

## **Egypt's Leading Dairy and Juice Producer**

*Pioneering the production of dairy and juice products for over three decades.* Juhayna Food Industries is a leading Egypt-based manufacturer specialized in the production, processing and packaging of dairy, juice, and cooking products. Since its founding in 1983, it has secured a frontrunner position in the dairy and juice industries in Egypt and has expanded its presence in the Middle East, a feat made possible through its firm commitment to delivering a wide range of high-quality, healthy, and safe products that have become trusted household names.

Founded by Safwan Thabet, Juhayna Food Industries was built on a vision to introduce the market to a new business model for food production that holds innovation at its core. Today, with four fully operational facilities, a vast network of distribution centers serving more than 65,000 retail outlets nationwide, and a 550-feddan, fully-owned dairy farm that has the capacity to house 8,000 milking cows covering a sizeable portion of the company's raw milk needs, Juhayna continues to raise the benchmark for premium quality Egyptian manufactured products.

In its 35 years of operations, Juhayna's dairy segment has cultivated an ever-increasing number of customers loyal to its brands, affording it a comfortable lead above all its dairy competitors with consistently strong market shares. It is also the sole supplier of dairy for McDonalds Egypt alongside many other leading fast-food restaurants, hotels, airlines, and educational institutions.

In partnership with Tetra Pack, Juhayna continues to engage in an ongoing public awareness campaign that highlights the hazards of loose milk in an effort to promote healthy living and improve public health standards. The campaign has been successful in significantly reducing the percentage of consumers who opt for loose milk in Egypt. While the consumption of loose milk has dropped by nearly half over the years, there is still need for a continued effort to spread awareness; a cause that Juhayna remains committed to pursuing.

Our use of quality ingredients, internally manufactured concentrates, and state-of-the-art technologies for processing and packaging, alongside heavy investments in R&D to enhance our product offerings, aid in fulfilling our vision of bringing high quality, nutritious products to our customers. Having achieved notable success in our Egyptian and Middle Eastern markets, we are pursuing new growth opportunities with exports to East and West Africa.

## **Corporate Values**

We firmly believe that any company is only as successful as the efforts and dedication put forth by its employees. Accordingly, it is of great importance to have a team that is an ambassador team of values upon which the company was established. At Juhayna these include, Integrity & Honesty, Transparency & Trust, Teamwork, Quality, and Responsible Sourcing.

## **Mission**

"Juhayna perseveres in providing Products that are healthier, tastier, and classier"

## **Vision**

“Juhayna is a leading food for all ages, and a friend for all generations”

## **Values**

1. Integrity&Honesty:  
We communicate and deal with all of our stakeholders with complete fairness and honesty. It's our unyielding commitment to uphold the highest level of integrity that has enabled our brands to become trusted household names, and our reputation to remain unscathed over our decades of operation.
2. Transparency and Trust:  
Timely disclosures and accountability are essential components to the success of any organization. At Juhayna, we are particularly mindful of delivering the highest quality products in a timely fashion, while establishing meticulous protocols that record every step of the process in order to maintain our high standards and ensure the safety of our products.
3. Teamwork:  
We look for employees who are not only skilled, but who are challenge-seekers. Our integrated supply chains and management systems are designed to keep teamwork at their core. All of the successes that we have seen over the years have been a testament to the joint efforts of the entire Juhayna team.
4. Quality:  
Juhayna was founded on the principle of bettering the quality of life for its consumers through the delivery of safe and nutritious products. Over the years our loyal customer base has expanded significantly turning Juhayna into a trusted household name that is synonymous with quality. Accordingly, we are constantly investing in the quality control and product development.
5. Responsible Sourcing:  
Our responsibility to promote wellbeing by producing the highest-quality products begins with the meticulous sourcing of our raw materials and supplies. Not only do we promote environmentally sustainable practices in our internal operations, but we make sure that such practices are observed by the external contributors of our supply chain as well.

## **Principles**

Our relationships with our employees, subsidiaries, customers, and stakeholders are governed by the following set of principles:

- Collaborating Inside...Competing outside
- Focusing on results, rather than actions
- Leading, rather than following
- Organizing thoughts to execute without errors

- Working together to achieve results
- Distinguishing oneself through innovation

## Our Journey

Juhayna Food Industries began production in 1983 with a total capacity of 35 tons per day and total sales of USD 4 million. Today, the company owns seven plants in addition to 28 sales and distribution centers, a fleet size of over 1,000 vans and trucks, and boosts a net income of EGP 7 billion (FY17). Our success is a testament to the strategic investments we've made in innovation and technology, and our continued dedication towards enhancing our production standards.

1983	Operations begin with a state-of-the-art manufacturing facility in the Sixth of October City, a suburb west of Cairo. Juhayna becomes the first company to partner with the global packaging giant, Tetra Pak (Alfa-Laval at the time), becoming a pioneer in the packed milk, yoghurt, and juice industry.
1991	Juhayna becomes the exclusive supplier of dairy to McDonald's Egypt and enters into supply agreements with a number of leading global fast-food chains, hotels, airlines, educational institutions, and the Egyptian Ministry of Education.
2000	Building on its strategy of innovation, Juhayna introduces a new whipping cream product to the Egyptian market; the first of its kind.
2005	Juhayna launches its vertical integration expansion plans & the development of its manufacturing facilities in addition to establishing new facilities. The Group acquired El Masreya Company for Dairy and Juice Products. The new manufacturing facility significantly boosts production capacity from 100 tons per day to 600 tons per day.
2010	Juhayna's shares first traded on the Egyptian Exchange Market (EGX), in addition to being named the "Best African IPO" by a leading international investment and communications group "Africa Investor"; in a joint summit with the New York Stock Exchange to promote investment on the continent.
2012	<p>Despite political and economic volatility, Juhayna maintains its market leadership position by remaining committed to its investment and expansion plans to support the Egyptian economy.</p> <p>New Technology (TBA-Edge): Juhayna group introduces a new technology in May 2012, TBA-Edge, which is considered a bi-product of ongoing commitment towards innovation and a USD 20 million investment that the group made in order to differentiate itself and set its products apart from its competitors. Manufactured through a new, high capacity production line, the new package guarantees the highest levels of sterilization, uniqueness and a modern appeal.</p>

2014	Launch of Operations at Egyfood Yogurt Plant in Sixth of October City
2015	Juhayna establishes a new dairy farm, decreasing reliance on external suppliers—a move that ensures quality while simultaneously securing supply quantities. The company also inaugurates three new distribution centers taking the tally up to 28 DCs, with three additional centers commissioned for 2016.
2015	In the year 2015, Juhayna signed a strategic partnership agreement with “Arla Foods” – a European leader in dairy products, to form a joint venture under the name of “Arju for Food Industries.” The aim of the venture was to improve the domestic distribution and production capacity of cheese, butter, infant milk and other high-quality products.
2017	Juhayna started the production of Arla Cheese in Juhayna's factories. This is an acknowledgement of competence and a proof that Juhayna's factories are in accordance with the highest global standards.
2018	In 2018, Juhayna joined the United Nations Industrial Development Organization's (UNIDO) MED TEST II initiative, which aims to encourage sustainable consumption and production patterns in the Mediterranean region

## Our Products

Dairy	Yoghurt
Juhayna's dairy segment focuses on the production of plain and flavored milk, cream, and white cheese, as well as speciality products for global manufacturers, retail outlets, and leading restaurant chains. Currently Juhayna's Egyptian marketshare of plain milk stands at 57% and its share of flavored milk at 50%.	Juhayna's yogurt segment includes spoonable as well as drinkable yogurts, and is comprised of over six successful and highly recognizable brands in the Egyptian market — such as Rayeb and Zabado — ranging in size from single serving to restaurant bulk use. Currently, Juhayna holds a 29% market share in the spoonable yogurts market and a 60% market share of drinkable yogurt.

Juice	Concentrates & Others
Juhayna's juice segment holds a leadership position in the highly competitive juice market in Egypt by developing the flavorful and healthy beverages that have become iconic	Juhayna's position as the largest juice manufacturer in Egypt could not have been achieved without a Concentrates production and distribution segment. Not only is

<p>in the region and a staple in Egyptian households. The fruit pulps and concentrates used to make our juices are manufactured from the highest-quality fresh fruits, squeezed and distilled using the most up-to-date technology in accordance with global standards. Juhayna holds a 18.4% share of the total juice market in Egypt.</p>	<p>Juhayna's Concentrates line of business a key strategic component of Juhayna's value chain — with 75% of its concentrates production used in juice manufacturing by the company — its operations are sophisticated enough to sustain itself as an independent business unit. The concentrates LOB supplies a wide variety of customers ranging from private consumers to multinational corporations.</p>
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### **Vertical Integration**

Our ambitious vertical integration program has allowed us to take control of the complete value chain from farm to consumer.

In doing so, not only are we able to monitor and ensure the highest standards of raw materials but acquire them at considerably lower costs which translates into top quality products at affordable prices.

As we moved to become a vertically integrated company, we simultaneously invested considerable time, energy and resources into enhancing our technological capabilities, fortifying our R&D activities, and nurturing our human capital. This has by and large been the formula for our success and the reason that Juhayna has been able to consistently maintain its leadership position in the industry.

Our vertical integration model is what sets us apart from our competitors as it grants us a leading market share with unfettered access to the best quality raw materials, state of the art production facilities, and a protracted distribution network.

Accordingly, our three lines of business, Farming, Manufacturing, and Distribution, work in tandem with one another, in order to promote efficiency and ensure the highest standards across all areas of production.

### **Farming:**

Integration between Agriculture and Livestock to Preserve the Environmental Resources. Juhayna planted the land with green feed that integrates livestock and agricultural production, where high-quality green feed and corn are planted, grown, and converted into silage as a food source for animals. On the other hand, agricultural farming also benefits from natural fertilization, the barns are being

washed, the water is transferred to a large lake where the deposition of solid materials (fertilizer) to be relocated to agriculture.

Accordingly, it reduces both; the use of industrial fertilizer and the cost of agriculture along with providing a greater chance for environment conservation.

### **Sprinklers to Maximize Cows' Dairy Productivity**

Juhayna has applied an innovative cooling system (sprinklers) to face the regional climate, high temperatures, and low humidity levels through the placement of water fans that are big in size and energy, with pumps to spray water on the cows to cool them. This innovative cooling system ensures high productivity and plays a great role in stabilizing production rates in summer and winter.

### **The Best Cow Breeds Around the World**

Juhayna was very keen to select the best breeds of livestock, in which the company imported the Friesian Holstein. In addition to the Simmental breed that has a dual-purpose for dairy production and meat production and has a great ability to endure tough environmental conditions.

### **A Highly Efficient Rotating Milking Parlor to Monitor Cows Health**

The company has chosen a state of the art rotating milking parlor where automatic registration takes place. It uses 80 milking points for each of the four phases, in order to achieve the highest possible milking efficiency.

In addition to milking about 450 cows per hour followed by a giant cooling system that can cool 10 thousand liters of milk per hour to be loaded directly into the company's equipped cars and delivered to Juhayna's factories.

### **An Advanced Laboratory to Ensure the Production Disease Free Feed and Dairy**

Juhayna's farm has been supported by an advanced laboratory to analyze the food provided to the cows and the milk produced to determine its quality, the number of bacteria in each millimeter, as well as the examination of diseases that might affect cows to be able to be fully aware of the possible treatments and the appropriate immunizations that could be used for the cows.

### **A Solar Energy Station**

The Opening of the solar energy station is considered as one of the milestones of the company, where it is the first station to sell electricity to the private sector through a close cooperation between Juhayna and Karm Solar for solar energy with a capacity of 1 MW.

The station is the first of its kind in Egypt, knowing that the project is fully operating by solar energy for the preservation of the environment and for the desire to come up with an integrated Egyptian project that not only focuses on the company's needs but also on the ambitious plan of the country and encourages the investments, aiming to bridge the gap in issues related to raw milk.

## **Manufacturing**

Our commitment to providing safe and healthy products to our consumers while remaining on the cutting edge of modern production techniques begins with securing the highest quality raw materials and continues with our state-of-the-art production facilities. Juhayna employs the most advanced technologies available to ensure the integrity of its products throughout the production cycle. Meticulous development and screening processes are conducted at the company's seven manufacturing plants, each of which specializes in a unique line of products.

We have developed strategic partnerships with leading global suppliers to acquire state-of-the-art technologies and fully automate our plants. Accordingly, all of our factories operate under the best global production practices and quality standards, which have awarded the company international certificates of recognition and accreditation.

### **El Masreya Factory:**

As part of our endeavor to increase production capacity in line with growing demand for Juhayna products, we acquired El Masreya factory in 2005 .

### **El Dawleya:**

El Dawleya is one of the largest industrial complexes in Egypt and the MENA region. Operational since 2009, this flagship manufacturing facility is primarily used for the production and packaging of fresh juices and drinks, .

### **El Marwa for Modern Concentrates Factory:**

Initially established in 1998, Juhayna's El Marwa factory has been upgraded and modernized so that today it features the most globally advanced technologies in manufacturing,

### **EgyFood:**

Juhayna's renowned line of high-quality yoghurts and yoghurt drinks including Rayeb and Zabado are manufactured in two new specialized state-of-the-art facilities.

## **Distribution**

TIBA, Juhayna's commercial arm and main distribution network, is a crucial component of our vertical integration strategy. With one of the largest distribution fleets in the Egyptian food and beverage industry, TIBA owns 1000 vehicles capable of transporting both refrigerated and non-refrigerated products nationwide and reaching 65,000 retail outlets.

Our core objectives are to continuously maximize the storage capacity of our trucks and the bounds of our network; the more customers within our grasp

and the more efficiently and inexpensively we can reach them, the better positioned we are to capitalize on market opportunities.

## **R&D**

At Juhayna R&D activities are at the forefront of our operation. From cost-optimization to quality control and the development of human capital, we believe that innovation nurtures our company and helps us maintain our leadership position in the industry and the region.

We aim to develop innovative solutions that not only benefit the company's strategic vision, but that also help develop the individual skill sets of our employees, and better the overall standards of production in the industry. Such initiatives have been carried out rigorously and across all levels of production. In just over two years, our R&D department has become a frontrunner in the region.

A key aspect of our success is the team that has proven to be the driving force behind our success. We believe that any company is only as good as those who keep the cogs of its operations in motion. Accordingly, we have invested generously in our people and their individual growth and development. We do this by offering a variety of training courses, both at home and abroad, and by encouraging our employees to engage with their superiors to seek the help and guidance that they need.

Going forward we continue to invest in our R&D department to ensure that we maintain a global perspective that incorporates the highest standards from around the world into our own benchmarks for quality and performance.

## **Nutritional Standards**

All of Juhayna's products are tailored to meet the nutritional requirements of their target markets. Such customization is achieved through our joint efforts with healthcare practitioners and nutritional experts who provide us with the insight that we need to create the healthiest and freshest products on the market.

We take our commitment to better the lives of our consumers by creating healthy foods and beverages very seriously. Accordingly, the nutritional value for all of our products is one of the key aspects that we consider, alongside taste and quality,

when developing a new product or line. To this effect, we have a highly skilled R&D team that is constantly working to find new ways in which we can fully deliver on our goal of raising the quality of life for our consumers by maximizing the nutritional efficiency of our products.



## **Taste**

All of Juhayna's products are made from the choicest ingredients that undergo a thorough sanitation process in order to ensure the delivery of safe and tasty products.

One of the factors that has enabled us to see continued growth and success over the years is our commitment to innovation and our unceasing desire to better the quality and flavor of our products.

Over the years we have expanded our juice line to include, Pure Juice, and have introduced a number of new flavors that have reserved a place in refrigerators and shelves across the region. The same can be said of our milk and flavored milk products, the latter of which, owed to its rich taste, is the first choice amongst school-going children.

## **Regulatory Affairs**

The scale and scope of our operations have given us a wealth of knowledge that is well respected across the industry. Accordingly, our R&D department functions as a key lobbyist and policy influence for the industry as a whole.

We are firmly committed to remaining informed and updated on local and international industry standards and regulations so that we are able to establish a trusted foundation upon which to base our strategic decisions as a company.

## **Innovation center**

At the heart of our R&D initiatives is the establishment of our world-class innovation center; a state-of-the-art facility that is the first of its kind in the MENA region with investments exceeding the 20 million EGP.

It houses 4 Central Labs that support the Group and a pilot plant that is equipped to produce both dairy and juice products.

Group Central Labs:

- Product Development
- Packaging Development
- Chemical
- Microbiology

## **Technologies**

Much of the success that we have seen in our R&D initiatives has been incumbent on our access to state-of-the-art technologies that have enabled us to become pioneers in the industry across the region. Our R&D endeavors cover a variety of fields, from manufacturing to processing to packaging.

Keeping up to date with the latest advancements in food health and safety standards is one of our core strategic goals in order to maintain our frontrunner

position in all of our product's markets and to further enhance our world-class standards in safety and nutrition.

Crucial to this is the technology that we have at our disposal; an asset of Juhayna that we only hope to expand and further explore through the recent inauguration of our innovation center.

## **Quality**

### *Quality, Food Safety and Environment*

Juhayna is fully committed to delivering products that are safe and of superior quality while complying with all International Standards and Local Legislations in order to serve the needs of our customers and consumers inside and outside Egypt.

We have developed "Corporate Quality Management System" and this represents the platform that guarantees food safety, compliance with quality standards and provides working conditions that are safe & healthy and abide by all environmental regulations.

We operate through setting-up integrated supply chains starting from farms (dairy & agriculture) and ending at the consumer. This requires the engagement of all employees across the different departments as it covers all aspects of the production (raw & packaging materials, formulation, procurement, manufacturing, storage, transportation and display at retail points). This allows us to sustainably deliver safe and high-quality products.

The essential elements of our Management Systems are:

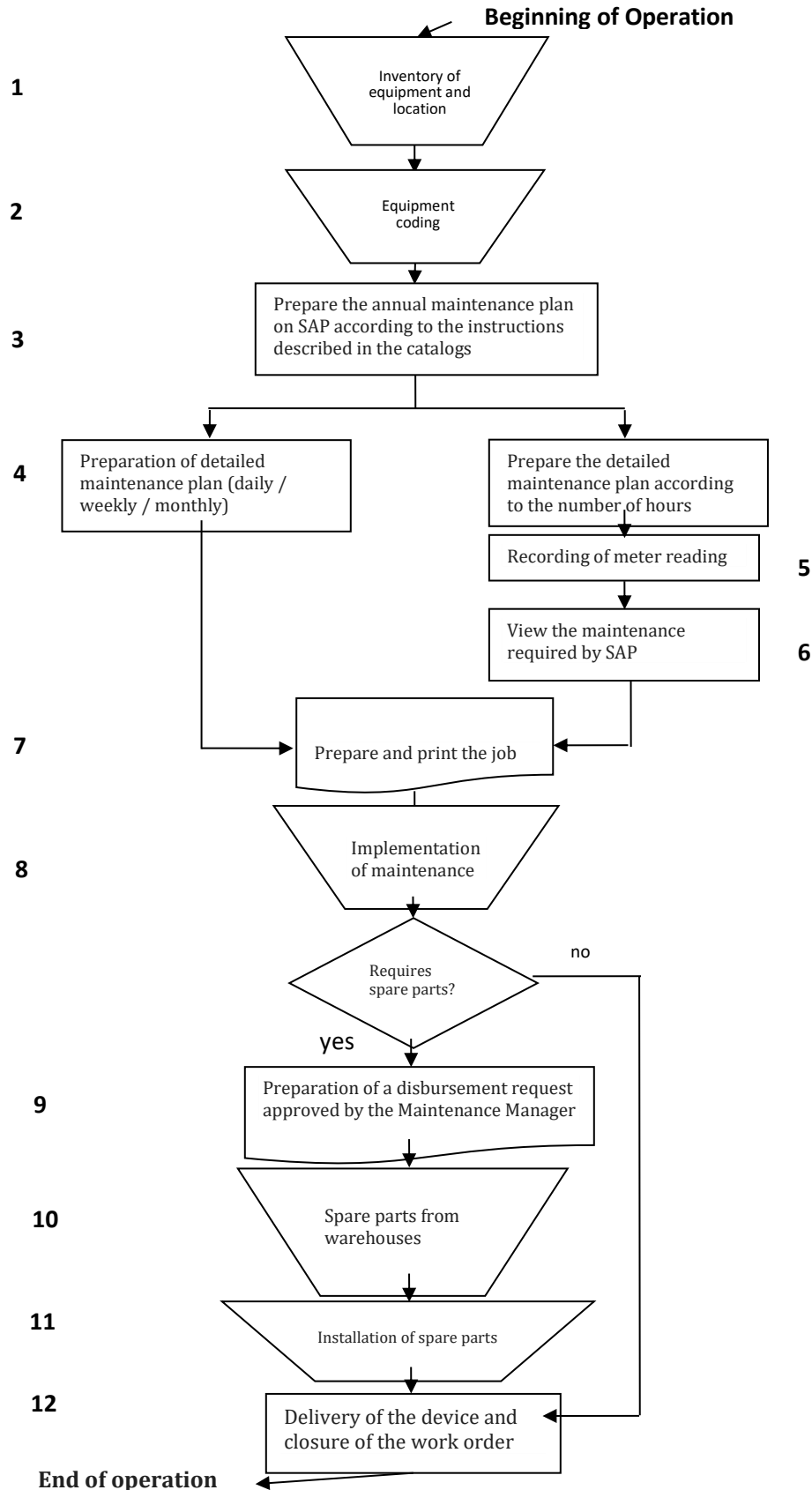
- Full compliance with all relevant legislation, regulations and Juhayna's internal requirements.
- Full commitment to prevent injuries, ill health & environmental pollution across all workplaces.
- Providing a safe and appropriate working environment for employees and Contractors working on site.
- Implementing an Integrated Management System for Quality, Food Safety, Health & Safety and Environment according to the Requirements of: ISO 9001: 2008, BRC Food ver.7, FSSC 22000: 2013, ISO 22000:2005, ISO14001:2004, OHSAS 18001:2007.
- Implementing "Quality and Food Safety Management Standards" GMP: Good Manufacturing Practices, GLP: Good Laboratory Practices, GWP: Good Warehouse Practices, GHP: Good Hygiene Practices and GAP: Good Agricultural Practices.
- Reducing risks related to food safety through application of "Hazard Analysis and Critical Control Points".
- Identifying hazards and risks which are related to the Occupational Health & Safety and setting up measures to control them.
- Managing Business partners (suppliers and service Providers) in order to comply with Juhayna's requirements.

- Developing people skills by providing them with the appropriate training Programs that cover Food safety requirements, Health, Safety and Environment. Also providing programs for Contractors in order to reduce the risks related to Occupational Health & Safety and Environment.
- Developing a communication strategy that ensures that we provide the required information and knowledge necessary in the field of Quality, Food Safety, Occupational health & safety and Environment.

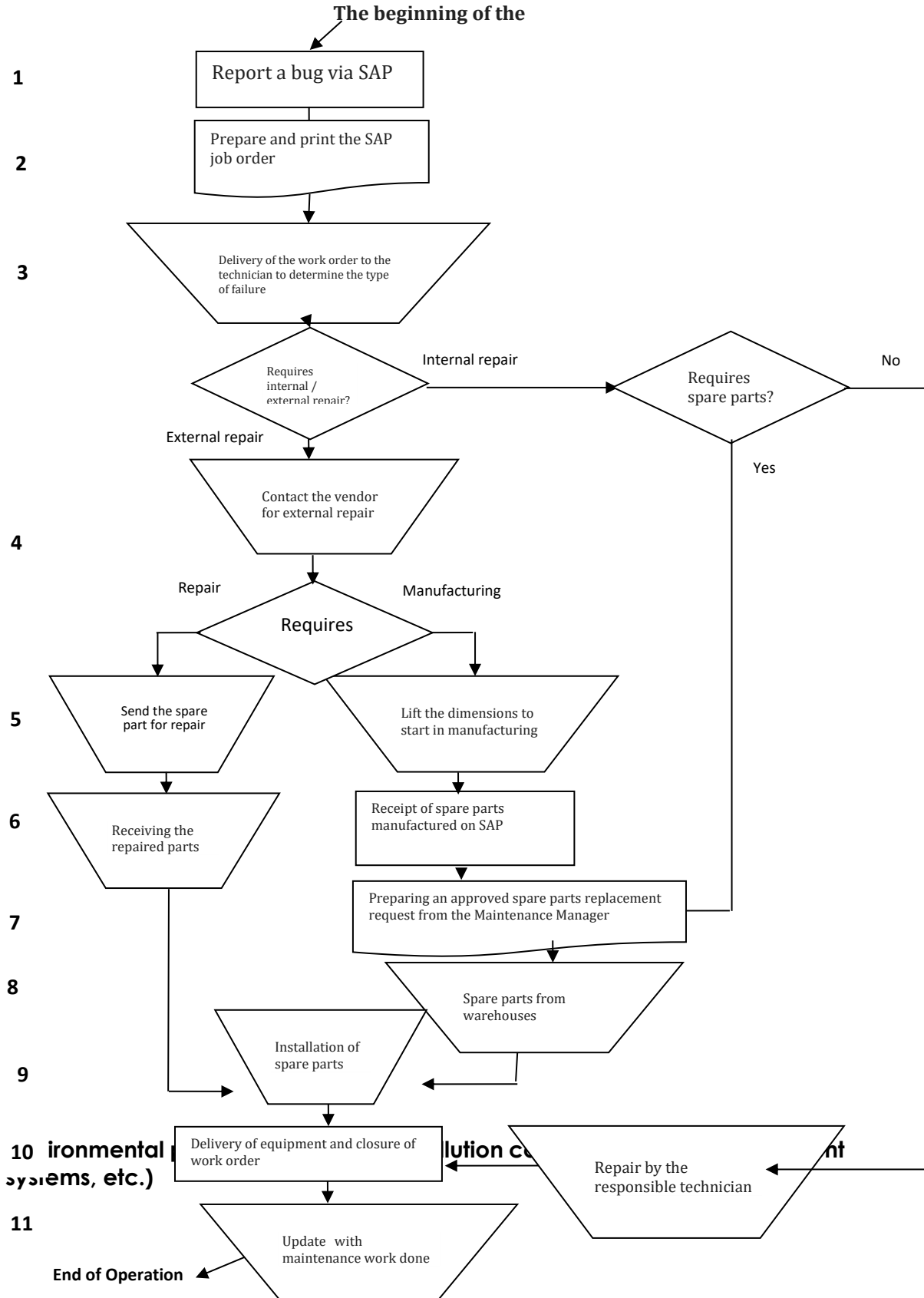
## Environment

We apply SAP system to plan, execute and monitor Preventive and Corrective Maintenance Activities

### A. Preventive Maintenance Procedure "PM"



## B. Corrective Maintenance Procedure "CM"



**A. Air pollution control: -**

Environmental team conducts yearly environmental measurements on:

- Air born particulate in production/warehouse/utilities areas and maintenance work shop.
- The concentration of emissions from boilers.

**B. Waste: -**

Our waste management system ensures that waste materials are identified, collected, removed and disposed of in a manner which prevents contamination of environment and complies with legislations: -

**1. Identification**

Waste is collected and segregated in bins as indicated below:

Type of Bins	Color	Location
PM Waste with Juhayna`s Logo Basket	Yellow	Container
FG Waste with Juhayna`s Logo Basket	Blue	Container
Hazardous Material Waste Basket	Red	3 Label
Plastic Waste Basket	Green	Container
Paper Waste Basket	Grey	Container

Scrap Plastic Bags	Black
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All hazardous materials are placed in rubbish bins with red color and are segregated according to type as indicated below:

Hazardous Waste		
First type (Card)	Second type (Card)	Third type (Card)
Bulb (Lamps) & Glass	Ink	Clinic Waste
	Batteries	Micro waste
	Chemical Waste	

## 2. Waste Collection,

Operation team use closed, clean rubbish bins with foot paddles to collect the waste.

## 3. Waste removal: -

Operation team collects the waste from different locations to the segregated waste areas.

## 4. Waste disposal: -

Juhayna Group has contracts with waste disposal companies that have been licensed and approved by the “Environmental Agency”. This secures the proper disposal and tracking of waste.

The type of companies are listed as follows:

- Company for solid waste.
- Company for hazardous waste.
- Company for oil & its derivatives
- Company for medical waste

## Waste water disposal: -

Juhayna Group has invested in state of the art technologies for the treatment of waste water prior to its disposal to the public sewer systems.

Ensure emergency procedures to prevent and address accidents affecting the environment and human health :-

Juhayna group has emergency plans that are reviewed on an annual basis and describe the actions should be taken during: -

- Ammonia leakage.
  - Explosion of water pipe / drainage
  - Oil or acid spill
  - Natural disasters (earthquakes – storms, ....)
- Environmental team conducts on a yearly basis mock evacuation

exercises across three shifts

### **Minimize the use and ensure safe handling and storage of chemical and other dangerous substances**

Juhayna group regulates and monitors hazardous materials through:

1. Regular updates of list of chemicals.
2. Availability of Safety Material Data Sheets (MSDS) of chemicals in use
3. Use of chemicals certified for Food Applications.
4. Clear warning labels on chemical materials.
5. Regular training of employees on use and associated risks

#### **- Chemical storage conditions:-**

1. Dry, well ventilated, away from combustible materials, sources of heat/ignition and locked.
2. Segregated and away from Food warehouses

## **CSV Creating Shared Value**

Juhayna has been on a journey to transform the way it operates, aiming to go beyond delivering profitability but to give back to the society in which we live and work. We recognize that in order to grow, we must align our strategies with sustainable environmental, social, and governance frameworks.

At Juhayna, we do this by creating shared value (CSV); a principle that lives within the core of our business model and which we have embedded throughout our operations. It is the amalgamation of our corporate and social strategies to better the quality of life for all stakeholders in our value chain. CSV takes corporate social responsibility (CSR) one step further; it's about seeking new business opportunities that have a material impact on markets, the environment, and people. CSV generates economic value in a way that *also* produces value for society, integrating sustainable development into our long-term corporate strategy.

## **Our Purpose and Our Values**

Bringing about meaningful change is at the heart of Juhayna's CSV strategy. We work to build a thriving community and drive sustainable development while remaining steadfast in our commitment to enhance Egyptians' quality of life and contribute to building better futures for those in need.



## Our Commitment

As one of Egypt's leading food manufacturers, we modeled our CSV strategy around the United Nations 2030 Agenda for Sustainable Development, and in doing so began working to achieve the 17 Sustainable Development Goals (SDGs). We also joined the United Nations Global Compact (UNGC) initiative, implementing global sustainability principles in our operations. Our CSV strategy is also in line with Egypt's homegrown economic, social, and environmental goals.

We began to shape our internal and external policies to create objectives that achieve a sustainable balance between our ambitious expansion strategy and active contribution to the development and advancement of the societies in which we operate.

## Our Pillars

Over the years, Juhayna has been an active participant in numerous community-building initiatives that have brought about meaningful change. Integrating the SDGs in our CSV approach has enabled us to identify the areas where we can create a positive impact – or at the very least, mitigate negative ones. Our five-pronged CSV approach addresses areas where our business intersects most closely with our community and where we can create the most value:

- Industry
- Health and Nutrition
- Environment
- Sports and Youth
- Employment and Diversity



## Industry

As a market leader in Egypt's dairy and juice industry, Juhayna has worked diligently to bring healthy, premium-quality products to its customers. We have also undertaken several initiatives in line with our commitment to advance the Egyptian food manufacturing sector, with efforts aligning with three SDGs: "Decent Work and Economic Growth", "Industry, Innovation and Infrastructure" and "Sustainable Cities and Communities".

### 1. Developing Egypt's Dairy Farms

The healthiest and highest-quality dairy products while simultaneously boosting milk production, Juhayna launched a pioneering initiative aimed at small- and medium-sized dairy farms in Egypt. The project installs shelters and efficient cooling systems for dairy cows while also facilitating loan payments for these systems through the deduction of their value from the cost of the weekly milk purchases it makes from the farms.

The project has markedly increased milk production, especially in summer when supply typically drops by up to 30%. In the first phase, 25 farms with a total of 6,562 cows participated in the project, producing an average daily supply of 122 tons of milk for Juhayna. As the first-of-its-kind project in Egypt, it's expected to help increase productivity by at least 2 liters per cow during summers, equivalent to a 10-ton daily increase in supply.

### 2. Innovation Center

At the heart of our R&D initiatives is the establishment of our world-class innovation center; a two-story, state-of-the-art facility that is the first of its kind in the MENA region. The innovation center has enabled us to localize our research methods by conducting in-house industrial and lab trials and focus groups that can be corroborated with research we collect from abroad.

The innovation center will serve as a secure data storage warehouse equipped with a consumer insight room, and eventually, a "Juhayna Technical Academy" training school.

## Health & Nutrition

We are also committed to bolstering healthcare in the region as we continue to expand our footprint. We've collaborated with several key healthcare providers in Egypt to both aid those in need and raise awareness about health and nutritional issues. Our commitments support the third SDG: "Good Health and Well-being".

## **1. Baheya Hospital**

Since inception in 2015, the Baheya Hospital has been a flagship CSV project for Juhayna. The company has been the main sponsor of the hospital's free-of-charge early detection and breast cancer treatment, with approximately EGP 20 million pledged in support. The sponsorship falls in line with the company's "Cheering Egyptian Moms" platform, which aims to empower Egyptian women. The company held several seminars that raised awareness on breast cancer and the importance of early detection.

## **2. "Sehetak fel elba deh" Campaign**

Launched in collaboration with the Ministry of Health, the Chamber of Food Industries, the Faculty of Agriculture at Alexandria University, and Tetra Pak, "Sehetak fel elba deh" initiative aimed to inform customers about the safety of packaged dairy products while promoting healthy living and improving public health standards. The campaign was successful in shifting customer perceptions of loose milk and encouraged a switch to safer packaged products, with bottled milk consumption rising to 45% in 2017 from 18% in 2010 in the market.

## **Environment**

At Juhayna, safeguarding the environment is key to our CSV agenda. We strive toward improved operational efficiency, responsible water stewardship, and the use of sustainable renewable resources, in clear compliance with goals 7 and 12 of the SDGs: "*Affordable and Clean Energy*" and "*Responsible Consumption and Production*".

### **1. Water waste Treatment**

As one of the largest juices and beverage manufacturers in Egypt, Juhayna continues to invest in its factories to comply with local regulations and efficiently manage its water dependency. In cooperation with TIA Germany, Juhayna purchased construction and operation equipment worth EGP 40 million in 2017 to effectively treat factory wastewater and convert it to clean water. The equipment pumps more than 1 million liters of clean water per day, which in turn allows for the conservation of environmental resources.

### **2. KarmSolar Station at Al-Enmaa Farm**

The world's leading companies are turning to renewable energy sources, and Juhayna is proud to be among them. Since 2016, we began using solar energy to power the Al-Enmaa agricultural farm. We became the first Egyptian private company to partner with an Egyptian solar energy startup, KarmSolar, inaugurating the 1 MW solar station in Al-Enmaa farm in Al-Wahat-Al-Bahareyah.

The station reduces emission of about 1.62 tons of CO<sub>2</sub> per year and decreases our dependency on diesel by about 600,000 liters annually, simultaneously lowering our operational costs as well as reducing our carbon footprint.

### 3. MED TEST II Initiative

In 2017, Juhayna joined the United Nations Industrial Development Organization's (UNIDO) MED TEST II initiative, which aims to encourage sustainable consumption and production patterns in the Mediterranean region. By participating in the MED TEST II project, Juhayna stands to benefit by learning about best practices in resource efficiency and integrated environmental management systems, to increase its productivity, grow its profit margin, and reduce its environmental impact.

AL-Marwa Plant were able to support in optimizing the water efficiency leading to reduction of water use by 52%. In addition, the energy consumption would also be decreased by around 5% of the baseline consumption. Besides the economic and environmental benefits, the company identified a potential upgrade project for the evaporator, which would result in further 16% savings in energy, and 2% savings in water consumption."

Regarding the Al-Dawlya plant, The MED TEST II project identified measures to optimize the water use within the production facility of El Dawleya which would reduce water consumption by 25.3%, and consequently the corresponding wastewater will be eliminated. Total anticipated reduction in the water consumption is around 92,928 m<sup>3</sup>/year,

### Sports & Youth

At Juhayna, we believe that communities cannot thrive if they cannot empower their youth, which is why we are determined to help the next generation develop their skills and build a dynamic and resilient community. Partnering with sports organizations and international youth groups, Juhayna is in line to contribute to goal 3 of the SDGs: "*Good Health and Well-being*".

#### 1. ENACTUS

Since 2008, Juhayna has been an active supporter of ENACTUS, an international non-profit organization that promotes entrepreneurship and provides a platform for private and public university students to interact and collaborate with business and academic leaders on community development projects. The sponsorship aims to herald in a new generation of entrepreneurs capable of understanding the needs of Egyptian society and contributing to its development.

Juhayna sponsors all the projects/ activities that Enactus team will implement under "Thematic Competition on Capacity Building Through Effective Empowerment" most effectively used entrepreneurial action to empower people to improve their livelihoods in an economically, socially and environmentally sustainable way.

## **Employment and Diversity**

At Juhayna, our employees are the backbone of our organization, which is why we invest heavily in initiatives that promote their professional and personal growth and development. We are an equal opportunity employer, aligning with yet another SDG: "*Gender Equality.*"

### **1. Protocol of Cooperation with the German Agency for International Cooperation (GIZ):**

Juhayna signed a protocol of cooperation with the German Agency for International Cooperation (GIZ), where the latter agreed to provide financial and advisory support to Juhayna over the course of two years in support of our efforts to achieve gender equality. The grant followed the company's win in the "Diversity in the Workplace" competition, as Juhayna was the first company in the Egyptian food industry to implement the program. We aim to continue building a diverse workplace and providing equal opportunities for women's advancement by developing the skills and abilities of our female employees.

### **2. Social Insurance**

We are bound by the annual Social Insurance Regulations regarding the minimum wage, as well as the Egyptian Labor Law, which stipulates the minimum rights employees, child and women Labor.

### **3. Anti-Harassment and Equal Opportunity Policy**

We have a policy to acquaint the employees with what is fair treatment and what is considered under bullying and harassment. Such Policy, among other policies, are refreshed in the employees' minds through Focus Groups that the HR conduct with the employees on a regular basis.

### **4. Trainings and Surveys**

We conduct regular surveys to ensure that our payment is competitive, not just above the minimum wage stated by the government. We also strive to change the lives of people where we operate externally and internally. Internally we have a training academy with an average of 2000 trainee yearly across different sectors. Also, we have juhayna business school, in which we provide our employees with trainings beyond their scope of work (HR for non-HR people, Marketing for non-Marketing people...etc.)

## **Sustainability Report**

Juhayna first sustainability report covering activities conducted from 2016-2018 will be issued first quarter of 2019.

### **Carbon disclosure project**

Despite that juhayna is working on reducing energy consumption along with other material consumptions, it is not carrying any sort of CO2 emissions inventory calculations yet. CO2

emission inventory calculations will be considered during issuing Juhayna first sustainability report covering activities conducted from 2016-2018.

## Awards

ISO 9001:2015	Quality Management System (QMS) is internationally recognized as the world's leading quality management standard to assist companies in meeting statutory and regulatory requirements relating to their product, while achieving excellence in their customer service and delivery.
FSSC 22000 ver.4.1	The FSSC 22000 Food Safety System Certification provides a framework for effectively managing organization's food safety responsibilities. FSSC 22000 is fully recognized by the Global Food Safety Initiative (GFSI) and is based on existing ISO Standards. It demonstrates your company has a robust Food Safety Management System in place that meets the requirements of your customers and consumers.
ISO 22000	ISO 22000 sets out the requirements for a food safety management system and can be certified to. It maps out what an organization needs to do to demonstrate its ability to control food safety hazards in order to ensure that food is safe.
SQMS	The McDonalds Supplier Quality Management System applies to companies who supply food products into the McDonalds fast food chain to help to supply consistently safe products of the highest quality that meet their requirements, as well as all applicable laws and regulations.
Iso 500001	Energy management systems – Requirements with guidance for use is

	a specification created by the International Organization for Standardization ( <b>ISO</b> ) for an energy management system
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