

Al Mansour Holding Company for Financial Investments Sustainability Report 2013-2014

Abbreviations and Acronyms

ADPF	Alexandria for Dairy Products and Foods (Seclam)
AMIDC	Al Mansour International Distribution Company (Imperial Tobacco)
AMTDC	Al Mansour for Trading and Distribution Company
CFC	Chlorofluorocarbons
CSR	Corporate Social Responsibility
COGS	Cost of Goods Sold
EGP	Egyptian Pound
FMCGs	Fast Moving Consumer Goods
GRI	Global Reporting Initiative
HCID	Hayat Company for Industrialization & Development
HR	Human Resources
ITG	Imperial Tobacco Group
KPI	Key Performance Indicators
KZ	Kheir Zaman
MCS	Mansour Courier Service
MD	Managing Director
MDC	Mansour Distribution Company (Free Zone)
MDGs	Millennium Development Goals
MET	Mansour Electronics & Technologies
MFD	Mansour Foundation for Development
MG	Mansour Group
MHCFI	Al Mansour Holding Company for Financial Investments
MID	Mansour International Distribution
MM	Metro Market
MMC	Mansour Manufacturing Company (Free Zone)
MMID	El Mansour and El Maghraby Investment and Development
MMTD	Metro Market for Trading & Distribution
MTD	Mansour for Trading & Distribution
PMI	Philip Morris International
USD	U.S. Dollars
UNGC	United Nations Global Compact

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1. LETTER FROM THE CHAIRMAN

It has been a challenging period for the Mansour Group over the past few years. The volatile and unstable climate in Egypt in the period following the

25th of January Revolution, 2011, and its follow up on 20th of June 2013 has tested the mettle not only of Egypt's business community, but the very social fabric of the country as a whole. As Egypt has transitioned through this period to one of greater stability, optimism and national pride, so too has Mansour Group. We have reaffirmed its commitment to continued growth at all levels. If nothing else, the past few years have clearly demonstrated the critical relevance of sustainability.

As a family-owned business, we continue to adhere to the social, ethical and moral standards instituted by our founder over 60 years ago. Our core values are based on integrity, efficiency, profitability, innovation, shared value, and last but definitely not least, employee development. For Mansour Group, a fundamental component of our sustainability is to focus on our greatest asset: our employees. Investing in our employees is not only about ensuring high performance, or training an efficient workforce. It flows from our sense of responsibility to our stakeholders, and every person working at Mansour Group is a vital and valued stakeholder. Employee development is one way of empowering our staff, providing them with essential business and social skills they can leverage on the career journeys they chose. Moreover, Mansour Group has instituted a number of mechanisms to ensure an ethical management process that respects staff at all levels. Following international best practices, standardized policies and procedures are in place to ensure fair compensation, equitable treatment, transparency, communication, recognition of achievement, and health and safety at all of our offices and facilities.

Another cornerstone of our sustainability is the recognition that we are part of a wider community, one which believe we are obligated to support. Mansour Group is actively engaged in a variety of social investment initiatives, implemented through our own foundation, as well as by supporting other programs nationwide, through social investments, event sponsorships and social awareness campaigns. Poverty alleviation, education, healthcare, and capacity building are some of the sectors we target. In terms of environmental sustainability, we continue to advance in terms of efficient and ethical resource utilization, responsible waste management, and energy conservation.

As Mansour Group continues to diversify, grow and expand to ever more challenging markets, locally, regionally, and internationally, our dedication to our core values ensures that we remain a visible example of the success of responsible business conduct. We at Mansour Group remain committed to the implementation of the 10 principles of the global conduct.

2. ABOUT AL MANSOUR HOLDING COMPANY FOR FINANCIAL INVESTMENTS

The seeds of the Mansour Group were planted by Lotfy Mansour in the early 1950s, when he established the Mansour & Sons Cotton Trading Company. His entrepreneurial vision created a legacy that is carried on to this day by his sons. His eldest son, Ismail Mansour, succeeded in steering the family business to its current position as one of the leading companies in the region. Ismail is succeeded by his three brothers, who each have an influential role in managing the group and continuing its tradition of business innovation and diversification.

Divisions of Mansour Group

The Mansour Group's continuing growth is a result of its ability to effectively identify new business opportunities, by exploring new areas of diversification, and forging successful joint ventures with global brands; something it has been doing successfully since the 1970s. Mansour Group is currently a key regional player in various industries including manufacturing, marketing and distribution. Employing over 40,000 people, Mansour Group currently achieves a turnover of over 4 billion USD.

With a constant focus on geographic market diversification, Mansour Group has a presence in 120 countries, and operates ventures in 13 countries (Egypt, Iraq, Saudi Arabia, The United Arab Emirates, Libya, Chad, Nigeria, Ghana, Sierra Leone, Tanzania, Uganda, Kenya, Angola, and Russia) via our headquarters in Cairo, and main office in London. The bulk of activities, however, remain in Egypt.

Mansour Group is comprised of six holding companies, each of which is responsible for a number of quasi-independent companies. These holding companies are: Mantrac Group; Manfoods; Al Mansour Automotive; Al Mansour Holding Company for Financial Investments (MHCFI); Man Capital LLP (the Mansour Family Global Investment Arm); and El Mansour and El Maghraby Investment and Development (MMID). Together, these companies cover the following diverse array of economic sectors: automotive; banking; real estate; consumer goods; education; IT and telecom; equipment and machinery; media and advertising; oil and gas; and transportation and logistics.

Al Mansour Holding Company for Financial Investments (MHCFI) is the main focus of this report.

AL MANSOUR HOLDING COMPANY FOR FINANCIAL INVESTMENTS (MHCFI)

Al Mansour Holding Company for Financial Investments (MHCFI) – one of Mansour Group's six main holding companies - comprises eight large, semi-independent companies. Many of these companies have been created to manufacture and distribute local and international brands in Egypt.

Our Start

Mansour Group (MG) initially created MHCFI in 1992 to manage a license agreement with Philip Morris International (PMI) to produce and distribute PMI's brands in Egypt. The partnership with PMI ended in 2014 after 23 years of collaboration. MHCFI later partnered with Imperial Tobacco in 2014, producing brands including Davidoff, Gauloises and P&S.

MHCFI was established as an autonomous company, semi-independent from Mansour Group. This allows MHCFI the freedom and authority to rapidly respond to new business opportunities, including establishing new companies, without having to refer back to the group. Nevertheless, despite its quasi-independent status, MHCFI is bound by Mansour Group's corporate policies and strategies, and is committed to the fulfillment of the group's strategic goals and Key Performance Indicators (KPIs).

Diversification

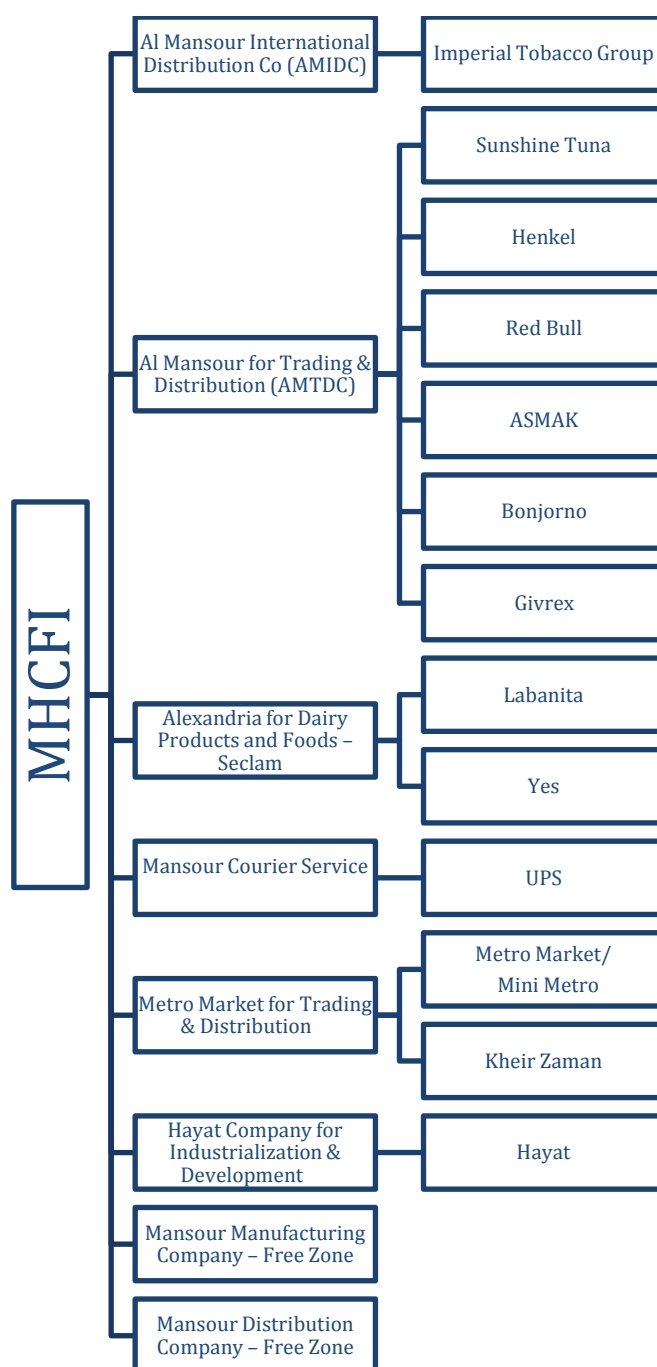
As mentioned above, MHCFI was initially created to manage the PMI account. Over time, MHCFI began to diversify, extending its activities to the food production sector with the purchase of the Seclam dairy products processing factory. This was followed by the establishment of the Hayat-Siwa bottling plant, producing pure drinking water.

MHCFI entered the food retail business with the establishment of Metro Market for Trading and Distribution, successfully introducing the high-end supermarket chain Metro Market (MM) in the 1990s. Leveraging the overwhelming success and continued growth of the Metro supermarket chain, MHCFI opened the Kheir Zaman (KZ) supermarket chain, catering to the lower income consumer market. Together, the Metro chain (catering to the A consumer segment) and the Kheir Zaman chain (catering to B and C consumer segments) constitute the largest food retail chain in Egypt; covering 12 governorates and serving more than 115,000 customers daily.

Mansour for Trading and Distribution Company (AMTDC) is the company behind Sunshine Tuna Fish and Shrimps, Mario Tuna, Labanita dairy products, Redbull Energy Drinks, L'Oréal cosmetics and Henkel and Hayat drinking water.

MHCFI COMPANIES AND BRANDS

MHCFI is comprised of several companies that distribute an extensive range of consumer goods to over 150,000 outlets nationwide, making it by far the largest distribution group in Egypt. The figure below outlines the eight companies that now make up MHCFI and the brands that they manufacture and/or distribute:



The revenues of MHCFI's companies exceeded 9.5 billion EGP in 2014, with 270 million EGP in profit. MHCFI employs over 8,700 people, which translates

to roughly 22% of Mansour Group's total work force. It is currently one of Egypt's largest private sector employers. The following figures are estimates of the numbers of traders and key clients served by MHCFl companies/activities:

Company	Number of Clients/Company Direct Coverage	Total AMTDC Indirect Coverage
HAYAT	4,000	80,000
SECLAM	13,000	
REDBULL	10,600	
FOOD	20,000	
Frozen	5,000	
Non-Food (Henkel & L'Oreal)	8,000	

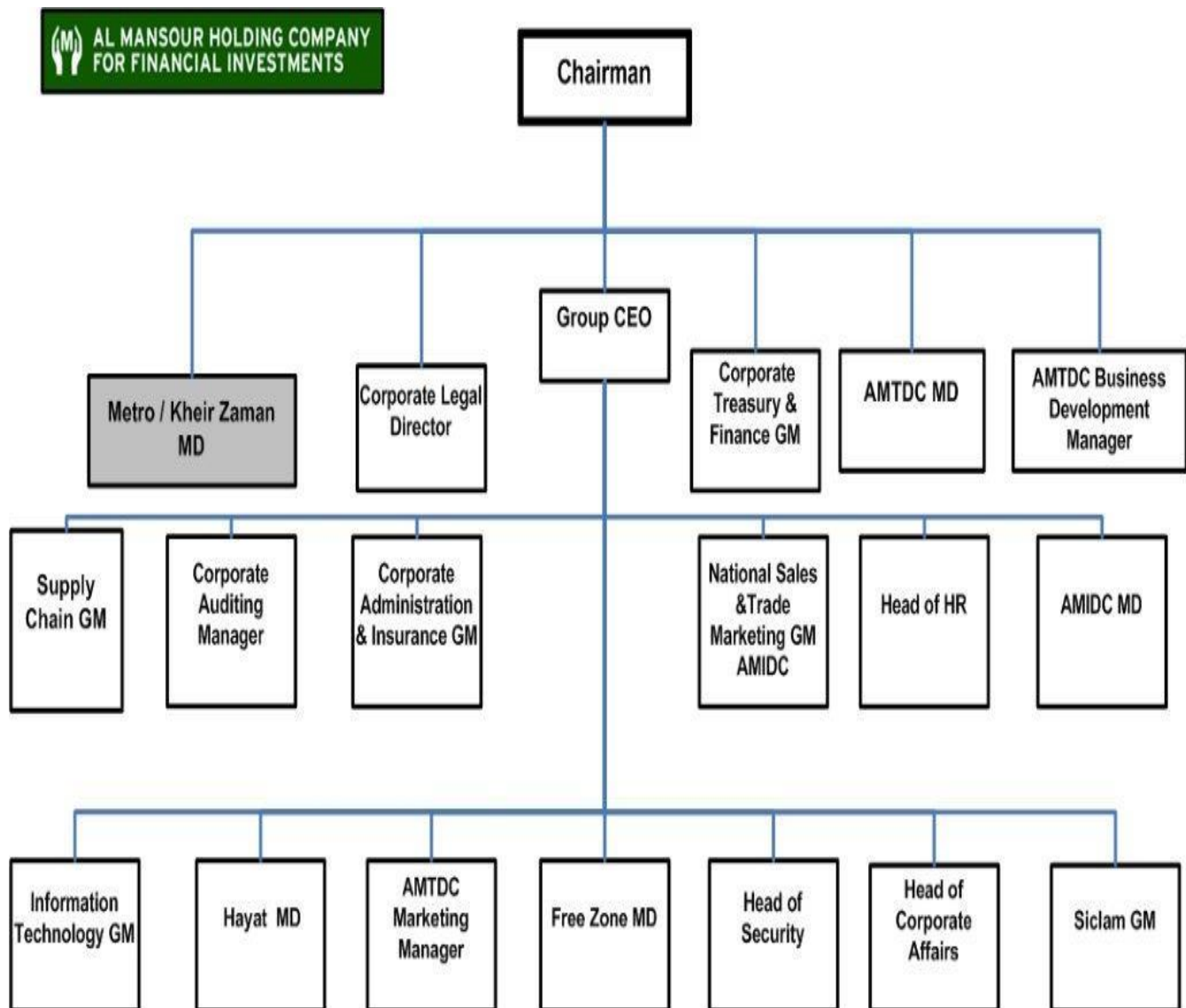
Company	Number of Clients/Company Direct Coverage	Total AMIDC Indirect Coverage
MID	34,000	90,000

Company	Number of Clients/Company Direct Coverage
UPS	720

MHCFl ORGANIZATIONAL STRUCTURE

Cairo is home to the headquarters of all of the MHCFl companies except for Hayat and Seclam, which are located in Siwa and Alexandria, respectively. However, MHCFl conducts operations all across Egypt.

MHCFl manages its operations on two different levels: some activities, such as legal affairs, corporate affairs, external relations, human resources, and security and administration are dealt with at the headquarters' level; while other activities are dealt with at the company level. This allows for semi-independent organizational structures and flexible support functions that meet each company's specific needs. The figure below provides MHCFl's organizational structure.



3. SUSTAINABILITY CHALLENGES AND APPROACH

Egypt has faced numerous social and economic challenges following the Egyptian revolution. MHCFI was among many businesses negatively affected by economic instability, yet has managed to continue growing as the economic situation has begun to stabilize. One of the most significant challenges MHCFI faced after the revolution was the overall lack of security, particularly an increase in robberies. While the risk of robbery dropped significantly in 2013 and 2014, MHCFI has faced new challenges, highlighted below.

MAIN CHALLENGES

Over the past few years, lack of security has been an issue of concern nationwide. In 2013, MHCFI was still struggling with the repercussions of the low levels of security that resulted in losses on the company's behalf. However, MHCFI managed to overcome security obstacles in 2014, reporting a significant decrease in the number of robberies occurring in connection to the business. New challenges have certainly emerged, which we are planning on facing this upcoming year.

The Economic Challenge:

As of 2015, Egypt continues to experience many economic challenges. One of the most persistent problems is the steady increase in inflation. This increase reflects directly on the purchasing power of the consumer, putting pressure on more affordable brands appropriate to decreased consumer purchasing power. Despite the problems posed by increasing inflation, Egypt still lacks effective policies to counter this threat.

There is also the issue of lack of availability of USD in the formal currency markets. This creates a situation where businesses like ours that require USD to purchase imported goods are forced to deal with the informal or 'black' market. This affects profitability due to the added cost of buying dollars at higher rates than the officially quoted price.

The Energy Challenge:

Electricity blackouts and fuel shortages represent a challenge to every business. In MHCFI's case, the problem of energy supply affects all the production and distribution phases of our industry. The increase in the cost of diesel and gasoline naturally affects both transportation and manufacturing costs. This in turn translates into increases to the price of products, which directly impact the consumer's ability to purchase these products. Increases in the cost of water and electricity also affects our manufacturing process in terms of our capacity to produce while maintaining a profit margin.

Switching Partnerships:

On July 1st 2014, AMIDC ended a long-term partnership with Philip Morris International (PMI) and cemented a new partnership with Imperial Tobacco Group (ITG). The new partnership entails a market share in tobacco manufacturing amounting to 0.02% market share and an actual raise to 0.6% market share by end of 2014.

This represents a challenge as the partnership with PMI entailed a share amounting to 24% of the tobacco market share. To fill in the revenue gap, MHCFI has been looking into adding new tobacco-related businesses and retaining the workforce. As a first step, we are looking at restructuring the tobacco business to ensure more effective business management.

MANAGEMENT APPROACH

The volatile situation in Egypt over the past few years has finally subsided, and the country is now turning its attention towards stabilizing the national economy. One strategy being actively implemented by the current leaderships is to stress a more attractive and supportive investment climate. Accordingly, MHCFl is committed to supporting the growth of the national economy through new investments and expansion. We are hopeful that the election of a new parliament will provide clear public policies regarding the types of investment needed for the economy to stabilize.

While the company is aware that we remain in a transitional period, where uncertainties are present, MHCFl is equipped with a team of experienced professionals implementing a business plan that is designed to help us adapt to the challenges that lie ahead. This includes the installation of a new risk assessment mechanism that will enable MHCFl to foresee upcoming risks and develop effective strategies to minimize them.

Our main priority remains our focus on capitalizing on MHCFl's manpower. This is reflected by a management approach that seeks to address employees' individual wellbeing, seen as of equivalent importance to that of the company's own. MHCFl is committed to maintaining a solution-oriented approach to our management strategies, focusing on sustainable management techniques designed to help protect our employees - the main asset and stakeholders of MG.

In terms of environmental sustainability, we are determined to look for solutions to the energy crisis Egypt is facing. This comes hand in hand with the development of our own energy conservation and management plan, and the adoption of new approaches to how energy is used in all our activities: in our offices, outlets, and production facilities.

The following table summarizes our sustainability approach by performance area:

Performance Area	Approach
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Economic Sustainability	We are currently focused on maximizing efficiency, reducing production costs, and securing affordable and sustainable energy resources.
Social Sustainability	We continue to support an array of civil society organizations and social enterprises across the country. The company's foundation, the Mansour Foundation for Development, has pioneered a locally-driven and bold approach to social investments as it focuses on key social needs including research and programmatic interventions in the areas of education, poverty alleviation, civic engagement, social entrepreneurship, among other areas, in neighboring communities and beyond. We plan on maintaining and expanding our social investment portfolio, in an effort to contribute to Egypt's sustainable development.
Human Capital	Our employees are one of our primary stakeholders; we continue to invest in their growth and development; to further their growth and the growth of the company. We plan on focusing on achieving a more gender-balanced managerial team by investing in the leadership potential of female middle management.
Human Rights	We continue to be committed to a zero-tolerance policy for child labor and the adoption of a minimum wage policy.
Environmental Sustainability	The program focus this year revolved around mitigating the environmental impact of our operations. The scaling of usage for biodegradable plastic bags and energy reduction have been the center focus of this year's program.
Product & Client Responsibility	Together with our employees, our clients are another key stakeholders. We continue to focus on client satisfaction and safety through stringent safety and quality management systems. We also maintain an open communication system with our clients through multiple feedback mechanisms.

4. ABOUT THIS REPORT

MHCFI is pleased to present our third sustainability report, covering activities over the period from 2013 to 2014. The purpose of this report is to keep both the public and our family shareholders engaged and informed about our achievements and development. We have managed to overcome hardships affecting our business over the past few years, and we plan on moving forward by being mindful of our stakeholders and business partners. This report presents these updates against the measures and indicators of the Global Reporting Initiative (GRI-G3.1), level B.

We have compiled the report at hand with a dual purpose in mind: to update the public about our performance, and to use the assessments and conclusions of the report to improve our performance in the future. We committed ourselves to undertake this reporting exercise on a biennial basis back in 2010, and have succeeded in publishing three reports to date.

In the current report, we have made every effort to improve our analyses and expand the scope of the information covered, and we hope to continue improving our disclosure level in the future.

SCOPE AND DATA

The scope of this report is limited to Al Mansour Holding Company for Financial Investments (MHCFI), including the aggregate activities of the eight companies comprising MHCFI. Accordingly, the analyses presented here focuses on the direct community and stakeholders of MHCFI. The report thus addresses neither the practices of the rest of Mansour Group to which MHCFI belongs nor the universes of MHCFI's suppliers and outsourced operations, on which we have little influence at the moment. We hope to be able to extend our monitoring and disclosure capacity to parts of these universes by the next reporting cycle.

In compiling the data and the calculations disclosed below, the report followed basic international measurement standards. The information that we provide here is extracted from our databases, bills, internal reports, and externally audited statements. Also, some of the information provided has been extracted through interviewing relevant personnel from MHCFI. This allows us to cover most of the information that reflects on MHCFI's indicators, as per the requirements of GRI level B disclosure standards and the general GRI reporting tradition.

In reporting on the joint performance of the eight companies comprising MHCFI, we relied mostly on our consolidated statements and reports. The compilation of these statements and reports progressed smoothly, as these companies share several central departments and are governed by a common top management (please see the governance section for more

information). In other words, MHCFl's companies utilize the same top management reporting system.

Despite the tremendous challenges MHCFl faced since the revolution, we are proud to say that we managed not only to maintain but also to expand our sustainability reporting efforts. Like most companies, however, we are able to report only partially on some of the GRI indicators. We have highlighted these indicators in a summary disclosure table at the end of this report, and we hope to be able to report on them more systematically by the next report, in 2016. Nevertheless, this is unlikely to pose problems for future performance comparisons for two main reasons. First, the report labels estimates as such and explains the basis upon which we arrived at them. Second, we have not undergone any major re-statements of information provided in earlier reports. The only significant change from previous reporting periods lies perhaps in the fact that we have upgraded our reporting initiative from level C to level B.

Furthermore, although our sustainability case requires rather straightforward measurements, a number of environmental indicators require capacities we have not yet acquired. Nevertheless, in comparison to previous reports, environmental data has been expanded to some degree. This includes the steps taken to counter any negative effects of MHCFl operations on the environment.

Information disclosed on employee movement inside the company has been greatly expanded, compared to previous reports. The hiring and resignation disclosure is more detailed, and includes more information. Likewise, information on employee training conducted in 2013/2014 is more detailed.

MATERIALITY AND LEVEL REQUIREMENTS

We designed this report to satisfy GRI level B disclosure requirements. The disclosure level requires a company to report on all GRI profile indicators in addition to reporting fully on a minimum of any 20 performance indicators. These performance indicators include at least one from each of: economic, environment, human rights, labor, society, and product responsibility indicators.

In addressing these requirements, we undertook a materiality exercise, as per the GRI's methodology. The nature of the sustainability challenges that we are currently facing and the volatile business environment that we are living in led us to believe that some performance areas are of paramount relevance to us, overshadowing other areas

The GRI summary disclosure table summarizes the results of our materiality exercise at the end of this report.

OUR TEAM

Our Sustainability Department compiled this report with the support of an external consulting firm. To develop this year's report, we developed a number of reporting mechanisms to monitor some of the basic indicators on a regular basis. We hope that by doing so we will be able to institutionalize our sustainability monitoring and improvement efforts at a deeper level.

Our Corporate Affairs Manager, Seif El Batanouni, is happy to provide any additional information and elaborations when needed.

5. OUR ECONOMIC PERFORMANCE

MG remains one of the biggest private investment groups in the region, generating revenue up to 4 billion USD annually. This leaves us in an excellent financial situation. As mentioned in previous sections, MHCFI is made up of eight different companies. Taken as a whole, the consolidated financial performance of the company has been excellent since its inception; a performance that the company has been able to maintain despite post-revolution instability.

Our current consolidated operation proceeds with 5 billion EGP of current assets and 1.35 billion EGP of non-current (or long term) assets. These assets are balanced, in part by 1.98 billion EGP worth of equity. On the other hand, in 2014, our consolidated revenues reached 9.5 billion EGP, and our profit reached 270 million EGP.

Equity

The Balance Sheet provided below demonstrates the values of MHCFI's various assets, liabilities, and equity types, broken down by our different business units (companies), as of December 31, 2014.

As of December 31st, 2014								EGP (000,000)
MHCFI Consolidated Balance Sheet	MID	MTDC	MCS	HCID	MET	MDC	MMC	
Total Current Assets	3864.90	268.30	579.85	34.91	29.88	3.63	168.97	60.57
(-) Total Current Liabilities	1199.59	449.66	298.02	10.89	35.42	0.49	34.72	179.93
Working Capital	2665.31	-181.36	281.83	24.02	-5.55	3.15	134.25	-119.36
(+) Total Non - Current Assets	133.81	852.88	162.68	9.88	42.55	6.55	8.76	136.44
Total Investment	2799.12	671.52	444.52	33.90	37.00	9.69	143.01	17.09
Total Non - Current Liabilities	2000.15	158.73	10.00					
Owners' Equity	798.97	512.78	434.52	33.90	37.00	9.69	143.01	17.09
Total Investment	2799.12	671.52	444.52	33.90	37.00	9.69	143.01	17.09

As of December 31st, 2013								
MHCFI Consolidated Balance Sheet	MID	MTDC	MCS	HCID	MET	MDC	MMC	
Total Current Assets	2046.72	210.59	503.86	34.18	34.54	3.92	220.85	56.10
(-) Total Current Liabilities	1565.92	543.19	268.06	14.85	38.30	0.66	101.27	146.42
Working Capital	480.81	-332.60	235.79	19.33	-3.76	3.26	119.57	-90.32
(+) Total Non - Current Assets	135.78	884.84	160.67	9.58	34.20	7.00	8.89	109.06
Total Investment	616.59	552.24	396.46	28.90	30.44	10.26	128.46	18.75
Total Non - Current Liabilities	7.80	49.22	10.00					
Owners' Equity	608.79	503.02	386.46	28.90	30.44	10.26	128.46	18.75
Total Investment	616.59	552.24	396.46	28.90	30.44	10.26	128.46	18.75

MID: Mansour International Distribution
Main Brands: Philip Morris (Marlboro, L&M, etc.)

MTDC: Mansour for Trading & Distribution Company

	Main Brands: Sunshine Tuna
ADPF	Alexandria for Dairy Products and Foods (Seclam) Main Brands: Labanita
MCS	Mansour Courier Service Main Brands: U.P.S.
MMTD	Metro Market for Trading & Distribution Main Brands: Metro Market, KheirZaman
HCID	Hayat Company for Industrialization & Development Main Brands: Hayat
MET	Mansour Electronics & Technologies Main Brands: Bang & Olufsen, Roamworks
MMC	Mansour Manufacturing Company (Free Zone)
MDC	Mansour Distribution Company (Free Zone)

Profitability

Increased stability in Egypt has had a positive impact on the economy. For MHCFI, this means better financial performance, resulting in greater profitability, vis-à-vis MHCFI's performance during Egypt's instability over the past couple of years. This report dedicates a detailed chapter (above), to the challenges that emerged in the post-revolution era, and how they affected MHCFI. For the purpose of this section, however, we would like to outline our main financial results and highlight the impact of the post-revolution climate on them.

MHCFI assets are balanced in part by 1.98 billion EGP worth of equity. On the other hand, our consolidated revenues reached 9.5 billion EGP in 2014, and our profit reached 270 million EGP for the same year.

Year 2014								
EGP (000,000)								
Income Statement	MID	MMTD	MTDC	MCS	HCID	MET	MDC	MMC
Net Sales	5,501.86	1,978.24	1,793.03	30.93	66.18	0.51	114.97	9.36
Gross Profit	235.89	12.08	393.50	11.27	26.02	(0.18)	11.35	2.97
Net Profit For Period	190.19	15.97	48.06	4.99	6.56	(0.56)	7.60	(2.68)

MHCFI witnessed an improvement in terms of equity in 2014. MHCFI's revenues and profits for the year 2011 were 6,649.3 million EGP and 222.7 million EGP, respectively. Between the years of 2011 and 2012, our revenues increased by 1,409.2 million EGP, and our profits by 71.5 million EGP.

Mansour International Distribution (MID) accounted for the bulk of our sales and profit. Other MHCFI companies experienced mixed performance. While some companies demonstrated a trend of high sales and profitability, other companies experienced a drop in sales, and by extension profitability. The table below illustrates our consolidated income statement for the year 2013, broken down by business unit.

Year 2013								
EGP (000,000)								
Income Statement	MID	MMTD	MTDC	MCS	HCID	MET	MDC	MMC

Net Sales	6,478.46	1,877.33	1,258.84	28.55	90.70	0.47	900.69	2.26
Gross Profit	950.90	95.48	280.86	9.15	37.80	(0.15)	125.71	(0.16)
Net Profit For Period	438.19	73.67	21.23	4.24	15.33	(0.74)	121.29	(3.90)

As the above table shows, our companies paid about 119.68 million EGP in income taxes in the year 2014. We are more proud of these payments than any other payments we previously made. The Egyptian government is suffering from an immense deficit problem, and we are happy to have contributed to narrowing it down by such an amount.

Value Added

MHCFI analyzes the value-added components of its operations along two different dimensions. First, we divide our commodities into (1) merchandise and services that experience some manufacturing and/or services transformation, and (2) merchandise and services that add only retail value. We can then classify our Cost of Goods Sold (COGS) according to these two categories. The table below summarizes our COGS classification by business unit into value-added and retail-based for the year 2014.

	EGP (000,000)						
FY 2012	MID	MMTD	MTDC	MCS	HCID	MET	MDC
Value added COGS	3,839.18	-	132.75	-	-	-	-
Retail based COGS	-	1,677.76	817.04	17.41	30.55	0.80	576.93
Total	3,839.18	1,677.76	949.79	17.41	30.55	0.80	576.93

The second value-added dimension that we also track is our ability to add value to our production capacity. We generally reduce this type to our capital investments in a given timeframe. The following tables compare our capital investments in the year 2014 with their equivalent in the year 2013.

EGP (000,000)							
MID		MMTD		MTDC		MCS	
2014	2013	2014	2013	2014	2013	2014	2013
17.35	10.05	146.23	48.44	27.72	48.73	1.11	0.75

EGP (000,000)					
HCID		MET		MDC	
2014	2013	2014	2013	2014	2013
13.68	3.53	0.00	0.00	0.39	0.34

Our total capital investments in 2014 and 2013 were 206.5 million EGP and 112 million EGP, respectively. While the economic downturn has left many companies considering exiting from Egypt, we continue to pride ourselves on our commitment to investing in our economy.

6. GOVERNANCE AND APPROACH

Mansour Group is a private family business; and its shares are not listed in the stock exchange. As such, it is not obligated to any minority shareholders. However, Mansour Group is engaged in a number of joint ventures, and therefore needs to address the interests of its partners.

Although these ventures do not necessarily affect MHCFl, the Mansour Group implements a system of forming a Board of Directors to govern each of its different divisions, and the companies that comprise them in such a way that a given board always contains independent members. The philosophy adopted is that independent board members bring a wider perspective and varied viewpoints into the governance of the group as a whole, and this includes MHCFl. Moreover, Mansour Group has standardized one management approach across all of its companies. Thus, while the approach listed below governs Mansour Group as a whole, it governs MHCFl by extension. Mansour Group's Board Members and Managers are listed below.

COMPANY BOARD MEMBERS AND MANAGERS

Metro Market for Trading and Distribution	
Name	Position
Atef Abo Shady	Chairman and Managing Director
Youssef Mansour	Managing Director for Financial Affairs
Yasseen Mansour	Board Member
Mostafa Abboud	Board Member
Mohamed El Amin Ismail Mansour	Board Member
Mahmoud Lotfy Ismail Mansour	Board Member
Mansour International Distribution	
Name	Position
Atef Abo Shady	Chairman and Managing Director
Youssef Mansour	Managing Director for Financial Affairs
Mohamed Mansour	Board Member
Mostafa Abboud	Board Member
Mohamed El Amin Ismail Mansour	Board Member
Mahmoud Lotfy Ismail Mansour	Board Member
Mansour Trading and Distribution	
Name	Position
Atef Abo Shady	Chairman
Youssef Mansour	Managing Director of Financial Affairs
Mohamed Mansour	Board Member
Yasseen Mansour	Board Member
Nabil Barghash	Managing Director
Mostafa Abboud	Board Member

Mohamed El Amin Ismail Mansour	Board Member
Mahmoud Lotfy Ismail Mansour	Board Member

Mansour Dairy & Food Company " Seclam"

Name	Position
Atef Abo Shady	Chairman
Youssef Mansour	Managing Director of Financial Affairs
Mohamed Mansour	Board Member
Yasseen Mansour	Board Member
Nabil Barghash	Managing Director
Mohamed El Amin Ismail Mansour	Board Member
Mahmoud Lotfy Ismail Mansour	Board Member

Hayat

Name	Position
Atef Abo Shady	Chairman
Youssef Mansour	Managing Director of Financial Affairs
Mohamed Mansour	Board Member
Yasseen Mansour	Board Member
Nabil Barghash	Managing Director
Mostafa Abboud	Board Member
Mohamed El Amin Ismail Mansour	Board Member
Mahmoud Lotfy Ismail Mansour	Board Member

Mansour Electronics and Technologies

Name	Position
Youssef Mansour	Managing Director of Financial Affairs
Nabil Barghash	General Manager

Mansour Courier Service

Name	Position
Youssef Mansour	General Manager of Financial Affairs
Tony Costa	General Manager

Free Zone

Name	Position
Youssef Mansour	General Manager of Financial Affairs
Ahmed Essam Tawfik	General Manager

OUR MISSION AND VALUES

MHCFI's governance approach rests on seven main pillars: customer satisfaction; employee development; integrity; quality in achievement; profitability and efficiency; innovation and creativity; and mutual benefit. MHCFI strives to abide by these elements and uses them as benchmarks whenever it evaluates the performance of any of its divisions.

Our Mission

MHCFI is committed to the manufacturing, marketing and distribution of high quality branded consumer products that meet the needs of a wide variety of consumers and their lifestyles.

We accomplish this by ensuring that our talented and effective teams base their decisions on sound information and execute using updated and effective processes. We will fairly reward our people for their achievements, and will continue to pursue an active role in advancing the welfare of our community.

Our future is inspired by the legacy of our founder, his compassion for his employees, and his drive for excellence and achievement.

Our Values

Customer Satisfaction – Our first and foremost responsibility is to satisfy our customers. We will focus our efforts on offering them high quality brands and services, which give them good value for their money, and this will be the driving force influencing our decisions.

Our People – As a company, we recognize that our people are the building blocks of our success. We will work to develop a highly skilled and motivated team through rigorous selection, continuous development, and by offering fair opportunity for advancement, improved quality of life, and the chance to seize opportunities leading to personal and organizational triumph.

Integrity – We will maintain the highest standards of ethics and integrity in all our dealings. We will work hard to maintain honest and open relationships built on mutual trust. We will honor all commitments, internal and external whether verbal or written.

Quality in Achievement – We will focus not only on achievement, but also on the process which leads to that achievement, with the highest possible standard of quality. Through continuous improvement and collective effort, we will become the first or second in every market in which we compete.

Profitability & Efficiency – Our profitability will determine our ability to grow. In our efforts to excel we will optimize the use of our resources and keep waste to the minimum.

Innovation & Creativity – We encourage initiatives based on creativity, and the innovations that will make us better at what we do. We will be flexible in our approach to work, and will allow for the brilliant exceptions that flourish in an environment of calculated risk.

Mutual Benefit – We will conduct business in a fashion that benefits our company, and all its stakeholders. Where collective business benefits exist, we will work to promote them in a way that ensures that the benefits are maintained for the long-term.

ORGANIZATION OF MHCPI

Each of MHCPI's companies has its own Managing Director (MD), who is endowed with full authority to lead his/her company. The MD represents the Chairman of MG, Youssef Mansour, in the company s/he manages. MG sets annual targets for each MD, and the performance of each company is later evaluated against these targets at the end of the year.

In running its companies, MHCPI also adopts a matrix structure organizing the management of the company along two levels. On the one hand, the holding company centralizes several support functions that all companies share, including Human Resources, Policy formulation and Control, Supply Chain Management, Audit, Administration, Security, and Legal and Corporate Affairs. On the other hand, each company has its own operational structure, and when needed, its own support functions. For example, the Security function is organized in Metro Market on the company level; the corporate security thus deals with the security affairs of the remaining companies.

CONTROL

The mission and values listed above govern the work of all companies in MHCPI. On top of that, the corporate system that we adopt (please see the previous section) is laid out in a way that supplies our companies with the independence that they need, while assuring a reasonable level of corporate control at the same time.

In addition to these elements, MHCPI is also governed by many internal and external standards which safeguard our performance and help us operate in a corruption-free environment. These standards are deployed and assured by rigorous internal and external financial and performance auditing systems. MHCPI has, in fact, an independent corporate department dedicated to undertaking such audits.

Many of our companies have certified parts of their management systems, according to their needs, which differ from one company to another. Seclam and Hayat for example, have been awarded the following certificates:

- ISO 9001
- 22000
- 18001
- 14001
- 17025

MHCFI is currently studying the development of anti-corruption policies. Given that all of our activities are carried out in transparent environments that provide little space for corruption, we generally didn't consider such policies urgent in the past. Since the revolution, however, combating corruption has become one of the main aspirations of Egyptian society, and MHCFI is planning to honor this national goal.

ASSOCIATIONS AND LOBBIES

Before the protests began in January 2011, Egyptian government bodies used to meet regularly with business associations and representatives to discuss ways for solving their regular problems. Back then, we used to suffer from the complications and bureaucracy of procedures for obtaining permits and licenses. This mechanism collapsed after the protests and currently there is another system in the making. We are hopeful that after the election of a new parliament, we will be able to regain our position as active members in the meetings between the private and the public sector.

As of today, we stand as active members in several business associations, including the following:

1. Chamber of Food Industries
2. Egyptian Chamber of Commerce in Alexandria
3. German Arab Chamber of Commerce
4. American Chamber of Commerce
5. UN Global Compact

EXTERNAL RELATIONS

MHCFI constantly engages with most of its governmental stakeholders, including the Ministry of Finance, the Ministry of Supply, the Ministry of Trade and Industry, the Ministry of Health, the Tax Authority, the Customs Authority, and the Consumer Protection Agency, through its Corporate Affairs department on fiscal and regulatory matters. This is done in order to ensure a long term level playing field when it comes to proper and ethical market competitiveness. MHCFI also engages with many of these authorities in order to find common initiatives that serve both the nation and our core businesses.

ANNOUNCING OUR PERFORMANCE RESULTS AND POLICIES

Given that our companies are not listed in the stock market, publishing our financial statements is not required. Nevertheless, we are always happy to share them with any stakeholder interested in such access.

We regularly update our policies and communicate any changes and updates to our employees. Changes and updates are initially announced to everyone involved using our internal communication system, which operates via email. New updates are also highlighted in our internal newsletters. Moreover, announcements are addressed and communicated directly to the different department managers who in turn communicate them to their staff. The latest versions of all our policies and procedures are available on a regularly updated electronic database that all staff members involved can easily access.

GAP ANALYSIS AND COMMITMENT TABLE

Mansour Group is continuously seeking to improve its management of economic, environmental, and social performance in accordance with international and regional standards. To this end, the company's management has identified the relevant gaps, with target dates regarding when they will be addressed, in order to mitigate risks, seize opportunities, and ensure the company's compliance to standards and principles.

We have highlighted the main commitments we are promising our stakeholders below, as well as the status of their progress from achievement to a commitment to achieve by 2015.

Commitment	Target date
Develop an Internal Training Program for Managers on Sustainability Issues	2014 – 2015
Develop a comprehensive Anti-Corruption Policy and outline anti-corruption goals	2014- 2015
Create an Internal Sustainability Committee	2014 achieved
Create an Internal Sustainability monitoring and reporting system for all involved departments	2014 – achieved
Develop a comprehensive Stakeholder Engagement Plan	2014 achieved
Developing a uniform Waste and Energy Monitoring System for: 1- Monitoring the amounts of waste by type, weight, and volume generated; 2- Monitoring direct and indirect energy consumption; 3- Tracking how contractors handle collected waste; 4- Tracking the impact of energy saving initiatives; and	1, 2, and 3 achieved; 4 & 5 to be achieved in 2015.

5- Monitoring the portion of materials that are recycled.	
Develop a comprehensive Policy on Product Responsibility across the group	2014 – achieved
Continue research and business development for new base of the pyramid investment opportunities	2015

7. OUR PEOPLE

At MHCFl, we believe in our employees and staff and regard them as the company's most important asset. We are proud to have developed a robust mechanism over time for attracting the high caliber workforce that we need, and to have developed a system that safeguards their interests and builds their capacities.

As a matter of principle, we seek to develop our people from their point of entry to Mansour Group, preparing them to eventually become a part of our senior management. We have therefore developed a high quality capacity building system that has proved effective over the years.

Our recruitment system is based, firstly, on a pull system, whereby recruitment ensues whenever a need for a certain job emerges in our companies. Secondly, we adopted a salary scheme that pegs our pay according to the middle pay in the market, while honoring our minimum wage policy. Thirdly, we are committed to safeguarding the interests of our employees, and this is ensured through our specially designed Human Resources (HR) policies and formal contracts. Finally, we intensively train our employees and staff to build their careers with the aim of keeping them indefinitely, if possible, or to qualify them for excellent jobs in the market if keeping them proves impractical. We are also adamant on providing our workforce with fair, transparent, and periodic performance evaluations.

Recruiting Our People

Mansour Group advertises for vacancies through national and local media, and through appropriate communities. Relevant staff members, in cooperation with the HR department, then screen all job applications, and the respective jobs are awarded to those most qualified for the job. All our recruitment activities are governed by publicized policies and procedures.

With respect to pay, we determine salaries according to market surveys of the fast-moving consumer goods sector (FMCGs), our main field, conducted by third parties and specialized firms. We generally target a salary scale in the middle of the market spectrum for the same position, as per these external studies. These salaries are then modified according to the level of experience of the candidate, and our minimum wage policy. Given that Egypt doesn't apply a minimum wage law, MHCFl went on to adopt a minimum wage of 1,000 EGP, which is 400 EGP more than the minimum wage in the governmental sector.

Benefits

In addition to our competitive salaries, MHCFl provides its staff and employees with other benefits, always trying to exceed the minimum requirements set forth by Egyptian law. Egyptian laws regulate the minimum

medical insurance for workers as well as their pension schemes. MHCFl honors these laws and provides its staff with further benefits including:

- Mansour Medical Care unit – An internal Health Insurance system for Mansour Employees;
- Meals or allowance for meals for manufacturing workers;
- Transportation allowance when travelling, and a company car, according to grade;
- Company transportation for our factories;
- Mobile phone allowance, according to grade; and
- Special rewards for outstanding performance.

Details on the number of employees, their salaries, and their benefits are broken down by each company and can be found in the following table:

Company Name	Salaries without Incentives (EGP)	Incentives (EGP)	Total Expenditure (EGP)	Number of Employees		
				Vehicles	Transportation Allowance	Persons with Disabilities
MID	53,964,196	8,986,508	62,950,704	30	129	3
MTD	42,142,707	7,747,335	49,890,043	173	2	2
Seclam	25,141,707	4,934,250	30,075,958	7	2	16
Seclam Sales	7,129,995	1,389,327	8,519,323	38	0	0
Hayat	6,980,947	803,874	7,784,821	1	1	0
MMC	1,454,121	145,289	1,599,410	5	0	0
MET	84,755	7,141	91,896	0	1	0
MDC	700,979	133,917	834,896	0	0	0
Metro Market	128,965,857	20,105,740	149,071,598	75	136	59
Total	269,889,116	44,292,651	314,181,768	330	271	81

In accordance with our policy, MHCFl provides all its employees with formal contracts. This provides our workers with a level of job security that many lack in Egypt, where working informally without a contract has been endemic in recent years.

MHCFl also follows the relevant labor laws: providing its female staff with three months maternity leave; awarding all employees with a one-month notice period; and following the Egyptian law with respect to penalties.

EMPLOYMENT LEVEL AND TURNOVER

MHCFI currently employs 8,723 employees, up from 8,400 employees mentioned in the last report, making a turnover of 500 employees during the last year. The Metro Market/Kheir Zaman Company operates a labor-intensive activity based on regular entry of transient labor. It therefore accounts for 61% of our employment, even though it accounts for only 13% of our profits. Most of the 500 that left the company were workers at our supermarket chains: Metro Market and Kheir Zaman. The turnover rate in the supermarket business is generally high in Egypt, as it is worldwide, as many treat these jobs as temporary or transitional until they locate a more stable or long term job. With the exception of our supermarket chains, we have otherwise been able to retain our employees.

Mansour International Distribution

Hiring and Resignations		
	Resignations in 2013	Resignations in 2014
Resignations	113	11
In absentia	27	4
Transfers	9	1
Deceased	2	0
End of Contract	0	1
End of Training Period	3	0
Retired at the age of 60	1	0
Commission	0	0
Total	155	17
	Hiring in 2013	Hiring in 2014
Males	152	1
Females	11	1
Total	163	2
Car and Transportation Reimbursement		
Car Reimbursement	35	
Transportation Reimbursement	127	

Mansour for Trading and Distribution

Hiring and Resignations		
	Resignations in 2013	Resignations in 2014
Resignations	134	18
In absentia	28	4
Transfers	2	0
Deceased	2	0
End of Contract	2	0
End of Training Period	17	1
Retirement at age 60	0	0
Commissions	1	0
Total	186	23
	Hiring in 2013	Hiring in 2014
Male	292	28
Female	9	0
Total	301	28
Car and Transportation Reimbursement		
Car Reimbursement	175	
Transportation Reimbursement	2	

Mansour for Trading and Distribution – Seclam

Hiring and Resignations		
	Resignations in 2013	Resignations in 2014
Resignations	27	7
In absentia	9	0
Transfers	1	1
Deceased	1	1
End of Contract	3	1
End of Training Period	0	0
Retirement at the age of 60	7	3
Unpaid vacation	1	0
Total	49	13
	Hiring in 2013	Hiring in 2014
Males	23	37
Females	1	0
Total	24	37
Car and Transportation Reimbursement		
Car Reimbursement	6	
Transportation Reimbursement	2	

Hayat Company for Industrialization & Development

Hiring and Resignations		
	Resignations in 2013	Resignations in 2014
Resignations	20	2
In absentia	0	0
Transfers	8	0
Deceased	0	0
End of Contract	11	0
End of Training Period	1	0
Retirement at the age of 60	0	0
Fired	15	0
Commission	0	0
Total	55	2
	Hiring in 2013	Hiring in 2014
Males	63	5
Females	1	1
Total	64	6
Car and Transportation Reimbursement		
Car Reimbursement	1	
Transportation Reimbursement	2	

Mansour Manufacturing Company – Free zone

Hiring and Resignation		
	Resignations in 2013	Resignations in 2014
Resignations	1	0
	Hiring in 2013	Hiring in 2014
Male	21	0
Car and Transportation Reimbursement		
Car Reimbursement	5	
Transportation Reimbursement	0	

Mansour Distribution Company – Free zone

Hiring and Resignation

	Resignations in 2013	Resignations in 2014
Resignations	0	0
	Hiring in 2013	Hiring in 2014
Males	0	0
Car and Transportation Reimbursement		
Car Reimbursement	1	
Transportation Reimbursement	0	

Metro Market for Trading and Distribution

Hiring and Resignation		
	Resignations in 2013	Resignations in 2014
Resignations	1442	176
	Hiring in 2013	Hiring in 2014
Male	518	46
Female	20	9
Total	538	55
Car and Transportation Reimbursement		
Car Reimbursement	91	
Transportation Reimbursement	143	

TRAINING AND CAREER ADVANCEMENT

The training and career development of our employees is a deeply engrained part of MHCFL's core values. Career planning and training sessions are conducted by the company on a daily basis. We are committed to developing our employees and building their capacity, not only assisting them to reach their full potential, but also equipping them with the necessary skills and knowledge to allow them to advance up the management ladder.

We divide our training programs by type and by managerial level. During the year 2013 we conducted 1,439 training sessions in total. This number was increased to 2,022 training sessions in 2014, the details of which are as follows:

Type of Training	Managers	Mid-Level	Subordinate	Totals	Managers	Mid-Level	Subordinate	Totals
Technical Skills	24	32	45	101	12	77	47	136
Soft Skills	16	61	23	100	45	180	237	462
Business Needs	13	115	116	244	15	17	30	62
Certificates & Diplomas	17			17	10	1		11
MBA & Mini MBA	3			3	3			
Overseas Training					1			
English Courses & Microsoft Skills	4	5	17	26	6	50	36	92
Induction (Product Knowledge)	1	10	45	56	6	40	25	71
	Total 2013			547	Total 2014			763

Training Details:

Technical Skills: Innovative Positive Mindset Workshop -Business Writing Fundamentals of Project Management- Evaluation & Selection of Suppliers - Programming in Visual Basic 2010 - Logistics Management & Strategy - Advanced Management Skills - Project Management Preparation - Business Decision Simulation - Certified in Production & Inventory Management CPIM - Advanced Certified International Trainer - Project Planning & Controlling Techniques - Management of Project Resources - Project Bids & Contracts - Project Budgeting & Financial Control - FESTO - Apples & Oranges - Supply Chain Certificate - Introduction to Java Script - Material Handling & Warehousing - Advanced Logistics Management - Performance Management - Labor Law Negotiation Skills - Problem Solving & Decision Making - Media & Public Relations – Inventory Management – Procurement Management Techniques.

Soft Skills: Team Building & Leadership - Communication Skills - Presentation Skills - Work Place Organization - Business Etiquette - Proactive Co-operation - Coaching for a Gold Medal - Time & Stress Management - Effective Management Skills - Negotiation Skills Project Management.

Business Needs: Six Sigma Orange Belt - Good Manufacturing Practice - Basic PLC Course - Advanced PLC Course - Trouble Shooting PLC Course - Introduction to HSE - Coping with Change - Food Safety & Hygiene - Utilizing Manpower as Resources - Methods of Examination and Testing of Liquid and Dried Dairy - Water Treatment Processing – Handling of Expired Food Products -

Training for Capacity Building in the Area of International Trade Agreements.

Certificates & Diploma's: Sales Management - Strategize Program - Procurement & Supply Chain Management - Total Quality Management - Advanced Warehouse Management - Project Management Diploma – SPHR.

Overseas Training: Achieving Outstanding Performance - Leading Effective Sales Force - Strategy Execution Program.

English Courses & Microsoft Skills: Microsoft Excel - Advanced Microsoft Excel - PowerPoint - Basics of Microsoft Office - IT Oracle & SAP courses.

The following table details Metro Market's training sessions for the year 2013:

Type of Training	Managers	Mid-Level	Subordinate	Totals
Technical Skills	2	1		3
Soft Skills	2	1		3
Business Needs		36	102	138
In-house Programs for Sales & Marketing			285	285
Induction			463	463
Total 2013				892

Training Details:

Technical Skills: How to Measure Training Results

Soft Skills: Coaching & Mentoring

Business Needs: Meat Hygiene & Inspection - Civil Defense & Fire Fighting - Food Hygiene

In-house Programs in Sales & Marketing: On-the-Job Training

Induction: Product Knowledge

The following table details Metro Market's training sessions for the year 2014:

Type of Training	Managers	Mid-Level	Subordinate	Totals
Technical Skills	16	74	6	96
Soft Skills	25	1	44	70
Business Needs		51	153	204

In-house Programs for Sales & Marketing		18	113	131
Diploma (H.R diploma)		1		1
On Job Training		35	260	295
English Courses	25	41	12	78
Induction			384	384
Total 2014				1,259

Technical Skills: Business Writing - Talent Acquisition - Social Insurance & Labor Law - Certified Assessment Center Analyst - Certified Performance & Competency Developer - Impact Space Management - Train The Trainer - Talent Management - Storewars.

Soft Skills: Customer Service - Emotional Intelligence Skills - Becoming a High Performance Manager - Management Competencies - Advanced Management Skills - Performance Management System - Decision Making & Problem Solving

Business Needs: Meat Hygiene & Inspection - Civil Defense & Fire Fighting - Food Hygiene

In-house Programs for Sales & Marketing: Awareness Session - New Products

Career Advancement

MHCFI's commitment to employee development is perfectly illustrated by our investments in the employees of our supermarket chains. Employee training was designed to address the high turnover in this sector, and to show our employees that we care about their careers. All of our current store managers started out at entry level as store workers. Those that demonstrated high performance received training, gained experience, excelled and were eventually promoted to store managers. We don't need to recruit new store managers from outside our operations; they are all internally promoted workers.

To do so, not only do we need to train our workers, but we also need to provide them with objective KPIs and appraise their performance periodically and transparently. Our end of year appraisals inform our staff about their points of strength and weakness, and provide us with the main instruments by which we determine staff annual bonuses and promotions.

SAFETY

All our employees are trained in evacuation, and facing crisis situations; the majority of employees have been trained in firefighting as well. Our activities generally do not put our employees at risk. Nonetheless, we have identified 36 jobs that require high safety precautions. Workers in these positions

received special training and were all provided with safety wear like goggles, gloves, helmets and safety shoes.

MHCFI currently monitors only medium and serious work injuries, of which we have had none during the past two years. We are currently investigating the expansion of a monitoring system to include mild injuries as well.

GENDER

While we do not have a written anti-discrimination policy, salaries are decided based upon qualifications; this leaves no room for gender biases. Nevertheless, there is a significantly larger number of males than females across our companies, which is something we are looking to address in the future. The reason behind the predominance of males in MHCFI is not a result of discriminatory policies on the part of our company, but rather reflects a cultural value system that dictates that females are not suited to work in heavy industries. We are currently working towards enhancing the management gender ratio; achieving a more balanced gender balance at the blue-collar level on the other hand requires longer-term shifts in socio-cultural values.

The below table shows gender distribution figures across a number of our companies:

Mansour International Distribution Co.

Job Level	Male	Female	Total
Upper Management	60	25	85
Middle Management	169	50	219
Workforce	642	4	646
Total	871	79	952

Mansour for Trading & Distribution Co.

Job Level	Male	Female	Total
Upper Management	27	5	32
Middle Management	191	22	213
Workforce	894	30	924
Total	1,112	57	1,169

Hayat Company For Industrialization & Development

Job Level	Male	Female	Total
Upper Management	4	2	6
Middle Management	55	3	58

Workforce	155	0	155
Total	214	5	219

Mansour FreeZone – Manufacturing

Job Level	Male	Female	Total
Upper Management	1		
Middle Management	2		
Workforce	50		
Total			

Mansour Dairy & Food Company (Seclam)

Job Level	Male	Female	Total
Upper Management	43	9	52
Middle Management	129	22	151
Workforce	669	41	710
Total	841	72	913

Metro Market For Trading & Distribution Company

Job Level	Male	Female	Total
Upper Management	44	6	50
Middle Management	249	30	279
Workforce	4,841	238	5,015
Total	5,134	274	5,332

8. OUR COMMUNITY

Mansour Group is highly committed to responsible business practices. It undertakes many activities to promote the welfare and socio-economic development of Egyptian society, through a variety of mechanisms. One of these is the Mansour Foundation for Development (MFD), which is dedicated to the eradication of illiteracy, poverty, and disease, by effectively working with and contributing to the development of local communities.

Our community-related work has undergone a process of evolution over the years. The following section briefly highlights some of the milestones with regards to our community development initiatives.

HISTORICAL MILESTONES ON OUR COMMUNITY-RELATED WORK

Mansour Foundation for Development is an independent legal entity that is fully funded by the Mansour family. It has a separate budget from the Mansour Group and does not accept any financial aid from national or international donors. MFD has a separate Board of Directors and is fully dedicated to philanthropic activities. MFD works to centralize the community development efforts of all Mansour Group in order to maximize their impact. MFD is an expression of the gratitude felt by Mansour Group towards the Egyptian people, and expects no returns in terms of tax deductions.

MFD's strategy of sustainable management is based on shared value creation, meaning that the corporate success of Mansour Group and the social welfare of Egypt are interdependent. As a means of sustaining our foundation, we invest in a healthy, educated workforce, as well as sustainable resources to guarantee effective governance of the organization. For society to thrive, profitable and competitive businesses must be developed and supported to create income, wealth, tax revenues and philanthropy.

MFD is dedicated to philanthropy. As a grant-making and co-executing foundation, it undertakes many activities to promote the welfare and socio-economic development of Egyptian society, deploying to this end a variety of methods to eradicate illiteracy, poverty, disease and shape the public awareness of active citizens. MFD's team identifies concrete goals and objectives, prioritizes issues to be addressed, and develops defined budgets for program implementation.

Our strategic high priority areas in the field of human development are listed below:

1. Education
2. Health
3. Capacity Building
4. Academic Research
5. Arts & Culture

6. Human Relief
7. Social Entrepreneurship

We have also identified four priority segments that we want to focus on, which are as follows:

1. Youth,
2. Women
3. Children
4. Inhabitants of remote areas

Our Objectives are:

- Leverage academic research in social entrepreneurship & youth engagement
- Preserve & revive the Egyptian Identity
- Bring creativity & innovation to big society by supporting youth entrepreneurship from core to shell
- Upgrade public educational facilities and buildings
- Support poor and/or disabled students
- Provide educational scholarships in Egypt and abroad
- Prevent girls from dropping out of school
- Combat illiteracy
- Develop health facilities that cater to underprivileged people
- Support health activities in deprived hospitals
- Provide medical treatment for people with disabilities
- Provide technical support for NGOs' staff
- Provide educational, technical, and economic support to marginalized sectors
- Support people with special needs in the field of sports.

Our approach is simply integration and inclusion. Our pillars are passion, purpose, and people.

We cannot fulfill our goals without adopting standard policies and procedures that ensure the delivery of utmost quality and trustworthiness throughout the lifecycle of our projects and activities. MFD's approach is based on developing the human element in society, and is therefore based on community-driven projects. MFD seeks not only to apply Mansour Group's business management model in its community development activities but also to transfer it to our recipients.

2013-2014 Portfolio of programs

Corporate Volunteerism:

At MFD, we engage community members in volunteerism as one of the most important cornerstones of promoting corporate citizenship. Employee volunteers are perhaps the greatest asset companies can leverage when seeking to affect surrounding communities. Corporate volunteerism provides

great benefits to a community while generating business value in the form of increasing employee engagement and expanding the opportunities for team-building.

Civic Education:

In its broadest definition, “civic education” means all the processes that affect people's beliefs, commitments, capabilities, and actions as members or prospective members of any given community. For civic education to achieve its utmost potential, its institutions present in the community need to act and behave in a certain manner that can later be transmitted to the members of the community overtime. Civic Education is certainly not limited to schooling and the education of children and youth. Families, governments, religious institutes, and mass media are just some of the institutions involved in the process of civic education, which we at MFD, understand as a lifelong process.

As advocates and activists in the field of civic education, MFD has implemented the following:

1. Civic Manners Film Making Workshop
2. Children Values Workshop
3. Ways Forum for Youth Engagement in Development
4. Civic Education Egypt Conference
5. Development Road Show
6. Development Book Fair

Social Entrepreneurship:

Investment in social entrepreneurship is vital because it harnesses creativity and devises innovative solutions to deep rooted social problems. It represents a pool of future leaders who have ambitious dreams of change yet manage to stay rooted and solution-oriented. Their commitment to positively impacting society is central to the mission of the business and this is why we support social entrepreneurship from core to shell through:

1. Regional Study on Corporate Sustainability and Social Entrepreneurship
2. Entrepreneurs' Stanford Scholarship

Culture & Arts:

The sign of a healthy community is its simultaneous ability to preserve and invent its culture — that is, to conserve its history and heritage and here is our contribution in this regard:

1. DCAF
2. EIFan Midan
3. Qabila Documentary Film Festival

4. Wanas Folklore Festival

Health:

MFD has systematic activities to prevent and cure health problems, and to promote positive health in Egyptians through the following:

1. Hepatitis A vaccination School Campaign
2. Annual Cure Support Program

Capacity Building:

Our aim is to create an enabling environment for appropriate NGOs via institutional development, human resources development and strengthening of managerial systems to maximize the capacity of NGOs to overcome the challenges of community development. MFD currently provides assistance to the following NGOs:

1. Dar Awladi Orphanage
2. Elgabal Elasfar (Yellow Mountain) Local Community Development Association
3. Elsaktiya Local Community Development Association, Upper Egypt
4. Bedaya (Start) Charitable Association, Elfayoum Governorate
5. Women's Association for Better Health, Sohag governorate

Advocacy, Awareness & Networking:

One of MFD's aims is to influence decisions within institutions relevant to development and social systems. We advocate this through many forms including media campaigns, public speaking, research & papers, and peer networking. Our activities in this field can be listed as follows:

1. Arab Foundation Forum Board of Directors
2. Organizing a roundtable about corporate foundations' role in time of change in Salzburg
3. MFD paper presentation at 10th CSR conference UAE
4. Qatar Education Summit
5. Panel discussion on Collaboration, Governance & Engagement Emirates Youth Summit

Social Solidarity:

Social solidarity is the basis for maintaining social cohesion by strengthening the ability of individuals to support each other. Although activities listed below perform different tasks and often have different values and directions, the order and solidarity of society depends on their reliance on each other in order to overcome times of crisis. People feel connected through philanthropic and social activities, including:

1. Holy Quran Competition for Factory Workers
2. 1,000,000 blankets campaign

3. Food Convoys to the Underprivileged

2013-2014 success in figures:

No of beneficiaries: 10,000 people

No. of programs: 28

No. of governorates served: 6

No. of partners: 26

2013-2014 Outcomes are focused in value preposition and shared value:

- Scale up programs; highly responsive to crisis at the time that deeply affected the development sector.
- Join hands with Mansour employees to spread the spirit of corporate citizenship via serving the community.
- Fund & execute numerous development activities; that contribute to positive change and building the future.
- Address, engage and support youth in all of our programs.
- Develop & expand our outreach methods.

OTHER PROJECTS

In addition to MFD's considerable community development efforts, Mansour Holding also has separate projects aimed at contributing to Egyptian society. Furthermore, a number of projects were implemented through collaboration between Mansour Holding's Corporate Affairs department and the MFD. For example, 35 trash bins were installed in Wadi Degla protectorate in collaboration with the Ministry of Environment, and a clean-up campaign was implemented in the area. Additionally, since 2011, the Corporate Affairs department has been organizing bi-annual blood donation campaigns for company employees.

Suez Canal Investment Certificates worth 10 million EGP for the Poorest Families in Luxor

The Ministry of Social Solidarity and Mansour Group launched an initiative to bring happiness to people in Luxor governorate. The initiative comes in line with the implementation of the memorandum of understanding signed between the Ministry and Mansour Group under the patronage of Youssef Mansour, the Chairman of the Mansour Group, aiming at activating the partnership initiative to support the poorest families in Luxor governorate.

Minister Ghada Waly indicated that the Ministry is adopting an approach that targets the sustainable development of the most marginalized of areas through partnerships with the private sector. She added that the memorandum of understanding signed with the Mansour Group is a successful implementation of such an approach emphasizing its success.

According to the memorandum, the Mansour Group will finance buying one thousand new Suez Canal investment certificates at EGP 1,000/certificate with a total value of 10 million EGP through the Ministry of Social Solidarity, which will distribute these certificates to the poorest families in Luxor governorate, especially widows who provide for children below 16 years of age and persons with special needs.

The Social Solidarity Directorate in Luxor determined the target families based on its records and it selected Armant and Esna districts for being the closest to Banque Misr from where certificates were bought.

Youssef Mansour said that the initiative is a part of the Mansour Group's strategy to contribute to sustainable development and finding prompt solutions for poverty. He added that Luxor was selected because it is one of the governorates in Upper Egypt; a major tourist attraction worldwide. He also noted that it needs massive and continuous efforts to combat poverty, illiteracy, and all social challenges in order to rise up to its local and global aspired position.

9. OUR ENVIRONMENT AND PRODUCT RESPONSIBILITY

This section presents our environmental and product responsibility performance. We divided the section into two parts, dedicating one part to each of the two topics. We also structured our exploration of these two areas around the relevant material GRI performance, as in the previous chapter.

ENVIRONMENT

Our environmental footprint is not among our high impact areas; much of the GRI indicators that cover this area are therefore of moderate to low materiality for us. Most of our operations do not pose any threat to biodiversity or endanger listed species, are not located within or near protected or restored habitats, and produce little non-recyclable waste. Moreover, our operations are generally not energy intensive, nor do they emit large quantities of CFCs or greenhouse gases.

The aspects of our environmental performance that might be of high materiality to our operations are, to put it briefly, our waste and transportation activities.

Waste

All of our companies deploy waste management systems that collect their waste and separate it by type. An external contractor (usually the supplier of the original material) then buys the majority of this waste from us, as most of the waste generated acts as inputs in other industries.

The type of waste that we produce includes: plastic bottles (which are sold to plastic factories), paper, wood, dust tobacco, rolling paper, and unsold supermarket commodities. We also produce other production-related waste, but in very small quantities. Our indirect waste includes the packaging material that we use in our production or distribution, mainly paper and aluminum cans, and plastic bottles.

To date we monitor the aggregate waste in our supermarket chains only; and we calculate the numbers in terms of a percentage of sales, rather than by weight and volume. We also don't monitor the portion of materials used that are recycled by us or by others.

Waste Management

Metro and Kheir Zaman Successfully Adopt 100% Biodegradable Plastic Bags

One of the key objectives of the Corporate Affairs Department is to adopt environmentally sustainable practices in the areas of energy consumption, waste management, water use, and paper consumption in order to minimize environmental degradation. In line with this objective, the Corporate Affairs Department, in cooperation with the Procurement Department at Metro Market, began to examine ways to minimize environmental degradation through practical applications in 2013. They began by looking at the use of plastic bags at all 99 Metro and Kheir Zaman stores. The stores, located in 12 governorates, use approximately 80 million plastic bags per year. Accordingly, efforts began to convert all plastic bags to recyclable plastic bags.

Through cooperation with Symphony Environmental Ltd., based in the UK, the D2W technology was adopted to convert old-fashioned plastic bags into 100% biodegradable plastic bags. The D2W mark was affixed on all plastic bags to encourage competitors to adopt the same technology in order to reduce the harmful effects that plastics have on the environment.

Future Plans

We are currently putting in place a new waste-monitoring system that monitors waste by type and weight or volume. This should supply us with crucial information that we still lack access to. We are also moving to expand this waste management system to the whole company. Furthermore, we are reviving the idea of giving away some of the finished commodities that we remove from our inventory well before their expiry date. This is an idea that we have been investigating for several years.

ENERGY

Electricity remains our primary source of energy, with all of our companies operating on electricity, and connected to the national electricity grid. Our Hayat Company is the only exception, as it generates all of its electricity in house because it operates in an area that lacks access to the national grid. Furthermore, to overcome issues of blackout, we have secured a number of generators for companies to operate on when the power is out. While all of our companies operate on electricity, and many of them own and operate emergency generators to cover electricity blackouts, we don't have generators in our supermarket stores.

We have expanded our reporting on all of our direct and indirect energy consumption. We still need to further expand the relevant data from our various databases.

We have also started working on reducing our energy consumption by studying the advantages of converting all our conventional lights to LED.

In addition, we aggregate most of the fuel consumed by the fleets of our different companies, which represents our largest environmental impact. The following table summarizes our fuel consumption in EGP.

Fleet Consumption

Company	Fleet Diesel Consumption				Fleet Gasoline Consumption			
Year	2013		2014		2013		2014	
Unit Liters/ Value EGP	UNIT	VALUE	UNIT	VALUE	UNIT	VALUE	UNIT	VALUE
MID	885,429	972,379	799,727	1,143,025	493,835	1,010,762	468,276	1,050,133
HAYAT	170,689	188,510	148,058	216,056	11,519	20,939	17,821	39,280
Mansour Trading & Distribution	2,547,775	2,818,837	3,024,121	3,975,310	132,155	240,051	132,542	286,791
UPS		14,579		36,487		153,166		169,776
METRO MARKETS	1,831,905	2,180,809	2,349,832	3,394,625	484,776	744,766	478,557	883,849
Total	5,435,798	6,175,114	6,321,738	8,765,503	1,122,285	2,169,684	1,097,196	2,429,829

The previous table illustrates our increased fuel bill, which amounts to roughly 18% over the past year. This increase this year was caused by an increase in the price of fuel.

Emissions

Our emissions are mostly limited to the fuel consumed by our transportation fleets and the fuel used to generate electricity in our Hayat factory, In addition to the electricity consumption of our 99 Metro and Kheir Zaman supermarkets. We have expanded our monitoring on greenhouse gas emissions compared to our previous report.

The tables below show the total expenses for our diesel, water and electricity consumption in 2013-2014:

DIESEL

Company	Diesel			
Year	2013	2013	2014	2014
Units / Value EGP	UNIT	VALUE	UNIT	VALUE
MID		44,780		101,780

HAYAT		852,200		858,800
SECLAM	2,759,600	3,533,651	2,310,000	3,535,360
Mansour Trading & Distribution		11,600		35,186
UPS				
Metro Market	97,940	195,880	41,044	82,089
Total	2,857,540	4,638,111	2,351,044	4,613,215

WATER

Company	Water			
Year	2013	2013	2014	2014
Units / Value EGP	UNIT	VALUE	UNIT	VALUE
MID		153,233		95,489
HAYAT		195		252
SECLAM	369,404	1,138,863	341,994	1,599,936
Mansour Trading & Distribution		20,488		44,885
UPS		12,947		8,898
Metro Markets	280,665	701,663	328,318	820,796
Total	650,069	2,027,389	670,312	2,570,256

It should be noted that Hayat also donates 8,000m3 of its water to local farmers to be used for agricultural purposes. The rest of our companies generally don't consume much water, and typically recycle none.

ELECTRICITY

Company	Diesel			
Year	2013	2013	2014	2014
Units / Value EGP	UNIT	VALUE	UNIT	VALUE
MID		1,759,777		2,189,690
HAYAT		3,597		6,769
SECLAM	11,443,185	3,297,156	12,311,854	4,544,862
Mansour Trading & Distribution		170,606		501,387

UPS		124,220		252,963
Metro Markets	71,513,899	42,564,728	70,883,346	47,948,045
Total	82,957,084	47,920,084	83,195,200	55,443,716

PRODUCT RESPONSIBILITY

Mansour Group enforces all the necessary precautions in order to ensure and safeguard the safety and quality of our products.

One of our companies – Seclam Dairy Factory –produced a comprehensive quality policy document that defined the international hygiene standards that are material and applicable to Seclam’s manufacturing sites. They stressed a strong focus on minimizing the opportunity for any forms of product contamination to take place, and to ensure that their products meet the high standards that customers expect, while avoiding any incidents of manufacturing deficiencies that might damage the quality of their products or that of the health of customers. The associates of Seclam share the objective of manufacturing safe, wholesome and high quality products.

Below are some of these product quality policies:

Premises & Maintenance

To prevent product contamination and any adverse impacts, premises must be located away from environmentally polluted areas, areas subject to flooding, areas prone to pest infestations, or areas where wastes cannot be effectively managed. Adequate measures must be in place to protect the premises from any potential contaminants, and good hygiene practices must be maintained.

The premises must be designed in a way so that it can be easily cleaned, adequately ventilated, and has sufficient pest control procedures. Also, staff facilities must be designed and operated in a way that minimizes the risk of product contamination. The factory must have regularly updated and documented cleaning programs.

There must be an adequate system for the collection and disposal of wastes, which will not be allowed to accumulate in food handling, storage, or other working areas inside or outside the factory. Defined waste areas have to be established and segregated from production activities, and waste disposal must meet legislative requirements and thus be disposed of by licensed contractors.

Control of Operation

Raw, unprocessed material must be segregated from processed products to avoid contamination, and products must have an appropriate shelf-life control, with expired materials being segregated and scrapped. Furthermore, all raw materials must be purchased from approved suppliers in accordance to a

Vendor Assurance Program, and have to be stored in good condition that maintains their quality.

For food safety, a risk assessment procedure (HACCP) is used to define food safety Critical Control Points (CCP). Moreover, recipes' production operating procedures and specifications have to be controlled and available for reference in appropriate areas of the sites.

Environmental and process monitoring programs must be in place to trace microbiological contamination. All facilities for heating, cooling, freezing, or any other process must also meet the specified conditions for ensuring food safety.

Food safety checks are performed in accordance to biological, chemical, and physical specifications, with transport and storage quality specifications also existing for all finished products. Finished products are stored separately from raw materials, and rejected products or returned goods are labeled and stored separately. Furthermore, vehicles that move products must be appropriately temperature-controlled, hygienic and clean.

Pest Control

A comprehensive pest management program is in place to greatly reduce the risk to the products from pests. Monitoring for pest activity is frequent and regularly reviewed and pest control audits and treatments are recorded. Incoming raw materials are also thoroughly checked for pests.

Personnel

Each site has qualified personnel with the necessary education, training, background, and experience to ensure that all activities, including hygiene and protective clothing, are correctly performed. Procedures are established to identify training competency requirements for all associates to carry out their responsibilities. Managers and supervisors have sufficient knowledge of food hygiene to be able to judge potential risks and take the appropriate preventative measures and corrective actions, while ensuring that effective monitoring and supervision is taking place. This ensures that all personnel entering manufacturing areas have an appropriate level of training in basic food hygiene and company hygiene procedures. Furthermore, all personnel are made aware of their contribution to the quality and food safety of the finished products; and the consequences of error and lack of attention to detail.

10. GRI DISCLOSURE TABLE

The table below summarizes MHCFI's Materiality position in relation to each of the GRI 3.1 indicators and guidelines.

● Indicates an indicator that are *Not Material* to MHCFI

● Indicates an indicator that are *Material* to MHCFI

Disclosure indicators are further highlighted according to the reporting level of each indicator, as follows:

● *Not Reported* (Indicates that are relevant to MHCFI, cases that are commercially confidential, and/or cases where MHCFI lacks relevant information at the moment and is committed to address this lack future reporting)

● *Partially Reported* (Indicates cases where only part of the indicator may be relevant, and/or cases where MHCFI compiles some but not all relevant information and is working towards reporting fully on them in the future)

● *Fully Reported*

Also see our Disclosure on Management Approach on page 12.

STANDARD DISCLOSURES PART I: Profile Disclosures					
1. Strategy and Analysis					
Profile Disclosure	Description	Materiality	Disclosure Page number/ reference	Level of Reporting	Global Compact Principles
1.1	Statement on Sustainability from the most senior decision-maker of the organization.	●	Pages 5	●	
1.2	Description of key impacts, risks, and opportunities.	●	Pages: 5; and 10-12	●	
2. Organizational Profile					
Profile Disclosure	Description	Materiality	Disclosure Page number/ reference	Level of Reporting	Global Compact Principles
2.1	Name of the organization.	●	Page: Cover	●	
2.2	Primary brands, products, and/or services.	●	Pages: 8-9	●	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	●	Pages: 8-9	●	
2.4	Location of organization's headquarters.	●	Page: 7	●	
2.5	Number of countries where the	●	Page: 6	●	

	organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.				
2.6	Nature of ownership and legal form.	●	Pages: 6-9	●	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/ beneficiaries).	●	Pages: 6-9,	●	
2.8	Scale of the reporting organization.	●	Pages: 6-9	●	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	●	Pages: 6-9	●	
2.10	Awards received in the reporting period.	●	None	●	
3. Report Parameters					
Profile Disclosure	Description	Materiality	Disclosure Page number/ reference	Level of Reporting	Global Compact Principles
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	●	Every year	●	
3.2	Date of most recent previous report (if any).	●	2013	●	
3.3	Reporting cycle (annual, biennial, etc.)	●	Annual	●	
3.4	Contact point for questions regarding the report or its contents.	●	seif.batanouni@mansourgroup.com	●	
3.5	Process for defining report content.	●	Pages: 14-16	●	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	●	Pages: 14-16	●	
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	●	Pages: 14-16	●	

3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	●	Pages: 14-16	●	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	●	Pages: 14-16	●	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	●	Pages: 14-16	●	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	●	None	●	
3.12	Table identifying the location of the Standard Disclosures in the report.	●	This table	●	
3.13	Policy and current practice with regard to seeking external assurance for the report.	●	Pages: 14-16	●	
4. Governance, Commitments, and Engagement					
Profile Disclosure	Description	Materiality	Disclosure Page number/ reference	Level of Reporting	Global Compact Principles

4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	●	Pages: 9, 21-26	●	
4.2	Indicate whether the chair of the highest governance body is also an executive officer.	●	Page: 9	●	
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	●	Pages: 9, 21-26	●	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●	Board meetings for shareholders due to the nature of ownership and employee grievance system based at the HR department	●	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	●	No data regarding compensations for senior managers and executives has been collected	●	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	●	Pages: 21-26	●	
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	●	NA due to nature of ownership (confidential)	●	

4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	●	Pages: 21-26	●	
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	●	Pages: 5; 6-7; 21- 26	●	
4.1	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	●	MHCFI has to abide by external ESG standards; is regularly audited by relevant authorities and external auditors against these standards.	●	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	●	N/A	●	7
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	●	Pages: 21-26	●	1
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; *	●	Pages: 21-26	●	1

	Provides substantive funding beyond routine membership dues; or * Views membership as strategic.				
4.14	List of stakeholder groups engaged by the organization.	●	Pages: 26-27; 36-30	●	
4.15	Basis for identification and selection of stakeholders with whom to engage.	●	Pages: 25-26; 39-43	●	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	●	Pages: 25-26; 39-43	●	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	●	Pages: 25-26; 39-43	●	

STANDARD DISCLOSURES PART III: Performance Indicators

Economic

Performance Indicator	Description	Materiality	Disclosure Page number/ reference	Level of Reporting	Global Compact Principles
Economic performance					
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	●	Pages: 17-20, 30	●	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	●	N/A	●	7
EC3	Coverage of the organization's defined benefit plan obligations.	●	17-20	●	
EC4	Significant financial assistance received from government.	●	None	●	
Market presence					

EC5	Range of ratios of standard entry-level wage by gender compared to local minimum wage at significant locations of operation.	●	We pay EGP 1000 as a minimum wage; more than the national minimum	●	6
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	●	Pages: 17-20	●	8
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	●	Most of our staff and managers are locals	●	8
Indirect economic impacts					
EC8	Development and impact infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	●	Pages: 39-43	●	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	●	We didn't conduct this exercise yet	●	
Environmental					
Performance Indicator	Description	Materiality	Disclosure Page number/ reference	Level of Reporting	Global Compact Principles
Material					
EN1	Materials used by weight or volume.	●	Data not available	●	7,8
EN2	Percentage of materials used that are recycled input materials.	●	Data not available	●	8,9
Energy					
EN3	Direct energy consumption by primary energy source.	●	Data not available	●	7,8
EN4	Indirect energy consumption by primary source.	●	N/A	●	8
EN5	Energy saved due to conservation and efficiency improvements.	●	Pages: 46, 49	●	8,9

EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	●	No projects yet	●	8,9
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	●	Pages: 46,49	●	8,9
Water					
EN8	Total water withdrawal by source.	●	page: 48	●	8
EN9	Water sources significantly affected by withdrawal of water.	●	Underground Water Table in Siwa	●	8
EN10	Percentage and total volume of water recycled and reused.	●	N/A	●	8,9
Biodiversity					
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	●	N/A	●	7,8
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	●	N/A	●	8
EN13	Habitats protected or restored.	●	N/A	●	8
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	●	N/A	●	8
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	●	N/A	●	8
Emissions, effluents and waste					
EN16	Total direct and indirect greenhouse gas emissions by weight.	●	Page: 48	●	8

EN17	Other relevant indirect greenhouse gas emissions by weight.	●	N/A	●	8
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	●	We didn't take up such initiatives	●	7,8,9
EN19	Emissions of ozone-depleting substances by weight.	●	N/A	●	8
EN20	NOx, SOx, and other significant air emissions by type and weight.	●	Data not available	●	8
EN21	Total water discharge by quality and destination.	●	Data not Available	●	8
EN22	Total weight of waste by type and disposal method.	●	Data not Available	●	8,9
EN23	Total number and volume of significant spills.	●	There were no such spills during the reporting period	●	8
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	●	Hazardous substances are neither imported nor exported by the company	●	8
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	●	N/A	●	8
Products and services					
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	●	We didn't undertake such initiatives during the reporting period	●	7,8,9
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	●	Data not available	●	7,8,9
Compliance					

EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	●	None	●	8
Transport					
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	●	Pages: 45	●	8
Overall					
EN30	Total environmental protection expenditures and investments by type.	●	We haven't aggregated the data	●	7,8,9
Social: Labor Practices and Decent Work					
Performance Indicator	Description	Materiality	Disclosure Page number/ reference	Level of Reporting	Global Compact Principles
Employment					
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	●	Pages: 28-38	●	
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	●	Pages: 28-38	●	3,6
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operations.	●	Pages: 28-38	●	6
LA15	Return to work and retention rates after parental leave by gender	●	Data not aggregated	●	1,3
Labor/management relations					
LA4	Percentage of employees covered by collective bargaining agreements.	●	None	●	1,3
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective	●	N/A	●	3

	agreements.				
Occupational health and safety					
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	●	Involvement not monitored systematically	●	1
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region, and by gender.	●	None	●	1,2
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	●	Not monitored	●	1
LA9	Health and safety topics covered in formal agreements with trade unions.	●	N/A	●	1
Training and education					
LA10	Average hours of training per year per employee by gender and employee category.	●	Pages: 28-38	●	1
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	●	Pages: 28-38	●	1
LA12	Percentage of employees receiving regular performance and career development reviews.	●	Not monitored	●	1
Diversity and equal opportunity					
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group	●	Data has not been collected	●	13,6

	membership, and other indicators of diversity.				
Equal remuneration for women and men					
LA14	Ratio of basic salary and remuneration of men to women by employee category, by significant location of operations.	●	Salary is linked to job; gender doesn't influence salaries	●	1,3,6
Social: Human Rights					
Performance Indicator	Description	Materiality	Disclosure Page number/ reference	Level of Reporting	Global Compact Principles
Investment and procurement practice					
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns or that have undergone human rights screening.	●	N/A	●	1,2,3,4,5,6
HR2	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	●	Altogether 5 firms are N/A	●	1,2,3,4,5,6
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	●	N/A	●	1,2,3,4,5,6
Non-discrimination					
HR4	Total number of incidents of discrimination and corrective actions taken.	●	No such incidents were reported during the reporting period	●	1,2,6
Freedom of association & collective bargaining					
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to	●	Collective bargaining flows with ease	●	1,2,3

	support these rights.				
Child labor					
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	●	MHCFI cannot employ child labor by nature of business and law.	●	1,2,5
Forced and compulsory labor					
HR7	Operations or significant identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	●	N/A	●	1,2,4
Security practice					
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	●	N/A	●	1,2
Indigenous rights					
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	●	N/A	●	1,2
Assessment					
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	●	N/A	●	1,2
Remediation					
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms."	●	None	●	1,2
Social: Society					
Performance Indicator	Description	Materiality	Disclosure Page number/ reference	Level of Reporting	Level of Reporting
Community					
SO1	Percentage of operations with implemented local community engagement, impact assessments, and	●	Pages: 39-43	●	

	development programs.				
S09	Operations with significant potential or actual negative impacts on local communities.	●	None	●	
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	●	None needed	●	
Corruption					
S02	Percentage and total number of business units analyzed for risks related to corruption.	●	Monitoring not conducted systematically	●	10
S03	Percentage of employees trained in organization's anti-corruption policies and procedures.	●	None; MHCFI doesn't hold anti-corruption training	●	10
S04	Actions taken in response to incidents of corruption.	●	None was recorded during the reporting period	●	10
Public policy					
S05	Public policy positions and participation in public policy development and lobbying.	●	Pages: 24-27	●	1,10
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	●	None; The company doesn't fund any political organizations	●	1,10
Anti-competitive behavior					
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	●	Competiveness committee	●	1,10
Compliance					
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	●	None	●	
Social: Product Responsibility					
Performance Indicator	Description	Materiality	Disclosure Page number/ reference	Level of Reporting	Level of Reporting

Customer health and safety					
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	●	Not analyzed	●	1
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	●	None	●	1
Product and service labeling					
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	●	Not monitored	●	8
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	●	None	●	8
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	●	Data not compiled	●	
Marketing communications					
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	●	Not monitored systematically	●	

PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	●	None	●	
Customer privacy					
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	●	N/A	●	1
Compliance					
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	●	None	●	2