab Emirates, Kingdom of Saudi Arabia, Egypt, Pakistan, and Indonesia.

Moving forward, IFFCO will continue to adopt measures to increase the percentage of our palm oil that is deforestation-free based on NDPE - IRF with a target of reaching 100%.

Those measures include:

- Adding the IRF profile information as a requirement in the traceability declaration by suppliers
- Strengthening engagement with our direct suppliers to understand the challenges and opportunities for improving their IRF scores



Other Commodities

We will conduct supply mapping for other key commodities such as soy, wheat, and sunflower along with their derivatives, to identify sources originating from high-risk deforestation areas and focus on suppliers sourcing from high-risk areas in order to act on a zero-deforestation strategy.

Our Path to Zero Deforestation in Key Commodities by 2025

- 2019 - 100% of IFFCO palm oil processing facilities are RSPO Supply Chain Certified
- 2019 - NDPE Commitment incorporation in our Group Policy on Sustainable Palm Oil Sourcing
- 2021 - NDPE IRF adoption to assess and demonstrate progress of our suppliers towards the NDPE compliance. 58% of IFFCO 2021 palm oil volume is verified to be sourced Deforestation-free based on NDPE IRF by the Control Union. In 2021, IFFCO included all palm volumes processed in our 5 processing facilities as compared with the practice in 2020 where IFFCO only covered RSPO-certified volume supplied to specific customers.
- 2022 – 100% palm oil traceability to mill (TTM) & 84% traceable to plantations (TTP)
- 2022 – Deforestation-free supply commitment
- 2023 – Achieving 100% wheat, 50% soy and 50% sunflower with known country of harvest
- 2023 - Roadmap 2030 elaboration and sign-off for palm oil sustainable sourcing
- 2024 – Zero deforestation strategies for wheat, soy and sunflower to be established

IFFCO - Best SDG Impact Award at ESG Summit and GRIT Awards

During the July 2022 ESG World Summit and GRIT (Global Resilience and Impactful Transformation) Awards, held in Singapore, IFFCO's deforestation risk mapping project won the "Best SDG Impact Award" as voted by an independent jury of global experts.

The award recognised our efforts to map the deforestation risks of our supply base and align with United Nations Sustainable Development Goal (SDG) target 15.2: promoting the sustainable management of all types of forest, halting deforestation, restoring degraded forest, and increasing afforestation and reforestation.

Mapping PT. Synergy Oil Nusantara's Palm Oil Supply Base

477 GPS points were collected and each of them was analysed using 15 km radius
 1,459 sources of palm fresh fruit bunches
 6 million hectares covered – an area larger than the size of the Netherlands

The Percentage of Palm Oil Supply Base subject to 3 main Risks (Deforestation, Peat Land Degradation and Fire hot spots)

- 5% of suppliers subject to risks of deforestation
- 1.5% for peat degradation
- 8% for fire hot spots

By mapping and monitoring areas of interest based on a 15 km radius from the GPS points, we identified 6 out of 34 mills with a potential high-risk supply base. This has paved the way for IFFCO to prioritise engagement and co-opting suppliers towards environmental risk reduction measures.

SOCIAL



An enduring
commitment to our
people, their safety and
their wellbeing for the
future



Social

An Enduring Commitment to our People and their Wellbeing, to upholding their Human Rights and to Healthier and more Sustainable Diets for our Consumers.

At IFFCO, we are committed to being a people-centric organisation, recognising that our employees are core to our journey of success. We are guided by our overarching corporate strategy with 5 main priorities: People, Growth, Sustainability, Customer and Consumer, and Governance. The very fact that among these five priorities “People” is listed, reflects the importance we place on our people and their wellbeing.

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

As an international FMCG business, our social commitment encompasses an enduring focus on our people and our consumers. We make continuous efforts to enhance our people’s professional development, celebrating their diversity, promoting their wellbeing and upholding their human rights. We are also committed to supporting healthier diets for our millions of consumers. This is how IFFCO is “Investing in the Future”.

Our Commitments

1. To Our People:

Employee Welfare: focus our efforts on their professional development, diversity, safety and welfare through engagement, empowerment and wellbeing measures

Human Rights: promote and protect human rights, to ensure ‘No Child Labour’ and ‘No Forced Labour’ in our own and our suppliers’ operations through our Human Rights roadmap

2. To Our Consumers:

Healthier Diets: advocate for and develop products that support healthier diets including sugar, fat, and salt reduction, clean label and waste reduction

Main Highlights

- We recognise the role that we play in contributing to local community development. We have dedicated US\$ 1.6 million annually to local community development in the areas of education, health, food distribution, and similar social welfare issues
- IFFCO made a significant contribution to the “1 Billion Meals” initiative of the UAE Government
- As part of our social commitment, IFFCO Cares was established to aid employees and people impacted adversely by natural disasters, including the Pakistan floods which occurred during 2022. A comprehensive relief package of PKR 121 million was created under the umbrella of the IFFCO Cares initiative to deliver emergency relief to the affected. In addition to food, clothes and utensils, hygiene products were distributed with special emphasis to support women’s health. The aid was also extended to IFFCO’s direct and indirect workers’ families residing in the flood affected regions to restore their living conditions.
- The Employee Engagement Survey results in 2022 showed strong engagement and recognition of the IFFCO working environment and company approach to respecting People

- IFFCO Human Rights Working Committee was established in 2022 to provide direction and priority of actions in the development of our Human Rights Goals and Roadmap

Read about each of our Social programmes:

Employee Welfare:

Our people are our greatest strength and their professional development, diversity and wellbeing are our focus.

Human Rights:

The foundation of our approach to our people.

Healthier Diets:

Key to promoting health and wellbeing and reducing our impact on the environment.

Employee Welfare

Our Approach

IFFCO recognises that our employees are our greatest strength, and their ideas, innovation and enthusiasm drives our growth and success. Our approach to employee welfare is thus built on three pillars guiding us as we aspire to create an environment that enables our employees to achieve their full potential. These pillars are:

A Commitment to Talent and Development:

IFFCO's commitment to talent and development is rooted in the belief that every employee has the ability to grow and succeed and as such we must, and do, invest in their professional development.

Supporting IFFCO Diversity and Inclusion:

Integral to the "our people" strategy, IFFCO is committed to promoting diversity and inclusion. IFFCO believes that all employees deserve equal opportunities, without any discrimination on grounds of birth, race, sex, religion, opinion or any other personal or social status or circumstance.

Guided by the Health, Safety and Wellbeing of our Employees:

Given that IFFCO is engaged in diverse businesses in 49 countries across production sites, offices, distribution and trading facilities, our commitment to health, safety, and employee wellbeing is paramount.



Where we are Today

The 2022 Employee Engagement Survey:

We strongly believe that our people are the leading force that drives our business growth and continued success. In line with this belief, IFFCO conducted an Employee Engagement Survey (EES) with the larger purpose of reaching out to understand how employees feel about the organisation in order for us to develop proper response and actionable items. The Key Performance Indicators of Engagement are globally benchmarked indicators that provide a key measurement for employee engagement.

Strong recognition by IFFCO employees that we are delivering on our social commitment:

- 87% of participating employees agreed that IFFCO provides an inclusive environment
- 89% of participating employees agreed that IFFCO ensures the wellbeing of its people
- 82% of participating employees agreed that IFFCO creates a positive atmosphere for work-life balance
- 89% of participating employees felt physically safe while at work
- 84% of participating employees felt psychologically safe in the workplace
- 85% of participating employees believed IFFCO upholds business ethics

* 84% of management and 87% of non-management participated in the 2022 Employee Engagement Survey

A Commitment to Talent and Development:

IFFCO’s Training and Development programmes are designed to enhance employees’ skills and knowledge and aid career development. Programme participation in 2022 included:

- **47 senior leaders** - participated in the IFFCO Leadership Programme in partnership with IMD (International Institute for Management Development) Business School, Switzerland, in 2022. In total, 87 leaders have participated in this programme as part of our talent development and succession planning initiative.
- **26 graduates** – on-boarded through the IFFCO graduate trainee programmes in 2022, with 42% female representation. The programmes provide compact technical and behavioural development to achieve career acceleration to Junior Manager positions.
- **100%** of eligible and/or qualifying employees (having spent at least 3 months in the team and with no performance warnings) were part of our yearly performance review and career development.



Supporting IFFCO Diversity and Inclusion:

IFFCO has implemented various initiatives aimed at promoting diversity and inclusivity:

- We celebrate and recognise the importance of women in the organisation. IFFCO signed a Memorandum of Understanding with [NAMA Women Advancement](#) to champion inclusivity and diversity in the workforce.
- Cultural, religious, regional and international observances and festivities are highly important in how we recognise and celebrate our people and we are proud to host eventful celebrations on special occasions, such as International Women’s Day, countries’ National days, Diwali, Ramadan and Eid, Christmas, to name a few.
- Our commitment to diversity is evidenced in the geographical and generational diversity of our organisation.
- Across the five Business Groups within the scope of this report, there are:
 - o **75+ different nationalities**
 - o **Diverse mix of ages across management and non-management roles**
(for more information about the mix of ages, please refer to the Appendix)

Guided by the Health, Safety and Wellbeing of our Employees:

IFFCO maintains a focus on, and has a range of programmes that ensure, the health, safety, and wellbeing of our employees. Our Health, Safety and Environment Policy guides us every day at all of our locations

IFFCO Health, Safety and Environment Policy

“We aim to proactively manage hazards and hazardous situations with the potential for adverse impacts on people, the environment, our assets and our reputation. We will achieve this by establishing and attaining high standards and through an active and consultative approach with all stakeholders.”

Health & Safety at IFFCO:

We conduct regular safety audits and certification of facilities according to international standards for health and safety. This is an ongoing process and as of the end of 2022:



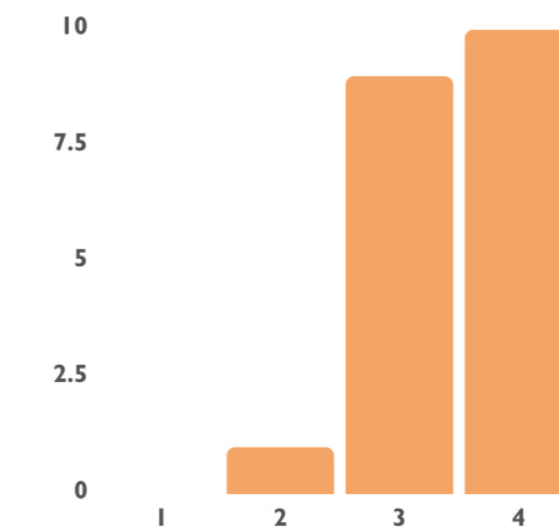
ISO 45001 certified
9 IFFCO production facilities



SEDEX certified
7 IFFCO production facilities

0.86 % Rate of recordable work-related injuries (employees)

- Zero - fatalities
- 1 - high-consequence work-related injuries
- 9 - recordable work-related injuries
- 10,416,819 - hours worked



Wellbeing at IFFCO:

At IFFCO, we recognise the vital role our people play in driving our sustainable growth, and as such our commitment extends beyond their professional success to their overall wellbeing. We firmly believe that fostering a supportive work environment is essential for their health and happiness. We provide centrally-led programmes and facilitate employee-owned projects around the world at all our facilities and offices, including offering access to expert medical advice and support services, and nurture an atmosphere that prioritises physical and mental wellbeing. Examples of the many programmes to support our people’s wellbeing can be found in the highlight that follows.





IFFCO 'Wellbees' step challenge'

Encouraging and Supporting our People in making a Health Habit of Walking:

- 25 days – in November 2022
- 225 employees participated
- +30 million steps - around 23,000 kilometres - Distance travelled: equivalent to walking from UAE to South Africa and back again

The enterprise-wide activity enabled us to sponsor UNICEF child relief activities; our contribution supported therapeutic-food-packages for a month for a child.

Looking ahead

As we strive to improve across all our areas of influence, our approach to our employees remains steadfast. Some of our goals going forward in 2023 include:

- Strive for continued strong employee engagement by developing action plans based on the 2022 Employee Engagement Survey results
- Empower women across the organisation and promote diversity at IFFCO
- Continue to raise employee awareness about sustainability and how our employee's contribution to IFFCO's sustainability journey makes a difference

IFFCO Employee Health, Safety and Wellbeing Highlights in 2022:

- **Installation of Fall Arrest Systems** - at loading bays and fall protection system at oil storage tanks in our IFFCO MALAYSIA SDN. BHD. (IMSB) production site, helping to prevent incidents in the workplace.
- **WASH4Work** - aligned with our commitment to ensure access to clean water for drinking and washing, and safe sanitation facilities for 100% of our employees in their workplace. Read the case study on [page 23](#).
- **Breast Cancer Awareness Month** – a comprehensive awareness programme is conducted each year across IFFCO, including live and online talks with medical professionals and a women's support group for friends and family of breast cancer survivors.
- **Fruit Corner** - in IFFCO Spain, fresh fruit is delivered weekly to our employees to encourage healthy eating habits and helping to optimise the consumption of snacks and foods. Similar week-long Fruit Corner initiatives were carried out at several sites in the UAE.
- **Diabetes Awareness** – a diabetes awareness programme for employees that included free testing on site, a live talk with a doctor and employee information about healthy eating provided in break rooms.
- **Employee Wellness Room** – provided at our Corporate Office at Tiffany Tower, Dubai, UAE, recognising the importance of our people's wellbeing with a dedicated space to unwind.
- **TRUDOC App** - a medical support App available 24/7 for all UAE based IFFCO employees providing live access to online consultation and tele-doctors in multiple languages including English, Arabic, Urdu and Hindi, linked with free home delivery of medicines in several Emirates.
- **IFFCO Health Awareness and Wellbeing Campaigns** – from medical camps, free eye/blood pressure tests, sugar check-ups, blood donation drives, the Movember campaign, to several wellbeing sessions delivered by experts on mental health, stress and burnout, PCOS, our wellbeing calendar was, and continues to be, action packed and men's health.

Human Rights

Our Approach

At IFFCO, human rights are a fundamental foundation of our “People” pillar. They are woven into the very fabric of our core values and beliefs. We are guided by the [United Nations Guiding Principles on Business and Human Rights](#), and acknowledge our responsibility to uphold and respect human rights throughout the value chain – our long-term focus is not only on our own employees, but also outsourced manpower and the communities we serve.

IFFCO is dedicated to ethical business practices and social responsibility. Our journey towards good governance and practices is rooted in the firm belief that every person deserves dignity and respect.

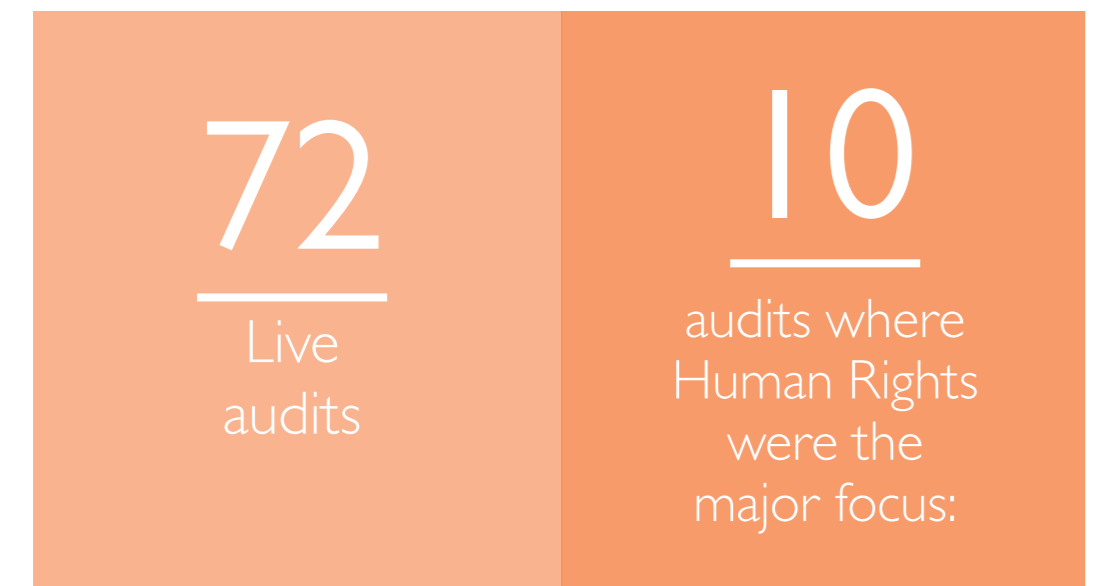
Where We are Today

The IFFCO Human Rights Working Committee, led by our Group Director - Human Resources, was established in 2022 with the objective of providing direction and priority of actions in the development of our 2025 Human Rights Goals and Roadmap.



Ongoing and continuous live audits

To identify salient issues and ensure that they were addressed, in 2022 there were:



- Across 9 manufacturing facilities
- In 4 countries

In alignment with our goals, we undertook a comprehensive analysis of the gaps in human rights implementation using the results of SEDEX, Ecovadis and customer audits spanning nine major manufacturing facilities of IFFCO Group. We also conducted market research and benchmarking against 14 global standards and regulations, and enhanced our own knowledge base by human rights' commitments analysis of 15 key industry players and guidelines of 11 organisations that encourage companies to adopt and comply with human rights standards. This allowed us to develop a holistic perspective, considering all stakeholders and their unique needs and aspirations.

Through this process we identified seven Pillars of Focus which form our human rights' salient issues:

1. No child labour
2. No forced labour (modern slavery, working hours, etc)
3. Responsible recruitment
4. Living income and living wage
5. Gender equity, non-discrimination and non-harassment
6. Health and Safety at work
7. Freedom of association and collective bargaining

Key to our Human Rights Roadmap 2025 is our commitment to establishing a human rights due diligence framework, a non-linear process that will guide us to structurally:

- Assess the implementation of human rights' salient issues
- Integrate corrective action
- Track progress
- Communicate effectiveness and impacts



Looking ahead

Our dedicated efforts will be invested in achieving our 2025 Human Rights roadmap and goals. We focus our actions on conducting due diligence in high priority operations, regions and stakeholder groups and building awareness of human rights with our employees, outsourced manpower and suppliers. We are carrying out more in-depth analysis on human rights implementation in our palm supply chain as part of our NDPE (No Deforestation, No Peat and No Exploitation) commitment.

**HIGHLIGHT STORY**

IFFCO signed an MoU with NAMA Women Advancement to champion inclusivity and diversity in the workforce

The Memorandum of Understanding (MoU) reinforces IFFCO's culture of investing in people as our most important asset. By actively supporting NAMA in its efforts to drive equality for women, IFFCO is advancing gender equity encouraging talented women in our organisation to follow their strengths and break barriers to achieve their best.

NAMA Women Advancement was founded in 2015 by His Highness Dr. Sheikh Sultan bin Mohammad Al Qasimi, UAE Supreme Council Member and Ruler of Sharjah. NAMA aims to 'mobilise the means required to create enabling environments to advance gender equity and inclusive economic and social growth in the UAE'.

[See more...](#)

Healthy and Sustainable Diets

Our Approach

At IFFCO, we recognize the significance of Healthy and Sustainable Diets for both people’s health and wellbeing and the environment, and as such we believe that promoting nutritious and sustainable eating habits is crucial for our future.

We understand that Healthy and Sustainable Diets are essential for optimal health and disease prevention and that nutrient-rich foods also support growth, development, and overall vitality.

Through ongoing research and development, we create innovative ingredients and products and are working to develop products with reduced calories and reduced levels of sugars and sodium guidelines, while still providing flavourful and nutritious options that contribute to a healthier lifestyle.

Where we are Today

IFFCO recognises the importance of Healthy and Sustainable Diets and is working towards providing nutritious, sustainable, and accessible food options. On World Vegan Day on the 1st of November 2022, and to mark our commitment to contribute to a more sustainable model of agriculture such as regenerative agricultural practices in Gulf Cooperation Council (GCC) countries, IFFCO launched the Gulf Region’s first 100% Plant-Based Venture, followed by the inauguration of the first 100% plant-based meat factory in UAE under the brand name THRYVE™, contributing to the development of food security and health in the region.

Our nutritional approach revolves around balanced macro/micro-nutrition, ensuring that our offerings provide a comprehensive range of essential nutrients. THRYVE™ represents our commitment to rediscovering highly nutritious and sustainable crops. Through our passion for unlocking the underutilised potential of plants, we apply healthy food technology and science to design flavourful, nutritious, and sustainable food options for the future.



“Sustainability is at the heart of our THRYVE™ venture - a plant-based meat crafted from the Faba Bean, a nutritional powerhouse produced locally in the Middle East, helping to reduce GHG emissions from the food chain, in an energy-efficient factory that will receive 20% of its total electricity needs from its own photovoltaic energy production.”

— Andrey Dribny, Chief Executive Officer-Culinary at IFFCO Group

Between 2013 and 2019, our AL BAKER brand, part of our Agri Business, launched a range of flour products including whole wheat (chakki), multigrain, and brown flour to cater for the growing group of health-conscious consumers.

2022: Al BAKER brand’s whole wheat (chakki), multigrain and brown flour range of products continue to be available on supermarket’ shelves.

2022: Noor brand Corn+ cooking oil fortified with zinc was launched and is now available in the UAE, Kuwait and the Kingdom of Saudi Arabia.

Looking ahead

Our Culinary Business Group is now in the process of developing a number of products that support healthier diets including reduced sugar, fat, and salt options, clean label and waste reduction.

NOOR Corn+ ‘Fortified With Zinc’

NOOR Corn+, part of the premium cooking oil brand, NOOR, is a newly launched pure corn oil fortified with zinc and suitable for all types of cooking. The only oil fortified with zinc in the Middle East, NOOR Corn+ is now available in the UAE, Kuwait and Kingdom of Saudi Arabia.

The benefits of zinc

Zinc is a mineral that is essential for many of the body’s normal functions and systems and helps to transfer fat into energy, strengthen immunity, and facilitate recovery and healing.



HIGHLIGHT STORY

Thryve™ - feeding new life into our diet, culture & soil

Why plant-based meat?

Whether or not we need to diversify our protein sources is no longer a question; it has become an urgent necessity. With the multifaceted challenges of population growth, climate change and the increasing burdens on nature, in the Middle East region, like in the rest of the world, we need to rethink the way we produce and consume protein, and innovation is a key part of the answer. Embracing protein diversification innovation not only provides opportunities to create healthier and more balanced diets, but could also help us to progress towards a net-zero food system and increase both food security and system resilience.

The Faba Bean (Vicia faba): A nutritional and sustainable Powerhouse

Widely grown: Born in the Middle East 10,000 years ago, since then it has travelled and been adapted for growth in various regions.
Resilient and water-efficient: Due to its ability to

adapt to a broad range of environmental conditions, microclimates and soil types, the Faba Bean thrives in different regions and climates, including in arid and semi-arid regions, reducing dependency on water-intensive crops.

Nutritional benefits: high-quality plant-based protein source, containing 8 out of 9 essential amino acids required by the human body, source of fibre, minerals and vitamins.

Environmental benefits: This small bean requires less water and fertiliser input and its cultivation contributes to nitrogen fixation, improving soil fertility and reducing the need for synthetic fertilisers.

The Faba bean – a Platform for Future Food and Ingredient Innovation

IFFCO has plans to optimise the unique advantages of the Faba bean as a platform for future innovation in the plant-based food industry and likewise recognises the potential of other important proteins and ingredients that can be harnessed using similar principles.

THRYVE™ Plant-based Meat as a Source of Healthy Nutrition

Balanced Macro/Micro-nutrition, clean label and gluten free

- **High in protein,** with essential amino acids - supports the maintenance of normal bones and muscle

- **Contains Omegas 3, 6 and 9, and 0% cholesterol** - reduces the risk of heart disease
- **Source of dietary fiber** - supports the absorption of nutrients
- **Source of micro-nutrients** - such as Iron, Potassium, Vitamin B1, B6, and B12, which contribute to the maintenance of normal blood pressure and normal function of the immune system, nervous system and energy yielding metabolism
- **Clean label** - Thryve plant-based meat is free from artificial additives and preservatives and helps to promote healthier eating habits
- **Gluten free** - Thryve is a 100% gluten free plant-based meat substitute, therefore also fulfilling the needs of consumers with an intolerance to gluten

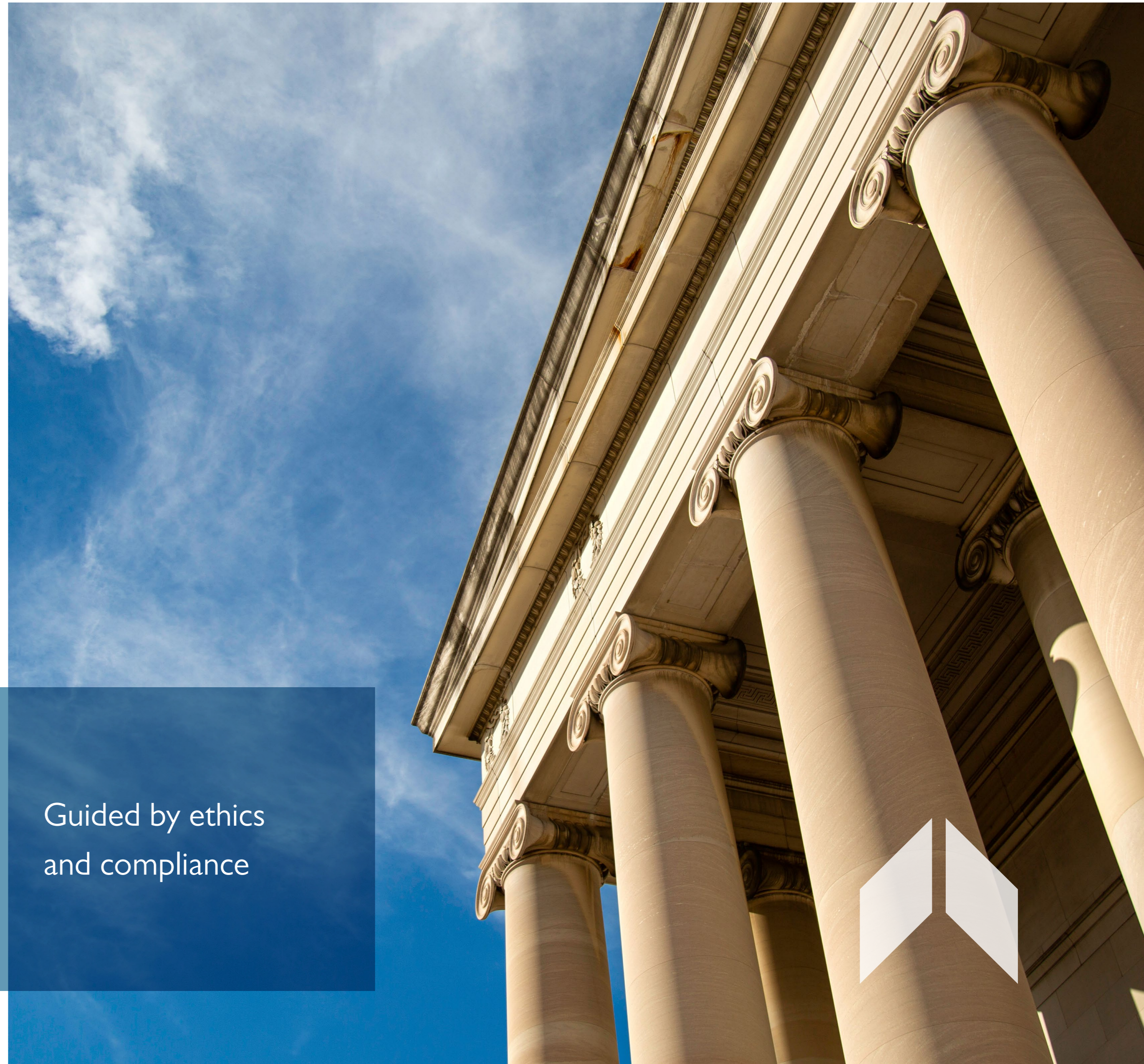
“Thryve™ exemplifies IFFCO’s dedication to nurturing a resilient, sustainable and healthy food system that supports the growing demand for protein, promotes regional efforts to develop local ecosystems, enhances food security and diversifies our food sources”

— Valeria Krynetskaya, Head of Plant Based Venture THRYVE™ at IFFCO Group

GOVERNANCE



Guided by ethics
and compliance



ESG Governance

Guided by our Ethics and Compliance

Since 2019, we have been working on various sustainability aspects of responsible sourcing practices.

In 2021, IFFCO took the initiative to launch its full-scale sustainability programmes under the Planet, People, and Product pillars, reinforced by a robust governance structure, dedicated awareness and engagement and communication programmes to guide stakeholder engagement.

A crucial element of the internal governance structure is the accountability of each IFFCO Group Leader for one of the sustainability programmes, supported by the sustainability team. IFFCO's sustainability governance policy ensures that each leader is responsible for monitoring progress and delivering their programme targets, which are then integrated into quarterly business updates presented to, and signed off by, the Board of Directors. In this way, sustainability remains a top priority in all aspects of operations.

Additionally, IFFCO has prioritised responsible sourcing, transparency and reporting, along with a plan to integrate sustainability KPIs into our equipment procurement process. With these initiatives, IFFCO is dedicated to continuously improving its sustainability performance while pursuing corporate goals with integrity.

- Road Map approval
- Budget Approval
- Quarterly Review

- Liason with Consultants & other stakeholders
- Monthly Project Progress

- Project Continuous monitoring
- Project Execution



Read more about each of our Governance programmes:

Ethics & Compliance:

At the core of who we are and how we operate – every day.

Responsible Sourcing:

Extending our approach to sustainability in cooperation with the value chain.

Awareness & Engagement:

Our sustainability 'Enabling Programmes': Awareness & Engagement.



Ethics & Compliance

Our Approach

The IFFCO approach to ethics and compliance is a fundamental pillar of our business model as embodied in our Code of Conduct, which guides our unwavering commitment to accountability and unyielding integrity.

The Code of Conduct governs all aspects of our business, providing clear guidelines on acceptable and unacceptable behaviour, serving as a practical guide to all IFFCO employees. It outlines our commitment to conducting business with integrity and in compliance with applicable laws in areas covering social and environment responsibility, fair employment, diversity and inclusion, health and safety, human rights, payment and transaction, and privacy and personal data.

We... use IFFCO’s property and information only for proper and legitimate business purposes and we make decisions independently of personal interests.

prohibit all forms of corruption, including bribery, and launched a strengthened IFFCO Anti-Bribery and Anti-Corruption Policy in December 2021.

Our... Code of Conduct requires employees to promptly disclose any personal or professional interests that might reasonably be perceived to conflict with the best interests of IFFCO.

Code of Conduct Training

2,568

Employees completed Conflict of Interest training since its creation in 2017 up to the end of 2022

618

Employees completed Awareness Training of IFFCO’s Anti-Bribery and Anti-Corruption Policy in 2022

Where we are today

IFFCO’s Code of Conduct applies globally to all of IFFCO’s employees, including managers, officers and directors, and is provided to all new employees upon joining the team supported by annual training to inform and improve adherence to our way of doing business. The 2022 Employee Engagement Survey* validated IFFCO’s strong ethics-based business model where 85% of participated employees responded they believe IFFCO upholds business ethics.

*See further information on the 2022 Employee Engagement Survey in the Welfare section of this report

“At IFFCO, our unwavering commitment to ethical standards defines our identity and guides every aspect of our operations. We foster an inclusive environment that amplifies the voices of all individuals, empowering each one to make a meaningful impact. The Employee Engagement Survey was the testimony of this commitment. I am filled with immense pride to be associated with an organisation that wholeheartedly embraces this business ethos.”

— Imane Amrhar, Group Director Human Resources, UAE

2022 Employee Engagement Survey* – IFFCO Group

In line with IFFCO's inherent belief in its people, the leading force that drive our business growth and continued success. We conducted an Employee Engagement Survey (EES) with the larger purpose of reaching out to understand how they feel about the organisation, in order for us to develop proper response and actionable items. The Key Performance Indicators of Engagement are globally benchmarked indicators that provide a key measurement for employee engagement.




2022 Employee Engagement Survey validated IFFCO's strong ethics-based business model:



*84% of management and 87% of non-management employees participated in the 2022 Employee Engagement Survey

Supporting employees who raise integrity concerns

IFFCO strives to maintain a culture in which employees and contractors feel free to raise concerns in good faith about potential violations of the Code of Conduct without fear of retaliation or other adverse employment action. IFFCO has a Whistle-blower Policy and in addition to reporting any concerns to line managers, employees and contractors have recourse to:

 <p>Calling the IFFCO Business Ethics Hotline</p>	 <p>Writing to the Compliance Officer</p>	 <p>Emailing the Compliance Officer</p>
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Looking Ahead

IFFCO is committed to maintaining the highest standards of ethics and compliance in its operations. We continually strive to achieve 100% compliance with our Code of Conduct and related policies, while also promoting a culture of transparency and accountability across our global operations.

Responsible Sourcing

Our Approach

At IFFCO, we understand our strategic role in shaping healthier and more sustainable societies and ways of working. We recognise that to achieve this, sustainability must be at the forefront of our operations. This means extending our approach to sustainability in cooperation with the value chain, including the sourcing of our raw materials, requiring greater and closer engagement with our suppliers.

“In line with our vision to become ‘The Preferred Provider of Sustainable Value-Added Products and Services for Everyone, Everywhere and Every Day,’ we have taken a holistic approach to sustainability. This means considering the impacts and opportunities at every stage of the value chain, from raw material sourcing to product disposal.”

— Fadi Selwan, Managing Director Sales & Distribution, IFFCO Group, UAE

ecovadis

EcoVadis Certification

In 2022, IFFCO achieved Ecovadis certification at the IMSB, Seville, and Suez Oils & Fats facilities, showcasing our commitment to sustainable practices and responsible operations

Where we are today

Building on our commitments as members of the RSPO, in 2019, IFFCO strengthened its Group Policy on Sustainable Palm Oil sourcing by incorporating the [No Deforestation, Peat, and Exploitation \(NDPE\) commitment](#). We are committed to transparency and accountability in our responsible and sustainable sourcing and to this effect, our palm oil sustainability policy is regularly updated and available on our [website](#).

As we continue to strive for improvements in the sustainability of the palm oil we produce and source, we have been making CDP disclosures (Carbon Disclosure Project) in Forest category since 2019 which are available online on the [CDP's website](#).

Our CDP Palm Oil score is B having improved from D in just two years. Our CDP Soy score is C. The ambition is to reach A in both crops.

Looking ahead

In addition to our focus on sustainable palm oil sourcing, we have started to integrate soy, sunflower and wheat into our responsible sourcing commitment with the goal to ensure ‘known origin’ of all our key commodities.

In line with the climate roadmap that we are currently developing, we will continue to work closely with our suppliers and develop joint roadmaps for more sustainable solutions. This will require us to raise awareness, build closer and more transparent relationships with our suppliers, introduce more sustainable practices and explore innovative approaches together. In this way, we hope to play a pivotal role in building a more sustainable commodity value chain.



HIGHLIGHT STORY

HSBC and IFFCO partner for a sustainable palm oil supply chain through Sustainability-Linked Financing



Challenge:

The production of palm oil has often been associated with deforestation, peatland drainage, habitat destruction, biodiversity loss, and human rights violations. Accelerated effort across the industry and investment is required to encourage sustainable palm oil production to ensure:

- Protection of natural resources and avoid the conversion of high conservation value areas or peatlands
- Social welfare, fair labour practices and workers' rights
- Promoting transparency and traceability throughout the supply chain

IFFCO's Approach:

IFFCO's Indonesia-based palm oil refinery, PT. Synergy Oil Nusantara (PT.SON), part of Oils & Fats Business Group, and responsible for refining 40% of total IFFCO palm oil, is undertaking tangible actions to promote sustainable palm oil, with the aim of contributing to long-lasting solutions for improving the environmental, social and economic impacts from the production of palm oil.

The Project:

The project aims to promote and reward RSPO-certified sustainable palm oil production by suppliers and increase supply chain transparency with financing linked to sourcing RSPO-certified sustainable palm oil and traceability to plantation.

The Result:

- PT Bank HSBC Indonesia converted PTSON's existing U.S.\$67 million conventional trade finance facility into a Sustainability Linked Trade Finance.
- HSBC Amanah Malaysia converted PTSON's U.S.\$33 million CAPEX term financing into a Sustainability Linked Facility.

HSBC and IFFCO's co-investment promotes and rewards RSPO-certified sustainable palm oil production by suppliers, increasing transparency in the palm supply chain.

Winner of three categories of the HSBC Living Business Awards 2022

- Best ESG project in the UAE
- Best Governance Project
- Best Supplier Engagement sub-category

Awareness and Engagement, and Communication

Our Approach

To raise awareness and engage all our stakeholders on our sustainability journey, we launched two 'Enabling Programmes' in 2022: an Employee Awareness and Engagement programme and a Communication programme. Through these initiatives, we aim to increase understanding and the integration of sustainability practices into IFFCO's day-to-day operations.

These two enabling programmes, running across our Planet, People, and Product pillars, are critical, given that for the first time ever in the history of IFFCO, sustainability has been formalised as one of the company's top five business priorities. These programmes aim to ensure transparency on IFFCO's sustainability journey, track goals and progress, and encourage all stakeholders to contribute to the success of this journey.

Where we are Today

IFFCO understands the need to be held accountable for the progress made towards its sustainability goals, but is also aware that progress can only be made if our internal and external stakeholders are a part of that journey with us. Our internal and external programmes are key to raising awareness and engaging our stakeholders and we are already making excellent headway in these two areas:

Awareness and Engagement

- 10 Business Group Leaders: each is accountable for a sustainability programme
- In 2022, 111 First Movers were nominated to become Sustainability Trainers
- 613 employees have been trained as part of a larger 'Train The Trainers' programme
- 833 managers were nominated KPIs tied to sustainability goals first time ever in 2022
- The first IFFCO Sustainability Newsletter was circulated to IFFCO customers in 2022

Communication

- Annual ESG reports, starting with this report
- Regular progress communications
- Best practice sharing sessions with external stakeholders and industry leaders
- Regular communications through the website and social media channels

“Sustainability is now one of our top business priorities, and as an employee of IFFCO, I'm proud to be part of the sustainability journey. Through the 'train the trainer' programme, we are equipped with the knowledge and skills to educate and engage all our colleagues on this journey towards a more sustainable future. I believe that our efforts will not only benefit IFFCO but also the wider region, the world, and the consumers who trust and rely on us.”

Nomanullah Sibgatullah Khan - Executive
Quality Flour, UAE

Looking ahead

This first ESG report marks an exciting and momentous stage in our Sustainability Awareness and Engagement programmes. We intend this report to be read, referenced and become a source of inspiration for all of our stakeholders. Over the next 12-plus months, we will be ramping up our communications as we strive to meet our 2025 Sustainability goals. We hope you will follow these communications, which are an integral part of our broader sustainability journey with some inspiring events on the horizon for the IFFCO Group.

- **Nov/Dec 2023** – COP28 in Dubai , and IFFCO Group to submit its science-based targets to the [SBTi](#)
- **2024** – IFFCO to release 2nd ESG Report

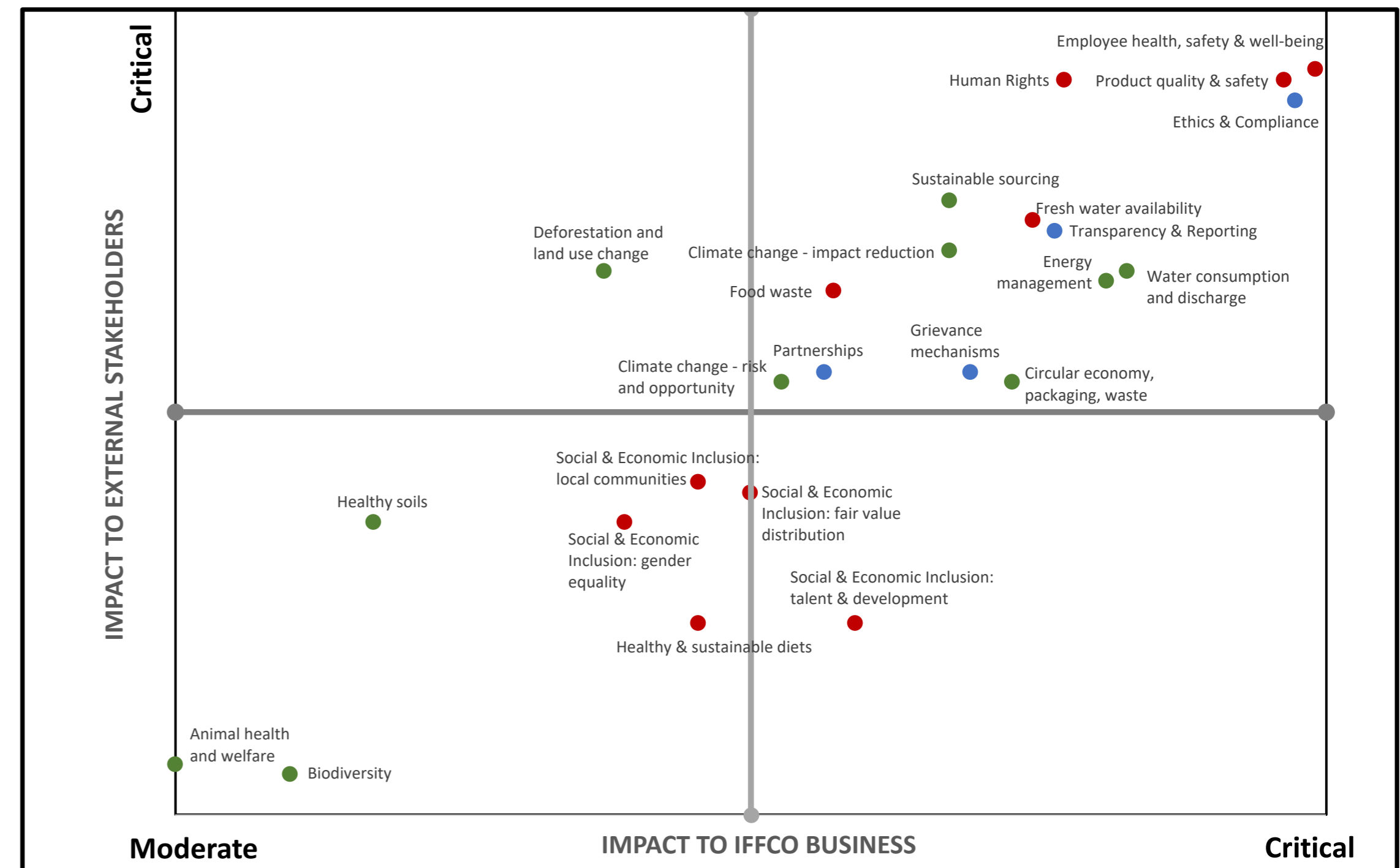
APPENDIX



Materiality assessment

GRI 3-2 List of material topics

Environmental topics	Social topics	Governance topics
Energy Management	Employee health, safety and well-being	Ethics and compliance
Water consumption and water discharge	Product quality and safety	Transparency and reporting
Sustainable and responsible sourcing	Human Rights	Grievance mechanisms
Climate Change: <ul style="list-style-type: none"> ○ Impact reduction ○ Risks and opportunities 	Social and Economic Inclusion: <ul style="list-style-type: none"> ○ Local communities ○ Fair value distribution ○ Talent and development ○ Gender equality 	Partnerships
Circular economy, packaging, waste	Healthy & sustainable diets	
Biodiversity	Food loss or food waste	
Deforestation and LUC	Fresh water availability	
Healthy soils (regenerative agriculture)		
Animal health and welfare		



The Environment – Energy Management¹

GRI 302-I Energy consumption within the organisation

Fuels	Total	Total in gigajoules
Fuels used in the facility	-	2,290,174
<i>Natural gas</i>	49,942,616 m ³	1,792,182
<i>LPG Butane Propane</i>	1,325 kl	32,246
<i>Petrol/Gasoline</i>	267 kl	8,844
<i>Diesel</i>	6,240 kl	202,675
<i>Fuel oil</i>	42 kl	1,684
<i>Coal – Lignite</i>	9,559 tons	242,846
<i>Wood chips</i>	713 tons	9,697
Fuels used for fleet vehicles	-	277,968
<i>Diesel</i>	6,404 kl	230,964
<i>Petrol</i>	1,419 kl	47,004

¹ Data related to energy and emissions refer to the 24 production sites of the “Oils and Fats”, “Agri Business”, “Beauty”, “Culinary”, Business Groups and “Sales and Distribution” warehouses

Total fuel consumption	-	2,568,142
<i>from non-renewable sources</i>	-	2,558,445
<i>from renewable sources</i>	-	9,697
Electricity		
Total electricity consumption	225,289 MWh	811,040
Total electricity purchased from non-renewable sources	185,144 MWh	666,518
Total electricity purchased from renewable sources (iRECs)	40,000 MWh	144,000
Total electricity produced from renewable sources (solar)	145 MWh	522
Total electricity sold	0 MWh	0
Total energy consumption	-	3,379,182

The source of the conversion factors used is "UK Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2022"

GRI 302-3 Energy intensity

Energy intensity ratio	1.53 GJ/t
Total energy consumption within IFFCO	3,379,182 GJ
Total production	2,214 kt

The Environment – Climate Change

GRI 305-1 Direct (Scope 1) GHG emissions

GRI 305-2 Energy indirect (Scope 2) GHG emissions

GRI 305-3 Other indirect (Scope 3) GHG emissions

Total GHG emissions (market-based)	9,870 ktCO₂e
Total GHG emissions (location-based)	9,892 ktCO₂e
Direct (Scope 1) GHG emissions	164 ktCO ₂ e
Energy indirect (Scope 2) GHG emissions – [market-based]	141 ktCO ₂ e
Energy indirect (Scope 2) GHG emissions – [location-based]	163 ktCO ₂ e
Other indirect (Scope 3) GHG emissions ²	9,565 ktCO ₂ e

The consolidation approach used is the operational control. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims.

^{2v} *Other indirect (Scope 3) GHG emissions categories and activities included in the calculation are: purchased goods and services, capital goods, fuel and energy related activities, upstream transportation and distribution, waste, business travel, employee commuting, downstream transportation and distribution, processing of sold products, use of sold products, end-of-life treatment of sold products.*

Source of emissions factors used	
Direct (Scope 1) GHG emissions	UK Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2022
Energy indirect (Scope 2) GHG emissions – [location-based]	Ecoinvent 3.8
Energy indirect (Scope 2) GHG emissions – [market-based]	<ul style="list-style-type: none"> • Association of Issuing Bodies (AIB), European Residual Mixes 2021 • Ecoinvent 3.8
Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> • World Food Life Cycle Assessment Database [WFLDB] v3.5 • Ecoinvent 3.8 • US Environmentally-Extended Input-Output (USEEIO) model 2017 • UK Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2022

GRI 305-4 GHG emissions intensity

Emission intensity ratio	4.46 ktCO₂e/kt
Total GHG emissions (market-based)	9,870 ktCO ₂ e
Total production	2,214 kt

The Environment – Water Management³

GRI 303-3 Water withdrawal [requirement a]

Total water withdrawal from all areas	3,309 Megaliters
<i>Third-party water⁴</i>	1,934 Megaliters
<i>Ground Water</i>	1,375 Megaliters

The Environment – Circular Economy⁵

GRI 306-3 Waste generated

Total weight of waste generated	58 kt
<i>Sludge</i>	4 kt
<i>Spent earth</i>	12 kt
<i>Animal waste</i>	9 kt
<i>Packaging</i>	6 kt
<i>Other solid waste</i>	27 kt

GRI 301-I Materials used by weight or volume

Total weight of materials used	2,982 kt
<i>of which non-renewable</i>	365 kt
<i>of which renewable</i>	2,617 kt

³Data related to water withdrawal refer to the 24 production sites of Agri Business, Beauty, Culinary, Oils and Fats Business Groups. They do not include the Sales and Distribution Business Group figures.

⁴It includes surface water treated and supplied either by government agency or by private vendors.

⁵Data related to waste and materials refer to the 24 production sites of the “Agri Business”, “Beauty”, “Culinary”, “Oils and Fats” Business Groups and “Sales and Distribution” warehouses.

Social – Employee Welfare⁶

Total number of employees (Headcount) by Business Group

Total number of employees (HC)	6,964
<i>Oils & Fats</i>	2,130
<i>Agri Business</i>	922
<i>Beauty</i>	577
<i>Corporate</i>	394
<i>Culinary</i>	742
<i>Sales & Distribution</i>	2,199

⁶ Data related to employees refer to the five Business Groups (“Agri Business”, “Beauty”, “Culinary”, “Oils and Fats” and “Sales and Distribution”) and also include figures of the employees working at the corporate offices.

GRI 405-I Diversity of governance bodies and employees [requirements b.ii]

Age groups	Management employees	Non-management employees
<i>Under 30 years old</i>	7%	34%
<i>30-50 years old</i>	73%	57%
<i>Over 50 years old</i>	20%	9%

Employee Nationalities	Total	of which management employees	of which non-management employees
<i>India</i>	32%	7%	25%
<i>Pakistan</i>	26%	3%	23%
<i>Bangladesh</i>	11%	1%	10%
<i>Egypt</i>	8%	2%	6%
<i>Philippines</i>	3%	1%	2%
<i>Indonesia</i>	2%	1%	1%
<i>Nepal</i>	2%	0%	2%
<i>Other nationalities (70+)</i>	16%	5%	11%

GRI 403-9 Work-related injuries [requirements a and b - except for a.iv and b.iv]

IFFCO Employees	
Number of fatalities as a result of work-related injury	0
Rate of fatalities as a result of work-related injury	0
Number of high-consequence work-related injuries (excluding fatalities)	1
Rate of high-consequence work-related injuries (excluding fatalities)	0.19
Number of recordable work-related injuries	9
Rate of recordable work-related injuries	0.86
Number of hours worked	10,416,819
Multiplier	1,000,000

GRI CONTENT INDEX

IFFCO has reported the information cited in this GRI content index for the period 1st January 2022 - 31st December 2022 with reference to the GRI Standards.

In this report, IFFCO is to be intended as inclusive of the five Business Groups of IFFCO Holdings Limited and Allana International Limited, which are namely “Oils and Fats”, “Beauty”, “Culinary”, “Agri Business”, “Sales and Distribution”. In particular, 24 production sites and 1 sales and distribution site. Any limitations in the scope of the data reported is explained in the relevant sections.

The scope of this report does not include the following Business Groups: Impulse food (biscuits, snacks, chocolates and confectionery), Packaging and Transportation.

GRI STANDARDS	DISCLOSURE	LOCATION
General disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	IFFCO is a family-owned enterprise and its headquarters is located in Dubai. Page number 5
	2-2 Entities included in the organisation’s sustainability reporting	The entities included in this report are the following: (this list pertains to the Business Groups and their respective facilities in 2022, which were subject to change in 2023) Agri Business: Emirates Grain Products Co LLC, Seville Products LLC Br (UAE), Emirates National Poultry Farms LLC, Unipex Dairy Products Co. Ltd. (Dry Grains BR.), Seville Products (LLC) (Bakery Ingredients Branch), IFFCO Pakistan (Pvt) Ltd Beauty: IFFCO Malaysia SDN BHD, Seville Products Limited, Asian Oils & Derivatives SDN BHD, IFFCO Egypt S.A.E Culinary: Al-Ain National Juice & Refreshment Co. L.L.C., IFFCO Italia Srl, Pristine Ingredients Private Limited, Shama Food Industries Limited, IFFCO Foodstuffs SPA Oils and Fats: PT SYNERGY OIL NUSANTARA, IFFCO Egypt S.A.E, Emirates Refining Co. Ltd, IFFCO Pakistan (Pvt) Ltd, Delmon Products Saudi Limited Company, IFFCO Pakistan (Pvt) Ltd, COMPAGNIE GENERALE DES INDUSTRIES ALIMENTAIRES, Societe De Developpement Agricole Zitouna I, IFFCO Iberia S.L.U. Sales and Distribution: IFFCO Distribution Services FZCo – NIP Br, IFFCO Distribution LLC Oman. The organisation does not have financial information filed on public record. Page number 3
	2-3 Reporting period, frequency and contact point	IFFCO decided to adopt the common practices of companies reporting the sustainability progress based on the calendar year Page number 3
	2-4 Restatements of information	This document is the first ESG Report to be published by IFFCO.
	2-5 External assurance	This ESG Report has not been externally assured.
	2-6 Activities, value chain and other business relationships	Page number 6
	2-13 Delegation of responsibility for managing impacts	Page number 42
	2-14 Role of the highest governance body in sustainability reporting	Page number 3
	2-22 Statement on sustainable development strategy	Page number 4

	2-28 Membership of associations	CGF (Consumer Goods Forum), UAERG (United Arab Emirates Restaurant Group), ECG (Emirates Culinary Guild), Dubai Chambers, RSPO (Roundtable on Sustainable Palm Oil).
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page number 9
	3-2 List of material topics	<p>Environmental topics: Energy management; water consumption and discharge; sustainable and responsible sourcing; climate change (impact reduction and risks and opportunities); circular economy, packaging, waste; deforestation and LUC; healthy soils (regenerative agriculture); animal health and welfare.</p> <p>Social topics: Employee health, safety and well-being; product quality and safety; human rights; social and economic inclusion (local communities, fair value distribution, talent and development, gender equality); healthy and sustainable diets; food loss or food waste; freshwater availability.</p> <p>Governance topics: Ethics and compliance; transparency and reporting; grievance mechanisms; partnerships. Page number 49</p>
Material topic: Energy management		
GRI 3: Material Topics 2021	3-3 Management of material topics	The information reported is compliant with the requirement c and d of disclosure 3-3 from GRI 3: Material topics 2021 Page number 18
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Page number 50
	302-3 Energy intensity	Page number 51
Material topic: Climate Change		
GRI 3: Material Topics 2021	3-3 Management of material topics	The information reported is compliant with the requirement c and d of disclosure 3-3 from GRI 3: Material topics 2021 Page number 14
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page number 52
	305-2 Energy indirect (Scope 2) GHG emissions	Page number 52
	305-3 Other indirect (Scope 3) GHG emissions	Page number 52
	305-4 GHG emissions intensity	Page number 53
Material topic: Water consumption and water discharge		
GRI 3: Material Topics 2021	3-3 Management of material topics	The information reported is compliant with the requirement c and d of disclosure 3-3 from GRI 3: Material topics 2021 Page number 54
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	The information reported is compliant with the requirement a of disclosure 303-3 from GRI 303: Water and Effluents 2018 Page number 54
Material topic: Circular economy, packaging, waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	The information reported is compliant with the requirement d of disclosure 3-3 from GRI 3: Material topics 2021 Page number 25
GRI 306: Waste 2020	306-3 Waste generated	Page number 54
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Page number 55
Material topic: Employee health, safety and well-being		
GRI 3: Material Topics 2021	3-3 Management of material topics	The information reported is compliant with the requirement c and d of disclosure 3-3 from GRI 3: Material topics 2021 Page number 32
GRI 403: Occupational Health and Safety 2018	403-1 Occupational Health and Safety management system	<p>Out of the 25 IFFCO sites considered for health and safety data, 9 are ISO 45001 certified and 7 hold a SEDEX certification.</p> <p>List of SEDEX Certified Sites: Emirates Grain Products Co LLC, Unipex Dairy Products Co. Ltd. (Dry Grains BR.), Seville Products (LLC) (Bakery Ingredients Branch),</p>

		PT SYNERGY OIL NUSANTARA, Emirates Refining Co. Ltd, IFFCO Pakistan (Pvt) Ltd, Delmon Products Saudi Limited Company, List of ISO 45001 certified Sites: Emirates Grain Products Co LLC, Unipex Dairy Products Co. Ltd. (Dry Grains BR.), Seville Products (LLC) (Bakery Ingredients Branch) IFFCO Malaysia SDN BHD, Seville Products Limited PT SYNERGY OIL NUSANTARA, IFFCO Egypt S.A.E, Emirates Refining Co. Ltd, IFFCO Pakistan (Pvt) Ltd, Page number 32
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health, Safety and Environment Policy Page number 34
	403-9 Work-related injuries	The information reported is compliant with the requirement a, b and e of disclosure 403-9 from GRI 403: Occupational Health and Safety 2018, with the exception of a.iv and b.iv Page number 57
Material topic: Social & Economic Inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	The information reported is compliant with requirement d of disclosure 3-3 from GRI 3: Material topics 2021 Page number 32
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	The information reported is compliant only with the requirement b.ii of disclosure 405-1 from GRI 405: Diversity and Equal Opportunity 2016 Page number 56
Material topic: Human rights		
GRI 3: Material Topics 2021	3-3 Management of material topics	The information reported is compliant with the requirement c and d of disclosure 3-3 from GRI 3: Material topics 2021 Page number 36
Material topic: Product quality and safety		
GRI 417: Marketing and Labelling 2016	417-2 Incidents of non-compliance concerning product and service information and labelling	During 2022 there were no incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labelling concerning Oils & Fats, Agri Business, Beauty and Culinary Business Groups.
	417-3 Incidents of non-compliance concerning marketing communications	During 2022 there were no incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship concerning Oils & Fats, Agri Business, Beauty and Culinary Business Groups.
Material topic: Ethics and compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	The information reported is compliant with the requirement c of disclosure 3-3 from GRI 3: Material topics 2021 Page number 41
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	During 2022, there were no legal actions pending or completed regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organisation has been identified as a participant.
Material topic: Healthy & sustainable diets		
GRI 3: Material Topics 2021	3-3 Management of material topics	The information reported is compliant with the requirement d of disclosure 3-3 from GRI 3: Material topics 2021 Page number 39
Material topic: Deforestation and LUC		
GRI 3: Material Topics 2021	3-3 Management of material topics	The information reported is compliant with the requirement c and d of disclosure 3-3 from GRI 3: Material topics 2021 Page number 27
Material topic: Sustainable and responsible sourcing		
GRI 3: Material Topics 2021	3-3 Management of material topics	The information reported is compliant with the requirement c and d of disclosure 3-3 from GRI 3: Material topics 2021 Page number 41

ACRONYMS

CDP	Carbon Disclosure Project
CO ₂	Carbon Dioxide
ESG	Environmental, Social & Governance
GCC	Gulf Cooperation Council
GHG	Greenhouse Gas
GHGP	Greenhouse Gas Protocol
GRI	Global Reporting Initiative
IPCC	Intergovernmental Panel on Climate Change
ISO	International Organization for Standardization
LUC	Land Use Change
NDPE	No Deforestation, No Peat and No Exploitation
NDPE IRF	NDPE Implementation Reporting Framework
RSPO	Roundtable on Sustainable Palm Oil
SBTi	Science Based Targets Initiative
SDG	Sustainable Development Goal
UN	United Nations
WASH	Water Sanitation and Hygiene
WHO	World Health Organization

Legal Disclaimer

The information and opinions contained in this report are provided as of the date of this report and are subject to change without notice. Certain statistics and metrics relating to environmental, social and governance (ESG) matters are estimates and may be partially based on assumptions or developing standards. This report may contain or incorporate by reference public information not separately reviewed, approved, or endorsed by IFFCO GROUP and no representation, warranty, or undertaking is made by IFFCO GROUP as to the accuracy, reasonableness, or completeness of such information. This report is not intended to create legal rights or obligations.

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