



Edita Food Industries S.A.E.

Solidifying our Sustainable Value

2019 Sustainability Report



Chairman's Note

Dear shareholders,

Unprecedented changes across the industrial, environmental, and social spectrums have led all businesses to a crossroads. We either continue on a path unchanged and risk becoming obsolete when 'business as usual' is no longer tenable, or we begin to gradually embrace a new mindset that may entail some inconveniences and disruptions in the short term, but is sure to have longstanding positive effects on our collective well-being in the years to come. The correct decision is obvious. Embracing this new mindset will not only make our businesses more sustainable and profitable, but will also help us address environmental challenges, empower communities, and eventually become part of the collective global effort to make a positive impact on the planet for future generations.

The onset of COVID-19 and the devastating impact that it has had on economies and businesses worldwide has been nothing short of life changing. As the pandemic became a reality in Egypt and the government took precautionary measures with the closure of schools and public spaces,

night-time curfews, and mandatory face mask policies, we followed suite at Edita taking immediate steps to protect our people, maintain our operations, and support the country in the face of uncertainty.

Through internal controls, a strict set of precautions, and community support provided through the Edita Foundation for Social Development, we invested as much of our efforts and resources as possible to mitigate the negative impact of the pandemic on all our stakeholders. As we continue to witness the effect of COVID-19 on our nation, we remain committed to exercising caution, practicing diligence, and raising awareness, until we all safely surpass this hurdle as one community, on both the national and global fronts.

We are pleased to continue reporting on our sustainability progress, a process that must remain ongoing both in good times and bad. Edita began its journey in sustainability reporting in 2018, and I am proud to say that we are making significant progress and further expanding on our commitment to become a more sustainable organization across the board. In 2019, we harnessed our efforts under the Environmental, Social and Governance (ESG) umbrella, a growing practice in sustainability reporting that we believe is an ideal channel through which we can make improvements to our operations, and create value for our communities.



We are also pleased to report that we continue to uphold our position as committed members of the United Nations Global Compact, and remain avid supporters and enforcers of the compact's 10 principles on human rights, labor, environment and anti-corruption. We also remain active supporters of the United Nations' Sustainable Development Goals (SDGs), and contribute to the realization of as many of the goals as possible through multiple efforts across our operation.

In this year's report, we share insights on multiple facets of our ESG practices. As part of our efforts to tighten environmental management controls, we began reporting reduction across our entire footprint, using systems and policies that are a part of our specialized environmental management system. Our reporting scope this year extends to cover our efforts under emission reduction and energy conservation; sound water consumption and our evolving wastewater treatment efforts – marked in 2019 by the launch of a new wastewater treatment plant at the E06 facility. We also outline our efforts in responsible waste disposal; our meticulous work in guiding the efficient purchase and use of raw materials; and our approach to gradually improve our packaging in a manner that will reduce waste and lessen the negative impact on the environment.

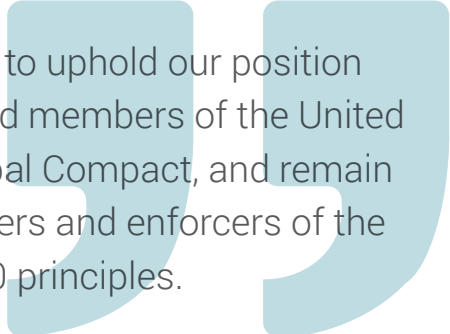
The current challenges brought about by COVID have reinforced to us the importance of our social responsibility efforts, which begin with making sure that we look after our

people. We firmly believe that people are at the core of any successful organization. Their well-being and development has an automatic ripple effect across the entire value chain, and as such we never fall short in ensuring employee health and safety, upholding labor rights, and cultivating an environment that celebrates diversity, inclusion and a drive for growth through various learning and development programs.

The second building block of our social responsibility framework is our consumers, who are an essential component of our success story. It is of the utmost importance to us that we never fail to deliver on Edita's promise to provide safe, reliable, high-quality products. We also strive to continue innovating, improving our variety of offerings, and catering to evolving nutritional needs and lifestyles.

Last but not least, we take our commitment to helping develop and support our surrounding communities very seriously. This year, we managed to expand our social contribution efforts on both education and healthcare support, and we were quick to respond to a nationwide call for food aid for severely impacted rural communities at the onset COVID-19 in early 2020.

Diligence and sound decision-making on the part of our Board of Directors throughout 2019 and the beginning of 2020 have helped us maintain successful and meticulous operations despite the challenges. Our committees continued to uphold their duties in auditing the company's



We continue to uphold our position as committed members of the United Nations Global Compact, and remain avid supporters and enforcers of the compact's 10 principles.

activities and ensuring that we maintain our usual transparency, compliance and full disclosure with governing bodies and our esteemed shareholders.

In conclusion, I would like to express my sincerest thanks to our Board of Directors, our employees, and our business partners, for being active contributors to Edita's success story at all times. As we continue to expand our green practices, and social responsibility takes center stage, we look forward to sharing our progress with you, and hope that this is only the beginning of an expansive journey towards creating shared value for all.

Hani Berzi
Chairman

Edita at a Glance

A leader in the Egyptian packaged snack food market, Edita leverages its unmatched innovative abilities and dynamic business model to offer consumers a diverse range of products that best cater to their needs, consistently delivering on its promise of quality and high value propositions.

Edita Food Industries was established in 1996 and has since solidified its leadership position in the snack food market in Egypt and the region, all while building a reputation of an industry pioneer and leading innovator. Leveraging unrivalled research and development capabilities and a strong brand

equity, Edita consistently brings to market a broad range of innovative product offerings across the cakes, bakery, rusks, wafers, candy and biscuit segments. The company's flexible and dynamic business model allows it to effectively respond to trends in consumers' tastes and preferences, taking the company from being the first producer of the packaged croissant to a current market leader with more than 140 SKUs across its six market segments. Capitalizing on the strength of its five state-of-the-art facilities, existing 31 production lines and expansive distribution capabilities, Edita boasts a brand portfolio of household names with an expanding regional footprint that today covers 17 export markets. Edita is also expanding its manufacturing capabilities beyond its borders with its first overseas facility in Morocco under construction, a milestone in the company's regional expansion strategy that adds new momentum on a path of sustainable growth and value creation for stakeholders.



146 SKUs

across six segments



Bakery

Molto



Cakes

ToDo, HOHOs, Twinkies,
Tiger Tail



Rusks

Bake Rolz,
Bake Stix



Wafers

Freska



Candy

MiMix



Biscuit

Oniro



Edita's flexible and dynamic business model allows the company to effectively respond to trends in consumers' tastes and preferences.

4.0 EGP
BN

2019
revenues

2.7 BN

Packs sold
in 2019

6,277

Employees

>17

Regional export
destinations

5

Iso-certified
manufacturing facilities

Mission, Vision and Values

Edita's principles reflect a constant pursuit of operational excellence and sustainable, long-term value creation for the company and its stakeholders



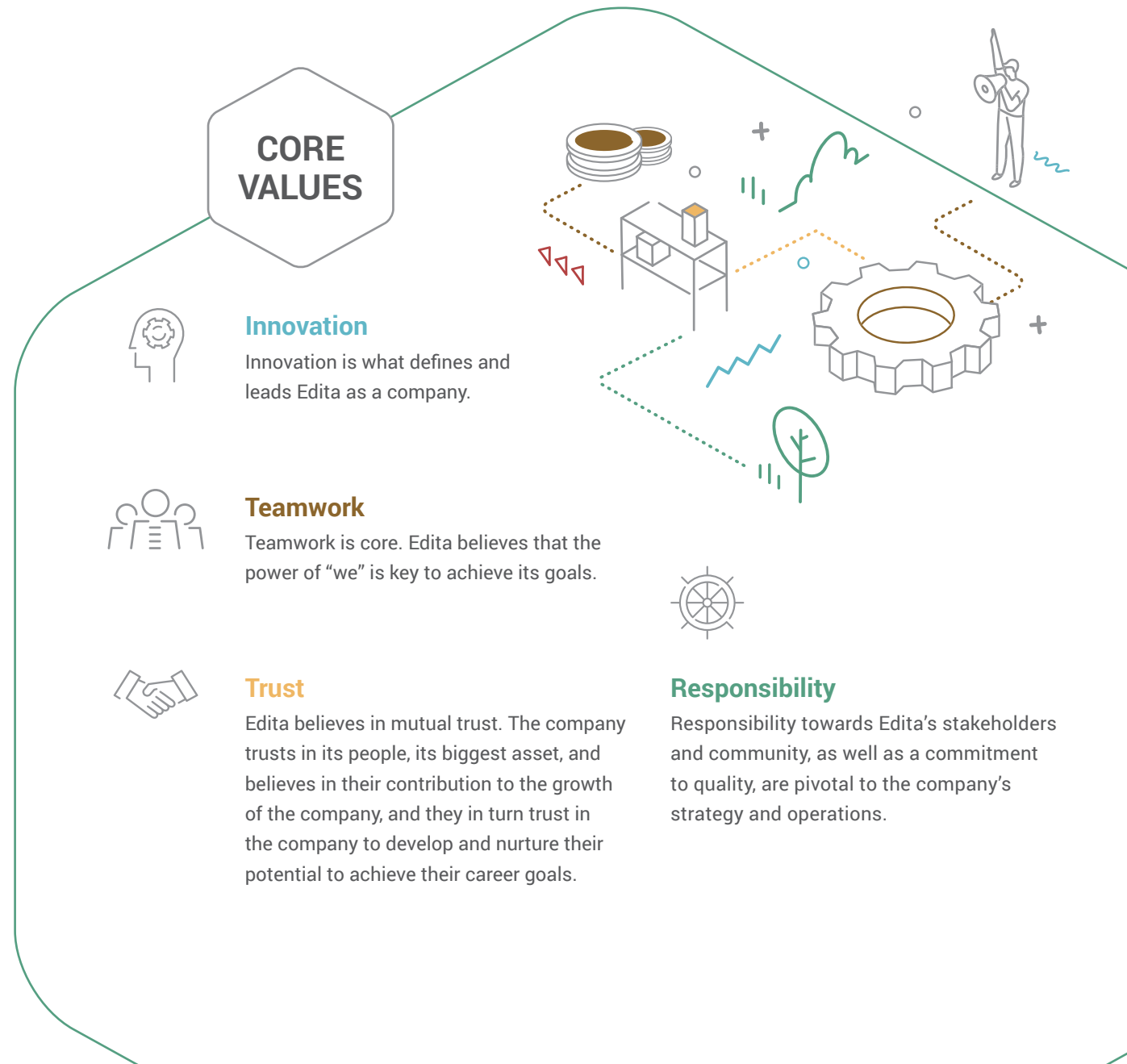
Mission

Together, spreading joy through trusted brands.



Vision

Setting the benchmark for snacking with our high quality, innovative products.



COVID-19 Response

Edita was quick to activate crisis management protocols, place safeguards across its operations, and contribute to national efforts to alleviate the country-wide impact of COVID-19

Growing threats posed by the coronavirus pandemic quickly placed businesses and governments in critical positions to safeguard national well-being. Unavoidable repercussions on global communities and economies swiftly became a reality, but some nations managed to impose strict precautionary measures and quickly tend to crises spurred by the pandemic, leaving them less exposed to its risks.

Edita's initial response to the pandemic was to quickly implement safety measures across its operations, to protect its people and decrease, if not eliminate, chances of the pandemic spreading amid its internal stakeholders. The company then proceeded to put business continuity protocols in place, and support governmental relief efforts by delivering assistances in support of community members who have been afflicted with the virus.



Internal Measures

An action plan was laid out by the company's newly founded risk committee to implement and monitor guidelines for health and safety, social distancing, and business continuity. The plan is updated in line with national and international developments, and guidelines apply to all of Edita's employees, partners, and visitors.

Specialized Health and Safety Precautions

Adherence to local and international best practices has assisted the company in easily enforcing strict protocols, which include:

- Mandating the use of face masks at all Edita premises
- Processing all individuals entering Edita's premises using fever-screening devices. The company denies anyone experiencing a fever of over 37.5°C upon entry, and encourages self-quarantining until the

afflicted individual are sure they did not contract the disease, whether by testing or after the 14-day self-isolation period

- Placing 70% alcohol sanitizers and pure alcohol dispensers on each floor
- Regularly cleaning and disinfecting workstations, common areas and transportation buses
- Providing safety gear and imposing strict disinfection routines for staff whose jobs mandate face-to-face interactions and cash handling, and for buffet staff at the company

Edita's Internal Communications and Health & Safety (HSE) departments also delivered awareness sessions on how to stay safe and continuously provide information through email and notification boards on correct hygienic practices. The Compliance and Corporate Governance department also created a coronavirus Standard Operating Procedures manual that provides guidelines on actions to be taken in case an employee feels or displays symptoms of the virus. The document details the roles of HR, the medical team, and the HSE and Administration departments in dealing with potential or confirmed cases, employees who have come in contact with them, and sterilization guidelines.

Social Distancing

Parallel to the implementation of company-wide safety measures, Edita prepared for the possibility, later turned reality, of having its employees work from home. It thus began strengthening its virtual communications and operations tools, with its IT team standing ready to provide additional support when needed. The company then devised and enacted social distancing policies, which included:

- Rotation and staggered hours systems, where the percentage of employees would not exceed 50% at all times
- Limiting, rescheduling or postponing visits from all external parties, as appropriate
- Limiting physical meetings to strategic necessities, and relying further on video conferencing
- Temporarily halting all in-person internal and external training activities, and offering virtual alternatives instead
- Imposing travel restrictions, later adding precautions in case of necessary travel

Business Continuity during COVID-19 Peaks

Next to ensuring the well-being of its people, Edita mapped out contingencies to safeguard its operations in the face of challenges posed by the pandemic. Its risk mitigation measures were primarily geared towards industrial production and supply chain management, so that the company is able to maintain operations and minimize the chance for potential interruptions. These measures included:

- Closely monitoring market changes and preparing for any potential shifts
- Closely monitoring suppliers and their ability to fully secure required materials on time, and sharing forecasts to key suppliers on a semi-monthly basis to reduce delivery time
- Maintaining backup stocks in the company's warehouses, targeting at least one month's worth of local materials and three months' worth of imported materials at all times
- Striking agreements with different suppliers to gain wider access to diversified, well-priced raw materials and maintain steady operations in the face of challenges
- Implementing lean manufacturing techniques to streamline operations and handle fluctuations
- Regularly updating employees with updates to the plan, to maintain maximum internal alignment

National Support

Edita extended support to the national community through the Edita Foundation for Social Development. The foundation made both monetary and non-monetary donations on behalf of the company to governmental funds and non-governmental organizations, to assist in the fight against the pandemic on multiple fronts.

Read more on the foundation and the donations in the [Social Contribution](#) section.

2 EGP
MN

Donation to
Misr El Kheir

2 EGP
MN

Value of products
donated to Tahya Misr
Convoy



Sustainability Strategy



Edita embeds sustainable policies, planning and procedures into its corporate strategy to pave the way for improvements on long-term performance and contribution

Over the years, Edita has expanded its reach and impact using an advanced understanding of its markets and a willingness to diversify its offerings and investments. As a result, it was able to fortify its positioning beyond its primary market and set an example for successful business management and execution. To complement its operational successes, Edita has begun underlining its longstanding commitment to environmental, social, and governance (ESG) considerations. Under the ESG umbrella, the company plans to uphold its existing sustainable practices, and map out new regulations and initiatives that heighten its positive impact and bring more green conversations to the table. It also aims to regularly report on its progress, to lead by example among its industry and markets.

Adaptability has allowed Edita to keep up with shifting market conditions and requirements. Its flexible corporate strategy – built on the four pillars of innovation and product differentiation, regional expansion, revenue diversification and leveraging human capital – has armed the company with know-how that continues to propel it forward.



Further to this, and over the years, Edita crafted mechanisms that monitor its environmental management and emissions tracking; codes, guidelines, and initiatives that impact its stakeholders, from employees to consumers, investors and community members; and a sound governance structure that guides the company's decision-making processes. It continues to improve on these mechanisms in line with operational changes, and local and global developments.

To streamline the execution of its green strategies, Edita entrusted its Industrial Operations department with its environmental management efforts, for its proven ability to monitor and evaluate production inputs and outputs, and provide tangible recommendations. Edita also closely examined the needs of its employees, and prioritized the creation of codes, regulations and advancement programs that would drive each and every employee forward, as well as safeguard their well-being on the job. Structuring also extended to the company's social contribution efforts, resulting in the successful establishment of the Edita Foundation. The foundation serves the company's strategy to provide a unified front for all social initiatives that Edita runs or partakes in, as well as deepen its social involvement in its surrounding communities. The company's board, committees and governance mechanisms also remain an integral part of its growth strategy, as they continue to play a pivotal role in providing strategic guidance and support.

Edita's growing application of ESG-friendly changes across its operations falls naturally in line with the company's values and beliefs. It also reflects the company's ability to maintain operational excellence while improving its impact on internal and external environments and communities. The company's belief in the necessity of sustainable practices for long-term future value is also a key driver behind its current and upcoming plans. It recognizes the essential role that ESG policies will play in

bolstering industry's impact on people and planet while driving profit and business successes. As Edita continues to further its ESG reach, its evolving sustainability strategy is expected to continue to optimize operations while reducing undesirable impact, thereby securing maximum returns for all stakeholders involved.

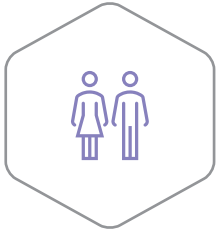


Adherence to Global Standards

Part and parcel of Edita's sustainability strategy is its commitment to champion global best practices across its operations, for resounding impact and tangible change. The company chose to remain a member of the UNGC in 2019, in continuation of its commitment to the compact and its 10 principles. Built on the notions of human rights, labor, environment, and anti-corruption, the compact's principles aim to adjust business benchmarks, mobilize industries, and advance societies. Over 11,000 companies worldwide join Edita as members of the compact.

In 2019, Edita's company policies, codes of conduct and other operational tools remained heavily aligned with the compact's guidelines, with details showcased throughout the coming sections of the report.





Human Rights

Edita believes that all businesses, entities, groups, and communities have a fundamental duty to abide by and protect local and internationally proclaimed human rights laws. The company continues to have zero-tolerance for human rights infringements, and carefully monitors its business to ensure that all transactions are conducted ethically and without abusing or compromising the rights of any individual. It also requires all stakeholders affiliated with its operations to act similarly, and encourages them to report any suspicions or violations so that affirmative action is immediately taken.



Labor

Edita guarantees its employees lawful and complete rights under its employment, and provides its people with multiple channels to communicate feedback, any forms of discrimination, and formal and informal challenges. In 2019, it conducted its annual organizational climate; continued to monitor fair hiring and compensation activities; and upheld multiple learning and development empowerment tools. Edita also continued to power IVoiceUp, a reporting platform that employees and suppliers can use to voice misconducts or concerns they witness, or make suggestions that assist in developing the company.



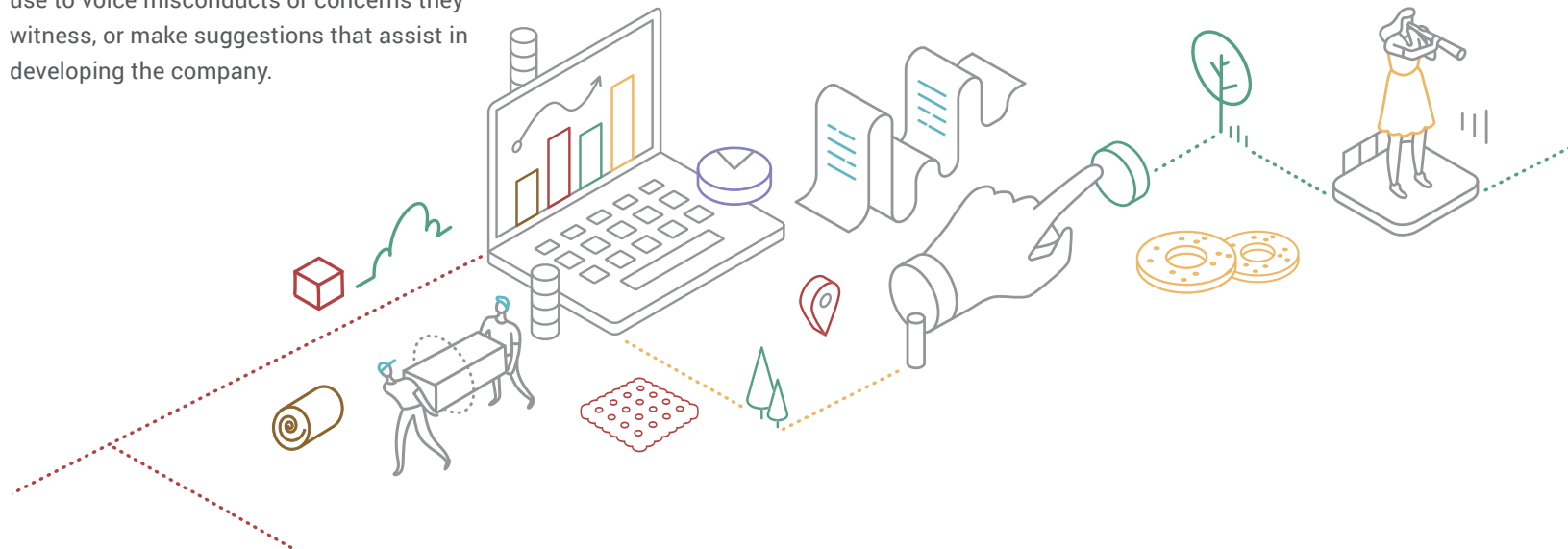
Environment

Edita cushions the effects of its operations on the environment by implementing conscious changes where viable and studying potential courses of action that would further improve its footprint. This is reflected in constantly updating environmental strategies; environmental management and waste disposal systems; and international certifications. In 2019, the company also developed a four-year plan to reduce general consumption across facilities.



Anti-Corruption

Edita's executive management and governance bodies work diligently to protect the company against all forms of corruption. Extensive anti-corruption policies and information security systems protect the company against threats that include extortion, bribery, data and recipe theft, and more. The company also has a whistleblowing policy that allows employees to anonymously report violations.



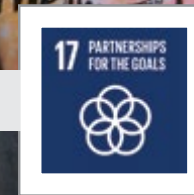
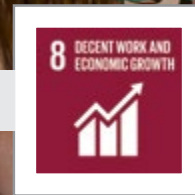
Edita also looks to play an active role in the UNGC's mission to help realize the UN's SDGs by 2030. It therefore aligns many of its ESG efforts with as many of the SDGs' indicators as possible.

In active pursuit of opportunities that contribute to community and global welfare, Edita works on constantly improving the quality of its products through its state-of-the-art research and innovation department, to create healthier snacks in pursuit of SDG 3, or good health and well-being.

Through its many social responsibility endeavors, Edita also invests in projects that benefit the education of children in some of Egypt's most underserved governorates, in fulfillment of SDG 4, or the provision of quality education. In fulfillment of SDGs 5, 8 and 10, Edita provides thousands of decent

work opportunities across its operations, adheres to labor laws to provide its employees with their complete rights, and has zero-tolerance policies in effect to prevent discrimination practices of all kind.

The company also partners with other entities for the realization of the goals, in adherence with SDG 17, with all the above directly contributing to the realization of SDG 11, developing cities and communities that are "inclusive, safe, resilient and sustainable." More information on each of Edita's initiatives can be found throughout the report.



Stakeholder Mapping

Edita believes that effective communication with stakeholders builds solid foundations for operational success and sustainable growth

Since inception, Edita has prioritized the adoption of versatile stakeholder communication mechanisms. This is due to the important role that they play in maintaining high levels of understanding and transparency, and in gathering feedback that helps the company improve on its systems. Formal and informal channels are used as needed, with all interactions documented to ensure that it complies with Edita's open communication and feedback policies.



Employees

Regular communication between Edita and its employees is a core pillar of the company's strategy in establishing long-term, trustworthy, and fruitful relationships with its people. Through the years, media through which employees receive professional or leisurely updates and news have increased and are used creatively by different departments to communicate different messaging.



Company-wide announcements

Major announcements are fundamentally made through e-mails and signs placed on the company's bulletin boards. In special cases, the company's CEO sends out messages, or department heads are tasked with holding meetings to ensure the successful delivery of important news.



Job-related information

Occupational and Health and Safety information is conveyed to new employees during their onboarding trainings, while existing employees receive regular refresher trainings to upkeep their knowledge on important company-related information.



One-on-ones

Managers hold mandatory one-on-one meetings with members of their teams twice a year to convey employee-specific information, feedback, and potential areas of improvement.



Department-wide contributions

Collaborative meetings and brainstorming sessions are usually held by each separate department, in an effort to engage teams in joint planning and to encourage team engagement and contributive efforts.



Monthly newsletter

Edita circulates a monthly employee newsletter, with updates on all major happenings, events and activities that took place throughout the month.

Further to this, Edita places emphasis on interdepartmental communication to additionally strengthen its people as one whole unit. It therefore provides professional development trainings and fun team building activities that bring all departments together in innovative settings. Employee feedback is gathered through an annual climate survey and internal reporting systems like IVoiceUp, with more details on both in the coming sections of the report.

Customers

A multitude of channels are used to maintain consistent communications with Edita's customers and ensure that all market updates reach buyers swiftly and efficiently. The company utilizes its website, various social media platforms and wide-ranging advertising campaigns in communicating product releases, promotional efforts, and other relevant information to its customers. It also conducts regular market research and monthly surveys to gather feedback, assess satisfaction rates and improve on its communication framework. Surveys are conducted through a dedicated team at Edita's call center, which targets a random sample of customers who had recently contacted the short number. The team ensures that all submitted inquiries and complaints were successfully resolved, and subsequently measures satisfaction levels.

In 2019:

+58,000

Average number of customers served

2.7 BN

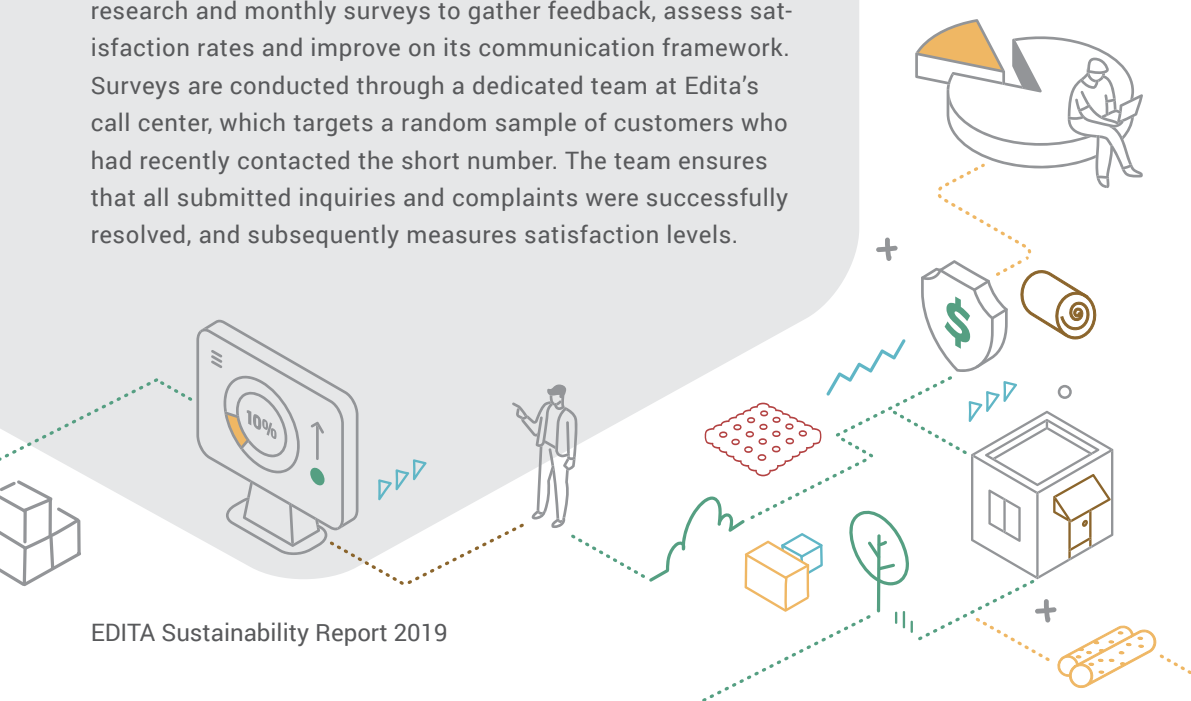
Number of packs sold

190

Number of customer complaints received (all resolved)

95.1%

Average customer satisfaction rate based on monthly survey



Business Partners

Suppliers, distributors, traders, and contractors are considered partners in Edita's success, and so the company prioritizes consistent and clear communication with them at all times. Through its website, advertising and public relations efforts, an annual wholesalers' event, and more interpersonal methods, Edita ensures that partners are informed on its compliance obligations, operational best practices and health and safety requirements; updated on all of the company's important announcements; and rewarded for their contributions to the company. Edita is also diligent in gathering feedback and opinions year-round to improve operations and solidify successful business relationships. With regards to traders, the company additionally conducts monthly surveys that cover multiple areas of satisfaction relating to the quality of Edita's products, prices, services, and more. A specialized call center team targets a random sample of the company's traders to measure satisfaction and resolution levels.

In 2019:

+10,000

Overall number of business partners

430

Number of complaints received from business partners (all resolved)

92.3%

Average traders' satisfaction rate, based on monthly survey

Shareholders

Edita maintains its duty to disclose all company-related information to its shareholders on a regular basis and through multiple, accessible channels. Next to its listing disclosure requirements, which mandate the release of quarterly financial reports and annual reports, the company uses its investor relations website to publish information and news updates, as well as, press releases and sustainability reports to present further details to its shareholders. Moreover, Edita hosts an annual shareholders meeting, one-on-one meetings, investor conferences and investor roadshows, and is constantly prepared to answer all questions and queries as required.

Government

High involvement in economic and green initiatives deployed by the government is essential to Edita, as it looks to have an active role in driving Egypt's sustainable future. As such, the company maintains communication with various governmental entities, and is committed to assisting in the process of introducing sustainable manufacturing and production to the Egyptian FMCG industry. Edita also reflects any changes in national laws, policies, and regulations in its corporate policies, and ensures that transparent communication is in effect with all government entities to maintain its trustworthy track-record, and fortify its position as a contributor to the well-being of the Egyptian economy.

In 2019:

481

Number of shareholders



Environmental Management

A growing investment in green alternatives is placed highly on Edita's operational agenda, as it works to curb its carbon footprint and adopt mega-efficient resource handling methodologies



Mapping Green Progress

Edita uses tested systems to track its environmental footprint and adheres to local and global codes in setting internal sustainability policies, strategies, and goals

Increasing global concerns over environmental welfare have called for tighter emission- and sustainability-related controls on businesses overall and industrial operations and supply chains specifically. In light of this, more and more solutions that allow manufacturers to maintain operational efficiency while exploring eco-friendly actions continue to emerge. New laws, opportunities, initiatives, and compacts to reduce industrial impact on the environment are gaining traction and so are international participation and positive shifts towards sustainable practices.

Edita builds its environmental management systems at the intersection of sound industrial practices and active efforts to offset its impact. The company relies on local and global guidance in setting its long-term agendas, and continuously evolves its policies, practices, and strategies in alignment with changing trends in environmental action.

Using multiple internal systems that were launched and refined between 2016 and today, Edita closely monitors and manages its emissions, waste, and resource use, as it further shifts towards circular economy practices. It also continues to require suppliers and other third parties to adhere to the same policies, to promote collaborative effort and increase positive impact.



Certifications and Policies

Edita has never fallen short in meeting local regulatory compliance presets, thanks to its well-crafted internal systems and its adherence to international quality standards of environmental management.

ISO 14001

Edita has acquired the ISO 14001:2015 certification across all five of its manufacturing facilities. The environmental management systems' certification guides companies in creating effective internal controls that help measure emissions, generate risk assessment reports, and improve impact. Edita has effectively maintained its certification since obtaining it in (2014), and continues to expand its efforts beyond its boundaries.

SHE Policies

The Safety, Health and Environment (SHE) manual was created by Edita in (2016), and consists of a combination of policies and protocols that create a healthy and environmentally-conscious work environment. SHE policies are built on the core pillars of property protection, injury prevention, and environmental sustainability. In 2020, it was updated as a result of the migration from OSHAS 18001 to ISO 45001:2018.



eREMS

The Edita Risk and Environmental Management System (eREMS), launched in 2016, is key to minimizing environmental risks. Next to its role in maintaining health and safety across Edita's premises, it monitors the company's consumption, emissions, and waste disposal; ensures that risks are reported and swiftly mitigated; and is regularly updated per internal and external insights. The system's standards include:

- Detailed environmental management policies
- Opportunities assessment systems
- Operational controls
- Monitoring and review protocols
- Management review protocols
- Risk assessment systems
- Environmental accidents investigation protocols
- Emergency preparedness protocols for potential environmental hazards

ESAP

Evolving sustainability strategies led Edita to lay out a four-year environmental and social action plan (ESAP), which sets indicators and expected dates of completion for company-wide improvements. The plan covers tasks that range from employee protection and stakeholder engagement activities to monitoring, supply chain and wastewater treatment efforts. Further details on accomplishments so far can be found in their related report sections.

Emissions, Air Quality, and Energy Conservation

Edita monitors its operation's energy use and resulting emissions, as well as air quality in protection of its employees

In 2019

Pollutants	WBG/IFC Maximum Levels (WBG/IFC Units)	Project Name Performance (WBG/IFC Units)	Egyptian Regulation Maximum Levels	Emissions in 2019
Particulate Matter	(WBG/IFC Units)	(WBG/IFC Units)	50	15
SO ₂	mg/Nm ³	mg/Nm ³	100	Zero
NO _x	mg/Nm ³	mg/Nm ³	300	118

Utility Type	Total Consumption in 2019	Total Consumption in 2018	Difference	Unit
Grid Electricity	49,650,277	43,701,641	+13.6%	KWH
	0.53	0.47	+12.9%	MWH/Production ton
Natural Gas	8,437,872	7,652,193	+10.3%	m ³
	89.58	81.78	9.5%	m ³ /Production ton

4.7%

2018 direct CO2 emissions (percentage of total air emissions)

2.29%

2019 direct CO2 emissions (percentage of total air emissions)



A fundamental effort in lowering industrial impact on ecosystems and communities is conscious reduction of emissions across all facets of manufacturing and logistical operations. Edita has therefore been diligent in analyzing, tracking, and reducing its emissions, including greenhouse gases, sulphur dioxide, fumes, heat and noise, measured per production and waste quantities. The company ensures that it does not exceed the limits set by the Egyptian government, the World Bank Group (WBG) and the International Finance Corporation (IFC) at all times.

Edita is diligent in tracking its energy consumption. Customized monthly scorecards are kept at each of the company's plants, which detail each facility's operational and consumption goals for the month. Scorecards are monitored by the Industrial Operations department, which is tasked with monitoring performance; providing recommendations on improvements; handling any shortcomings, inconsistencies, or violations; and reporting updates to management. The department also examines potential energy-saving and emission-reduction areas, and makes additions to the ESAP in line with its findings.

In 2019

Task	Anticipated Date of Completion	Actual Date of Completion	Results/ Actions
Revise the environmental monitoring plan across all plants to include volatile organic compounds and heat intensity measurements	31/01/2019	31/01/2019	Delivered a revised plan on time
Monitor heat exposure during the summer of 2019, implement mitigation measures, and develop regulated systems for workers exposed to heat stress	30/06/2019	The measurements were taken for 2019 and the project is currently considered ongoing across Edita's entire operational footprint. It was put on hold temporarily in 2020 due to upgraded safety measures brought on by COVID-19.	60% complete



Electricity Consumption

In 2019, Edita's E07 plant recorded a considerable 7% drop in its electricity consumption compared to 2017, due to its execution of compressor efficiency projects and its plant-wide switch to LED lighting. An energy audit was conducted during the year to further explore low-investment quick electricity-saving plans that the plant can implement by 2021. These plans will focus on raising the efficiency of existing equipment, as well as the potential reuse of operationally generated steam for intermediate water heating needs at the plant.

At E06, electricity consumption has increased due to the revamp of the plant's ventilation and refrigeration systems, as well as the introduction of a new wastewater treatment plant. Efficiency plans are currently being examined, with the company regularly working to curb its consumption and resulting emissions.

Preserving Air Quality

Edita's plants are located in industrial zones, far from residential areas, to mitigate impact on the company's surrounding communities. Furthermore, and to maintain a healthy internal environment that preserves plant air quality and employee well-being on the job, the company installed state-of-the-art central ventilation systems across its plants, which are maintained on a monthly basis.

Partnerships for Conservation

In 2019, Edita partnered with a third-party consultancy to conduct energy audits and develop conservation plans, identify opportunities to save electrical and thermal energy, and curb the company's overall consumption. Assessments have been conducted to identify the largest consumers of electricity across the operation, and the team collected additional data that include field assessments – using Fluke power loggers and thermal cameras – consumption bills, on-site metering devices and interviews with the engineering staff and technicians. Edita is going to use the results to map out its future conservation plans, and will benchmark its progress against the audits' findings.

Water Use and Wastewater Treatment

Monitoring water use and implementing wastewater treatment processes to decrease consumption continues to place highly on Edita's green practices priority list

In 2019

Task	Anticipated Date of Completion	Actual Date of Completion	Results/Actions
Develop a plan for the construction of a wastewater treatment plant at Edita's E15 facility in Beni Suef, in compliance with national regulatory limits	28/02/2019	28/02/2019	A plan was developed, in agreement with the IFC, for the construction and operation of the facility.
Construct the E08 plant, in compliance with regulatory requirements and the WBG's ESH guidelines	31/12/2022	Ongoing	



356,811 M²

Total water consumption (-2.1% in comparison with 2018)

3.79 M³

/production ton

Total water consumption (-2.7% in comparison with 2018)



Responsible water use is a main prong in Edita's resource conservation plan as the company looks to maintain solid operations without depleting natural resources, next to further utilizing recycling, upcycling, and relevant treatment processes were possible. As such, Edita decided to establish its first wastewater treatment plant on the premises of its E10 facility in 2017. The company adheres to local legal requirements in carrying out the treatment process, which is monitored carefully through its environmental management system.

Following the successful results at E10, Edita decided to establish another wastewater treatment plant at its E06 facility in 2019. The new plant went live in February.

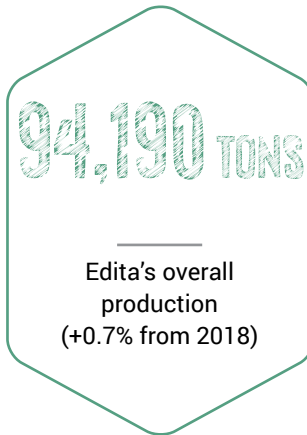
Further improvements in water consumption across all plants came on the back of several initiatives that Edita implemented in 2019. These included internal awareness campaigns on successful and responsible water use; setting year-to-year improvement targets at every facility; and installing water meter gauges on production lines to determine and control the highest consumers.



Waste Disposal

Edita uses tested and verified systems and contractors to dispose of waste produced across its product lifecycle process

To ensure the safe and smart management of waste produced across its operations, Edita embedded classification and disposal processes into its environmental management system. These processes entail the categorization and segregation of different waste groups by type – carton, paper, plastic, chemical, wood, metal, organic, other – as well as by degree of hazardousness. Governmentally-authorized contractors are then tasked with the safe pickup, transportation, and disposal of hazardous waste categories, per the regulations set by the Ministry of Environment. Other waste is handled by another five external contractors, one assigned to each of Edita's five plants.



Active Waste Reduction Efforts

In 2019, Edita recorded an improvement in the amount of waste generated per ton of production across its operations. This was thanks to an operation-wide waste optimization campaign, which introduced concepts such as Recognize & Reward (R&R) at the plants as a method of encouragement. The campaign also used statistical analysis and 'waste management per area of production line' calculations to determine the highest waste contributors, and formed task forces to improve their performance.

Edita also keeps track of its waste production through its scorecard program. Strict targets are set at each plant on the maximum amount of waste allowed per category, and workers are encouraged and incentivized to help their respective facilities in keeping below these numbers.



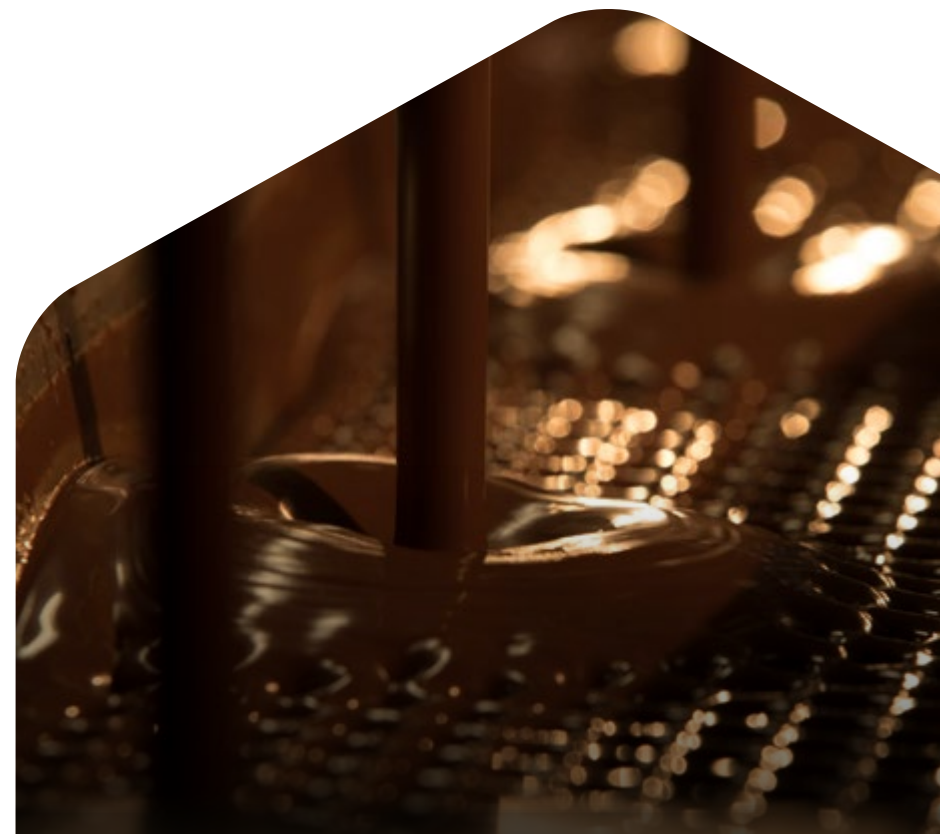
Raw Materials Sourcing and Use

Ethical sourcing and conscientious purchase and use of raw materials are essential prongs in Edita's continuously evolving supply chain and industrial operations optimization plan

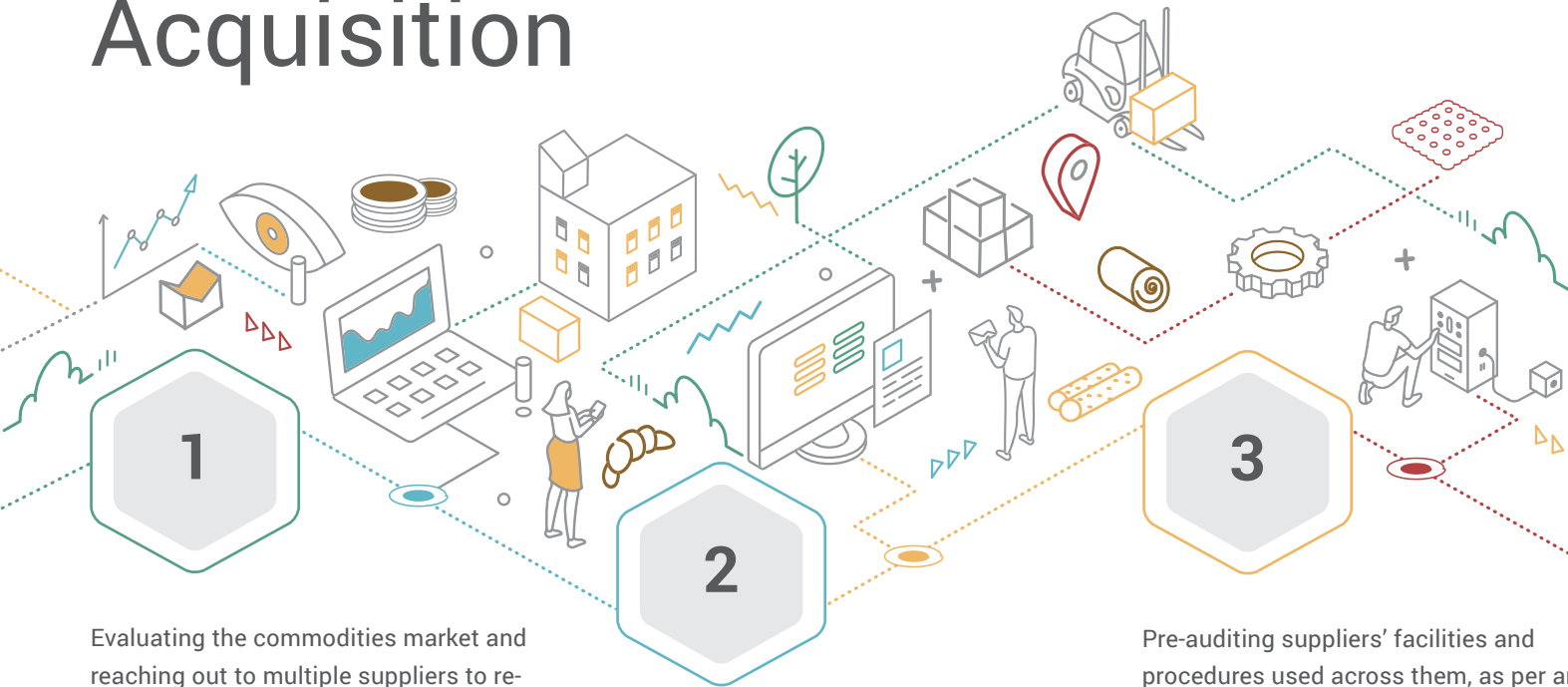
Edita adopts a non-compromising approach in ensuring the ethical sourcing, quality, and efficient use of resources and ingredients to manufacture its snacks. The elaborate process utilized by the company covered multiple fundamental grounds, from finding and contracting responsible suppliers to screening certifications, testing ingredients, and maximizing the efficient use of materials through heavy campaigning and monitoring across its plants. Additional safety and security measures are conducted in the form of quality inspections per additional specifications set by Edita, and annual or semiannual visits to suppliers as needed.

ESAP Progress

Task	Anticipated Date of Completion	Actual Date of Completion	Results/Actions
Conduct supply chain mapping and an environmental and social (E&S) risk assessment on commodities.	28/02/2019	Ongoing	<p>Edita now conducts periodic E&S assessments that cover the below:</p> <ol style="list-style-type: none"> 1. Requirements in procurement contracts 2. Applicable screening and assessment procedures 3. Identifying key suppliers (+20% supply ability) 4. Identifying accessibility to suppliers and Edita's leverage



Raw Materials Acquisition



Evaluating the commodities market and reaching out to multiple suppliers to request proposals for strategic and additional raw materials, and their supply period

This helps Edita mitigate availability and emergency supply risks, as well as identify different pricing brackets across the market

Examining supplier documents and certificates, and conducting pre-audits in collaboration with the Compliance and Corporate Governance department

This helps Edita ensure that its suppliers conduct their business ethically, thereby solidifying trust between Edita and its business partners

Pre-auditing suppliers' facilities and procedures used across them, as per an Edita specifications quality check list

This helps Edita choose suppliers that align with its environmental, social and governance expectations

Conducting screenings per the standards determined by the ISO 14001, as well as requesting pesticide tests for all raw materials acquired

This helps Edita seek out environmentally-friendly cultivation of its raw materials

In 2019, Edita also carried out initiatives to maximize the efficient use of raw materials, further decrease waste production, and reduce cost of goods sold (COGS). A campaign titled "Waste Attack" was launched across all Edita plants, which used statistical troubleshooting and effective team collaboration to optimize utilization across the entire value chain.

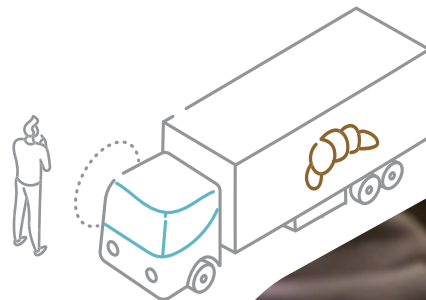
Packaging

With over 2.7 billion packs sold in 2019 and with increasing reach in the region, Edita diligently works to evolve the nature of its packaging and decrease environmental repercussions

Edita works towards optimizing its use of packaging materials on a regular basis, and continuously implements upgrades across its operation to decrease the effects of packaging waste on the environment. Mainly, however, the company must ensure that primary packaging used for its SKUs is food-grade, and so it puts suppliers through rigorous verification processes and tests to confirm the quality of materials being used. It also regularly audits the packaging process to guarantee adherence to top-class standards.

On a greener level, Edita produces 100% recyclable packaging, uses paper-based secondary and tertiary packaging, and prints recommended safe disposal icons on its packaging. The company also counts on its Research and Development department to recommend new optimization technologies for its products' containers, so that they continue to preserve its high-quality snacks while bearing less impact on the environment. Additionally, and with the deployment of the Molto Sandwich SKU, Edita has begun using reusable transport trays – in place of cartons – to deliver the product, in an effort to reduce consumption.

Going forward, Edita aims to adopt more recycling initiatives, particularly ones that involve traders and partners. Among the ideas that the company is currently working on is a discounts and promotions program that give traders additional benefits if they save and return Edita's cartons for recycling. It is also working to increase its use of biodegradable materials where possible, increase the use of its recycled plastic in non-food packaging capacities, and move towards becoming a green label brand.



A photograph of two men sitting on a boat, smiling and eating Molto ice cream. The man on the left is wearing a red polo shirt and sunglasses, while the man on the right is wearing a light blue t-shirt and sunglasses. They are both holding bags of Molto ice cream. The background shows a cityscape with buildings and water. A large white graphic element is overlaid on the left side of the image, containing the title and a paragraph of text.

Social Responsibility

Edita's wide-ranging social responsibility efforts stem from the company's desire to benefit its employees, consumers, and members of the wider community

Employee Affairs

Edita builds its successes by the hands of its employees, for whom it provides a safe and healthy work environment, professional development opportunities, and optimum employment conditions and benefits

In 2019:

6,277

Total number of employees

5.8%

Turnover rate (for cause)
(down from 6.4% in 2018)

16%

Turnover rate (voluntary)
(down from 17.5% in 2018)

75%

Average employee satisfaction percentage



Health and Safety

Employee well-being on the job is considered a fundamental right at Edita, which is why the company heavily invests in health and safety measures across its premises. Its framework covers the introduction of rigorous safety systems, the renewal of its international safety certifications, the provision of appropriate safety tools and individual equipment, and the conduction of safety trainings and drills.

Systems and Policies

Customized systems and policies were created to ensure that Edita is properly guiding, guarding, and monitoring operational safety across its premises.

SHE Policies

The Safety, Health and Environment (SHE) manual contains strict protocols that guarantee a more secure work environment for all employees. The policies' core pillars include property protection, injury prevention, and environmental sustainability, and they remained unchanged in 2019 due to their proven efficiency.

eREMS

The Edita Risk and Environmental Management System (eREMS) plays a crucial role in improving emergency responses, in protection of Edita's workers, contractors,

and visitors. The system integrates SHE pillars and policies into all standard procedures and monitors compliance across all plants through designated representatives. It also monitors employee sick leaves and health records, for early identification and mitigation of potential outbreaks or other risks.

In 2020, the eREMS system was updated to encompass changes made to the OHSAS 18001 (now ISO 45001). New procedures were also added to make use of opportunities and resolve risks identified in a report prepared by the Industrial Operations department in 2018.

Injuries on site

Edita is quick and efficient in tending to any injuries that occur on company premises. Following mitigation, the company's safety team records and investigates all details pertaining to the incident and adheres to action plans that are designed to prevent reoccurrence.

41,860

Total hours of safety trainings conducted (+10.6% y-o-y)

10.8

Average safety training hours per employee (+7.7% from y-o-y)

10,016

Near miss incidents (-16.3% from y-o-y)

2.58%

Average near-miss incidents per employee (-18.5% from y-o-y)

0.53

Occupational lost time injury rate (LTIR)

International Certifications

The eREMS system's extensive protocols allow for alignment with highly regarded international occupational safety standards and certifications. By the end of 2019, Edita kicked off the migration to the new Occupational Health and Safety Management System certification (ISO 45001). In 2020, two plants successfully migrated while the three remaining plants are planned in 2021. In addition, Edita had maintained its Quality Management System certification (ISO 9001) across all facilities.

Safety Equipment

Essential safety gear and personal protective equipment (PPE) are provided for workers across Edita's plants, as determined by each function's requirements for optimal work conditions. Individual gear can include safety shoes; heat-, electricity-, and cut-resistant gloves; dust and gas masks; protection goggles and face shields; welding aprons; and safety harnesses. Edita regularly monitors the status and quality of all gear, and makes changes or updates as needed.

Additionally, general safety systems and related equipment are made available across the company's premises per local civil defense regulations, the Egyptian fire code, and needs assessments. They include firefighting pumps, boxes, hoses, and extinguishers; alarm systems; multiple emergency tools; and first-aid kits as well as a clinic in every plant. All systems are monitored and tested periodically, with meticulous records kept, and are maintained by third-party experts when needed.

2

International safety certifications across all plants





Safety Trainings

To ensure that all employees are adequately informed and prepared in the face of potential safety crises, Edita conducts regular trainings on its SHE protocols, first-aid response, and the use of safety equipment. The company's programs recently expanded to encompass the now mandatory 7Cs Training Program, which covers the most critical safety risks that operations are susceptible to. It includes drills on fire prevention, working at height, lockout-tagout, working in confined spaces, machinery safety, contractor management, and fleet safety. Moreover, Edita employees receive firefighting and emergency response trainings, with at least two fire drills conducted per year at each of the company's plants.

Edita also continued to conduct its Toolbox Talks in 2019 to keep employees refreshed on occupational and environmental safety standards, and communicate any important changes and updates.

Learning and Development

Edita continued to steadily invest in building up its people's knowledge, skills, and potential in 2019. A firm belief in nurturing its existing pool of well-selected employees and preparing them to sustain and lead the company on the long run is what guides the company's employee development efforts. All initiatives are identified in alignment with Edita's competencies framework, which includes a set of principles that guide employee interaction.

Edita's Competencies



Striving for Excellence



Customer Centricity



Business Acumen



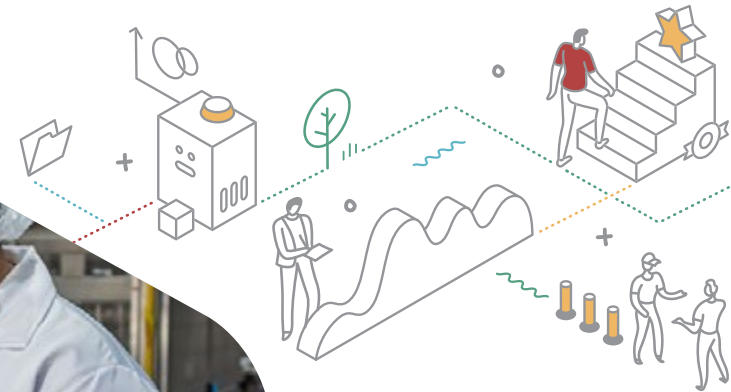
Leading Change



Coaching and Developing People



Diversity and Inclusion



Through its academies, its evolving company training plan, and other varied programs, Edita managed to cover wide training ground in 2019 and achieve impressive results that boosted both employee capabilities and morale.

Edita Sales Academy (ESA)

Established to refine the skills of the Edita sales team, ESA collaborates with international training entities to deliver top-tier programs to employees. In 2019, Edita collaborated with Beacon Training UK in delivering a two-day Train the Trainer (TOT) workshop. Eight middle management sales team members were certified as internal trainers and went on to train 103 sales supervisors in people-management skills. Four employees were certified to deliver “The Seven Habits of Highly Effective People” training. Additionally, an employee partook in the curriculum reform and teachers training program, launched by the Ministry of Education in partnership with Technical and Vocational Education and Training (TVET) Egypt.

In 2019:

8

TOT trainees

210

Training days

Edita Manufacturing Academy (EMA)

EMA pioneered the delivery of the industrial version of Franklin Covey’s ‘7 Habits of Highly Effective People’. The academy collaborated with FC Egypt to deliver the program across its factories to all blue-collar workers. In 2019, it conducted the trainings across its E08 and E10 factories and successfully trained 300 workers over seven months. The academy will continue rolling out the project across the rest of the company’s plants in its coming stage.

300

Trained workers in 2019

600

Training days in 2019

1,140

Trained workers so far (c. 28% of total workforce)

2,280

Training days since launch



Edita Quality Academy

Using the data-driven Six Sigma Methodology to improve its quality processes, the Edita Quality Academy began training the company's Quality and Production Team in 2018 on real-life improvement projects across the plants. In 2019, the academy delivered more trainings to the team, certifying two different groups of 35 people in total throughout the year.

In 2019:

35

Quality team trainees

221

Training days

11

Experiential programs delivered

847

Total attendees

31

Skill Bites programs delivered

47

Workshop sessions

373

Training days

Company Training Plan

Edita delivered a diversified range of trainings under its annual company-wide program in 2019. It revisited some of its previously successful programs, such as Skill Bites and Learn with Leaders. It also continued to introduce new team bonding activities that would increase interdepartmental communication and strengthen employee knowledge of Edita's competences.

Skill Bites Training

After performing needs assessments to determine skill development needs, and in line with Edita's competencies framework, Edita conducted different Skill Bites trainings, which are specialized soft skills trainings that cover topics like problem-solving, leadership skills, agile and critical thinking, presentation skills, and more. Each "bite" ranges between two and three hours and provides support tools that would help trainees refine their related knowledge or practice. Edita believes that "bitesize learning" introduces information in easily digestible doses that leave long-term effects.



Learn with Leaders

Edita continued to deliver its Learn with Leaders initiative in 2019, where the company's senior directors and vice presidents deliver sessions laden with topics that stem from experiences as leaders within their different functions. The initiative aims to develop business acumen across the company, with 203 attendees successfully trained this year.

In 2019:

5

Sessions delivered

203

Attendees

51

Training days

Functional Trainings

Edita provided external trainings to departments through training program Wish List, which employs focused learning classroom intervention methodologies. Department-specific trainings were deployed to improve each department's specialized capabilities and use every team's insight to improve any lacking areas.

621

Training days

132

Total number of trainees

3

Online training programs used

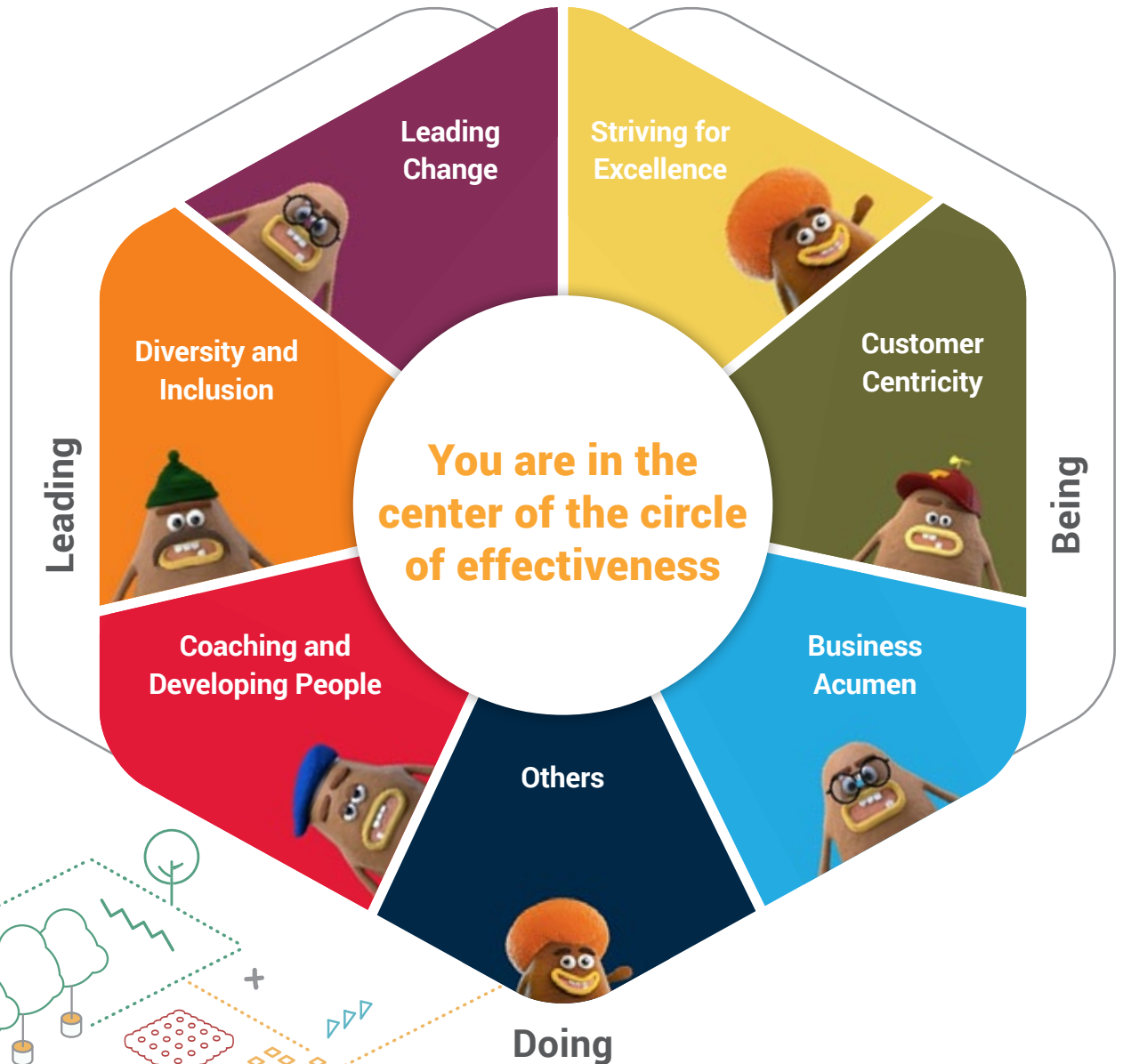


Team Bonding Activities

Next to fostering skills and capabilities for professional development, Edita brings teams together across its plants through different activities that strengthen team bonds and individual talents.

C-Trivia – Showing off employees' Edita knowledge

In 2019, Edita introduced the C-trivia game to its employees, a friendly competition that aims to increase engagement and solidify individual knowledge of the company's competencies, frameworks, and achievements. The customized trivia game saw individual employees compete by answering different rounds of questions that cover company-related topics such as Edita's six core competencies, general knowledge about Edita's financial achievements, marketing efforts, and more. The game lasted for six months, and notable increases in informational awareness, loyalty, and engagement were recorded as a result. The highest scorers were rewarded by the end of the game.



Editaweya Championship League

Among Edita's primary employee engagement activities in 2019 was the company's Editaweya Championship League, the largest interdepartmental event held this year to promote team bonding. Departments split into teams that competed in leagues of lighthearted group games to win the championship cup. Games varied from ping-pong and foosball to electronic games, card games, and board games. The league played an important role in promoting teamwork while employees from different departments were able to get to know one another and enjoy friendly competition.

Sales Branches Breakfasts

As part of its efforts to thank its sales teams for their impressive results throughout 2019, Edita rolled out breakfast celebrations across all 21 of its branches. Employees from the main office visited each branch, hosting an early breakfast for employees and handing out giveaways to boost morale.

Labor Day Celebrations

Emphasizing and praising the work of its hardworking blue-collar workforce is central to Edita. Every Labor Day, the company puts them at the center of its celebrations, which are hosted across all five plants with the aim of thanking more than 6,000 workers for their contributions to the company.

Congratulations!

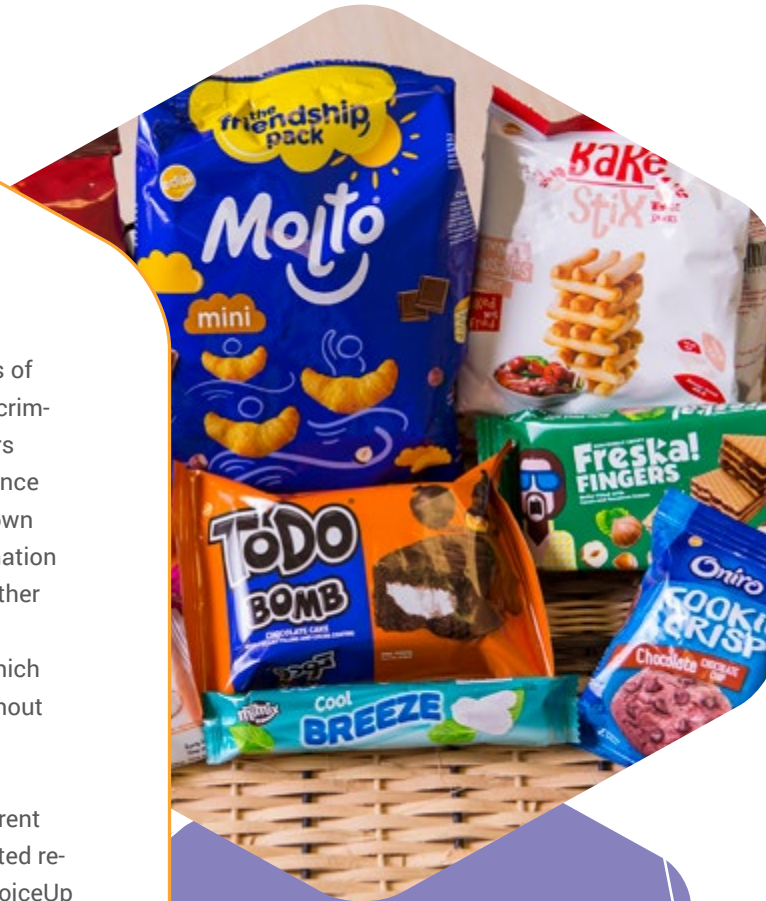
TO THE WINNERS OF EDITAWEYA CHAMPIONSHIP LEAGUE
DON'T SMALL US



Diversity and Inclusion

Edita cultivates a work environment built on the tenets of diversity, inclusion, and a strong adherence to anti-discrimination practices. Parallel to bringing all team members together in training to fortify the ideologies of acceptance and flexibility, the company also regularly evolves its own systems, in an effort to reduce incidences of discrimination based on age, gender, religion, race, disability, or any other distinctive characteristics. Diversity and inclusion are also considered among Edita's main competencies, which employees are expected to know and embrace throughout their time with the company.

Many policies are instated across the company's different functions to improve its employees' experiences. Trusted reporting and whistleblowing mechanisms – such as IVoiceUp and In Touch – are used, and many strict penalties are also put in place to ensure that any violations are immediately and efficiently handled.



ZERO

Number of discrimination grievances reported in 2019

Anti-Discrimination Policy

Edita employs a zero-tolerance anti-discrimination policy, which states that employees must not engage in and must report all incidences witnessed that showcase any type of discrimination against another individual across Edita's operations. The company urges its people to embrace transparency in reporting any incidences, without fear of retribution, and stresses on the importance of exercising complete truthfulness in communication. To ensure that all employees are fully aware of this policy, Edita has mandated a briefing on it as a part of the all new employees' orientation. Related documents are also available for all employees on the company's Sharepoint.

Diverse Hiring

Edita's anti-discrimination practices are also reflected in its hiring process, which is fully based on a candidate's job experience measured against the requirements of the vacancy. The company understands the positive effect of workforce diversity on its internal culture and actively recruits candidates from around the country to ensure that different members of the community are represented across its departments. It additionally places emphasis on providing employment to suitable female candidates, and provides employment to disabled individuals, which currently constitute 5% of its workforce.

Anti-Sexual Harassment Policy

Further to its efforts in eliminating workplace bias, Edita prioritizes the physical and emotional safety of its employees and is therefore stringent in upholding its anti-sexual harassment policy. All employees are required to avoid making any remarks, gestures, or actions that would be construed as sexual harassment, with managers and HR ready to conduct immediate investigations in case of violation. Edita's Compliance and Corporate Governance department is tasked with assisting sufferers or witnesses in reporting any incidences, which are immediately investigated with severe, lawful actions taken against offenders.

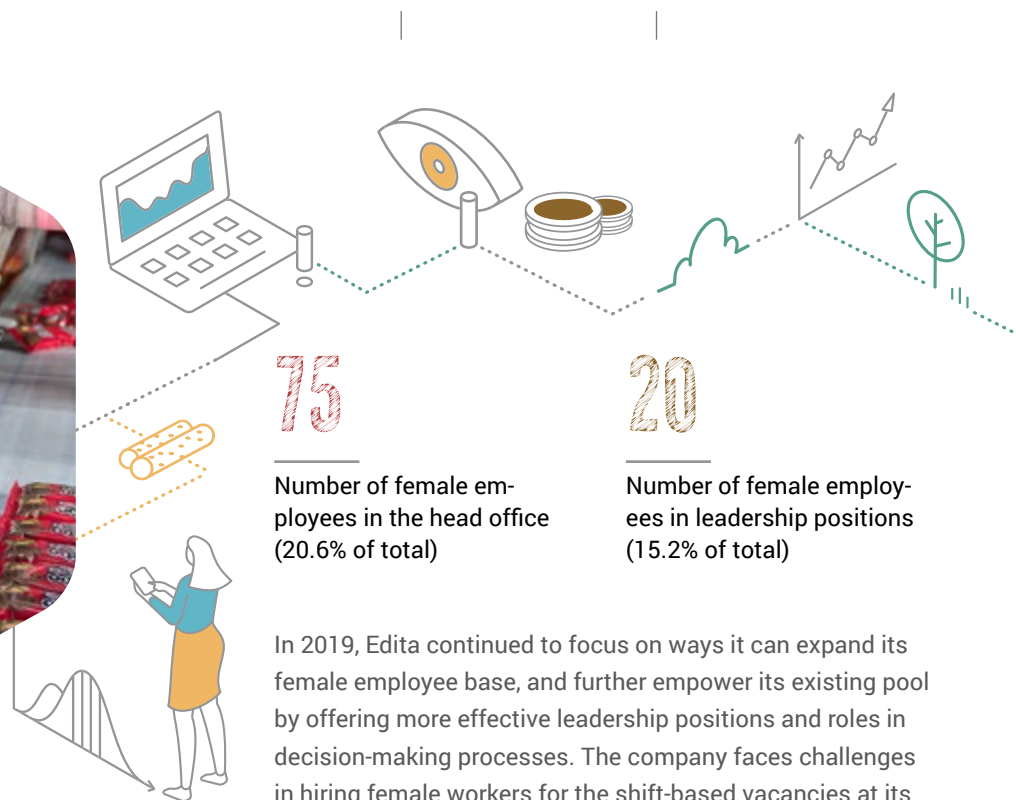
2

Number of sexual harassment grievances reported and resolved in 2019



Achieving Gender Equality

Edita strives to provide employees with equal opportunities, benefits, and support. To achieve this, the company recognizes the gap that currently exists between men and women in the workforce and is actively working to decrease it. It therefore funnels investment into empowering women on the team, and specifically provides them with more opportunities to have higher impact across company functions and at decision-making levels. It also participates in audit activities that provide recommendations on opportunities for improvement.



In 2019, Edita continued to focus on ways it can expand its female employee base, and further empower its existing pool by offering more effective leadership positions and roles in decision-making processes. The company faces challenges in hiring female workers for the shift-based vacancies at its plants due to cultural obstacles, yet it offers them nonetheless in an effort to encourage potential candidates. Among its most additions to its workforce in 2019 is the hiring of the first female quality control manager at its E08 plant.

To offset gender imbalance, the company now prioritizes hiring suitable female candidates in its fixed-hours vacancies. It has also begun offering developmental programs for females in leadership roles, and ensures that all company induction materials, policies, and communication materials promote gender equality.

Employee Labor Rights

Edita ensures employees receive all the rights afforded to them by law and in line with global best practices of fair labor standards. As such, it is committed to providing complete and fair compensation to all of its employees and partners, as well as strictly monitoring that neither it nor its affiliates engage in illegal practices that include forced labor, child labor, and any practice that infringes human and labor rights. Edita's returns scheme is also fed with additional benefits and incentives that the company uses to support and reward its people for their investment in its success. Furthermore, it makes sure its employees are given multiple feedback channels that encourage active involvement.

Compensation and Benefits

A diversified returns scheme is tailored to each employee segment at Edita so that reasonable compensation is offered and updated in line with both the stipulations of the law and changing market norms.



Pay Strategy

Blue-Collar

Average between the median and upper quartile of the fast-moving consumer goods (FMCG) market

White-Collar

Average between the median and upper quartile of the general market

Management

Average between the upper quartile and the top 10 companies in the general market



Edita employees additionally receive social, medical, and life insurance coverage, with income level determining the criteria and requirements for the last two. Other benefits include a '13th month' bonus payment for all employees, which is an extra month's pay that is halved and distributed on different religious feast celebration days. Employee performance is also monitored thoroughly year-round to identify the highest performers and decide on promotions and extra bonuses in the form of annual profit shares.

Fringe benefits offered are determined per job nature and seniority. They include but are not limited to allowances that cover fuel and mobile phone charges; two meals per day for every blue-collar worker; transportation buses for all Edita employees; and company cars for some managers. Further benefits are determined on a case-by-case basis.

The well-being of its expecting female employees is a priority to Edita, and so the company provides convenient maternity leaves that are also extendable, by law, as unpaid vacations. Until today, 100% of the company's working mothers have returned to work after their leaves were complete.

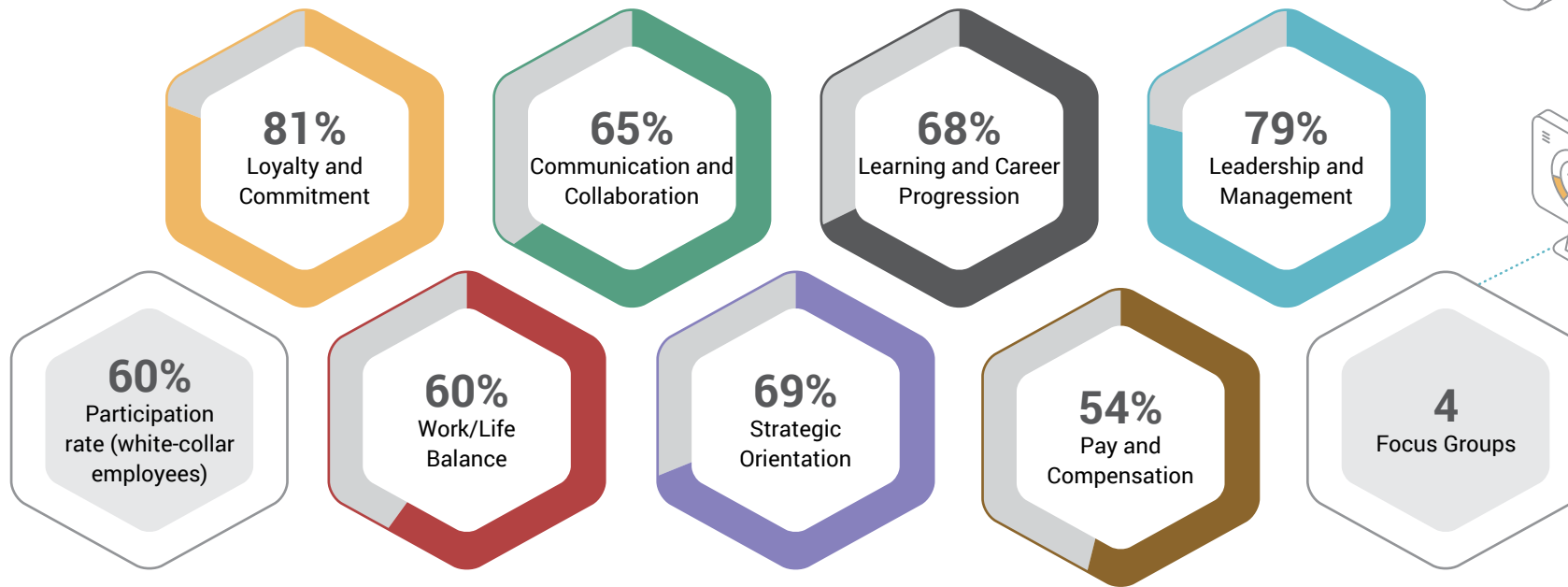
Employee Feedback Mechanisms

Edita provides customized feedback channels that service each of its employee groups to improve its systems through reliable, diversified, and extensive insight. The company continued to rely on its Organizational Climate Survey in 2019 to assess employee satisfaction and determine potential areas of improvement. It also continued to power its In Touch program, specifically geared towards its blue-collar workforce.



Organizational Climate Survey

Survey Dimensions and Satisfaction Rate in 2019:



A climate survey is now conducted annually to gather information on how white-collar employees feel about Edita and how they view themselves within its scope. The survey is built around seven primary dimensions which aim to cover as many aspects of an employee’s work experience as possible.

The climate survey was conducted near the end of 2019, with findings showing an above-average satisfaction rate across most of the seven dimensions, and potential areas of improvement across others. To make the most out of the results, Edita’s HR department put together four focus groups, each comprised of 12-16 nominees from different

departments across the company. The groups individually reviewed the results, and brainstormed action plans and strategies for future improvements that would fundamentally target the lowest scoring dimensions. This was done in an effort to bring about tangible changes and elevate satisfaction rates company-wide by the next survey in 2020.

In Touch

Edita's In Touch program is central to its efforts in constantly improving the company's culture. Developed as an initiative that gives blue-collar employees the space to express their opinions and feedback, the program continued to have a resounding effect in 2019. Seven meetings were conducted throughout the year, with key findings and actions per plant as follows:



Plant	Key findings	Actions
E06	<ul style="list-style-type: none"> • A lack of awareness on the benefits of private and governmental medical insurances • Outdated packages for maintenance workers, per market changes • A lack of coats for maintenance and general services workers who operate outdoors in winter 	<ul style="list-style-type: none"> • Conducted specialized sessions for each type of insurance to help employees understand benefits and use • Upgraded maintenance packages went into effect as of January 2020 • Management approved the provision of coats, which will begin in winter 2020
E07	<ul style="list-style-type: none"> • High turnover rates • Low number of visits from the medical insurance (MetLife) doctor • A lack of adequate medical insurance deals and packages 	<ul style="list-style-type: none"> • Absorbed outsourcing needs internally to overcome unnecessarily high turnover rates • Increased frequency of the MetLife doctor's visits • Updated medical insurance plans and conducted informational sessions across all plants
E08	<ul style="list-style-type: none"> • Transportation issues, particularly with meeting points 	<ul style="list-style-type: none"> • E08's transportation was separated from E07's in 2020, and all other related issues were resolved
E10	<ul style="list-style-type: none"> • Low promotion opportunities • Limited profit share (one month) • Loyalty program is excluded when calculating annual increases 	<ul style="list-style-type: none"> • Invested more time and effort in explaining to employees why open contracts hinder promotions, and detailed company policies on profit share and annual increases
E15 (ECI)	<ul style="list-style-type: none"> • A lack of MetLife coverage in Beni Suef 	<ul style="list-style-type: none"> • Began talks with MetLife to extend their network to include some Beni Suef hospitals

All information and proposed action plans were directly communicated to and approved by top management, and will be utilized as references for the company's future internal development plans.

Consumer Protection

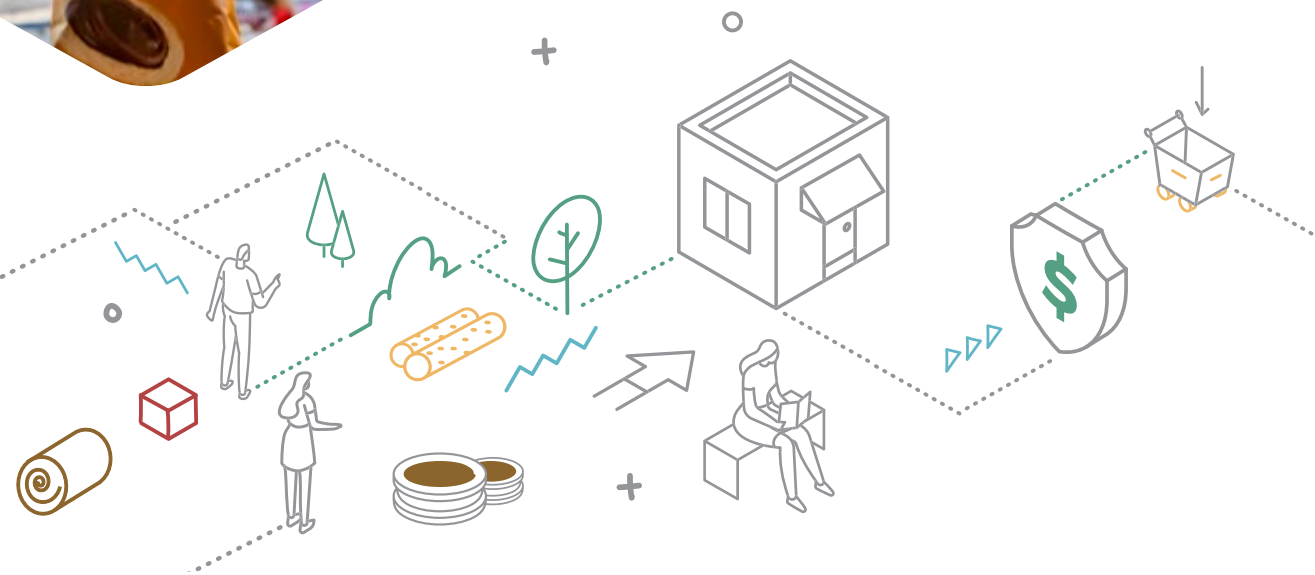
A deep understanding of its responsibility as a household brand and favoured snack food producer prompts Edita to examine the safe manufacturing standards and ethical promotion of its goods. The company creates a safer, more enjoyable experience for consumers by improving the sustainability of its product lifecycle management and gradually optimizing its supply chain process. Edita is also conscious of shifting consumer tastes as they look to snacks that support a healthy lifestyle. As such, it continues to improve the nutrition and ingredients used to create its snacks.

Furthermore, and in ethical consideration of both its customers and wider community members, Edita ensures that all of its marketing activities employ socially-acceptable and entertaining themes. The company also endorses significant national events and collaborates with widely-celebrated public figures to bring more enjoyable experiences to its consumers.



Product Lifecycle Management

Edita entrusts several of its departments, including Supply Chain and Research and Development (R&D), with handling and monitoring the lifecycles of its products. The company certifies that all briefings for new products are feasible, and that all final goods meet national food safety requirements, with any necessary modifications or optimized practices introduced where feasible. The lifecycle covers Edita's products from inception to selling point, with R&D conceptualizing the product, and supply chain playing a fundamental role in bringing it to life. The latter also ensures the responsible sourcing and use of raw ingredients and materials – see the [Environmental Management](#) section – and the efficient manufacturing and delivery of all of the company's products. Any changes or improvements reverberate across all of Edita's factories and lines, further boosting the quality of its SKUs.



The Role of Research and Development

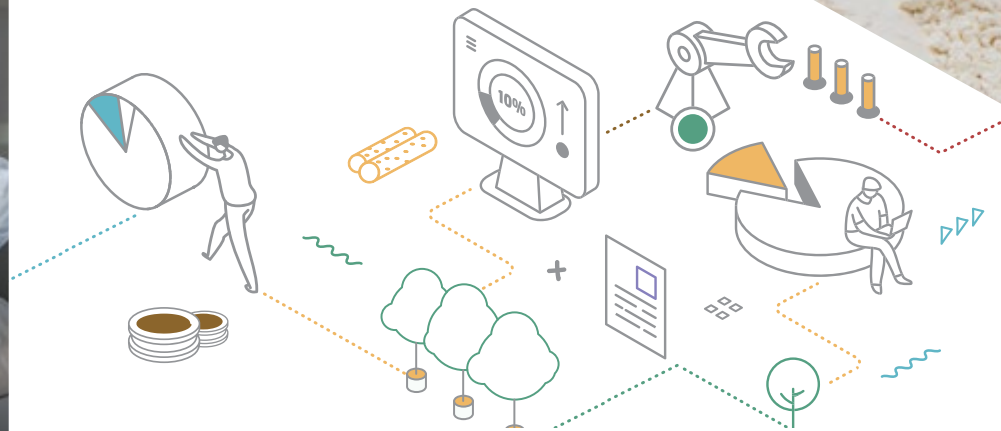
The R&D department is entrusted with creating and improving on Edita's products. Using proposals and briefs produced by the Marketing department, internationally-trained specialists are tasked with creating products that would complement and enrich Edita's Taste and Variety product portfolio.

R&D leads lab work, the creation of prototype samples, and the conduction of scale up trials that verify product readiness for the market. Its process also determines product

specifications; processing efficiency; adequate shelf life; necessary production capabilities; labeling information; and nutritional information. The department continuously looks to lead process optimization, cost saving, and product enhancement initiatives to support Edita in producing high quality products while improving operations and reducing cost.

In 2020, R&D led the launch of Oniro Cookies, one of Edita's newest SKU and its first venture into the biscuits segment; Molto Magnum; the immediately-successful Molto Sandwich, which filled a market demand for savory snacks; Freska sticks; and ToDo Max and HOHOs coffee for the cakes segment.

Moving forward, Edita envisions applying stricter boundaries with its use of non-hydrogenated fats across its product portfolio, a process it has already begun with all Freska products and some of the company's cake products. Research is currently underway on how to best approach and expand this change into Molto and the rest of the company's SKUs, which is a significant part of the company's plan to produce well-rounded, green-label products.



Health and Nutrition

Products at Edita enter a rigorous quality control and assurance process – without exception – that covers their entire lifecycle, from raw materials to manufacturing, packing, and dispatch. Finished products are subject to hourly samplings for traceability testing and sensorial validation, to ensure that consumers are provided with the freshest products available, with no alteration in attributes, up to the expiry date.

Edita is also hyperaware of the fact that consumer tastes are evolving now more than ever, as they seek out more nutritious snacks to fuel active, on-the-go lifestyles. As such, the company makes sure consumers are informed of what goes into their preferred Edita products, and is making more concerted efforts to look into the use of healthier, more sustainable, and widely trusted ingredients.

Fundamental to the company's development of successful SKUs is also monitoring growing trends in the region through the efforts of the R&D and Marketing departments, and benchmarking them against the company's product sensory specifications to determine applicability. As it continues to embrace this direction in the future, it will aim to apply as many upgrades to its product range as feasible, which can include but is not limited to reduced use of salt, sugar, synthetic flavours, and partially-hydrogenated fats.

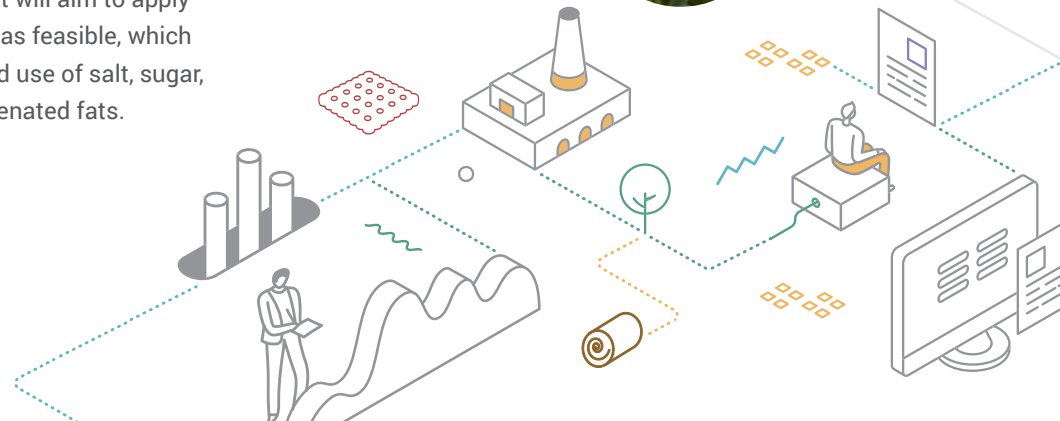


Facilities and Certifications

Edita's five factories are all state-of-the-art and were built to operate in line with top-class food and quality management standards. Constructed at a safe distance from residential communities, all factories have been subjected to versatile locally- and internationally-accredited assessments and evaluations, and have accordingly received various certifications:

- Food Safety Management System (ISO 22000)
- Quality Management System (ISO 9001)
- Food Safety System Certification (FSSC 22000)
- HALAL Food Certification

Edita also remains registered on the white list of the National Food Safety Authority (NFSA).

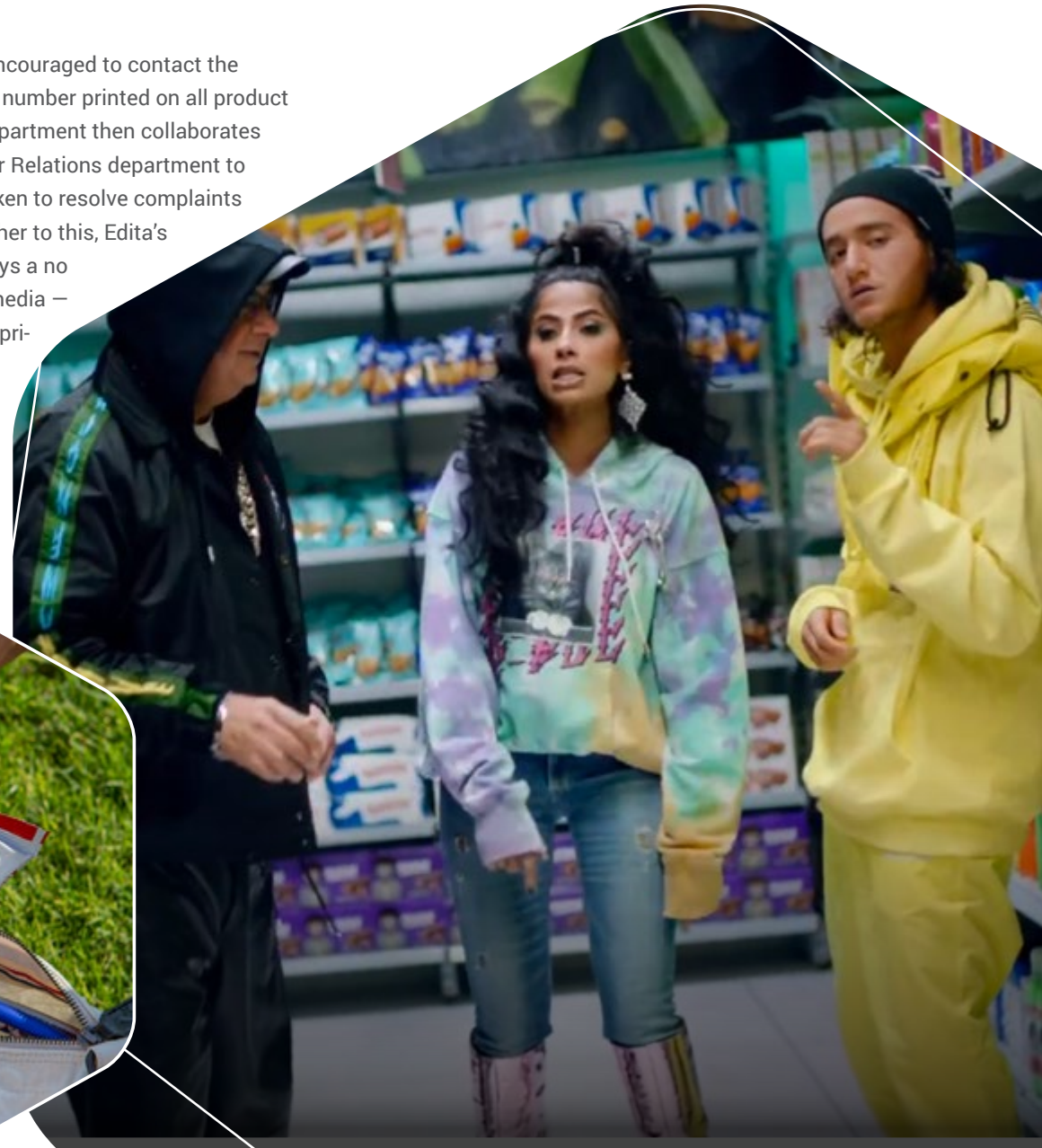


Ethical Marketing Practices

As an active member of its community and an advocate of ethical and transparent messaging, Edita ensures the compliance of all marketing, advertising, and promotional content with its strict ethics code. Under this code, Edita's marketing department must:

- Communicate to the masses – with a focus on young adults and teens – using appropriate language that is especially free of vulgar terminology and displays of violence, and trusted on-ground activities
- Uses culturally-appropriate themes that would sit well with the masses
- Avoid associating any and all types of discrimination with the brand
- Vet celebrities it collaborates with to maintain ethical brand representation
- Avoid the communication of any false claims at all times
- Ensure that all Edita packaging communicates all allergens present in any given product, to assist consumers in making informed purchases.
- Not market, advertise, or promote religious or political content

Edita's consumers are also encouraged to contact the company through the hotline number printed on all product packaging. The Marketing department then collaborates with the company's Customer Relations department to ensure that swift action is taken to resolve complaints and record suggestions. Further to this, Edita's Marketing department employs a no censorship policy on social media – with the exception of inappropriate content – to improve its operations through feedback and bridge gaps with disgruntled consumers.



Social Contribution

Edita supports its surrounding communities through social contributions that aim to enable different segments and empower future generations

Edita believes that diverse external contributions help deepen its ties to its communities, and strengthen its position as a company that puts people first. While one part of these contributions naturally comes in the form of its product offerings of well-liked, versatile snack foods, another part is rooted in its socially responsible activities that create shared value across many community segments.

The company conducts, sponsors, and contributes to a number of social initiatives that promote educational development, healthcare support, and general well-being. It has also begun consolidating its efforts

under the Edita Foundation for Social Development, a newly-founded medium that aims to heighten the company's social involvement and positive impact.

It is also worth noting that Edita's social contribution efforts are aligned with a number of the UN's SDGs, in compliance with the company's commitment to fuel global prosperity.



Edita Foundation for Social Development

Continuous improvement on its corporate social responsibility operations led Edita to the practical solution of establishing the Edita Foundation, a medium where all the company's relevant efforts can be consolidated for maximum impact. Since its launch in March 2020, the foundation has undertaken multiple relief efforts on behalf of the company to participate in alleviating the effects of the COVID-19 pandemic.



Misr El Kheir Donation

EGP 2 million were donated by the Edita Foundation to Misr El Kheir Foundation in support of the national healthcare system. The donation was pledged to the “**Breathe campaign**”, an initiative launched to purchase additional medical ventilators for patients and personal protective equipment for healthcare providers, in light of COVID-19’s devastating effects.

Tahya Misr Donation

The foundation donated EGP 2 million worth of Edita products to a humanitarian aid convoy led primarily by the Tahya Misr fund. The donated products became a part of 300,000 food boxes that were distributed to families in 300 villages across 16 Egyptian governorates. Families that were severely affected by COVID-19 were specifically sought out and prioritized.



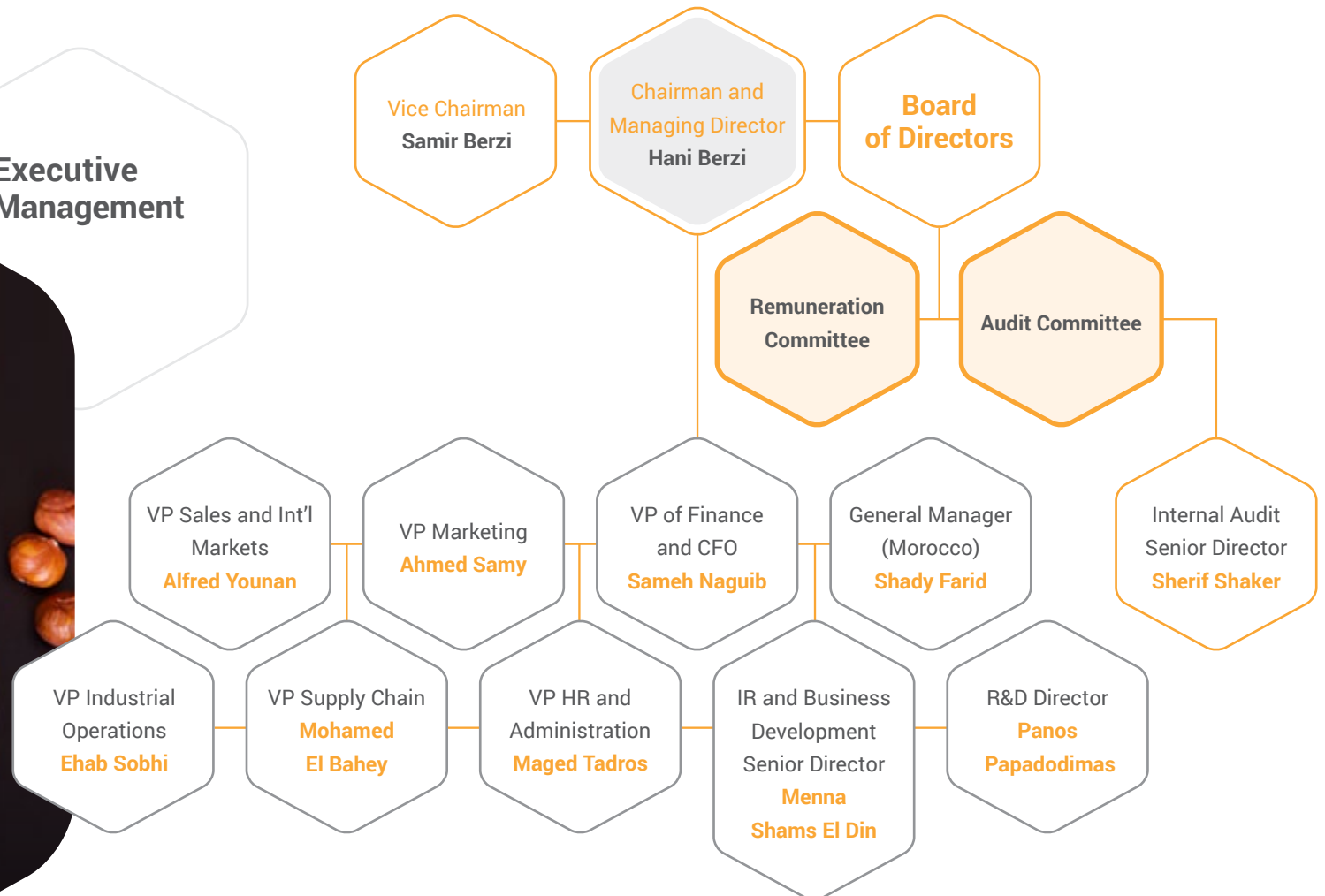
Corporate Governance

To continue growing as a successful business governed by smart, fair, and transparent practices, Edita adopts governance mechanisms that play a fundamental role in its sustainable development

Organizational Structure

Edita's management team and board of directors are comprised of top industry professionals, entrusted with guiding the company within their technical capacities and as part of their governing bodies

Executive Management



Board of Directors



Eng. Hani Berzi
Chairman and Managing Director,
Representing Quantum Invest BV

Mr. Berzi has 34 years of experience in the food and beverage industry, having started his career in 1986 by joining Tasty Foods Egypt, his family's snack food business. Mr. Berzi subsequently held the position of Sales and Marketing Vice President at Tasty Foods Egypt after a sale of a part of its shares to PepsiCo, from 1990 to 1992. Mr. Berzi became a member of the Board of Edita Food Industries in 1996 and became the Managing Director and Chairman of the Board in 2006. Mr. Berzi is also a member of the Board of the Chamber of Food Industries and the Egyptian Centre for Economic Studies and is the Chairman of the Egyptian-Greek Business Council (Egyptian side) and is the Chairman of the Food Export Council. Previously, he was a member of the boards of a number of companies in the food and beverage industry, including Technopak in 1987, Rotopak in 1989, and Egypt Sack in 1997, and has also served as a Board Member of the Federation of Egyptian Industries. He graduated from Ain Shams University (Cairo, Egypt) with a BSc in Computer and Control Engineering.



Mr. Samir Nabih Aziz Berzi
Vice Chairman, Representing Quantum
Invest BV

Mr. Berzi has 37 years of experience in the food and beverage industry, having started his career by joining Tasty Foods Egypt. In 1986, Mr. Berzi founded Berzi Confectionery, which was later acquired by Tasty Foods Egypt. He subsequently held the position of Industrial Operation Vice President at Tasty Foods Egypt after a sale of a part of its shares to PepsiCo. Mr. Berzi has also established a number of companies, including Digma Trading, a fast-moving consumer goods distribution company and Edita Food Industries. Mr. Berzi became a member of the Board of Edita Food Industries in 1996. He is also the Chairman of Digma Trading and Edita Confectionery Industries, a member of the American Chamber of Commerce, a member of the Board and shareholder of Le Pacha 1901, a shareholder of Mirage Hotels, which owns the JW Marriott at Mirage City, and a shareholder of Sakkara Tourism Investment, which owns the Mirage City compound in New Cairo. He graduated from Cairo University (Cairo, Egypt) in 1982 with a BA in Commerce.



Ms. Fatma Lotfy

Board Member, Representing Quantum Invest BV

Ms. Lotfy has been a member of Edita’s Board of Directors since 2015, with over 33 years of commercial and investment banking experience under her belt. Since she began her career in the late 1980s, Ms. Lotfy has held senior and key executive positions in a number of renowned international and local banks and sits on the boards of several largescale financial institutions. Since 2015, she has been a board member of Credit Libanias Beirut and is currently the Chairperson of EFG Hermes Finance. Prior to that, Ms. Lotfy was the Deputy Chairperson and Managing Director at Bank Audi Egypt, the First Deputy Chairperson and Managing Director at Alexbank Intesa San Paolo and Managing Director and Board and Executive Committee Member at Al Watani Bank of Egypt (currently NBK Egypt), in addition to several other senior positions at various institutions, including the Commercial International Bank (CIB). Ms. Lotfy is also highly engaged in her role as an active corporate citizen through her activities as a member of the Egyptian European Council, the Young Presidents Organization (YPO), the Egyptian British Chamber of Commerce, the Egyptian American Chamber of Commerce, in addition to being an active member of the Economic Committee of the Women’s National Congress.



Mr. Tamir Saeed

Board Member, Representing Kingsway

Mr. Saeed has 16 years of experience in the finance industry, having started his career at Goldman Sachs where he spent eight years in a variety of roles in the firm’s Investment Banking, Equity Derivatives Trading, and Principal Strategies groups. Currently, Mr. Saeed is a Managing Partner at Kingsway Capital Advisors LLP, a leading U.K. based investment manager, managing institutional capital with a long-term investment horizon and a focus on high-quality consumer franchises in frontier and emerging markets. Aside from Edita, Mr. Saeed is a board member of a number of reputable companies in Egypt and the broader region, including Al-Eqbal Investment Company (EICO) in Jordan. He graduated from the University of Cambridge (United Kingdom) with an MA in Economics, and is a CFA Charterholder.



Mr. Mounir Fakhry Abdel Nour
Independent Board Member

Mr. Abdel Nour is a veteran banker, industrialist, and public servant. Mr. Abdel Nour first entered government service in 2011 as Minister of Tourism, a post he held until 2012. He re-joined cabinet as Minister of Trade and Industry in July 2013 and went on to serve as Minister of Trade, Industry, and Investment and as Minister of Trade, Industry, and SMEs until he left office in September 2015. Prior to entering government, Mr. Abdel Nour was a banker with Banque de l'Union Européenne and American Express. He founded Vitrac, a leading Egyptian maker of jams, juices, and syrups, in the 1980s and grew the company into a category-defining player with a dominant market share in Egypt and strong export network. Mr. Abdel Nour led Vitrac's sale in 2002 to Hero Group, a leading Switzerland-based international consumer foods company. Mr. Abdel Nour was chairman of Hero Middle East from 2004 until 2011. He is currently a board member of GB Auto, Domty, and Beltone Financial. His past directorships include service to the Egyptian Exchange (1999-2002), the Federation of Egyptian Industries (2004-2007), the Egyptian Competition Authority (2005-2007), among others. Mr. Abdel Nour holds a BSc in Statistics from Cairo University's School of Economics and Political Science and an MA in Economics from the American University in Cairo.



Mr. Hussein Choukri
Independent Board Member

Mr. Choukri is among the pioneers of Egypt's investment banking sector. He joined the investment banking department of Morgan Stanley in New York as an Associate in 1980 and acted as Managing Director from 1987 until 1993. In 1993, he became its Advisory Director to serve in this capacity until 2007. In 1996, he established HC Securities and Investment, which currently is one of the leading investment banks in the Middle East and North Africa. Mr. Choukri is a board member of a number of associations and reputable companies, including Holding Company for Tourism, Hotels, and Cinema and The Egyptian British Business Council (EBBC). Mr. Choukri joined Edita as a Board Member in January 2015. Mr. Choukri is the head of Edita's Remuneration committee and is also a member of the Audit committee. He graduated from Ain Shams University and the American University in Cairo with a degree in Commerce and Management, respectively.



Ms. Sahar El Sallab
Independent Board Member

Ms. El Sallab worked and trained at Citibank Cairo and Athens before spending 25 years working at Commercial International Bank, where she assumed the roles of Vice Chairman and Managing Director. She was also the Chairperson of Commercial International Capital Holding Company (CI Capital), is currently chairperson of Hiteknofal Company, and a board member at the National Bank of Egypt. After significant private sector experience, she became the Deputy Minister of Trade and Industry for Development and Investment in Internal Trade in Egypt. Ms. El Sallab has been nominated as one of the 100 Most Powerful Arab Women 2011 by South African Magazine, CEO, and one of 10 Most Powerful Egyptian Women 2011 by the Egypt Business Directory. Ms. El Sallab is also the head of Edita's Audit committee. She graduated from the American University in Beirut and from the Harvard Kennedy School for Management.



Mr. Hanny Y. Elmessiry
Independent Board Member

Mr. Elmessiry has over 18 years of experience in the food and beverages industry. From 2012-2015 he served as Chief Executive Officer for IFFCO Egypt, North Africa's largest edible oil and fats refining and processing company. Before that, he acted as Vice President and Managing Director of Golden State Foods Middle East, whose clients include McDonalds, YUM Brands, and Americana. Currently, Elmessiry is a partner at Global Equity Ventures, a fund investing in projects in the MENA region with a focus on entrepreneurship, franchising, information technology, logistics, and sports tourism. He also serves on the board of several for-profit companies in addition to teaching strategic management at The American University in Cairo. Previously, Elmessiry also acted as Chairman and Chief Executive Officer of Orascom Housing Communities. He also served as Governor of Alexandria, Egypt's second largest city. In the 1980s and 1990s, Elmessiry lived in California, USA, where he pursued educational opportunities and gained extensive international work experience with a number of companies, including Bank of America and Al Baraka Bancorp California. Upon returning to the Middle East, he worked for several companies, where he was responsible for projects in the areas of private infrastructure, oil and gas, petrochemicals, and international trade.

Governance Mechanisms

Edita's governance structure is monitored by its board of directors, with members and committees working to ensure the company's overall compliance and the soundness of its strategies

Board of Directors

Edita's board of directors committedly provides the company with strategic guidance and direction that aims to yield positive returns for shareholders and other stakeholders. The board was founded in compliance with the rules and regulations for joint stock companies incorporated in Egypt, and is currently comprised of eight members – two executives and six non-executives, four of which are independent. Its responsibilities cover a wide array of strategic decisions, from policy writing to the creation of monitoring committees and providing advisory to Edita's executive management on core operational developments and changes. Among its growing chief objectives is to observe the company's ESG performance and navigate it towards improvement across all functions, in realization of its goal to substantially reduce operational impact on environmental and social elements through sound governance practices. The board's performance is reviewed at Edita's annual general assembly (GA), as well as by an external auditor twice a year, and within the company's monthly internal audit report.

2019 Board Meetings' Attendance

The board of directors held five meetings in 2019, with high attendance rates throughout the year.

Name	Attendance
Hani Berzi	7/7
Samir Berzi	7/7
Fatma Lotfy	7/7
Jeffrey Van Der Ems	5/7
Hussein Choukri	7/7
Sahar El Sallab	5/7
Mounir Fakhry Abdel Nour	7/7
Hanny Elmessiry	7/7



2019 Board Meetings' Highlights

The beginning of the year saw Edita's board approve and finalize all remaining matters that pertain to the previous fiscal year. This included approving the Board of Directors' report for company activities, as well as the auditor's report on the standalone and consolidated FY2018 financials, both of which were presented for approval at the Ordinary General Assembly Meeting, held on 27 March 2019.

Throughout the rest of the year, the board carried out its cyclical duties of reviewing and approving Edita's quarterly financial statements, internal audit reports, audit committee reports, and the company's activities during the timeline under review. It also approved dividends distribution and other information pertaining to its quarterly and yearly financial reporting.

Additionally, and among its 2019 activities, the board received regular updates and provided counsel regarding Edita Morocco, Edita's joint venture with the Moroccan Dislog Group and the destination of its first venture in overseas manufacturing. It also oversaw the operations and decisions of board committees and relevant departments.

Committees

The board's committees are essential to the continuation of its development, monitoring, counseling, and crisis communication activities. The board's current standing committees are its Audit and Remuneration committees. Each is comprised of four non-executive members – three of which are independent – who meet four times per year to discuss updates and carry out relevant duties.

Audit Committee

Name	Attendance
Fatma Lotfy	4/4
Hussein Choukri	4/4
Sahar El Sallab	3/4
Mounir Fakhry Abdel Nour	4/4

The Audit committee was established in compliance with EGX listing rules to assist the Board in fulfilling its oversight responsibilities, which include the review of external audit reports, auditing financial statements, and monitoring any changes across the Egyptian Accounting Standards (EAS) or the International Financial Reporting Standards (IFRS). The committee is also responsible for reviewing internal audit reports, charter and plans, as well as monitoring and assessing any assignments deployed to the company's Internal Audit department.

It additionally acts as an advisor in the appointment of auditors, and conducts periodic administrative evaluations to, among many outputs, maintain the company's assets. The committee's quarterly meeting is attended by Edita's Internal Audit Director, with other directors able to attend per relevance to the meeting's subject matter.

In 2019, the Audit committee's tasks included reviewing and approving the quarterly financial statements and audit report presented by PriceWaterhouseCoopers (PwC), Edita's external auditor. It also reviewed internal audit reports that were requested to evaluate the challenges facing Edita's internal control cycles, and approved the proposed recommendations made by the Internal Audit department to reduce associated risks. Additionally, the committee reviewed the Compliance department's observations and approved proposed action plans, and reviewed all submissions made through Edita's Whistleblowing channels, approving all management's recommendations regarding each of them.



Remuneration Committee

Name	Attendance
Fatma Lotfy	1/2
Hussein Choukri	2/2
Sahar El Sallab	2/2
Mounir Fakhry Abdel Nour	1/2

The Remuneration committee develops all company policies on pay and benefits, as well as monitors and manages the compensation scheme of Edita's personnel and senior managers. It also reviews the frameworks, terms, and conditions of employment of Edita's Chairman of the Board and executive directors, and sets their detailed remuneration throughout their employment and upon their dismissal. Furthermore, it ensures that adequate incentives are presented to executive directors based on their contribution to the company's performance. The Remuneration committee also ensures complete transparency between the board and Edita's shareholders on how remuneration for executive directors is decided. Its quarterly meeting is attended by Edita's VP of HR and Administration, with other directors able to attend per relevance to the meeting's subject matter.

In 2019, the committee used a study on market changes — conducted by the HR department — to determine appropriate upgrades to Edita's salary scale, in line with FMCG and general market norms. An adjustment was approved for managerial, white-collar, and blue-collar salaries, and took effect later in the year. Additional employee benefits were also researched and approved by the committee.





Internal Audit Department

The board's Audit committee cooperates extensively with Edita's Internal Audit department, the primary handler of the company's anti-violations mechanisms. The department monitors the implementation of internal policies, codes, and regulations; ensures Edita's compliance with legal regulations and sound business practices; supervises the company's risk management framework and controls; and invests extensive efforts in promoting ethical conduct among employees. Edita's pre-established strategic objectives largely guide the department as it reviews the company's operational successes and challenges, and provides recommendations to senior management as an advisor and consultant. As it monitors the company's operations, the Internal Audit department is additionally responsible for investigating any reports of wrongdoings, including but not limited to fraud, embezzlement, theft, and waste. It also follows up on the company's hiring processes to ensure that they remain committed to their transparent and merit-based nature. To report on findings, recommendations, and general monitoring activities, the department issues exhaustive reports to the Audit committee, Edita's CEO, and its VPs.

Next to carrying out its regular duties of monitoring company-wide measures, controls, and actions, the department successfully fulfilled 90% of the audit plan it set out to achieve in 2019. Its realized objectives included optimizing the company's control environment by issuing and updating policies and standard operating procedures (SOPs), to enhance controls and risk management effectiveness.

Compliance and Corporate Governance Department

Edita relies on its Compliance and Corporate Governance department to stay ahead of all changes in government laws, regulations, and requirements that affect Edita, and ensure that the company's corporate policies comply with and are updated to meet their specifications. In doing so, it assists the company in meeting official governmental requirements, maintaining its solid reputation in the market, and avoiding penalties. The department also reviews all of Edita's draft policies to ensure their legal soundness, and updates Edita's corporate policy manual according to changes made. It reviews all contracts and agreements made with third parties to ensure that terms and conditions comply with Edita's policies, risk management standards, and all relevant laws.

The Compliance and Corporate Governance department is also tasked with verifying that all policies produced by the company are an

accurate reflection of Edita's strategy, mission, and vision, and conducts rigorous monitoring and problem-solving actions to ensure company-wide employee compliance. It also assists the company's various auditing parties in ensuring that no illegal or illicit activities are committed internally. Such activities include but are not limited to money laundering, corruption, and terrorism funding. Any relevant suspicions or complains submitted are dealt with objectively and discretely, with the submitters' identities kept anonymous.

Under its governance arm, general frameworks and principles that guide the company's governance efforts are developed. Per this, it monitors Edita's performance in line with the strategic goals set by the board, and ensures that the correct policies are in place to define the company's internal and external social responsibility efforts, as well as all relevant reporting mechanisms.



Financial and Non-Financial Disclosures

Edita is listed on the Egyptian Stock Exchange (EGX) and the London Stock Exchange (LSE), and strictly adheres to the listing rules of both entities. It is also subject to their disclosure requirements, and accordingly submits annual and quarterly financial statements that follow the directives of the EAS and the IFRS. Notice of all materials published is mandatory to the EGX, the LSE, and the Egyptian Food Safety Authority (EFSA), and all publications are made easily accessible to Edita's stakeholders and the wider public through the company's website, and at least two local daily newspapers. Edita's corporate affairs are also governed by the Egyptian Companies Law, Egyptian Capital Market Law, and all other laws applicable to Egyptian companies.

Non-Financial Disclosures

- Company goals, strategies, and plans
- Employee care, learning, and development
- Ownership structures of sister companies and subsidiaries
- Transactions with relevant third parties
- Potential risks and risk management techniques
- Disclosure to shareholders and regulators on stocks
- Periodical, timely reports to the EGX and the LSE
- Disclosure of board decisions and reports
- Disclosure of decisions of the General Assembly

Policies

Strict policies, codes, and regulations allow Edita to maintain efficiency and transparency across its operations, and create a successful work environment where all types of corruption can be swiftly identified and eliminated

Whistleblowing

Edita designed a formal policy to encourage employees to report any instances of corporate wrongdoing, irregularities, misconducts, and violations against laws. The policy explains how an employee can use the internal system IVoiceUp to anonymously report adverse incidences, suspected corruption, bribery, and any other suspicious activities. It also explains how the complaint will be handled, in reassurance on how seriously Edita handles all submitted grievances. Furthering its anonymity pledge, the policy also clearly states that under no circumstances will whistleblowers be pursued for their submissions or will the process affect their careers at Edita.

Anti-Bribery/Anti-Corruption (ABAC)

Edita has a strict, zero-tolerance policy in place against all forms of bribery, kickback, and corruption, which it defines as employees using their official positions for personal gain. Under the company's code of conduct, any individual who receives any form of bribery or commissions — offering or receiving any material of value for the purpose of incurring change in personal behaviour or professional decisions — will be penalized. Employees should not provide or seek to obtain any valuable exchanges with customers, suppliers, individuals, or institutions that are involved in a business relationship with Edita, and must not accept, directly or indirectly, any offering that is intended to alter business decisions.

Gifts

Under its HR policy, Edita clearly states that employees are not permitted to accept gifts from other employees of the company, or from entities that the company is in business with. Symbolic gifts of a specified lower value are excluded from the policy, with the HR department available to advise on individual cases.



Information Security

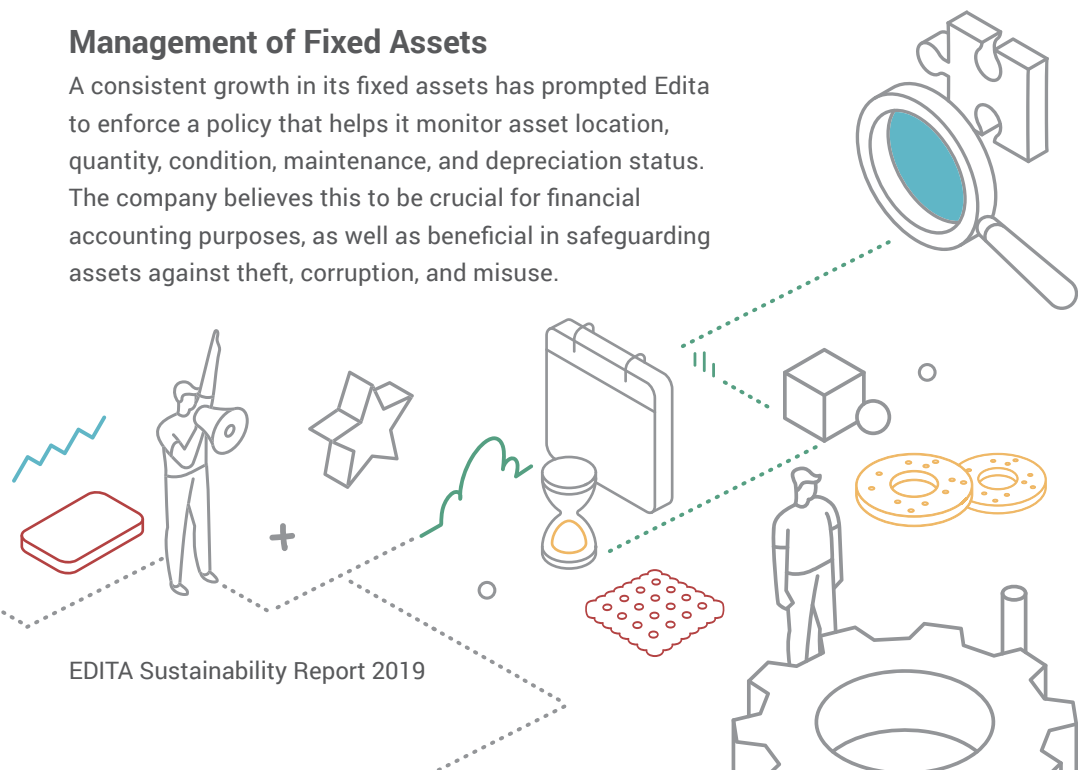
Under this policy, Edita describes the minimum level of information protection that must be implemented across its operations mitigate risks that stem from theft, loss, misuse, damage, or abuse of company assets. The policy also explains the responsibility of Edita's people in protecting the confidentiality and integrity of the data they handle at all times. Through strict adherence, Edita strives to protect its information and data banks, maintain adequate regulatory compliance, and ensure business continuity. More details on the company's related efforts can be found in the Information Security and Data Protection section.

Management of Fixed Assets

A consistent growth in its fixed assets has prompted Edita to enforce a policy that helps it monitor asset location, quantity, condition, maintenance, and depreciation status. The company believes this to be crucial for financial accounting purposes, as well as beneficial in safeguarding assets against theft, corruption, and misuse.

Project Management

Edita created this policy to homogenize its project management protocols and ensure that all its projects follow a consistent framework across their versatile phases. The policy insists on clear project ownership, and employs methodologies that facilitate successful delivery against clear time, cost, and quality parameters. Since implementation, this policy has proven essential to Edita's success, and has assisted the company in streamlining operations for better results.



Information Security and Data Protection

Edita continues to place offline and cybersecurity at the forefront of its priorities, and regularly updates its methods and procedures in protecting the confidentiality of its operations

An increasingly digitized business world has urged Edita to regularly examine its online safety protocols and impose additional measures that would help the company safeguard its information from theft or unlawful disclosure. Edita's Information Security department and its Information Technology (IT) team leads the company's efforts in examining and tightening controls on its confidential information records. In collaboration with the Information Security committee – comprised of other company employees – the department is able to monitor Edita's data loss prevention system, detect breaches, and act quickly with protective actions.

In 2019, the IT team was successful in using results obtained through an Information Security Assessment conducted in 2018 to establish and implement an Intrusion Prevention System (IPS). This upgrade in network security was designed to detect and terminate complex online attacks on

Edita's networks, and to provide the company with advanced threat protection against known and potentially unknown vulnerabilities. The IT team also rolled out an encryption project for all company-issued computers, which aim to safeguard Edita's proprietary and confidential data in case of device theft. The team also encrypted all access and authentication processes, and all traffic between Edita's headquarters and its branches and plants. Virtual Local Area Networks (VLANs) were also installed to optimize connection efficiency and management across the company.

In continuation of last year's efforts, the team also upgraded Edita's Data Loss Prevention (DLP) servers and clients to the latest available version which has resulted in enhanced detection accuracy and speed. An external assessment was also conducted on DLP polices, benchmarking them against industry best practices and apply amendments where needed.

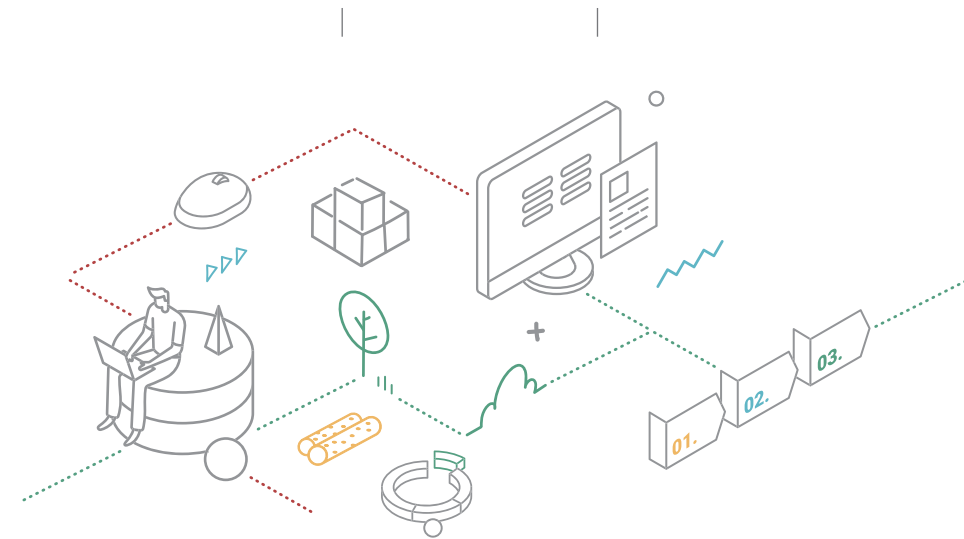
Recipe Protection

Edita's recipes are the main cog in its know-how machine, which puts the secure handling of its recipes at the forefront of the company protection list. To that end, Edita deployed the Keystone Project (KS) in 2018, which seeks to assemble all of the company's recipes in one location, where they will be premixed before being sent to production plants. This was then decided to be done through the construction of one highly-guarded, centralized plant on Edita's E06 plant's premises, to facilitate accessibility and monitoring. Next to the provision of increased security, the project will also increase efficiency and consistency in the mixing process.

In 2019, construction work began on the E06 premises, with all KS production that is currently underway temporarily relocated to Edita's E08 plant till the new plant is finished. In 2020, the facility was finalized and upgraded to include semi-automatic packaging instead of manual operations, and production began in February 2020. More of Edita's recipes are expected to join the KS project throughout the course of 2020.

Business Continuity and Crisis Management

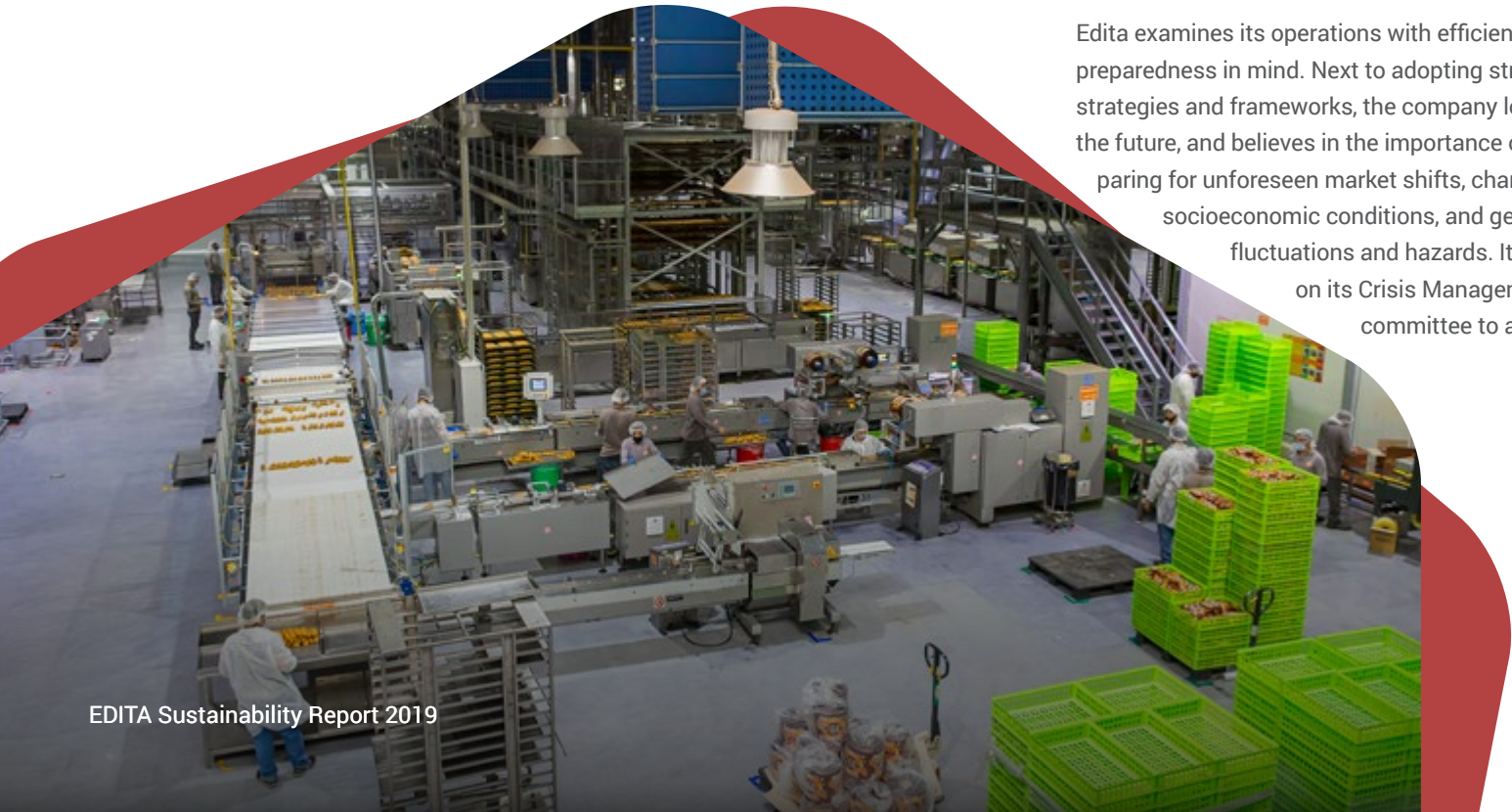
A strong governance body helped Edita establish an effective business continuity framework that takes potential risks into consideration, and helps the company maintain operations in the face of challenges



Edita examines its operations with efficiency and preparedness in mind. Next to adopting strong strategies and frameworks, the company looks to the future, and believes in the importance of preparing for unforeseen market shifts, changing socioeconomic conditions, and general fluctuations and hazards. It relies on its Crisis Management committee to assist

in the monitoring and execution of these plans as needed, in protection of personnel, assets, and business well-being.

The company's success in implementing quick and effective crisis mitigation techniques was evident as it defended its operations against the impact of coronavirus, yet extends beyond this to encompass potential risks and crises from multiple angles. As such, and as a result of detailed observation strategies, conferences with stakeholders, and extensive market monitoring, Edita boasts an efficient business continuity plan, crisis management protocols, and specialized disaster recovery procedures.





Short-term Crisis Mitigation

Overcoming national challenges in the past has played a large role in governing Edita's approach to large-scale issues today. A prime example of the company's quick action in the past ten years is the 25 January 2011 revolution, where an emergency committee was formed upon the occurrence of the revolution to ensure that salary payments remained regular, company assets were insured, and operations were safeguarded.

Edita also formed an emergency committee to mitigate risks and implement safeguards following the devaluation of the Egyptian Pound in 2016. Some of the most central decisions at the time included a company-wide downsize in employees and capacity, and using the company's export currencies fund to cover the cost of imported raw and packaging materials. The need for such effective decision-making and insight on the company's needs has encouraged Edita to continue increasing the scale of its crisis management framework.

Long-term Crisis Management Bodies

The Crisis Management committee, operational under the supervision of Edita's Board of Directors, is largely governed by the company's evolving activities and the nature of its markets. In cooperation with the Internal Audit and the Compliance and Governance departments, the committee carries out a variety of monitoring, evaluation, and planning responsibilities on a monthly and annual basis, to safeguard Edita's people and operations.

Through extensive observation of company-wide dynamics, national and international behaviours, and varying trends, the committee is tasked with:

- Conducting sensitivity analysis and determining potential threats in a timely manner, thus allowing for proper planning, response, and mitigation

- Conducting gap and impact analyses that look at Edita's capabilities in managing different risks, and providing recommendations per the potential impact of a crisis, the likelihood of its occurrence, and recovery requirements in case of excess impact
- Developing risk mitigation plans and protocols based on versatile scenarios, categorized by the operational sector that is most likely to be affected, likelihood, and immediate responses

Next to its extensive efforts in helping the company navigate the impact of coronavirus, the committee's efforts resulted in multiple operational upgrades in 2019, including an upgrade of E06's firefighting system to meet national requirements, and the installation of a sprinkler system in E10's warehouse.



Menna Shams El Din

Investor Relations and Business Development
Senior Director
T: +202 3851-6464 | M: +2010 0 154 2428
menna.shamseldin@edita.com.eg

Ahmed Maharem

Senior Investor Relations Analyst
T: +202 3851-6464
ahmed.maharem@edita.com.eg

Alia Balbaa

Investor Relations Manager
T: +202 3851-6464
alia.balbaa@edita.com.eg