



**AL MANSOUR
HOLDING CO.
FOR FINANCIAL
INVESTMENTS**

SUSTAINABILITY REPORT

2018-2019

ABBREVIATIONS AND ACRONYMS

ADPF	Alexandria for Dairy Products and Foods (Seclam)
AMIDC	Al Mansour International Distribution Company
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
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
MFD	Mansour Foundation for Development
MG	Mansour Group
MHCFI	Al Mansour Holding Company for Financial Investments
MMC	Mansour Manufacturing Company (Free Zone)
MMID	El Mansour and El Maghraby Investment and Development
MMTD	Metro Market for Trading & Distribution
PMI	Philip Morris International
USD	U.S. Dollars
UNGC	United Nations Global Compact

COVID-19 NOTE:

This report covers the company’s activities and performance between 2018 and 2019, but was written and compiled starting in March of 2020. During the production of this report, the Covid-19 global pandemic emerged, drastically changing the logistical, economic, and business outlook worldwide. We have decided not to let this situation affect the content of this report since it covers the period before the emergence of the pandemic. Our next report, covering the years 2020-2021, will contain a full recap of the measures taken to cope with Covid-19, along with the contributions made to both governmental and civil institutions to help combat its threat. By May 2020, we had already contributed 52 million Egyptian pounds towards these efforts. We hope that the threat of the pandemic will lift soon, and our hearts and hopes go to the doctors, nurses, and other medical and scientific staff that are at the frontlines of war against the pandemic, risking their well-being to save the lives of others. We are optimistic and hope to see the world become a better and more united place in the wake of such a global threat that has, as all global threats do, made us realize that we are all bound by our shared humanity.

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LETTER FROM THE CHAIRMAN



The last few years have not been easy on Egypt. Recent economic developments have hindered development in Egypt, with many businesses closing as a result. The economic climate has subsequently led to low levels of direct foreign investment, in comparison to the rest of the countries within the region, which have started to grow whereas Egypt has continued to stagnate. This, combined with the recent floatation and the devaluation of the Egyptian pound, has resulted in a feeling of financial instability within the country, with the middle-class sector of Egypt deteriorating and creating more inequalities than ever before. As a result, people have avoided liquidity altogether and have opted to protect themselves by investing in real estate, gold, or foreign currency. This situation has led Egypt to build up an unprecedented amount of public debt. Although this situation may seem long term, that may not necessarily be the case should Egypt focus on exporting products and services that have made Egypt unique.

As a family-owned business, Mansour remains committed to the social, ethical, and moral standards established by Mr. Lotfy Mansour more than 60 years ago. Our core values remain the same; we focus on profitability with integrity, innovation with efficiency, on creating shared value, and on the continuing development of our greatest asset—the employees that have made Mansour Holdings what it is today, a highly respected business leader in the Egyptian market.

Our approach towards our employees is simple; they are our extended family, and they are essential stakeholders within the Mansour Group. Employee development is not just a social responsibility, but an investment that yields invaluable gains within the larger scope of our businesses. We help provide our employees with essential business and social skills that they can leverage on their career journeys. This yields great returns to us when they choose to remain in Mansour, and to the larger economic sector if their path leads them elsewhere. We have instituted various mechanisms to ensure an ethical management process that respects staff at all levels and, following international best practices, have standardized policies and procedures that ensure fair compensation, equitable treatment, transparency, good communication, recognition of achievement, and that guarantee the health and safety of every single person who works at our offices and facilities.

Mansour is actively involved in numerous social initiatives enacted through nationwide programs that we are proud to support through direct investments, event sponsorships, and social awareness campaigns. We focus on poverty alleviation, education, healthcare, and capacity building. We also promote environmental sustainability and champion the values of efficient and ethical resource utilization, responsible waste management, and energy conservation.

We at Mansour Group remain committed to the implementation of the ten principles of the Global Compact.

Youssef Mansour

ABOUT AL MANSOUR HOLDING COMPANY FOR FINANCIAL INVESTMENTS



Reusable Shopping Bag
Fresh Food Market

The Mansour legacy began in the early 1950s when Lotfy Mansour established the Mansour & Sons Cotton Trading Company. His eldest son, Ismail Mansour, eventually took over the reins and helped make Mansour one of the leading companies in the Middle East. Ismail was then succeeded by his three brothers, who have each continued the family tradition of business innovation, diversification, and concern for the welfare of the community to which the business belongs. Thus, the legacy that Lotfy Mansour began more than 60 years ago continues to this day.

DIVISIONS OF MANSOUR GROUP

The Mansour Group is a key regional player in several industries, including manufacturing, marketing, and distribution. The group employs over 60,000 people and achieves an annual turnover of over 7.5 billion USD. This scale is a direct result of our ability to identify new business opportunities, as well as our ability to forge successful joint ventures with truly global brands—something we have been doing since the 1970s.

It is this continued interest in growing our market share, locally and regionally, that has given us a presence in 120 countries. Additionally, we operate ventures in 14 countries: Egypt, Iraq, Saudi Arabia, The United Arab Emirates, Libya, Chad, Nigeria, Ghana, Sierra Leone, Tanzania, Uganda, Kenya, Angola, and Russia. We manage all these via our headquarters in Cairo and our main office in London.

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 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, most of which have been created to manufacture and distribute local and international brands in Egypt.

OUR START

The Mansour Group (MG) initially created MHCFI (Mansour Holding Company for Financial Investments) in 1992 to manage license agreements with Philip Morris International (PMI) that allowed for the production and distribution of PMI's brands in Egypt. This partnership lasted 23 years, ending in 2014, after which MHCFI partnered with Imperial Tobacco, launching brands such as Davidoff and Golden Virginia in Egypt. In April 2019, MHCFI also partnered with British American Tobacco to distribute its extensive range of tobacco brands in Egypt. Building on our expertise and reach, MHCFI launched its own brand of cigarettes, "Time"—produced at our tobacco factory in the Alexandria Free Zone area and "Target" produced in partnership with the Governmentally owned Eastern Tobacco Company.

MHCFI was established as an autonomous company, semi-independent from Mansour Group. This autonomy allows MHCFI the freedom and authority to rapidly respond to new business opportunities, including the ability to establish new companies, without having to refer 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

Although MHCFI was initially created to manage the PMI account, it began to diversify, extending its activities to food production with the purchase of the Seclam Dairy Factory in Alexandria and with the establishment of the Hayat water bottling plant at Siwa.

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 continuing growth of the Metro supermarket chain, MHCFI launched 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 15 governorates and serving more than 75,000 customers daily. As experts in the food retail business, we then saw a gap in the market for an upscale gourmet supermarket, sourcing premium ingredients and products from all over the world, and which also has gourmet eateries on its site. Thus, came along the idea of Fresh Food Market, a "gourmet retailer." For the first time in Egypt, we are offering our customers a premium shopping experience through our aisles, and a unique culinary offering in our eateries. The launch of Fresh Food Market came in 2016 with five outlets.

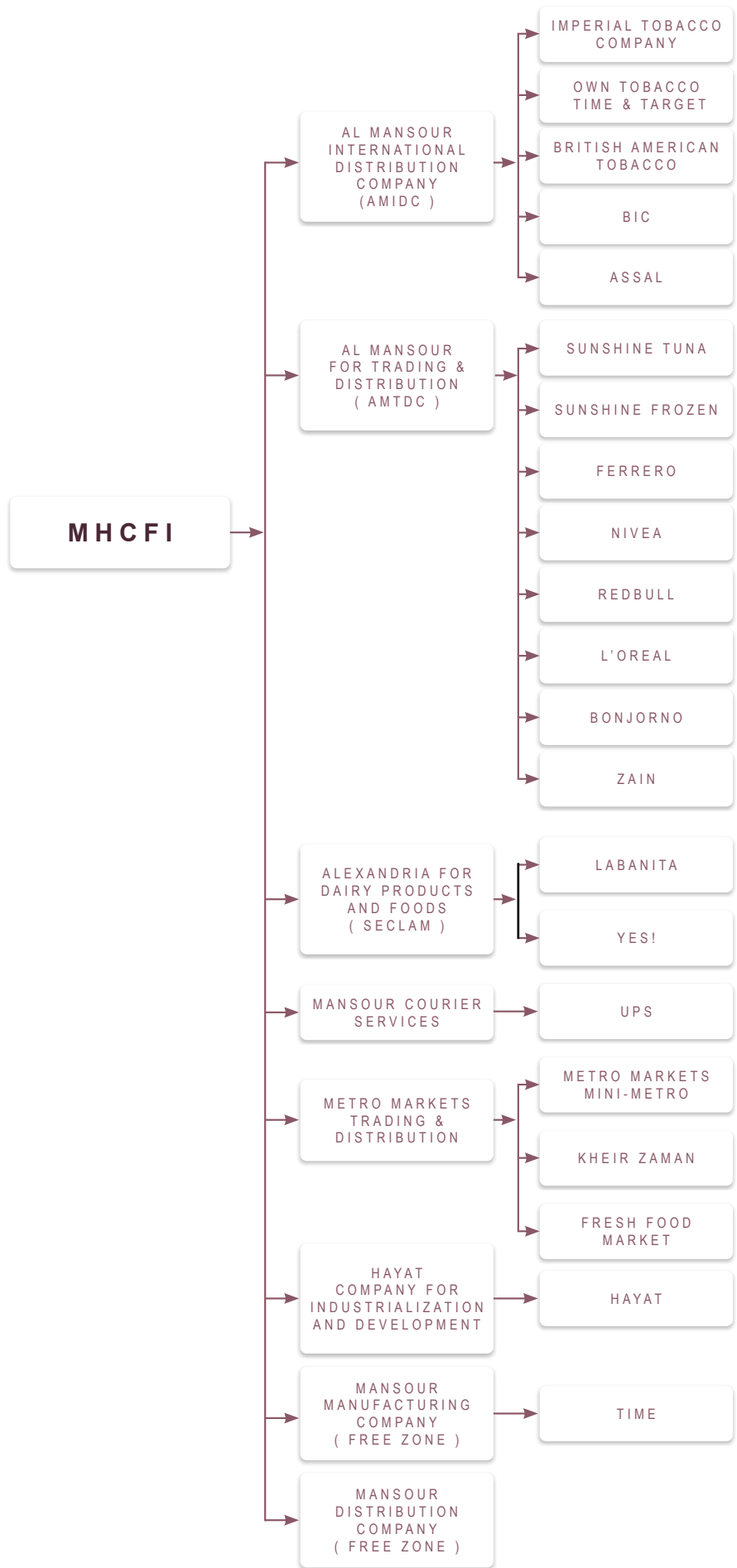
Al Mansour for Trading and Distribution Company (AMTDC) is the company behind Sunshine Tuna, Fish, Shrimps and Frozen Vegetables, Mario Tuna, Labanita dairy products, Red Bull Energy Drinks, Nivea and L'Oréal cosmetics, Henkel, Hayat drinking water, and Ferrero.



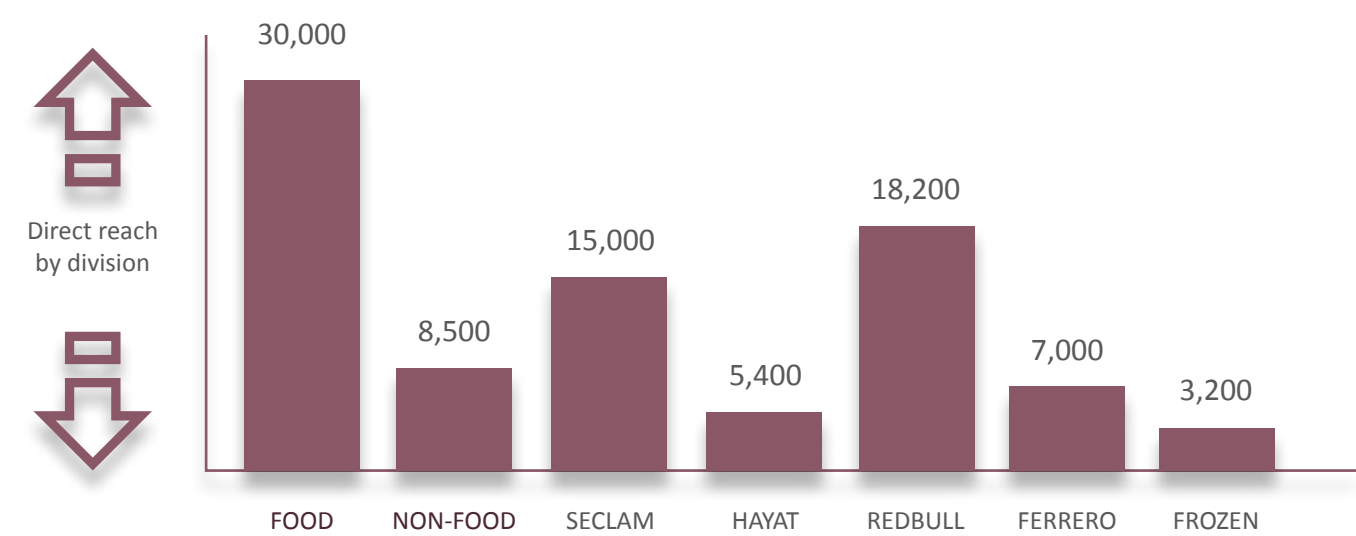
Fresh Food Market
Cairo

MHCFI COMPANIES AND BRANDS

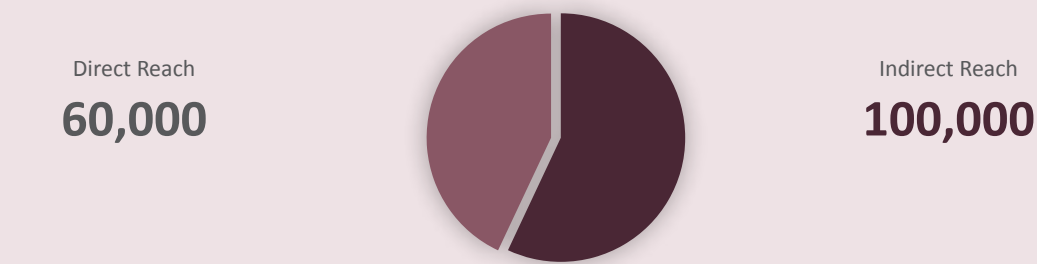
MHCFI consists of eight companies that distribute a diverse range of consumer goods across a network of over 150,000 outlets nationwide, making it the single largest distributor in Egypt. The accompanying diagram illustrates the eight companies that make up MHCFI as well as the brands they manufacture, distribute, or for which they provide services.



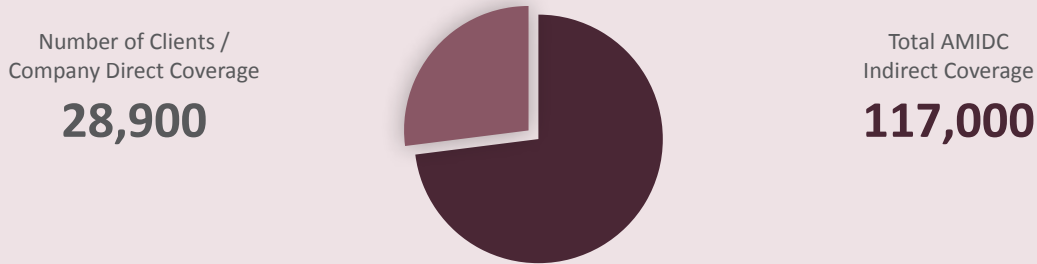
MHCFI employs over 8,983 people, equaling 14.97% of the Mansour Group’s total workforce, and making it one of Egypt’s largest private sector employers. The following diagram provides estimates for the number of traders and key clients served by our companies and activities.



AMTDC REACH



AMIDC



UPS

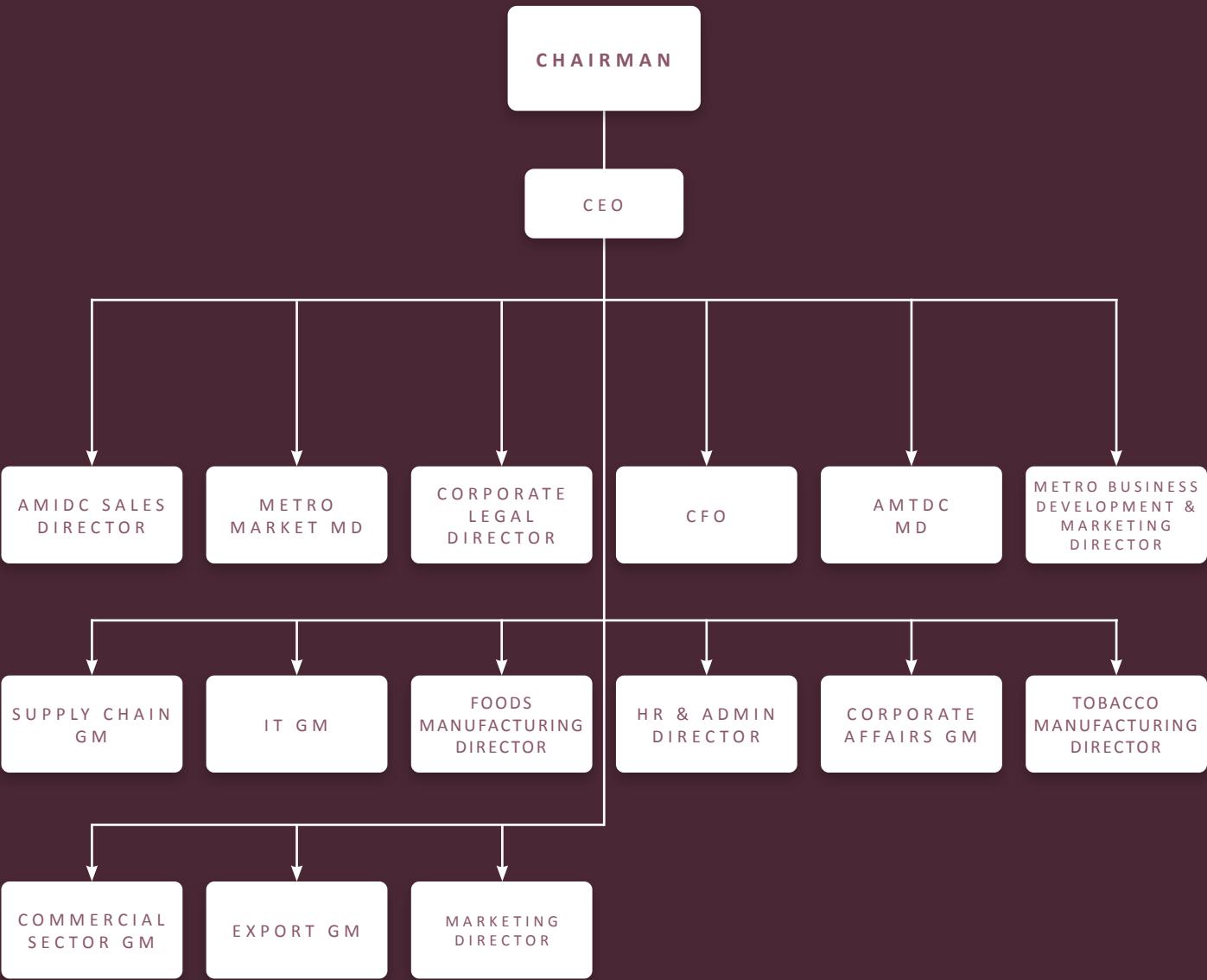
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MHCFI ORGANIZATIONAL STRUCTURE

MHCFI conducts operations across Egypt. Cairo is home to most of our companies’ headquarters, with the exceptions of Hayat and Seclam, which are in Siwa and Alexandria, respectively.

MHCFI manages its operations on two levels: activities such as legal affairs, corporate affairs, external relations, human resources, security, and administration are dealt with at the main headquarters, while others are dealt with on company levels. This configuration allows for a semi-independent organizational structure for each company but also provides flexible support functions to meet each company’s specific needs. The figure below illustrates MHCFI’s organizational structure.

MHCFI ORGANIZATIONAL STRUCTURE



SUSTAINABILITY CHALLENGES AND APPROACH



Egyptian Raising Flag
Tahrir Square, 2011

As previously mentioned, Egypt has faced turbulent times. The economy has continued to deteriorate, especially in regards to the private sector, which has led to several businesses opting to sell their businesses, move their operations abroad, or, in some cases, shutting down their operations entirely. Although other countries within the region have started to build up their economies and have become a hub for foreign direct investment, Egypt has been left behind. There have been several attempts by the Egyptian government to rebuild the economy; however, this has resulted in an unprecedented rise in public debt, which has not only hindered the economy but also society. This has also been reflected in the recent floatation (2016) of the Egyptian pound, which as of today has reached 16 EGP to the dollar, comparing to the previous 6.5EGP. Although this may not benefit the import businesses, it could be a great opportunity for exporting. Thus, this should be an opportunity for the Egyptian government to take advantage of locally produced goods and services and increase their exports, thus allowing the economy to regenerate. Similarly, tourism, a once flourishing industry, has been gaining momentum as of 2015 and has nearly returned to its 2010 levels. With these shifts it is possible that tourism could once again become a major source of foreign income.

MAIN CHALLENGES

Regarding security, over the past few years, security has been a nationwide concern. In 2013, MHCPI was still struggling to deal with security issues that have resulted in losses greater than anticipated. Taking adequate measures, MHCPI saw a decrease in losses from 2014 onwards with the government's efforts in improving security levels. Despite the improved anti-theft measures, issues still arise, especially regarding the situation that customers are being driven away from buying the most necessary goods because of the deteriorating economy.

Another challenge would be the current political climate. The current president, Abdel Fattah El Sisi, will remain in power over the period of 2020-24. The amendments made in April 2019 have extended his current term. Due to the popular public discontent surrounding the current economic policies, it is likely that living standards will deteriorate.

As mentioned above, most of the issues mentioned stem from the fragile state of the economy. What initially started as a steady rate of inflation in 2015 has become less gradual and has led to a domino chain of consequences which continue to harm the population. The weakened currency combined with increased taxation and customs have not only left businesses weakened but have led to a society that is in a constant state of distress. The government had initially only aimed to increase customs on luxury items, but has evidently expanded that scope. Economic problems continue to worsen as time goes by, especially in regards to inflation, what was meant to be a short-term issue has turned into a long-term problem for which Egypt seems to lack effective fiscal and monetary policies. In order to countermeasure the harsh economic climate, the government will likely aim to balance the fiscal policies by reducing the deficit relative to the GDP, this could then lead to more public discontent as the ramifications of economic reforms fall on the public. These reforms often lead to a reduction in pensions and slashing government spending on social welfare, in the form of public services and healthcare. Secondly, in order to balance the deficit, there will be a

rise in taxes, which will ultimately primarily fall on the lower and middle classes.

While discussing challenges, it is important to discuss the environmental challenges that will not only harm Egypt in the short run, but also in the long run. First, due to overpopulation in some areas especially near the banks of the Nile River, the arable areas are being lost to urbanization. With the population estimated to increase to over 110 million in coming years, this will not only lead to land degradation, but will also result in a rise of emissions.

THE ENERGY CHALLENGE

Thankfully, the electricity blackouts and fuel shortages that caused energy shortages in the previous two years have mostly been resolved, however, the price of energy has increased a great deal. Fortunately, the Mansour Group had already started putting energy-saving mechanisms in place, and we have capitalized on our success in that area and have continued to push our offices and factories to become even more energy efficient. We have worked with the UNDP and the Ministry of Electricity to study the benefits of replacing all our lighting with far more efficient LED lights. The study was conducted in two of our Metro Supermarket stores and resulted in an overall reduction of 30% in electricity usage during our tests. As a result, we have procured replacement LED lighting for all our facilities and have installed them across our operations as of December 2016.

Prior to our conversion, our electricity consumption per year amounted to 85 million kilowatts. We are proud to reduce our consumption by almost 25 Million kilowatts per year which equates to a reduction of 13 million KGs of Co2 per year and providing that power saved to over 10,400 households a year.

NEW PARTNERSHIPS

In 2017, Al Mansour for Trading & Distribution (AMIDC) cemented a new partnership with the Italian chocolate and confectionary giant “Ferrero.”

On April 1st, 2019, AMIDC cemented a new partnership with British American Tobacco (BAT) to distribute its extensive range of tobacco products in Egypt.

MANAGEMENT APPROACH

Currently, as indicated above, our greatest issues are the decline in purchasing power of consumers, the increase in overhead costs, and the competition of imported items due to the devaluation of the EGP.

Costs have been spiraling beyond previous expectations. The prices of subsidized petroleum products have increased by 40% on average, and inflation of consumer goods has gone up by 36% (According to the Central Bank of Egypt since 2016) due to currency depreciation, tax increases, and subsidy cuts, and the imposition of a new Value Added Tax of 14%. Thus, consumption has decreased significantly as most people purchased only necessary goods.

We expect inflation to grow steadily in single digits from 2020 onwards.

As costs explode due to the economic situation, we are focused on retaining and capitalizing on MHCFI’s workforce. Our employees remain our most prized asset, and we have no desire to downscale any more than we have already had to. Our main approach now is to maintain a solutions-oriented style to our management strategies, focusing on sustainable management techniques designed to protect our employees. One example of this was our switch to LED lighting and looking onwards to start using solar technologies to generate the energy we need.

We are committed to reducing costs so that we can keep our employees employed.

PERFORMANCE AREA	APPROACH
Economic Sustainability	We are focused on maximizing efficiency, reducing production costs, and securing affordable and sustainable energy resources.
Social Sustainability	We continue to support civil society organizations and social enterprises across the country. Al Mansour Holding company has focused on key social needs in the areas of education and health 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 have been working closely with the IFC and our management team to reach 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 towards child labor and are committed to stand by our minimum wage policy.
Environmental Sustainability	<p>The program focus in the past years revolved around mitigating the environmental impact of our operations. The energy reduction has been the central focus of 2015, 2016.</p> <p>And in 2019, efforts have been made to reduce our use of plastic bags in our retail chains by introducing multiple-use shopping bags.</p>
Product & Client Responsibility	Together with our employees, our clients are other 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 including Social Media platforms, our Call Center, and the Mansour website.



ABOUT THIS REPORT



Seif El Batanouni
Corporate Affairs GM

This document is MHCFI's seventh sustainability report, and it covers our activities over the period from 2018 to 2019. The purpose of the report is to keep our stakeholders updated as to our achievements and developments and thus allow them to remain engaged with our ongoing corporate narrative. This report gives us an opportunity to highlight the challenges we've faced in recent years and the measures we have taken to overcome those challenges as we remain mindful of our stakeholders and our business partners. The report measures our performance against the indicators of the Global Reporting Initiative (GRI-G3.1), Level B.

Although the report is designed to update the public on our performance, it is also vital to our own business, as it allows us to use the assessments and conclusions to improve our performance in the future. We first committed ourselves to this reporting exercise in 2008 and have successfully published seven reports to date, including this report.

As always, we have made every effort to improve on our previous analyses and to expand the scope of the information covered by this report.

SCOPE & 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 analysis 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 for now. We had hoped to be able to extend our monitoring and disclosure capacity to parts of these universes by this reporting cycle, but the economic turbulence we have been facing has forced us to direct our energies to more vital concerns.

In compiling the data and the calculations disclosed below, we followed basic international measurement standards. The information that we provide here is extracted from our databases, bills, internal reports, and externally audited statements. When useful, the information has been augmented through interviewing relevant personnel from MHCFI. This methodology 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 MHCFI's companies utilize the same top management reporting system.

Despite the difficulties that Egypt has experienced in the last few years, MHCFl has managed to expand sustainability reporting. Like most, however, our reporting is incomplete on some of the GRI indicators. Incomplete data is highlighted in our summary disclosure table at the end of this report, and we are planning more exhaustive coverage by our next report in 2021. We do believe, however, that this is not problematic at the moment since the report is explicit about estimates and the basis on which they are made, and because of the fact that much of our information is similar to that provided in earlier reports with the exception of some fields such as Energy Consumption, Gender Representation, and Customer Complaints—for which we have expanded reporting.

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

Information disclosed on intra-company employee movement has also been greatly expanded compared to earlier reports. The hiring and resignation disclosure is more detailed, as is information on employee training conducted in 2018/2019, gender ratio, and customer complaint numbers.

MATERIALITY & LEVEL REQUIREMENTS

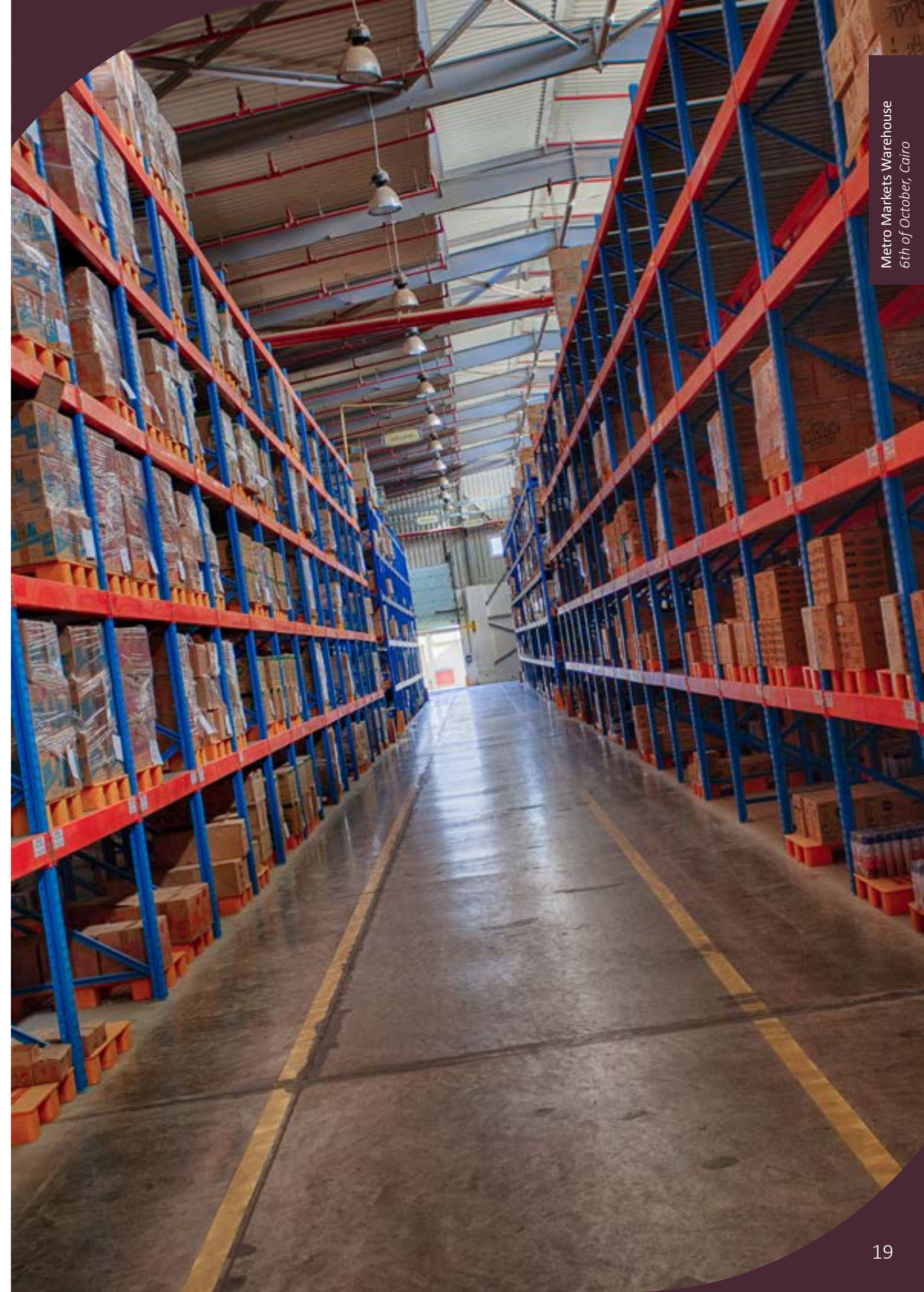
We designed this report to satisfy GRI level B disclosure requirements. This disclosure level requires a company to report on all GRI profile indicators in addition to reporting fully on a minimum of any 20 performance indicators. These performance indicators include at least one from each of economic, 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 live in led us to believe that some performance areas are of paramount relevance to us, overshadowing others.

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

OUR TEAM

Our Corporate Affairs Department compiled this report in-house and was verified by third parties. To develop this year's report, we developed several 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 General Manager, Seif El Batanouni, is happy to provide any additional information and elaborations on request and can be reached directly by email at seif.batanouni@mansourgroup.com



Metro Markets Warehouse
6th of October, Cairo

OUR ECONOMIC PERFORMANCE



Full Cream Fresh Milk
Labanita

The Mansour Group remains one of the biggest private investment groups in the region, generating revenue up to 7.5 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 revolutionary instabilities.

Our current consolidated operation proceeds with 4.46 billion EGP of current assets and 2.4 billion EGP of non-current (or long term) assets. These assets are balanced, in part by 1.3 billion EGP worth of equity. On the other hand, in 2019, our consolidated revenues reached 8.76 billion EGP.

EQUITY

The Balance Sheet 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, 2019.

BALANCE SHEET 2019

AS OF DECEMBER 31ST, 2019						EGP (000,000)	
MHCFI CONSOLIDATED BALANCE SHEET	AMIDC	MMTD	AMTDC	MCS	HCID	MDC	MMC
TOTAL CURRENT ASSETS	1,417.99	660.12	1,802.66	51.06	74.17	285.82	166.46
(-) TOTAL CURRENT LIABILITIES	1,835.70	1,179.55	1,647.56	10.55	37.14	72.71	337.43
WORKING CAPITAL	-417.71	-519.42	155.10	40.51	37.04	213.11	-170.97
(+) TOTAL NON - CURRENT ASSETS	380.42	1,277.46	436.06	10.59	69.74	17.49	219.52
TOTAL INVESTMENT	-37.29	758.04	591.16	51.10	106.78	230.60	48.55
TOTAL NON - CURRENT LIABILITIES	23.87	323.97	95.13	0.69	0.00	0.00	0.00
OWNERS' EQUITY	-61.16	434.07	496.02	50.41	106.78	230.60	48.55
TOTAL INVESTMENT	-37.29	758.04	591.16	51.10	106.78	230.60	48.55

BALANCE SHEET 2018

AS OF DECEMBER 31ST, 2018						EGP (000,000)	
MHCFI CONSOLIDATED BALANCE SHEET	AMIDC	MMTD	AMTDC	MCS	HCID	MDC	MMC
TOTAL CURRENT ASSETS	2,954.43	592.43	1,622.43	62.10	29.24	278.02	157.91
(-) TOTAL CURRENT LIABILITIES	901.54	1,119.52	1,477.84	31.89	15.82	41.07	410.03
WORKING CAPITAL	2,052.89	-527.09	144.60	32.11	46.29	236.95	-252.11
(+) TOTAL NON - CURRENT ASSETS	361.84	1,227.94	345.54	10.75	42.16	20.09	287.04
TOTAL INVESTMENT	2,414.72	700.85	490.14	42.86	88.44	257.04	34.93
TOTAL NON - CURRENT LIABILITIES	22.64	234.96	29.80	0.61	0.00	0.00	0.00
OWNERS' EQUITY	2,392.08	465.89	460.34	42.24	88.44	257.04	34.93
TOTAL INVESTMENT	2,414.72	700.85	490.14	42.86	88.44	257.04	34.93

PROFITABILITY

The economic situation in post revolution Egypt has been, to say the least, one of uncertainty and volatility. This reflected negatively on the businesses climate in Egypt, as many commentators have already pointed out.

Like all of the businesses operating in Egypt, MHCFI suffered from the negative business environment that came to color the Egyptian economic environment. This report dedicates a detailed chapter above to the challenges that emerged in the post-revolution era, and how that 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.

To start with, MHCFI consolidated revenues for year 2019 totaled EGP 8.76 billion. The breakdown of our income statement by business unit for year 2019 as follows

YEAR / EXITS & ENTRIES						EGP (000,000)	
INCOME STATEMENT	AMIDC	MMTD	AMTDC	MCS	HCID	MDC	MMC
NET SALES	830.02	3,022.79	4,456.63	73.08	171.87	137.94	68.67
GROSS PROFIT	120.45	147.74	922.10	26.54	61.68	4.59	12.42
NET PROFIT FOR PERIOD	-147.30	6.57	54.09	8.17	18.34	0.22	17.72

MTDC accounted for the bulk of our sales. The other companies, on the other hand, experienced mixed performances. Some of the companies have a high trend in their sales and profitability.

The table below illustrates our consolidated income statement for year 2018 breakdown by business unit.

YEAR 2018						EGP (000,000)	
INCOME STATEMENT	AMIDC	MMTD	AMTDC	MCS	HCID	MDC	MMC
NET SALES	456.43	2,810.88	3,809.80	69.18	160.46	31.51	57.67
GROSS PROFIT	72.09	148.07	761.09	23.59	47.13	8.64	0.81
NET PROFIT FOR PERIOD	-213.90	30.11	89.42	8.25	19.28	4.25	-4.45

As the statement shows, our companies paid about EGP 27.41 Mil in income taxes in year 2019, We are more proud of these payments than any other payments we made before. The Egyptian government was 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-add components of its operations along two different dimensions. 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.

C.O.G.S.

						EGP (000,000)	
FY 2016	AMIDC	MMTD	AMTDC	MCS	HCID	MDC	MMC
VALUE ADDED COGS			570.95		110.19		56.25
RETAIL BASED COGS	709.56	2,875.05	2,964.58	46.55		133.36	
TOTAL	709.56	2,875.05	3,535.53	46.55	110.19	133.36	56.25

Accordingly, we can use the above classification to assess our value-added endeavors. The table above summarizes our COGS classification into value-added and retail based for year 2019 by business unit.

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 year 2019 with their equivalent in 2018.

CAPITAL INVESTMENTS 2018 & 2019

										EGP (000,000)	
AMIDC		MMTD		AMTDC		MCS		HCID		MMC	
2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
10.24	14.13	134.96	167.42	130.62	107.36	1.46	1.54	12.42	3.06	1.9	1.21

Our total capital investments in 2018 and 2019 were EGP 294.72 and 291.60 Mil respectively. We take pride in our investments too. While the economic downturn has led many companies to think about exiting from Egypt, we stood committed to investing in our economy.

KEY

AMIDC: Al Mansour International Distribution Company
Main Brands: Imperial Tobacco, BAT

MMTD Metro Market for Trading & Distribution
Main Brands: Metro Market, Kheir Zaman, Mini Metro, Fresh food Market

AMTDC: Mansour for Trading & Distribution Company
Main Brands: Sunshine Tuna, RedBull,

HCID Hayat for Industrialization & Development
Main Brands: Hayat

ADPF Alexandria for Dairy Products and Foods (Seclam)
Main Brands: Labanita

MMC Mansour Manufacturing Company
(Free Zone)

MCS Mansour Courier Service
Main Brands: U.P.S.

MDC Mansour Distribution Company
(Free Zone)

GOVERNANCE & APPROACH



Mamdouh Abbas
Marketing Administration Manager

Even though the Mansour Group is a private family business and under no obligation to minority shareholders, we engage in many joint ventures and therefore need to address the interests of our partners.

Each division or company within the MHCFl is governed by a Board of Directors, which always contains independent members. Our philosophy is that these members bring with them alternative perspectives and diverse viewpoints that affect their companies directly and, by extension, reflect on the approach of MHCFl as a whole. This process is organic and streamlined since the Mansour Group has standardized a single management approach across all its companies. Mansour Group's Board Members and Managers are listed below.

COMPANY BOARD MEMBERS AND MANAGERS

METRO MARKET FOR TRADING AND DISTRIBUTION COMPANY	
FROM 1/1/2019 TILL 24/9/2019 (FIRST MODIFICATION)	
NAME	POSITION
Mr. Atef Ahmed Abu Shady	Chairman
Mr. Youssef Mansour	Board Member
Mr. Yasseen Mansour	Board Member
Mr. Mostafa Abboud	Board Member
Mrs. Dalia Elias	Board Member Emeritus

METRO MARKET FOR TRADING AND DISTRIBUTION COMPANY	
FROM 24/9/2019 TILL 12/12/2019 (SECOND MODIFICATION)	
NAME	POSITION
Mr. Atef Ahmed Abu Shady	Chairman
Mrs. Dalia Elias	Board Member Emeritus



Mr. Nabawy El Helaly	Board Member
Mr. Tamer Gouda	Managing Director of Operations
Mr. Haitham Idris	Managing Director of Supply Chain

METRO MARKET FOR TRADING AND DISTRIBUTION COMPANY	
FROM 12/12/2019 TILL PRESENT (THIRD MODIFICATION)	
NAME	POSITION
Mr. Atef Ahmed Abu Shady	Chairman
Mrs. Dalia Elias	Board Member Emeritus
Mr. Nabawy El Helaly	Board Member
Mr. Haitham Idris	Managing Director of Supply Chain

AL MANSOUR INTERNATIONAL DISTRIBUTION COMPANY	
NAME	POSITION
Mr. Atef Ahmed Abu Shady	Chairman
Mr. Youssef Mansour	Board Member
Mr. Mohamed Mansour	Board Member
Mr. Mostafa Abboud	Board Member
Mrs. Dalia Elias	Board Member Emeritus

AL MANSOUR FOR TRADING & DISTRIBUTION COMPANY	
NAME	POSITION
Mr. Atef Ahmed Abu Shady	Chairman
Mr. Youssef Mansour	Board Member
Mr. Mohamed Mansour	Board Member
Mr. Mostafa Abboud	Board Member
Mr. Nabil Barghash	Managing Director
Mrs. Dalia Elias	Board Member Emeritus

AL MANSOUR DAIRY & FOOD COMPANY (SECLAM)	
NAME	POSITION
Mr. Atef Ahmed Abu Shady	Chairman
Mr. Youssef Mansour	Board Member
Mr. Mohamed Mansour	Board Member
Mr. Yasseen Mansour	Board Member
Mr. Mostafa Abboud	Board Member
Mr. Nabil Barghash	Managing Director of Sales
Mr. Ahmed Hany El Maghraby	Managing Director of Operations
Mrs. Dalia Elias	Board Member Emeritus



Mostafa Abboud
CEO, Al Mansour Holding Company

HAYAT FOR INDUSTRIALIZATION & DEVELOPMENT COMPANY	
NAME	POSITION
Mr. Atef Ahmed Abu Shady	Chairman
Mr. Youssef Mansour	Board Member
Mr. Mohamed Mansour	Board Member
Mr. Yasseen Mansour	Board Member
Mr. Mostafa Abboud	Board Member
Mr. Nabil Barghash	Managing Director of Sales
Mr. Ahmed Hany El Maghraby	Managing Director of Operations
Mrs. Dalia Elias	Board Member Emeritus

MANSOUR COURIER SERVICES COMPANY (UPS)	
NAME	POSITION
Mr. Youssef Mansour	General Manager of Financial Affairs
Mr. Mostafa Abboud	General Manager of Financial Affairs
Mr. Tony Costa	General Manager

AL MANSOUR MANUFACTURING (FREE ZONE) COMPANY	
NAME	POSITION
Mr. Atef Ahmed Abu Shady	Chairman
Mr. Youssef Mansour	Board Member
Mr. Mohamed Mansour	Board Member
Mr. Yasseen Mansour	Board Member
Mr. Mostafa Abboud	Board Member
Mrs. Dalia Elias	Board Member Emeritus

AL MANSOUR DISTRIBUTION (FREE ZONE) COMPANY	
NAME	POSITION
Mr. Atef Ahmed Abu Shady	Chairman
Mr. Youssef Mansour	Board Member
Mr. Mohamed Mansour	Board Member
Mr. Yasseen Mansour	Board Member
Mr. Mostafa Abboud	Board Member
Mrs. Dalia Elias	Board Member Emeritus



COMPLIANCE COMMITTEE

To ensure compliance with local and international regulations, and international best practices, a Compliance Committee is in place and consists of senior management from the Auditing, Financial, Human Resources, Personnel, Corporate Affairs, and Legal Affairs Departments. The committee convenes on a biannual basis to review performance, policies, and procedures, as well as to identify and address any gaps. The committee directly reports to the Group’s Chairman and engages relevant companies’ Managing Directors as needed. By the end of 2016, we also established a Sustainability Committee that reports directly to the Compliance Committee. The members of the Sustainability Committee are from middle management, and their main purpose is to reduce the gap between Top Management and Workforce through updating all policies and procedures to better reflect on operations and to also undertake performance improvement initiatives throughout the organization.

OUR MISSION & 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 standards 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 complements their lifestyles. We accomplish this by ensuring that our talented and effective teams base their decisions on sound information and can execute them 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 continued 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 a 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 a 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 MHCFI

Each company under MHCFI has a Managing Director (MD) or a General Manager (GM) who is fully empowered to lead his or her company as he sees fit. This MD or GM reports to our CEO Mostafa Abboud, who is a direct representative of Youssef Mansour, Chairman of MHCFI. MHCFI sets annual targets for each company and uses those for evaluations at the end of the financial year.

MHCFI organization occurs on two levels:

Firstly, the holding company centralizes basic support functions that are shared across all other companies, such as Human Resources Management, Policy Formulation and Control, Supply Chain Management, Auditing, Administration, Security, Legal, and Corporate Affairs.

Secondly, each company retains its own operational structure and, when more effective, its own support departments. One example of this is the Quality Control and the Auditing functions, which are organized on a company level for Metro Market. Hayat (our bottled water factory) and SECLAM (our dairy factory) also have their own quality control divisions.

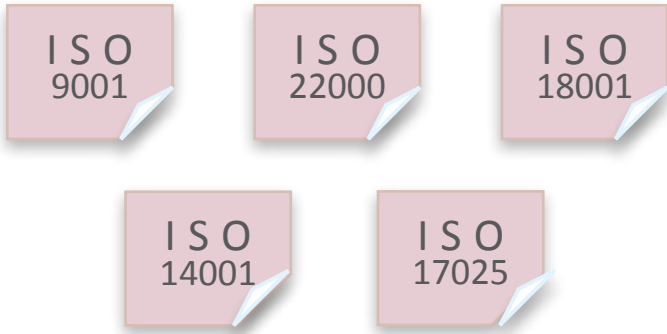
CONTROL

All of MHCFI’s companies share the same core mission and basic values listed above. These values provide a unifying value system which guides them all, without imposing specific strategies on any of them. This combination of core values and diverse strategies allows all our companies to operate with a great deal of autonomy and yet remain in unison. The fact that many of them also share the same support functions also helps guarantee a certain level of corporate control.

MHCFI is also governed by many external standards that 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.

MHCFI has, in fact, an independent audit department dedicated to undertaking such audits.

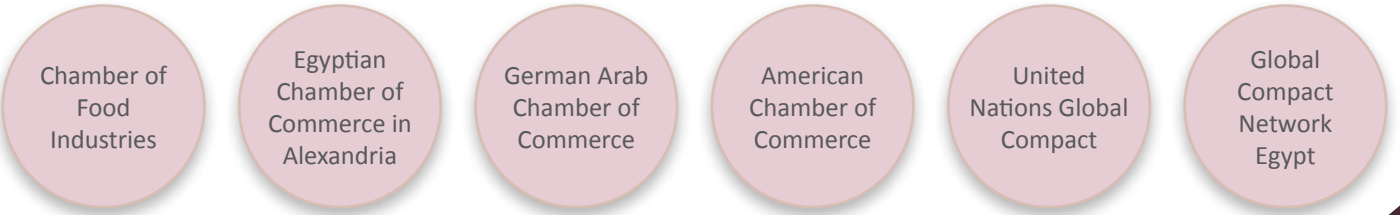
Many of our companies have certified parts of their management systems, as per their individual needs. SECLAM and Hayat, for example, have been awarded the following certificates:



Despite the fact that our business activities are carried out with a level of transparency that leaves little or no room for corruption, we have an auditing team that regularly ensures that all transactions are kept at the highest levels of transparency.

ASSOCIATIONS & LOBBIES

Since 2014, the mechanisms that had collapsed during the revolution have since been slowly rebuilding along with the parliament in place, dialogue between the private sector and public representatives has resumed, and the Egyptian governmental bodies are holding regular meetings with businesses and their representatives to resolve business difficulties. Whereas the premise is laudable, in reality, we still suffer from the bureaucracy this entails and find ourselves constantly chasing permits and licenses. As of today, we stand as active members in several business associations, including the following:





EXTERNAL RELATIONS

On fiscal and regulatory matters, and through its Corporate Affairs department, MHCFl is constantly engaged 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. This work is all about ensuring the long-term playing field for ethically competitive businesses, an environment which we believe to be in our favor.

MHCFl also pursues common initiatives, with many of these authorities, that serve both the nation and our core businesses.

ANNOUNCING OUR PERFORMANCE RESULTS AND POLICIES

Although our companies are not publicly traded, we make our Sustainability Reports available to any stakeholder interested in such access and regularly email it to major stakeholders, such as governmental organizations, private sector clients and partners, and our civil society partners. It is also made available on our website at <http://mmd.mansourgroup.com/>

Employees are also kept updated through an internal email system, and updates are highlighted in our internal newsletters, announcements are also communicated directly to the different department managers who, in turn, communicate them to their staff.

In addition, the latest versions of all our policies and procedures are available on an electronic database to which all staff members have full access.

GAP ANALYSIS AND COMMITMENT TABLE

Mansour Group is continuously improving its economic, environmental, and social performance in accordance with established standards, both regional and international.

Company managers and directors are constantly driven to identify any relevant gaps and schedule their planned modifications to the date. This urgency helps create an environment that mitigates risks, exploits opportunities and ensures that all MHCFl companies maintain our adopted standards, both professionally and ethically.

We have listed the main commitments we make to our stakeholders below –

COMMITMENT	TARGET DATE
Create an Internal Sustainability monitoring and reporting system for all involved departments	Achieved
Develop a comprehensive Stakeholder Engagement Plan	Achieved
Implement stakeholder engagement plan	Achieved
Develop a comprehensive Policy on Product Responsibility across the group	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 5- Monitoring the portion of materials that are recycled.	1, 2, 3, and 4 Achieved; 5 to be achieved in 2019.
Develop an Internal Training Program for Managers on Sustainability Issues	Partially Achieved
Decrease our use of plastic by using biodegradable and paper bags for our retail stores	Partially achieved
Reduce our CO2 footprint by reducing our energy consumption and moving towards solar-power.	Partially Achieved
Develop a comprehensive Grievance Policy and Mechanism for all employees	Partially Achieved
Continue research and business development for new base of the pyramid investment opportunities	On-going

OUR PEOPLE



Warehouse Employees
6th of October

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

These investments have paid off handsomely from a generational standpoint, manifesting as, in now senior employees, an urgent loyalty to the group, a great dedication to the company, and a deep commitment to the values MHCFI upholds.

We recruit whenever a vacancy emerges in our companies, and we have adopted a salary scheme that pegs our pay to the average pay on the market while honoring a minimum wage policy in cases where the average is even lower.

Along with our human resources policy, our formal contracts safeguard the interests of our employees. Our employees are intensively trained to build their careers with a view to keeping them indefinitely. If they do not remain with us, however, then we are proud to say that we have helped them become highly qualified for any other potential employer and for a variety of excellent positions. We provide our workforce with fair, transparent, and periodic performance evaluations. The establishment of the Mansour Training Academy in 2015 marks a clear and continuing focus on capacity building for our employees.

RECRUITMENT

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

With respect to pay, we determine salaries per market surveys of the fast-moving consumer goods sector (FMCGs), our main field, conducted by third parties and specialized firms. We target a salary scale in the middle of the market spectrum for the same position, as per these external studies. Those salaries are then modified per the skills and experiences of the candidate.

Previously the minimum wage, as referenced by state employment, was quite low, and we had set our minimum wage higher. In the aftermath of the revolution, the state minimum wage, at 1,200 EGP/Month, effectively caught up with our own. In consideration of our employees, however, and fully aware of the rising costs of living, we increased our wages steadily, as of 2019 our minimum wage, including benefits has reached 2,000 EGP/ Monthly.

BENEFITS

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 traveling, and a company car, according to grade
- Company transportation for our factories
- Mobile phone allowance, according to grade
- 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	INCENTIVES	TOTAL PAID	NUMBER OF EMPLOYEES		
				CAR ALLOW-ANCE	TRANSPORT ALLOWANCE	THOSE WITH SPECIAL NEEDS
AMIDC	81,379,452	9,198,688	90,578,140	70	349	11
AMTDC	145,964,566	33,250,840	179,215,406	352	1,808	57
SECLAM	40,632,323	5,332,932	45,965,255	3	13	35
Hayat	11,038,984	1,682,111	12,721,095	1	12	0
MMC	4,413,329	373,384	4,786,713	9	1	1
MDC	1,922,474	270,907	2,193,381	2	0	0
Metro Market	236,794,749	19,724,717	256,519,466	124	3,514	73
U P S	11,590,071	1,197,193	12,787,264	0	14	1
Total	533,735,948	71,030,772	604,766,720	561	5,711	178

In accordance with our policy, MHCFl provides all its employees with formal contracts. These contracts provide our workers with a level of job security that many others lack in Egypt, where working informally without a contract has been endemic in recent years. MHCFl also follows all relevant labor laws: providing its female staff with three months’ maternity leave; awarding all employees with a one-month notice period and following Egyptian law with respect to penalties. In cases of termination, we provide them with two months’ pay for each year worked.

EMPLOYMENT LEVEL AND TURNOVER

MHCFl employs 8,983 people, a little more than the 8,243 employees mentioned in our last report, with a turnover of 1,889 employees or around 21%. Metro Markets and Kheir Zaman are both labor intensive operations, and much of their labor is transient. Accordingly, these operations account for around 51.2% of our employment. Most of our turnover occurs within those operations. In Egypt, as in other countries, the turnover for supermarket employees and drivers is quite high. Most employees view these positions as a temporary position on their way to more fulfilling careers. Outside of our supermarket chains and sales distribution, we have had a very high rate of employee retention.



Ahmed Abady, Abdullah Anwar
Admin Workers

TURNOVER TABLES

AL MANSOUR INTERNATIONAL DISTRIBUTION		
YEAR / EXITS & ENTRIES	EXITS	ENTRIES
2019	130	277
2018	88	90

AL MANSOUR TRADING AND DISTRIBUTION		
YEAR / EXITS & ENTRIES	EXITS	ENTRIES
2019	456	691
2018	361	580

SECLAM		
YEAR / EXITS & ENTRIES	EXITS	ENTRIES
2019	109	103
2018	139	45

HAYAT		
YEAR / EXITS & ENTRIES	EXITS	ENTRIES
2019	20	27
2018	19	18

MANUFACTURING FREE ZONE		
YEAR / EXITS & ENTRIES	EXITS	ENTRIES
2019	9	14
2018	7	3

DISTRIBUTION FREE ZONE		
YEAR / EXITS & ENTRIES	EXITS	ENTRIES
2019	3	10
2018	0	0

METRO MARKET		
YEAR / EXITS & ENTRIES	EXITS	ENTRIES
2019	1134	1224
2018	1079	1434

UPS		
YEAR / EXITS & ENTRIES	EXITS	ENTRIES
2019	28	34
2018	22	26

TRAINING AND CAREER ADVANCEMENT

The training and career development of our employees is a deeply ingrained part of MHCPI's core values. We conduct career planning and training sessions for employees daily. 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 skills and knowledge that they need to advance up the management ladder. We divide our training programs by type and by managerial level.

During the year 2019, we trained a total of 2,840 employees, 2,742 training hours in total.

The following table details Mansour Training Academy's Performance for the year 2019:

TYPE OF TRAINING	MANAGERS	MID-LEVEL	SUBORDINATE	TOTAL
Technical Skills	7	30	58	95
Business Needs	78	156	286	520
General (Orientation & Induction)	70	210	422	709
Soft Skills	222	445	223	890
On Job Training	0	188	437	625
English	1	0	3	4
Certificates & Diploma	2	2	0	4
Total 2019	380	1,031	1,429	2,840

TRAINING DETAILS

Technical Skills

Grocery (Merchandising) – Fresh Food – Home Delivery – Security Skills – Security System – SAP System – Customer Loyalty Program – Safety & Hygiene – Electronic Vouchers System – Taxes Awareness Session – Impactful Space Management.

Business Needs

Customer Service – Selling Skills – Negotiation Skills – Communication Skills- Planning & organizing primer – Decision Making & Problem-Solving – Empowerment – Strategic Planning – Effective Sales Management – Finance for Non-Finance – Delegation – Managerial Functions – Leadership for Managers – Strategic Management – Business Etiquette – Governmental Relations – TOT Workshop – Sales Management KPI's – Leaders Anatomy – Assessment center – Civil Protection.

General

Orientation & Induction – Introduction to the Retail Industry (Basics of Customer Service – Basics of Selling Skills – Basics of Safety & Hygiene – Grocery – Fresh Food) – Act like a customer - In-house Programs for Sales & Marketing

On Job Training - Awareness Session

Soft Skills

Communication Skills Workshop – Thriving in A VUCA World – Time Management – Stress Management – Delegation Skills – Motivation Skills.

Certificates & Diplomas

MBA, DBA, Financial Diploma, Human Resources Diploma



Metro's Management Team
Metro Markets Company

CAREER ADVANCEMENT

MHCFI's commitment to employee development is perfectly illustrated by our investment in our Metro supermarket employees. In a sector with generally high turnover rates, we designed training programs that make it clear to our employees that we care about their long-term careers. Furthermore, we are proud to say that all our current store managers started out as store workers and rose to managerial level because of their high performance, extra training, years of experience, and general excellence in all the tasks they undertook. This developmental path has been so effective that we have not needed to recruit store managers from outside our operations.

Employee development and training are guided by periodic performance appraisals and objective KPIs; these serve a dual purpose. On the one hand, they inform our staff of their strengths and weaknesses so they can train themselves accordingly, and on the other hand, they provide us with the means to determine annual bonuses and decide on promotions.

SAFETY

All our employees are trained in basic evacuation procedures and can handle crisis situations. Most of our employees have also been trained in basic firefighting. Whereas our activities do not put our employees at much risk, we have nevertheless given workers special training, safety goggles, gloves, helmets, and safety shoes to those working in 36 jobs that we've identified as needing higher safety precautions.

Currently, MHCFI only monitors medium and serious work injuries, of which we've had none in the last two years, with this level of safety assured, we are expanding into a system that also extends to minor injuries.

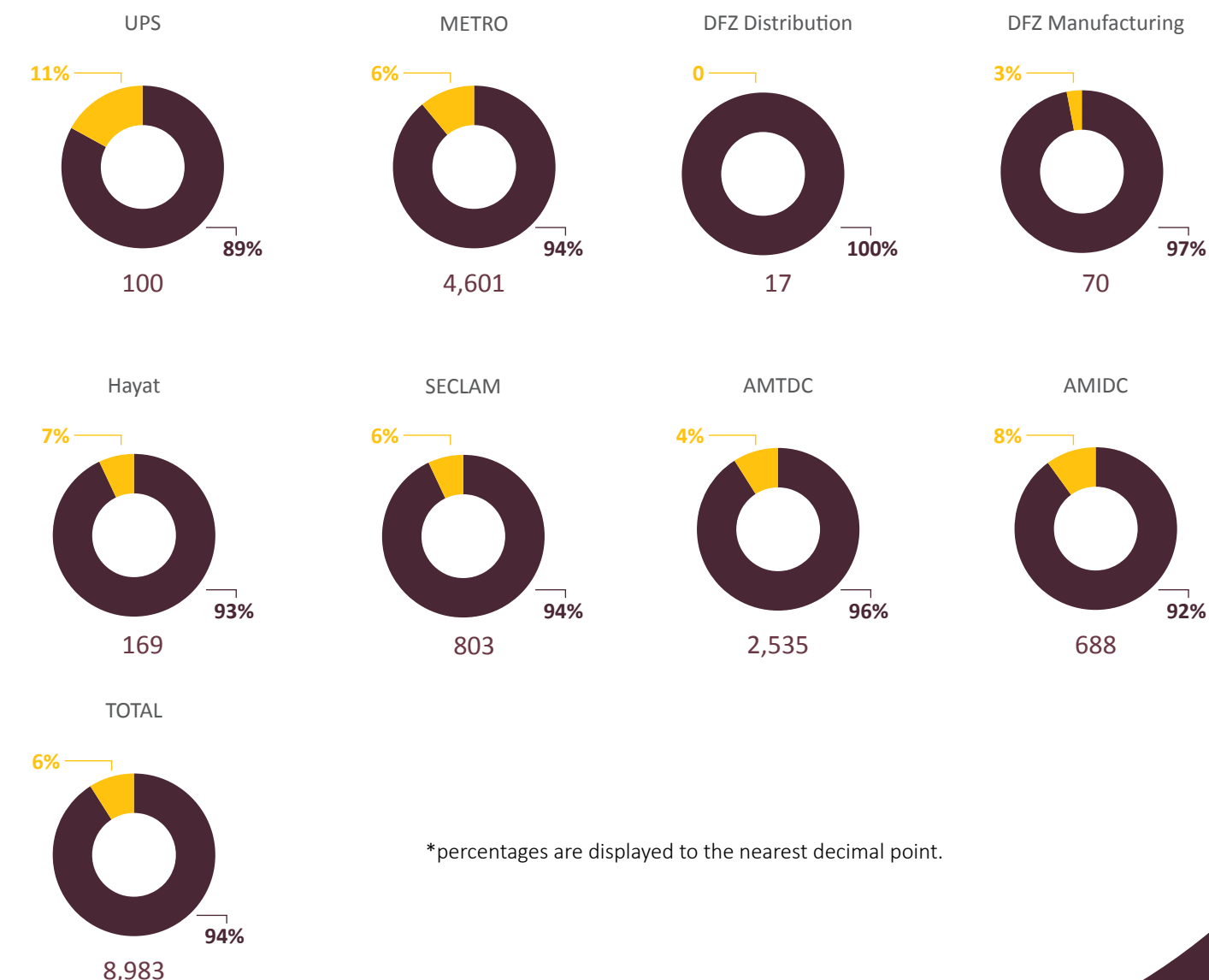
GENDER

Despite our efforts, and even though our policy has always been to base our salaries on employee qualifications, regardless of gender, Egypt remains set in some traditions, and women are rarely found in what are deemed by the culture to be "heavy" industries. We have achieved great strides at equalizing the gender ratio at management levels but achieving a more balanced gender balance at the blue-collar level requires longer-term shifts in the sociocultural values of the entire country. Since 2018, we have been working closely with the International Finance Corporation (IFC), taking advantage of their vast experiences in improving gender ratios in many of their markets. We have also worked together with our top Management, Operations, HR, and Training departments to roll out several programs to improve our gender ratios. However, this project is ongoing, and we hope to see real improvements in our next reporting cycle.

The following graphs show gender distribution figures at our companies:



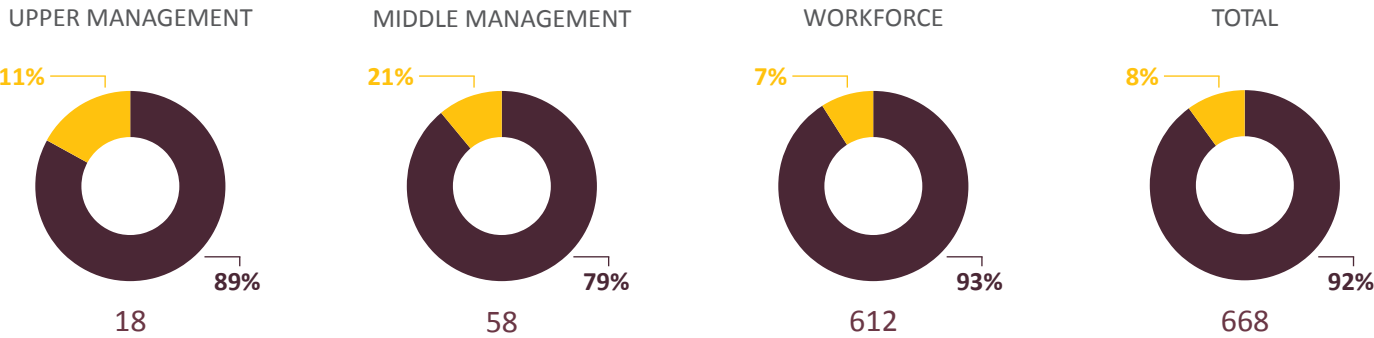
GENDER DISTRIBUTION* BY COMPANY



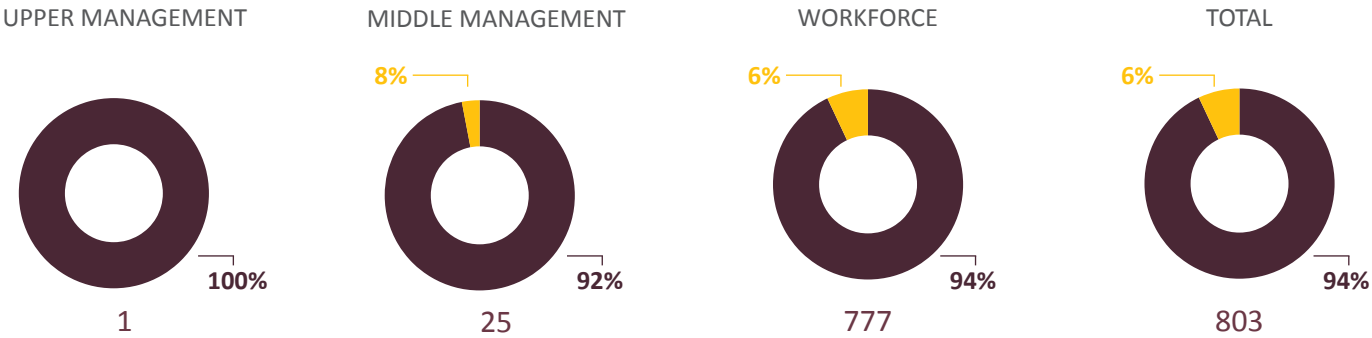
*percentages are displayed to the nearest decimal point.

GENDER DISTRIBUTION

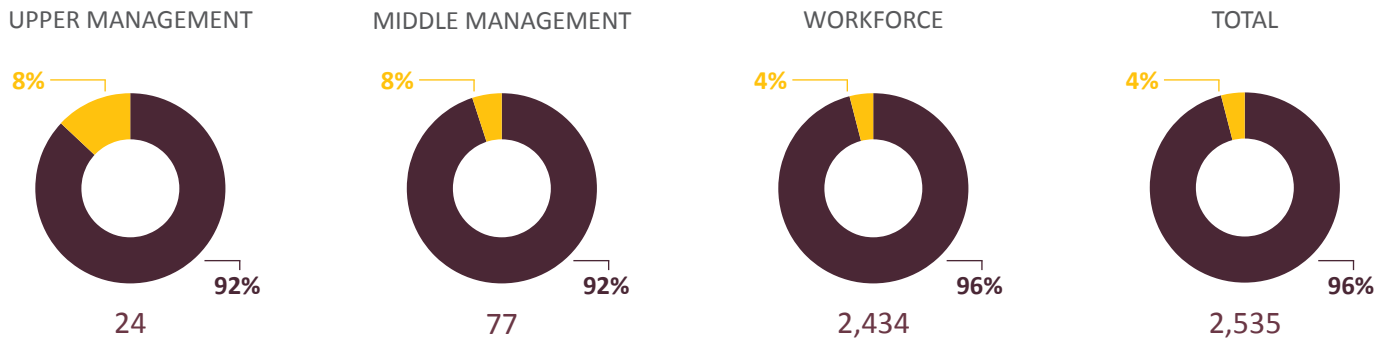
AL MANSOUR INTERNATIONAL DISTRIBUTION CO.



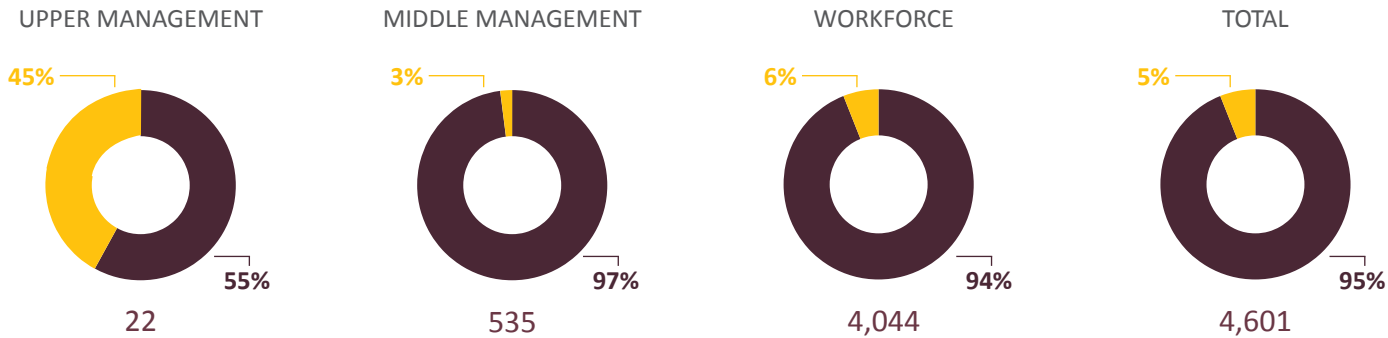
AL MANSOUR DAIRY & FOOD COMPANY (SECLAM)



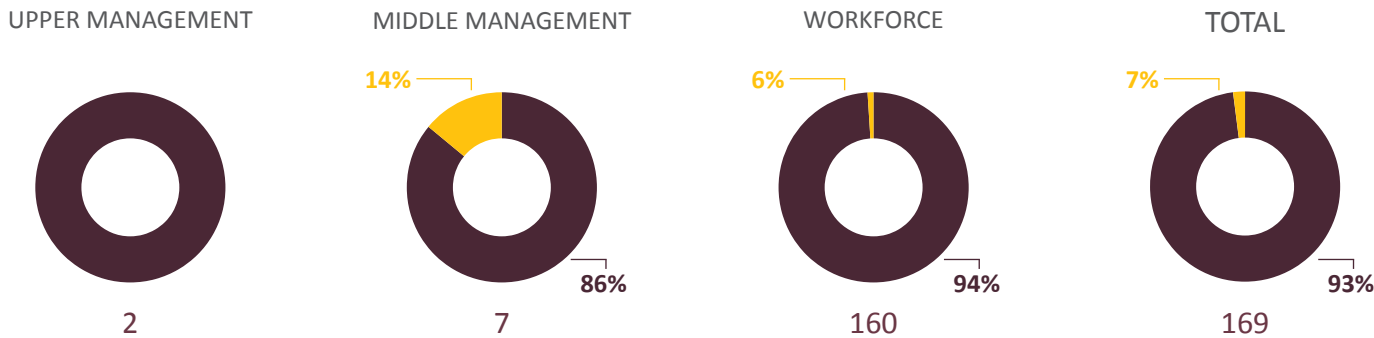
AL MANSOUR FOR TRADING & DISTRIBUTION CO.



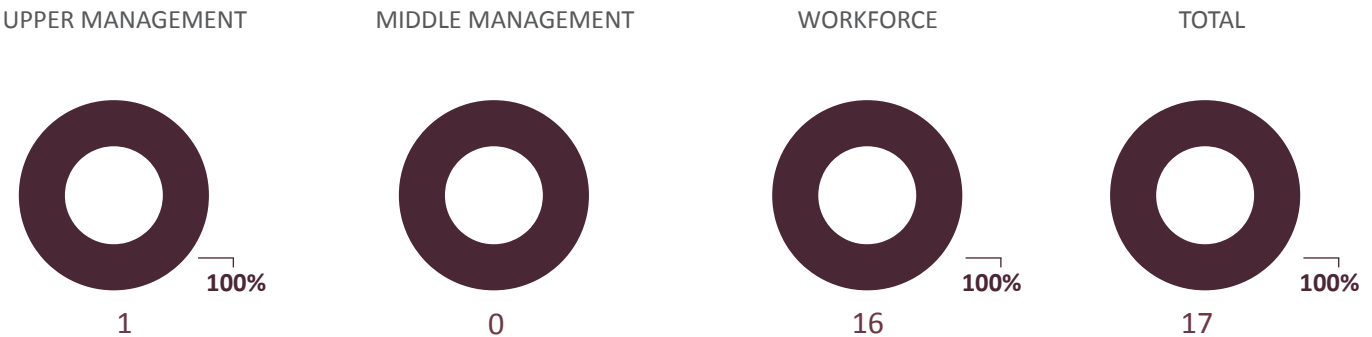
METRO MARKET FOR TRADING & DISTRIBUTION COMPANY



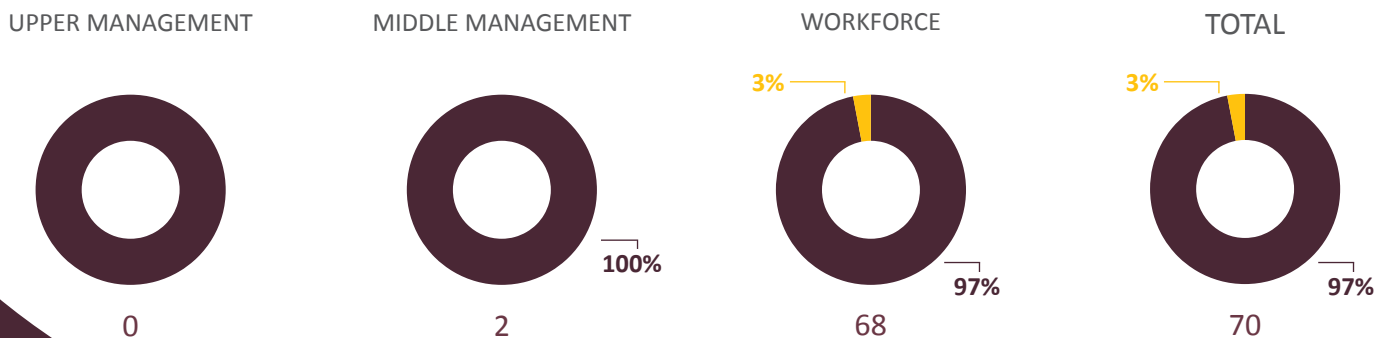
HAYAT COMPANY FOR INDUSTRIALIZATION & DEVELOPMENT



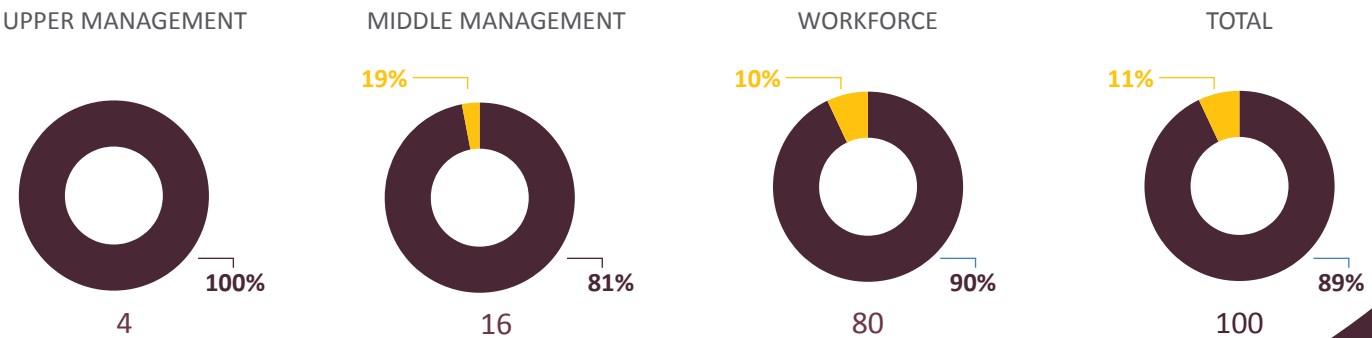
AL MANSOUR FREE ZONE—DISTRIBUTION



AL MANSOUR FREE ZONE—MANUFACTURING



UPS





OUR COMMUNITY



Youth Support
Mansour Foundation

At Mansour we do not limit our responsibilities to our business practices, instead, we channel our substantial resources towards promoting the welfare of Egyptian society by helping with education, health and socioeconomic development programs, and any other initiatives that we determine to be credible and beneficial to the community at large.

ABOUT THE FOUNDATION

The Mansour Foundation for Development was launched in January 2001 as the first non-profit grant-making organization to be fully and solely funded by an Egyptian family. Driven by the Mansour family's tradition of integrity and values, MFD was dedicated to mobilizing, strengthening, and empowering key actors engaged in advancing Egypt's developmental process. As of 2018, MFD has seized its operations and is now relying on each group of companies under the Mansour Group to implement their own initiatives that serve the society.

Below, we list the achievements accomplished by the foundation in recent years and report on all activities done by Al Mansour Holdings during this reporting cycle and that we plan to achieve going forwards.

MANSOUR FOUNDATION FOR DEVELOPMENT & THE GLOBAL GOALS

As part of our commitment to the pledge we made to the UN Global Compact, the Mansour Foundation was dedicated to the achievement of the UN's Sustainable Development Goals.

The Sustainable Development Goals, also known as the "Global Goals," were adopted by the UN Member States in September 2015 as part of a new sustainable development agenda aimed at helping all countries reduce poverty, tackle climate change, and build resilient and inclusive communities worldwide by the year 2030. The Mansour Group was privileged to be part of the task force along with international Global Compact Network companies and civil societies to design the SDGs in New York in 2015.

The Mansour Foundation for Development was committed to helping achieve all 17 Global Goals. This section of our report gives examples of how we helped to achieve some of them.

SDG # 1 NO POVERTY—

End poverty in all its forms everywhere.

MFD focused on vulnerable populations throughout Egypt, most of which live in low-income situations. With those populations, we focused on providing access to financing, the formation of asset building groups, livelihoods development, and, among



Orphanage Support
Al Mansour Holding Company

others, nutritional support. We collaborated with the “Lebaladna” (Our Country) association, the “El Allam Beyti” (The World is My Home) community foundation, the “Bani Shebl” (Sons of Shebl) community foundation, and the “Bedaiya” (Beginning) association on annual programs with an integrated approach to poverty reduction that focuses on reducing extreme poverty in communities through improving livelihoods and nutrition and the strengthening of both civil and governmental networks.

The activities under this initiative serve more than 135,000 citizens each year. These include women and orphans in 10 of the most vulnerable areas in 5 governorates: Cairo, Giza, Alexandria, El Sharkiya & El Fayoum.

SDG # 2 GOOD HEALTH AND WELL-BEING—
Ensure healthy lives and promote well-being for all at all ages.

Our aim was to strengthen local institutions to enable them to provide better health care and to ensure community access to that care. The Mansour Foundation partnered with the National Heart Institution, the Alexandria Endoscopy Association, and the Children Cancer Hospital (known as ‘57357’) to increase their capacity with training, equipment, and awareness—all of which help promote healthy decisions and reduce the rates of cancer and heart diseases as well as leverage the skills of young doctors in endoscopic surgeries.

The activities under this initiative served more than 23,000 patients and doctors in the governorates of Cairo, Giza, and Alexandria.

SDG # 4 Quality Education—
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

The Mansour Foundation’s workforce development approach is strategy driven and focuses on youth development opportunities and innovations. We worked with the young to customize technical training programs, providing soft skills and enriching the spirit of citizenship by supporting university students in both national and international innovation competitions and by providing scholarships.

Our partnerships leveraged well-ranking faculties such as the Faculty of Engineering at Cairo University, the Faculty of Engineering at Alexandria University, Nile University, and the Arab Science & Technology Foundation, thereby empowering 17 innovation teams comprised of 500 university students and faculty team advisors. Moreover, the chosen teams participated in 5 international competitions for students and represented Egypt in the United States of America, Canada, Italy, and Malaysia.

Alongside these activities, the Mansour Foundation provided three scholarships: a 4-year scholarship in Applied Medicine at 6th of October University, one MBA degree at the Arab Academy for Banking and Financial services, and one partial scholarship in Medicine overseas.

SDG # 5 Gender Equality—
Achieve gender equality and empower all women and girls.

We worked to provide women with access to the resources, employment, and education that they need to reduce inequality and to promote their full participation in their communities. In this regard, we partnered with the Educate Me Foundation to offer a better education for children in one of the slum areas in Giza and to help provide affordable education to around 2,000 beneficiaries. MFD has also developed a women’s empowerment program which focused on supporting small businesses and projects run by women.

We incubated and funded the activities of a network of women artists called Egyptian Artists. Through this initiative, more than ten Egyptian craftspeople have been given the opportunity to celebrate Egypt’s rich cultural heritage through the design and promotion of diverse artworks and products at MFD’s networking and outreach events.

In partnership with Ahead of the Curve, we also cofounded a “Community of Leaders” for women executives through which they empower other executives, promote female leadership in the economy, and influence public policy.

SDG # 7 Affordable and Clean Energy—
Ensure access to affordable, reliable, sustainable, and modern energy for all.

MFD enabled communities to use clean energy. Through the Mansour Special Competition for Sustainable Development, conducted by Enactus, and in partnership with 49 teams, 5,500 active students from Egyptian universities and several academic institutions took part. We awarded projects that demonstrated the viability of clean energy businesses, and we helped expand their businesses skills and ideas. This competition ran across all 27 Egyptian governorates.

The Mansour Foundation co-sponsored Egypt’s participation in the Toronto World Cup, at which Ambassador Moushira Khattab was the head of the Egyptian delegation.

SDG # 8 Decent Work and Economic Growth—
Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

To achieve growth and aid the development of livelihoods in Egypt, the Mansour Foundation encouraged the development of micro, small, and medium-sized enterprises through entrepreneurship training, access to finance, market linkages, and technical capacity development.

We provided incubation, mentorship, and coaching to youth and women through our activities whenever possible, and in internships and apprenticeships for on-the-job learning and skills development. MFD also provided vocational training and education about entrepreneurship promotion for low-income and at-risk youth, with a curriculum that has been designed by experienced trainers from the Ministry of Youth.

Mansour Foundation incubated and mentored 4 Youth initiatives, including:

- | | | |
|----------------------|----------------------------|---|
| • “Kheir Man” | (A Man of Goodwill) | <i>Youth awareness raising program.</i> |
| • “Giran” | (Sustainable Neighborhood) | <i>Community Mobile Application</i> |
| • “Egyptian Artists” | | <i>Women Initiative</i> |
| • “El Massar” | (The Pathway) | <i>Entrepreneurial Initiative.</i> |

SDG # 10 Reduced Inequalities—
Reduce inequality within and among countries.

In collaboration with the Egyptian Union for People with Special Needs and the Wave Academy, MFD sponsored sports activities for children with special needs in Alexandria.

SDG # 17 Partnerships for the Global Goals—
Strengthen the means of implementation and revitalize the global partnership for sustainable development.

At MFD, we worked to create collaborative learning environments for diverse stakeholders. Our partnerships included the International Labour Organization (ILO), the Arab Foundations Forum (AFF), the American University in Cairo (AUC), the Egyptian Ministry of Social Solidarity, and the Terous Foundation, amongst many others, in an effort to bring diverse entities together in a multi-stakeholder approach to maximize collaboration and the impact of public-private partnerships.

On the regional level, MFD fostered philanthropic dialogue and networking through its role as Vice President of the Arab Foundations Forum and by contributing to global philanthropy through the Wings Forum and the African Grant Makers Forum.

AL MANSOUR HOLDING'S CSR PROJECTS

The Global Compact

Mansour Holdings was one of the first participants and the official representative of the Global Compact Network in Egypt since 2004 and, for the past 11 years, we have been working with the UNDP to support and empower the local network in Egypt, financially, morally, and in all its practices. The network was incubated under the Egyptian Corporate Responsibility Center (ECRC). The Global Compact Network in Egypt officially exited the ECRC as of the 30th of November, 2015. Today, the Global Compact network is operational and is legally present in Egypt in the form of a foundation with several large companies that are its main founders, including Al Mansour for Trading & Distribution, the network today in Egypt consists of 126 member companies that report annually on their progress in implementing the GC's ten principles.

Blood Donation

On a biannual basis, we encourage our employees in several key locations to donate blood to the Red Crescent. During 2018 and 2019, we were able to donate approximately 320 blood packs from our employees volunteering initiative.

Egyptian Food Bank volunteerism.

In 2018 and 2019, we implemented an employee volunteering program where our employees went to the Egyptian Food Bank foundation and packed necessary food staples in boxes to be distributed to the underprivileged segments of our society.

Supporting the communities in Saint Catherine, Sinai

In 2019, Al Mansour Holding partnered with Handover Projects and Catherine Exits Community Center to establish the second phase of their community center project, the center supports the local community of Wadi Gharba region in Saint Catherine. The first phase was a community clinic which has been operating since October 2018 and now receives more than 200 cases every month. This community center includes both a clinic and a visitors center. The second phase of the project is a multipurpose unit that will be used as a classroom for the kids of the village, toilets and an open space for the locals to sell their products.

Al Kasr El Einy Hospital

Al Mansour Holding along with other partners financially supported the establishment of the Virtual Endoscopic Simulation and Skills Acquisition Lab at Kasr Al Aini.

Simulation is now an important surgical training tool. Laparoscopic training is about hand-eye coordination. It is now unacceptable for surgical trainees to practice basic surgical and laparoscopic skills in the operating room, exposing patients to potential risk.

Virtual reality (VR) simulation has become an increasingly important part of technical skills acquisition in laparoscopic and hysteroscopic surgery; as it is a safe, ethical, and repeatable alternative; it produces objective measurements of performance. It allows multiple training sessions for the individual in a very short time.

The center provides advanced training in laparoscopy and hysteroscopy. There are older versions of laparoscopic simulators in the country. However, this center provides the most up to date devices, with 360-degree immersion and 3D vision.

The center has special modules to teach myomectomy, hysterectomy and tubal surgery safely. And it has the only up to date virtual reality simulator for hysteroscopy in Egypt. This enables the center to provide realistic operative situations. Teaching endoscopy to junior doctors at Kasr Al Aini is now easier and safer. Surgeons become better trained. Patients get better care. The center will also be training surgeons from other specialties, universities in Egypt and the region.



Wadi Degla Cleaning
Mansour HQ Staff

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.

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 not energy intensive, nor do they emit large quantities of CFCs or greenhouse gasses. The aspects of our environmental performance that might be of high materiality to our operations are, essentially, our waste and transportation activities.

WASTE

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.

All 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 much of this waste from us, since most of the waste generated acts as inputs in other industries.

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 are still reviewing the advantages of finding one organization with the capacity to collect all our waste. The drawbacks of this are that we eliminate a source of income for our current small waste collectors. In both cases, most of the waste is recycled or used as inputs for biofuel.

At our dairy factory in SECLAM, we also treat our waste water and then use it to water all the gardens inside our property, this process saves over 4 cubic tons of water annually.

FUTURE PLANS

We are currently putting in place a new waste monitoring system that monitors waste by type, weight, and volume. This system should supply us with crucial information that can be used to pinpoint our greatest sources of waste. We are also moving to expand this waste management system to the whole company. Furthermore, we have been offering products that we remove from our inventories well before their expiration dates to our employees at heavily discounted rates.

ENERGY

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

We have expanded our reporting on all our direct and indirect energy consumption. We still need to expand the relevant data from our various databases further. We have also finalized our transformation to LED lights in all our Administration and Factory buildings in addition to our 23 warehouses across the nation and our 100 Supermarket stores in Metro, Mini Metro, Kheir Zaman and Fresh Food Markets, reducing our overall energy consumption by approximately 30%. 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

Solar					Benzene			
YEAR	2018		2019		2018		2019	
UNITS / VALUE EGP	UNIT	VALUE	UNIT	VALUE	UNIT	VALUE	UNIT	VALUE
AMIDC	507,509	2,342,427	531,682	3,269,749	341,074	1,996,728	568,642	4,246,724
HAYAT	32,377	151,665	41,617	145,576	19,582	50,877	11,472	30,569
AMTDC	6,237,059	25,276,120	5,550,451	33,738,793	431,459	2,096,656	421,971	3,045,376
UPS	88,677	417,099	101,744	620,788	35,643	212,082	46,092	337,601
METRO CO.	1,418,512	6,594,524	1,542,141	9,524,574	295,400	1,517,134	337,293	2,147,298
TOTAL	8,284,134	34,781,835	7,767,635	47,411,411	1,111,586	5,869,403	1,376,566	9,834,101

DIESEL

Company	Deisel			
YEAR	2018	2018	2019	2019
UNITS / VALUE EGP	UNIT	VALUE	UNIT	VALUE
AMIDC	4,220	17,333	1,393	8,550
HAYAT	1,265,083	5,959,706	1,261,057	7,755,248
SECLAM	2,388,864	11,207,724	2,263,503	13,896,158
AMTDC	9,276	38,547	9,603	60,882
TOTAL	3,667,443	17,223,310	3,535,556	21,720,838

WATER

Company	Water Consumption			
YEAR	2018	2018	2019	2019
UNITS / VALUE EGP	UNIT	VALUE	UNIT	VALUE
AMIDC	20,627	162,943	19,683	197,137
HAYAT	1,920	11,617	1,208	15,708
SECLAM	411,869	3,252,864	423,208	3,781,947
AMTDC	15,454	190,452	26,755	349,380
UPS	2,736	18,877	2,802	23,324
METRO CO.	149,956	1,859,089	142,528	1,852,872
TOTAL	602,562	5,495,842	616,184	6,220,368

ELECTRICITY

Company	Electricity			
YEAR	2018	2018	2019	2019
UNITS / VALUE EGP	UNIT	VALUE	UNIT	VALUE
AMIDC	2,281,873	2,434,234	1,579,697	2,052,752
HAYAT	190,136	159,714	171,235	222,605
SECLAM	13,533,142	13,840,648	13,498,942	16,631,331
AMTDC	2,175,741	2,581,916	2,413,399	3,293,748
UPS	306,031	452,524	309,066	486,295
METRO CO.	45,138,166	52,953,222	57,475,193	48,174,900
TOTAL	61,345,497	91,420,555	60,384,847	100,725,741

PRODUCT RESPONSIBILITY

The Mansour Group enforces all the necessary precautions that ensure the safety and quality of all our products.

We have produced a comprehensive quality policy document that defines the international hygiene standards to which we are committed. These standards focus on minimizing any risks of product contamination and ensuring that our products meet the high standards that customers have come to expect from any of the Mansour Group companies. Our quality control process eliminates any manufacturing deficiencies that might damage the products or that could endanger the health of our customers. The associates of Seclam, Hayat, and Metro Markets share the objective of manufacturing and distributing safe, wholesome, and high-quality products. Below are some of these product quality policies:

FOOD SAFETY POLICY

Seclam, Hayat and Metro Markets are fully committed to food safety and seek to comply with laws and legislations with the aim of constantly improving their performance on quality and food safety and reducing customer complaints.

This is achieved through the following:

- Providing an appropriately healthy work environment for employees and contractors on sites.
- Identifying new processes of food safety and developing mechanisms to implement them whenever possible.
- Investigating any manufacturing steps which lead to irregularities in quality and determining the necessary measures to correct them.
- Providing a training program on food safety for all employees and contractors to ensure their full awareness of their roles and responsibilities.
- Achieving the highest standards of quality management through the creation, implementation, and maintenance of an integrated system for food safety and quality.

PREMISES & MAINTENANCE

Our factory entrances are equipped with hygiene rooms to protect staff, visitors, and products from any form of contamination.

- To prevent product contamination, premises are located away from environmentally polluted areas and areas that are subject to flooding or prone to pest infestations. They are also kept away from areas where waste cannot be effectively managed.
- The premises are all designed in such a way that they can be easily cleaned and adequately ventilated. They are well lit and have sufficient pest control procedures. Staff facilities are also designed and operated in a way that minimizes the risks of product contamination.
- We have an adequate system for the collection and disposal of waste products, which are not allowed to accumulate in food handling, storage, or other working areas inside or outside the factories. Waste areas are well defined and segregated from production activities, and our waste disposal measures meet all legislative requirements ensuring that all our waste is disposed of by licensed contractors.

CONTROL OF OPERATION

- Raw, unprocessed materials are segregated from processed products to avoid contamination, and products have appropriate shelf-life controls with expired materials being segregated and scrapped. Furthermore, all raw materials are purchased from approved suppliers in accordance to a Vendor Assurance Program, and are stored in conditions that maintain their quality and freshness.
- For food safety, a risk assessment procedure (HACCP) is used to define all critical control points (CCP's). Furthermore, all operating procedures for food recipes are available for reference throughout the entire process.
- Environmental monitoring programs are in place to trace any microbiological contamination, and all facilities for heating, cooling, freezing, and all other production related processes also meet the necessary conditions for ensuring food safety during all phases.

Food safety checks are performed in accordance to biological, chemical, and physical specifications, with transport and storage quality specifications in place for all finished products. Finished products are then stored separately from raw materials, and rejected products or returned goods are labeled accordingly and stored independently. In addition, all transportation vehicles are appropriately temperature-controlled and hygienic. Mystery Shoppers are also employed to monitor each outlets compliance to our protocols.

PEST CONTROL

A comprehensive pest management program is in place to greatly reduce any risks to products from pests. Our pest program utilizes only nontoxic materials. These include mechanical traps for rodents, adhesive sheets for crawling insects, and biological and electrical traps for flying insects. Monitoring for pest activity is frequent and pest control audits and treatments are regular and recorded. All incoming raw materials are also thoroughly checked for pests and controlled with the strictest care.

PERSONNEL

Each site has qualified personnel with the necessary education, training, background, experience, and protective clothing to ensure that all activities are correctly performed. Procedures are established to identify training competency requirements for all associates to be able to carry out their responsibilities efficiently. Managers and supervisors have excellent knowledge of food hygiene and can judge potential risks and take appropriate preventative measures and corrective actions whenever necessary. Furthermore, all personnel are made aware of their contribution to the quality and food safety of the finished products; and of the possible consequences of errors or the kind of dangers that any lack of attention to details can cause.

CUSTOMER SATISFACTION

Our Customer Care Unit has a call number (prominently displayed on danglers at our retails stores) dedicated to receiving customer feedback and complaints and all received complaints are addressed within 24 hours of their receipt. Customers can also reach us through various social media pages, all of which respond promptly to customer concerns.

We also implement other procedures to ensure customer satisfaction, these include the use of customer feedback forms and regular use of mystery shoppers at our supermarket chains to gather data about staff performance, product quality, display quality, as well as various other factors that impact the overall retail experience.

We compile monthly reports detailing received complaints and communicate these reports to senior management and our governing body on a quarterly and yearly basis. In 2019, we have expanded the reporting to include driver complaints for all our distribution vehicles in addition to some additional brands we distribute.

QUALITY COMPLAINTS PER BRAND IN 2018

BRAND	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DIC
HAYAT	11	10	16	16	17	8	33	47	56	28	11	9
SECLAM	20	12	12	17	23	6	14	27	35	30	15	13
SUNSHINE	14	7	14	13	3	5	10	8	6	5	5	9
REDBULL	0	2	0	0	0	0	3	7	0	2	1	2
METRO	84	90	85	112	168	147	140	146	136	115	84	92
KHEIR ZAMAN	29	48	38	61	77	58	40	52	57	41	55	51
FRESH FOOD	5	3	9	7	11	9	3	5	6	3	4	1
MINI METRO	1	2	1	2	1	0	2	2	1	0	3	4
TOTAL	164	174	175	228	300	233	245	294	297	224	178	181

QUALITY COMPLAINTS PER BRAND IN 2019

BRAND	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DIC
METRO	86	85	69	107	112	105	105	85	108	100	126	91
KHEIR ZAMAN	69	53	46	62	60	68	57	61	61	62	61	66
SECLAM	11	7	14	16	43	33	38	51	76	53	39	24
HAYAT	10	1	6	14	10	16	17	15	26	11	8	12
SUNSHINE	10	2	11	13	7	12	11	5	8	13	12	8
FRESH FOOD	6	7	4	2	3	5	6	2	3	0	2	5
NEW KHEIR ZAMAN	0	0	0	0	0	0	3	6	3	6	13	12
FERRERO	4	3	6	0	4	1	0	1	6	1	2	1
BONJORNO	0	0	3	2	1	5	3	1	3	1	0	1
BELHANA	0	1	1	3	4	0	0	0	1	6	2	2
MINI METRO	1	2	2	1	2	2	3	1	3	0	0	2
REDBULL	1	0	0	1	3	3	0	3	1	0	1	1
YES JUICE	0	0	0	0	0	1	2	2	2	0	0	3
MARIO TUNA	0	1	3	0	0	0	0	0	4	0	0	0
ZEIN TEA	0	0	0	0	0	0	0	0	0	1	4	1
NESQUIK	1	0	1	1	0	1	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	1	0	0	0	1	0
ALEXANDRIA CHEESE	0	0	0	0	0	0	0	0	0	1	0	0
TOTAL	217	178	190	240	274	263	258	254	334	280	299	252

Complaints from the public regarding our drivers go across all brands and totalled 250 in 2019.

With regards to customer complaints in the retail segment, our Customer Care Unit only started handling customer complaints since April 2016. Before that, complaints were handled by our Metro Company operations. Furthermore, in October 2016 we installed danglers and printed our Customer Care Unit hot-line number on all receipts and promotional offers thus encouraging customers to raise their comments and complaints.

We receive over 70,000 customers daily throughout our 4 retail chains across the country.





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 14.

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, 13 -14	●	

2. Organizational Profile

Profile Disclosure	Description	Materiality	Disclosure Page number/ reference	Level of Reporting	Global Compact Principles
2.1	Name of the organization.	●	Pages: 7	●	
2.2	Primary brands, products, and/or services.	●	Pages: 7 - 11	●	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	●	Pages: 9	●	
2.4	Location of organization's headquarters.	●	Pages 7 - 11	●	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	●	Pages 7 - 11	●	
2.6	Nature of ownership and legal form.	●	Pages: 7 – 11, 25 – 29	●	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/ beneficiaries).	●	Pages: 7 – 11	●	
2.8	Scale of the reporting organization.	●	Pages: 18 – 23	●	
2.9	Significant changes in the reporting period regarding size, structure, or ownership.	●	Pages :17-18	●	
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 two years; See Pages: 17-18	●	
3.2	Date of most recent previous report (if any).	●	Year 2014; See Pages: 17-18	●	
3.3	Reporting cycle (annual, biennial, etc.)	●	Annual	●	
3.4	Contact point for questions regarding the report or its contents.	●	Seif.batanouni@mansour-group.com	●	
3.5	Process for defining report content.	●	Pages: 17-18	●	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	●	Pages: 17-18	●	
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	●	Pages: 17-18	●	
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: 17-18	●	
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: 17-18	●	
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: 17-18	●	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	●	None. Pages: 17-18	●	
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: 17-18	●	
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: 25-33	●	
4.2	Indicate whether the chair of the highest governance body is also an executive officer.	●	Pages: 5, 25-33	●	
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: 25-33	●	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●	Pages: 33. Board meetings for shareholders due to the nature of the company's 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).	●	Pages: 36 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: 25-33 Currently being developed.	●	
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.	●	Pages: 25-33 Proprietary information.	●	
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: 30-31, 57	●	
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, 13-14, 29, 31-33, 57	●	
4.1	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	●	None	●	
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: 31, 57	●	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; Provides substantive funding beyond routine membership dues; or Views membership as strategic.	●	Pages: 31	●	1
4.14	List of stakeholder groups engaged by the organization.	●	Pages: 33	●	
4.15	Basis for identification and selection of stakeholders with whom to engage.	●	Pages: 33	●	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	●	Pages: 33	●	
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: 33	●	
STANDARD DISCLOSURES PART II: 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: 21-23	●	
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.	●	Pages: 36	●	
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.	●	Pages: 35 We pay EGP 1200 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.	●	Preference is given to local suppliers as long as quality standards are met. Percentage of spending on local suppliers not aggregated.	●	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: 47 – 51	●	
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.	●	Savings resulting from such efforts not yet aggregated.	●	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.	●	Page: 54. Savings resulting from such efforts not yet aggregated.	●	8,9
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	●	N/A	●	8,9
Water					
EN8	Total water withdrawal by source.	●	Pages: 55 - 56	●	8
EN9	Water sources significantly affected by withdrawal of water.	●	Underground Water 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.	●	Needs to be calculated from our transportation Fuel Consumption; see Pages: 53-56	●	8
EN17	Other relevant indirect greenhouse gas emissions by weight.	●	N/A	●	8
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	●	None	●	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.	●	A waste monitoring framework has been developed and will be implemented over the next 2 years.	●	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.	●	Page 53. Impact not aggregated.	●	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: 54-56	●	8
Overall					
EN30	Total environmental protection expenditures and investments by type.	●	Data not aggregated	●	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: 35-44	●	
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	●	Pages: 35-44	●	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: 35-44	●	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 agreements.	●	N/A	●	3
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.	●	Page 42	●	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: 40-42	●	1
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	●	Pages: 40-42	●	1
LA12	Percentage of employees receiving regular performance and career development reviews.	●	100% of employees receive performance appraisals. 70% receive annual reviews, and 30% receive quarterly reviews.	●	1
Diversity and equal opportunity					
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	●	Pages 43- 44	●	13,6
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 support these rights.	●	Collective bargaining flows with ease	●	1,2,3
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 children given the nature of business and Egyptian labor laws by which we abide.	●	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 development programs.	●	Pages: 47-51	●	
SO9	Operations with significant potential or actual negative impacts on local communities.	●	None	●	
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	●	None needed	●	

Corruption					
SO2	Percentage and total number of business units analyzed for risks related to corruption.	●	Monitoring not conducted systematically	●	10
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	●	None; Full policy and accompanying strategy currently being developed	●	10
SO4	Actions taken in response to incidents of corruption.	●	None were recorded during the reporting period.	●	10
Public policy					
SO5	Public policy positions and participation in public policy development and lobbying.	●	Pages: 31-33	●	1,10
SO6	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					
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	●	None	●	1,10
Compliance					
SO8	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.	●	100% of relevant products are labeled according to the requirements of the Egyptian Organization For Standardization & Quality.	●	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.	●	Pages: 57	●	
Marketing communications					
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	●	We have developed an internal Tobacco promotion standard that bans targeting children, non-smokers, or the provision of free samples.	●	
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. Any marketing effort is approved by the Legal and Corporate Affairs Departments to ensure compliance.	●	
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





For more than half a century, the Mansour name has continued to be known and trusted as a leader in business. Today, we are proud to carry on that tradition, and proud of our accomplishments, both commercial and social.

Al Mansour Holdings Company is not just a business, but a family, and we continue to forge ahead as a family business, embracing not only what's good for business, but what's good for our larger family of employees, and ultimately, what's good for the generations of Egyptians to come.



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