



# 2023 SUSTAINABILITY REPORT

GROWING  
RESPONSIBLY  
FOR A BETTER  
TOMORROW







كل شيء على طبيعته  
*Made By Nature*

In the Name of Allah Most Gracious Most Merciful.

His Highness

**Sheikh Hamad bin Khalifa Al Thani**

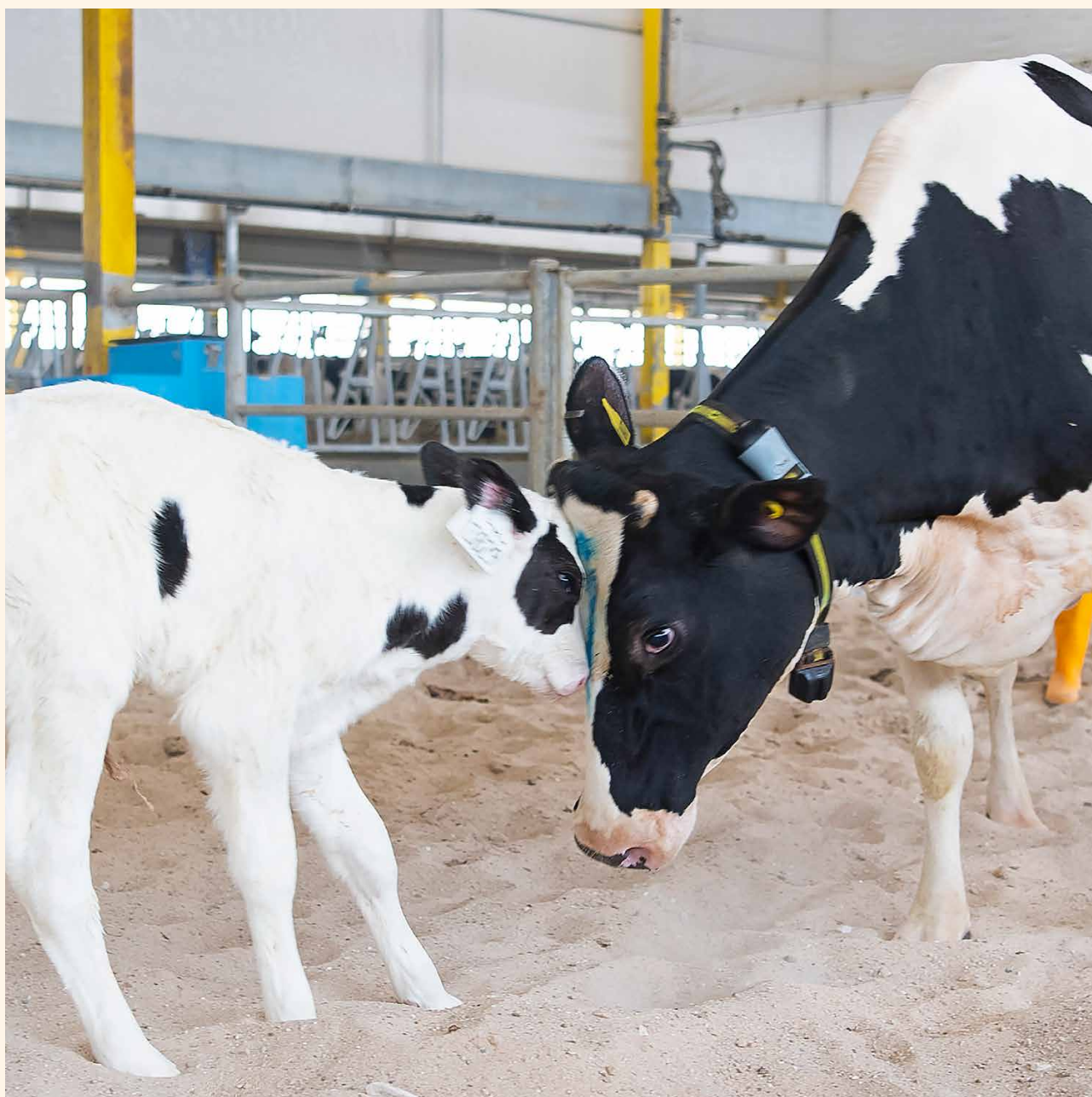
The Father Emir



His Highness  
**Sheikh Tamim bin Hamad Al Thani**  
Emir of the State of Qatar



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# 2023 IN REVIEW









# Chairman's Message



**As a leading national dairy and beverage producer, we pledge to conduct our business with transparency and integrity, aligning with the best standards and practices, corporate governance, and relevant regulations.**

I am proud to present Baladna's first sustainability report, a testament to our commitment to sustainability, environmental stewardship, and corporate governance. The report serves as an important stepping stone toward refining our vision, business objectives, targets, and operations to ensure complete compliance with sustainability practices and transparent reporting.

As a leading national dairy and beverage producer, we pledge to conduct our business with transparency and integrity, aligning with the best standards and practices, robust corporate governance, and relevant regulations. In this report, you will read more about how we prioritize sustainability, where we stand within our current ambitions, and how we plan to meet our future environmental targets.

Our company's significant progress is owed to our firm adherence to our business philosophy and guiding principles. We believe in promoting the welfare and satisfaction of key stakeholders, including customers, employees, and animals under our care. Accordingly, our long-term vision for success includes enhancing the quality of our consumable products, global recognition for our brand, providing an ideal work environment for our employees, and contributing to Qatar's food security. Our continued multidimensional progress reflects Baladna's core values of operating with and delivering excellence.

In 2023, we initiated embedding overarching sustainability principles into our corporate strategy. This resulted in the development of an ESG framework and roadmap for the next one to three years. Our aim is to achieve economic, social, and environmental gains for our stakeholders. We are committed to minimizing negative societal and environmental impacts, improving waste management, and increasing resource efficiency.

In addition to our operational improvements, we are revising our HR strategy to cultivate a resilient workforce. Also, we are engaging various stakeholders through different activities to involve them in decision-making and support our expansion. We aim to increase our employee engagement through enhanced leadership, talent development, and improved HR services.

In line with the Qatar Vision 2030 and the United Nations Sustainable Development Goals, we continue to enhance our activities for positive progress on the journey toward a more sustainable future. We are grateful for the support of all our stakeholders; their trust has enabled us to grow sustainably. We appreciate our employees' resilience and dedication in the face of challenges. Thank you all for your hard work and dedication, and I look forward to another year of sustained growth and success.

**Mr. Mohamed Moutaz Al Khayyat**  
Group Chairman



# CEO's Message



**Sustainability is a strategic enabler for our present and future success. We expect our sustainability performance to improve day by day with our determination to make our company, community, and country proud**

I am delighted to introduce our sustainability report, demonstrating our dedication to sustainability and our high expectations. We believe sustainability is a strategic enabler for our present and future success, and we expect our sustainability performance to improve day by day with our determination to make our company, community, and country proud.

Baladna initially emerged as a response to the pressing need for national food security. However, as our business continues to grow, we are adapting strategies and operations to assure long-term sustainability. Our approach incorporates: business growth, product excellence, environmental responsibility, employee well-being, and community engagement. We are confident that our emphasis on these areas will significantly enhance our sustainability efforts.

As part of the national food security apparatus, we are aware of potential risks that could impact our future and Qatar's food security. Our focus is to comply with current regulations, ensure our continued viability, and guarantee our business continuation. As we continue our journey, our priorities remain diversification and development as we are driven by our national commitment to ensuring food security.

Baladna's stakeholders and investors look to us for the daily delivery of high-quality products and strong market performance, and we strive to meet and exceed

these expectations. Our objectives center on market expansion, securing long-term food provisions, and creating value for all our shareholders and stakeholders.

Throughout the course of the last year, we have made numerous improvements to our manufacturing and product development processes, leading to reduced resource utilization and increased efficiency. This report outlines how we have invested in technology to optimize operations, save resources, and increase productivity.

Our leadership today is firmly united around a common vision for success, and this stability has cascaded through our entire organization. Having the right people in place has allowed us to pursue and achieve our goals while maintaining a bold, future-oriented outlook and sustaining our management and operations.

Moving forward, our goal is to be the most trusted brand of nutritional dairy products and healthy beverages in Qatar and to expand to new markets, while ensuring the long-term food security for the people of Qatar. We remain committed to leading in sustainable business practices. We thank our stakeholders, employees, and customers for their support. Together, we will continue to deliver growth, innovation, and excellence.

**Malcolm Jordan**  
CEO

# 2023 Highlights

Baladna's year was categorized by numerous highlighted achievements. In 2023 we:

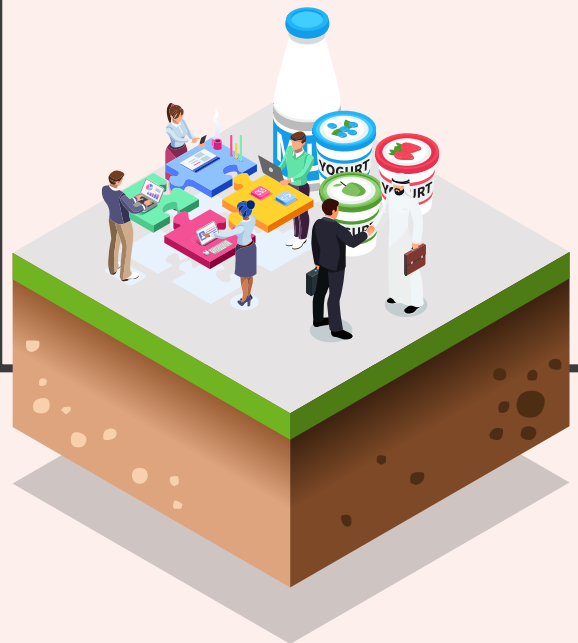
## Farm



- Invested in a Smart Soaking System in two of our barns, aiming to save 50-70% of barn water consumption.

- Initiated trials with homeopathic medicine to treat cows with health issues, successfully reducing their stress levels while maintaining milk production.

## Partnerships and Growth



- Signed a manufacturing agreement with "The Bel Group," bringing new opportunities for both companies.
- Signed an MoU with PT Perkebunan Nusantara III W.L.L and PT Berdikari W.L.L to enhance cooperation and knowledge exchange in the dairy industry.
- Signed an MOC with the Suez Canal Authority for food security in Egypt, with an investment volume of USD 1.5 billion.
- Launched new lines of Greek yogurt with increased protein.

## Community and Employee Engagement

- Allocated 24% of Baladna's annual Marketing budget in 2023 for CSR spending, including sponsoring sports activities, national initiatives, education, and entertainment.

- Established an internal recognition system for "Quality Employees of the Month" by the Quality Department, highlighting employees displaying exemplary quality practices.

## Sustainability

- Reduced our freshwater consumption by 50% through our Veolia Wastewater Treatment Plant.
- Developed a fleet operation center that monitors recourses, alerts management of concerns, and efficiently plans routes.
- Added ESG-relevant criteria to the Supplier Registration Questionnaire for additional Screening.

# Our Sustainability Journey

In our unwavering commitment to our principles of supporting food security, elevating veterinary care, prioritizing livestock well-being, delivering natural and fresh products, and adhering to Qatari traditional values, Baladna has experienced a year of remarkable growth and innovation, rapidly expanding marketing channels and product lines while increasing market share across key business segments.

Our operational infrastructure includes two self-sufficient farms and state-of-the-art facilities for production, processing, packaging, and distribution, occupying a sprawling 2.4 million m<sup>2</sup> estate. Our diverse product range - exceeding 250 SKUs- spans from fresh and long-life dairy products to a variety of juices, catering to a wide consumer base. Amidst this expansion, our dedication to sustainability remains steadfast. Recognizing our impact on critical environmental issues such as water and climate change, we acknowledge our responsibility and opportunity to contribute to solutions for the benefit of future generations.

Our sustainability journey has focused on minimizing our environmental impact, reducing plastic usage, promoting recyclability, and fostering responsible practices throughout our value chain. As an organization, we are committed to preserving our natural environment, protecting resources, and promoting biodiversity. Our leadership's commitment

to environmental responsibility permeates through every facet of our business, demonstrating our dedication to a sustainable and responsible future. Accordingly, we have adopted various strategies, practices, and technologies throughout our operations to ensure our sustainable growth and interaction with our environment, as described in detail throughout the sections of this report.

## Milestones in Innovation, Collaboration, and Partnerships

Our past year was marked by significant diversification, collaboration, and expansion. These accomplishments include an expanded product portfolio, advanced sustainability initiatives, implementation of advanced technology such as cooling system, robotic sanitation, and preparation of milk technology to boost efficiencies and sustainable production, increased transparency in corporate reporting, significantly reduced carbon footprint, and a reinforced pledge to sustainability.

We have taken firm steps towards investing in research that can be adopted to improve our environmental impacts. We collaborated with The Gulf Organization for Research and Development (GORD) to apply for a Qatar National Research Fund (QNRF) grant for the development of a patented cooling technology that considerably reduces the energy and water usage for livestock barns. The project's implementation and resulting cost savings are expected to be replicated in other countries such as Malaysia, the Philippines, Algeria, and Indonesia, resulting in multinational beneficial impacts in the dairy industry. Toward the end of 2022, we signed a Memorandum of Understanding (MoU) with GORD to operationalize the novel cooling technology for climatizing barns at Baladna.





Baladna Farm, Al Khor

Our strategic utilization of multi-stakeholder partnerships to introduce new sustainability initiatives also contributed to our positive impact. Baladna was a founding member of the newly formed “One Tide Industry Coalition,” which was unveiled by the Ministry of Environment and Climate Change in December 2022. The coalition comprises local, regional, and international organizations that promote awareness and effective measures toward sustainable consumption and plastic waste management, bringing together experts to share insights on recycling, renewable materials, and waste diversion from landfills, resulting in the formulation of a comprehensive action plan. Through our participation, we are collectively working towards a circular economy, leveraging the legacy of Qatar to foster positive environmental actions and support the local economy.

In collaboration with Veolia Water Technologies, we have significantly enhanced our water management strategy. Our wastewater treatment plant recycles 9 Million liters of agricultural wastewater daily for irrigation and dairy herd cooling, thus reducing our water consumption by 50% and contributing to a 17.7% annual increase in reused treated wastewater.

### Looking Ahead: Our Commitment to Sustainability

We have set a high standard for responsible business practices in our path toward becoming a national role model for other businesses looking to implement sustainable practices. As a responsible steward for the environment, Baladna will continue to focus on measuring, monitoring, and evaluating our sustainability practices and performance as a testament to our values and dedication to creating a better future for all.

## CAUTIONARY STATEMENT

Baladna Sustainability Report 2023 contains certain forecasts, projections and forward looking statements. These statements are based on current information and utilize expressions such as ‘aim’, ‘ambition’, ‘believe’, ‘continue’, ‘could’, ‘efforts’, ‘expect’, ‘goals’, ‘objectives’, ‘outlook’, ‘plan’, ‘target’, ‘will’, ‘would’, and other similar terms. Such statements reflect the intentions and expectations of Baladna, subject to inherent uncertainties which could lead to actual results differing from the implied or projected statements. Baladna emphasizes that these statements are not indicative of guaranteed future actions or policies, and the company undertakes no obligation to publicly update these statements. While Baladna relies on reliable sources, it does not assure the accuracy or comprehensiveness of the information. Investors are advised to consider potential changes in assumptions, risks, and uncertainties, as these factors, beyond Baladna’s control, might influence actual outcomes.

# Stakeholder Engagement

Baladna's commitment to sustainability and growth is deeply interwoven with our stakeholders' involvement. Recognizing the critical role played by each stakeholder group, we have established a comprehensive strategy to foster collaboration, transparency, and resilience. Our approach to stakeholder engagement is multi-faceted, ensuring that communication channels are diverse and effective, facilitating a mutual exchange of information, understanding, and expectations.

In the following table, we categorize our primary stakeholders, outline the importance of their engagement, and detail the various methods through which we interact with them:

STAKEHOLDER GROUP	IMPORTANCE OF ENGAGEMENT	ENGAGEMENT METHODS
<b>Customers</b>	Essential for understanding market needs and preferences, ensuring product quality and customer satisfaction.	Surveys, feedback forms, social media interaction, customer service channels.
<b>Employees</b>	Integral for operational efficiency, innovation, and maintaining a motivated workforce.	Regular internal meetings, employee surveys, training sessions, suggestion boxes.
<b>Investors and Shareholders</b>	Crucial for maintaining financial stability and aligning business strategy with investor expectations.	Annual general meetings, financial reports, investor conferences, direct communications.
<b>Suppliers and Partners</b>	Vital for ensuring supply chain sustainability, quality of inputs, and collaborative growth.	Regular meetings, joint sustainability initiatives, performance assessments.
<b>Local Communities</b>	Important for corporate social responsibility, local support, and social license to operate.	Community meetings, CSR initiatives, local sponsorships, educational programs.
<b>Government and Regulatory Bodies</b>	Essential for compliance, policy alignment, and support in sustainable practices.	Regular reporting, compliance audits, policy discussion forums, collaborative projects.
<b>NGOs and Environmental Groups</b>	Key for aligning with environmental standards and gaining insights into sustainable practices.	Collaborative projects, regular dialogues, participation in sustainability forums.
<b>Media</b>	Crucial for brand image, public communication, and transparency.	Press releases, media events, interviews, social media updates.

At Baladna, stakeholder engagement is not just a corporate obligation, but a cornerstone of our operational ethos. We understand that effective communication and collaboration with our stakeholders are critical to our success and sustainability. Through these varied and tailored engagement methods, we strive to maintain a proactive, responsive, and mutually beneficial relationship with each of our stakeholders, ensuring that our journey towards excellence is inclusive and aligned with their values and expectations.

# Our Sustainability Framework

As a paragon of corporate responsibility, we are proud to delineate our strides in ensuring animal welfare, producing nutritious dairy offerings, advocating for healthy dietary practices, enhancing waste management, and optimizing resource efficiency. To facilitate our sustainability journey, we have devised a comprehensive sustainability framework, projecting a

roadmap for the upcoming one to three years aimed at achieving multifaceted benefits across economic, social, and environmental dimensions, as displayed in the figure "Baladna's Sustainability Framework." This framework outlines our areas of focus, our ambitions against each of them, and the targets we are setting ourselves to ensure the delivery of our ambitions.



With five purposeful pillars, Baladna's Sustainability Framework serves as a clear and practical guide, forming the cornerstone of our commitment to sustainable practices and steering us toward responsible business operations.

The first pillar focuses on sustainable and profitable growth, emphasizing value creation through sustainable economic performance, good governance, and innovation.

The second pillar is dedicated to offering nutritious and safe products, demonstrating our commitment to ensuring consumers' well-being by providing natural, nutritious, and tasty foods and beverages.

The third pillar underscores our dedication to responsible business operations, aiming to reduce our environmental footprint.

The fourth pillar centers on caring for our people, aiming to develop human capital, safeguard workforce well-being, and protect their rights. Lastly, the fifth pillar is committed to supporting thriving and resilient communities, fostering community relations, and enhancing community capacity for sustainable development. The framework's strength lies in its specificity and clarity, providing a foundation for targeted actions aligned with Baladna's sustainability goals. By openly sharing progress against these targets, Baladna not only addresses gaps and improves its sustainability performance, but we also establish ourselves as a responsible and transparent organization in the eyes of stakeholders.

Baladna's journey towards sustainable development is intricately linked with both national and international sustainability frameworks. Our strategies and operations are aligned with the Qatar National Vision 2030 (QNV), the Qatar National Environment and Climate Change Strategy (QNE), and the guidelines provided by the Qatar Stock Exchange (QSE) on Environmental, Social, and Governance (ESG) criteria. This alignment ensures our commitment to sustainable development is robust and holistic, addressing local and global sustainability concerns.

On the global front, the Global Reporting Initiative (GRI) Standards and the United Nations Sustainable Development Goals (UN SDGs) have served as guiding frameworks for our global alignment towards, securing peace, prosperity, and sustainable growth for the people and planet. The GRI Standards offer a comprehensive set of metrics that enable us to gauge and communicate our positive impact on sustainability. They guide us in understanding, measuring, and communicating the economic, environmental, and

social impacts of our business activities.

The UN SDGs, with their broader vision for global prosperity, peace, and sustainability, serve as a strategic compass for our operations. We have carefully identified and prioritized key topics that align with 14 of the 17 SDGs, believing these are the areas where Baladna can have the most significant positive impact. This targeted approach enables us to concentrate our efforts where they can yield the best outcomes in terms of sustainability.

























The table "Aligning Baladna's Sustainability Framework" provides further details on the linkages between our outlined pillars and material topics and the UN SDGs, the QNV 2030 goals, the GRI Standards, and the QSE ESG Guidance reporting framework. Each of our eleven material topics within our five pillars directly contributes to specific SDGs and QNV 2030 goals while aligning with the established sustainability frameworks of GRI Standards and the QSE ESG Guidance.

Accordingly, the alignment thoroughly reflects our commitment to sustainable growth, product safety, environmental preservation, social responsibility, and community development. By aligning with these global and national objectives and frameworks, we aim to play a pivotal role in advancing broader societal and environmental goals, contributing positively to our company, community, and industry.

Baladna's sustainability strategy represents a seamless fusion of national and international sustainability frameworks. By aligning with the Qatar National Vision 2030, the Qatar National Environment and Climate Change Strategy (QNE), and the Qatar Stock Exchange (QSE) ESG Guidelines, we ensure our contributions are relevant and impactful on a local level. Simultaneously, our adherence to the GRI Standards and the UN SDGs positions us as a proactive participant in the global movement towards a more sustainable future. This dual approach underscores our commitment to a balanced and responsible path of development, benefiting people, the planet, and prosperity.



## ALIGNING BALADNA'S SUSTAINABILITY FRAMEWORK

Material Topics	Sustainable Development Goals		Reporting Frameworks	
	UN SDGs	QNV 2030	GRI Standards	QSE ESG Guidance
Economic Performance	 	Economic Development; Human Development	GRI 201 (2016)	QSE S19, S20, S22
Customer Health and Safety	 	Human Development; Social Development	GRI 416 (2016)	N/A
Healthy and Affordable Food	 	Human Development; Social Development; Economic Development	Not Yet Available (GRI 13 2022)	N/A
Animal Welfare	 	Environmental Development; Economic Development; Social Development	Not Yet Available (GRI 13 2022)	QSE E1, E2
Water and Effluents	   	Environmental Development; Economic Development; Social Development	GRI 303 (2018)	QSE E1, E2, E8
Emissions	 	Environmental Development; Economic Development; Social Development	GRI 305 (2016)	QSE E1, E2, E5
Waste	   	Environmental Development; Economic Development; Social Development	GRI 306 (2020)	QSE E1, E2, E9
Environmental Compliance	  	Human Development; Economic Development	GRI 403 (2018)	QSE S13, S14, S15
Occupational Health and Safety	 	Social Development; Economic Development	GRI 415 (2016)	QSE S16, S19, G24, G25, G30, G31, G32
Public Policy	  	Social Development; Economic Development	GRI 419 (2016)	QSE S20, S21, S22, G29, ESG 33
Socio-Economic Compliance	 	Environmental Development; Economic Development; Social Development	GRI 307 (2016)	QSE E1, E2

# Materiality Assessment

Baladna’s comprehensive materiality assessment, completed in 2021, was a crucial step in understanding the actual and potential impacts of our operations. This process, involving both internal and external stakeholders, was pivotal in identifying focus areas and future opportunities in sustainability.

The assessment was structured over four stages, leveraging direct engagement with stakeholders through meetings and surveys to gauge the significance of various environmental, social, economic, and governance issues. The four steps of the materiality assessment process are depicted in “The Materiality Assessment Process” figure.

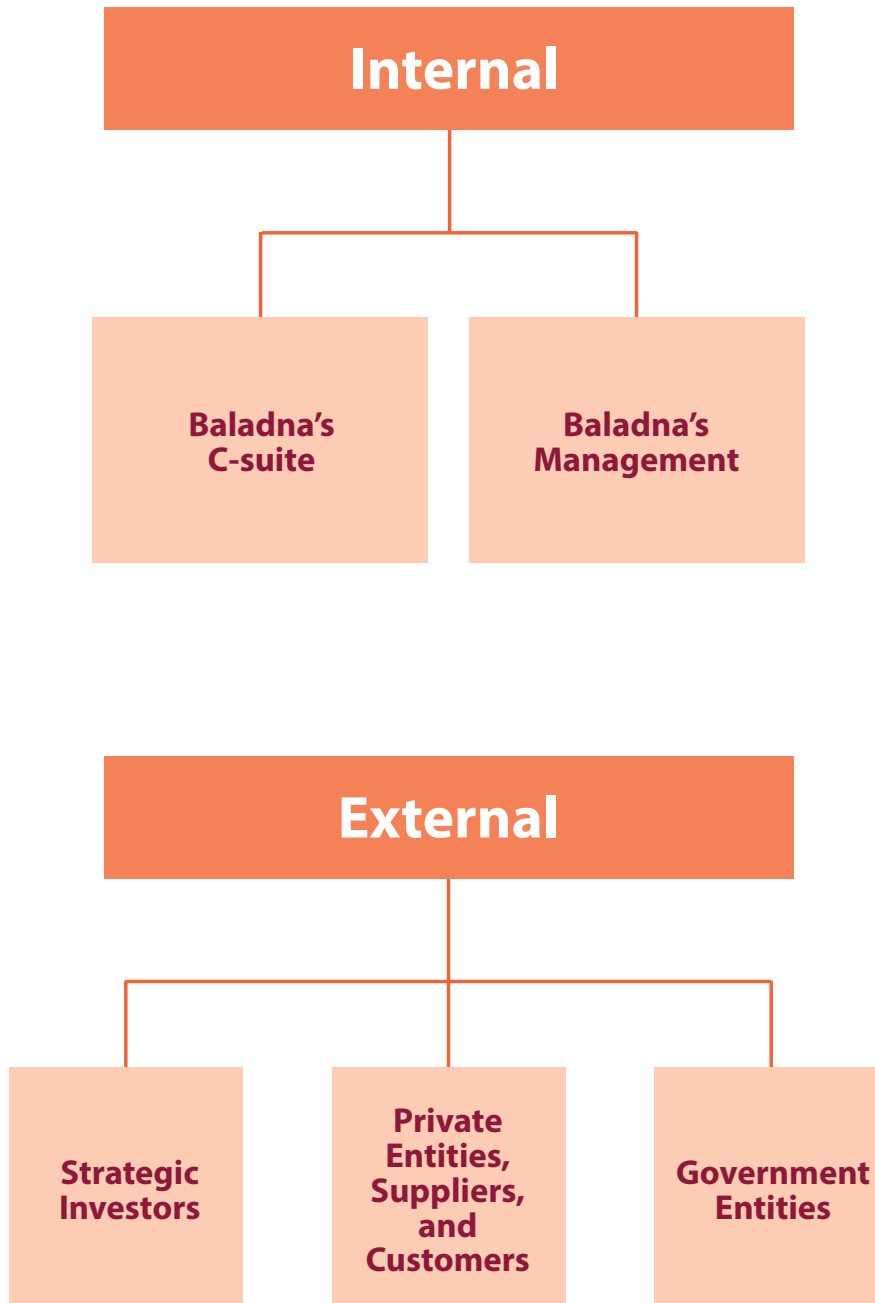
## The Materiality Assessment Process



Baladna’s stakeholder landscape is characterized by both internal and external entities, each playing a vital role in the company’s operations, as outlined in the “Baladna’s Stakeholders” figures. Internally, the C-suite represents 11.8% of stakeholders, while Baladna’s Management constitutes the majority at 88.2%, comprising directors, managers, and officers. Externally, strategic investors, notably Al Rayan Investment, Hassad Foods, and Al Meera, make up 16.7% of stakeholders. Private entities, suppliers, and customers, including QNB Financial Services, Chr. Hasen, Lulu, Monoprix, Al Meera, Yemek Doha Catering, and AMWAJ Catering, form the largest segment at 66.7%.

Government entities, with the Ministry of Public Health, Ministry of Municipality, and Ministry of Environment and Climate Change as key players, constitute 11.1%. Lastly, the engagement with the Fifa World Cup 2022, specifically the Supreme Committee for Delivery and Legacy, represented 5.5% of external stakeholders. Baladna values these relationships as crucial contributors to our overall success, recognizing the importance of collaboration and communication with each stakeholder group in achieving shared objectives.

# Baladna's Stakeholders



Internal stakeholders were tasked with rating the importance and impact of various topics relevant to Baladna, the economy, the environment, and society. Conversely, external stakeholders evaluated the influence of these topics on their organizational decisions related to Baladna. The aggregated scores from these surveys were analyzed and presented in the figure “Baladna’s Identified Material and Important Topics,” distinguishing between material (important) and immaterial (of some importance) topics.

Through the materiality assessment, we have identified 35 topics that we believe would significantly impact Baladna’s sustainability performance and enhance our stakeholder value and trust. Of these topics, 11 are categorized as material topics and are reported on in this report, 23 are important but not material topics, and 1 is somewhat important but not a material topic, as outlined in the figure “Baladna’s Identified Material and Important Topics.” With the understanding of our stakeholders’ priorities, we have developed our strategies and activities to maximize our positive impacts and minimize any potential negative impacts.

To communicate our progress in these material topics, we have chosen to report in reference to GRI Standards. These standards offer a systematic approach to public reporting on organizational interactions with the environment, economy, and people. Aligning our reporting with GRI Standards ensures credible, transparent, and structured disclosure of our sustainability journey, enabling measurable progress over time.

### The adoption of GRI Standards for reporting our sustainability progress brings multiple benefits:

- Internally, it helps us organize data, assess our strategic success, and direct our decision-making for future goals.
- For investors, it offers a clear view of our sustainability integration, helping them monitor our growth.
- For policymakers, it serves as a benchmark for progress, aiding in policy development and collaboration.

Our sustainability report is structured around five pillars: Our Growth, Our Products, Our Planet, Our People, and Our Community. The final chapter is an appendix that includes a list of certificates, GRI Disclosures, and our contribution to UN SDGs.




With the publication of this report, we will support the strategic direction of our organization, enhance our stakeholder confidence and brand image, align our efforts to global best practices, and ensure our readiness for any future regulatory changes. This report is not an endpoint but a starting point for continuous development in sustainability practices. We recognize the need for ongoing improvement and are committed to evolving our strategies to meet the dynamic demands of sustainable development.

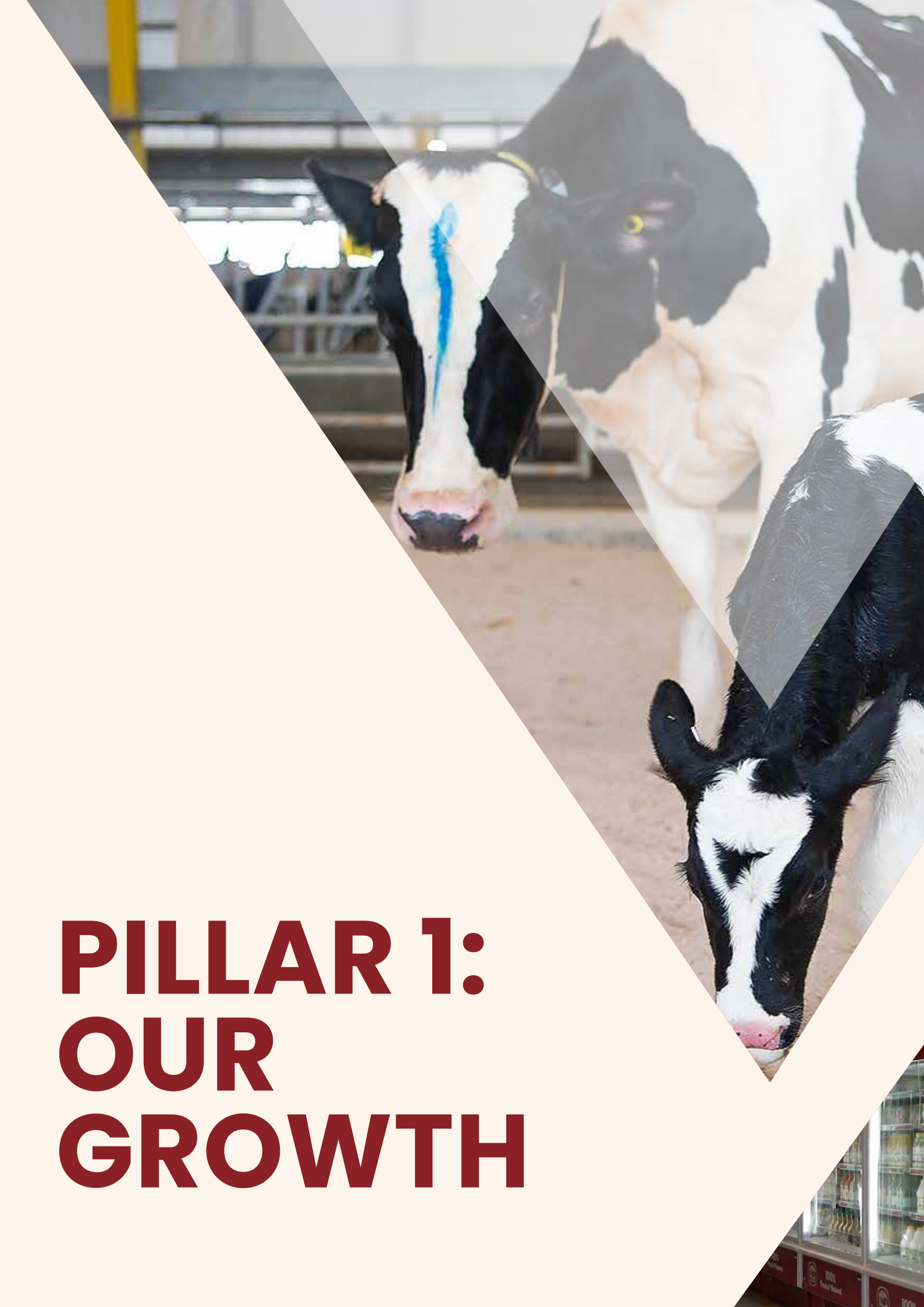


Baladna Headquarters, Al Khor



## BALADNA'S IDENTIFIED MATERIAL AND IMPORTANT TOPICS

Material Topics	1	 Water and Effluents
	2	 Waste
	3	 Environmental Compliance
	4	 Customer Health and Safety
	5	 Animal Welfare
	6	 Occupational Health and Safety
	7	 Emissions
	8	 Healthy and Affordable Food (Food Security)
	9	 Economic Performance
	10	 Socio-economic Compliance
	11	 Public Policy
Important topics, but not Material	12	 Energy
	13	 Procurement Practices
	14	 Market Presence
	15	 Forced or Compulsory Labor
	16	 Supplier Environmental Assessment
	17	 Local Communities
	18	 Training and Education
	19	 Bio-diversity
	20	 Non-discrimination
	21	 Employment
	22	 Human Rights Assessment
	23	 Marketing and Labeling
	24	 Anti Corruption
	25	 Materials
	26	 Labor Management Relations
	27	 Anti-competitive Behavior
	28	 Qatarization
	29	 Customer Privacy
	30	 Supplier Social Assessment
	31	 Security Practices
	32	 Diversity and Equal Opportunity
	33	 Child Labor
	34	 Indirect Economic Impacts
Topics of Some Importance, but not Material	35	 Tax

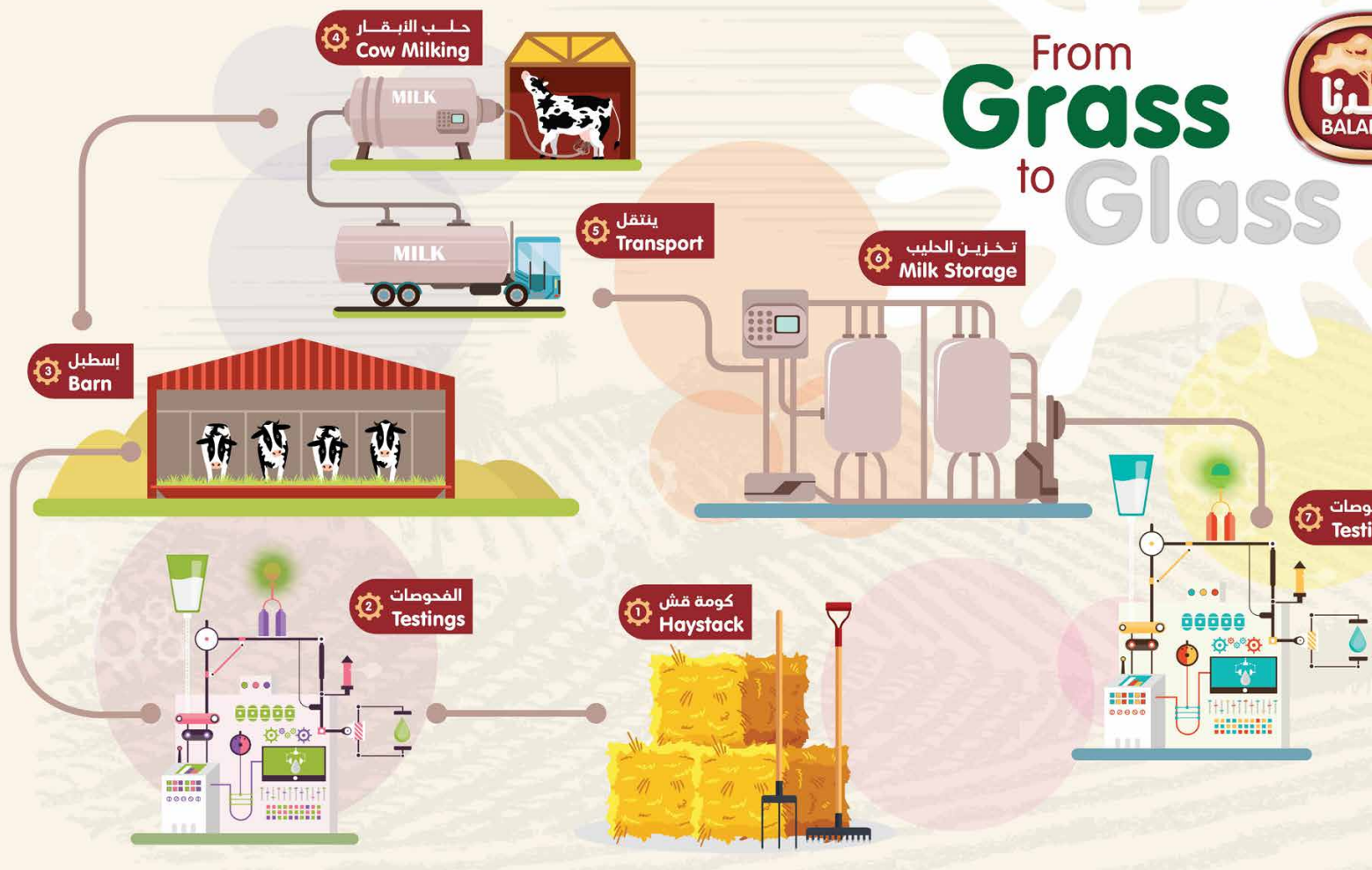


# PILLAR 1: OUR GROWTH





# From Grass to Glass



## 2023 Highlights



**Total Herd:**  
22,347



**Offered Products (SKUs):** 250



**Milk Yield Per Cow Per Day:** 35.2 L



**Stores Supplied To:** 3,713



**Sales Routes:** 139



Baladna stands at the forefront of Qatar’s journey towards achieving its National Vision 2030 and National Food Security goals. Our unwavering commitment to sustainable growth is rooted in our responsibility to provide nutritious, safe, and affordable food to a rapidly growing population. This commitment is more than a business objective; it is a crucial duty to our nation, aligning perfectly with Qatar’s broader objectives of self-sufficiency and sustainability.

As we endeavor to fulfill this pivotal role, we also concentrate on reinforcing our status as industry leaders. Our strategies are designed not just for immediate gains but to generate enduring value for our shareholders and stakeholders. This long-term vision ensures that our growth is not only robust and steady, but also socially responsible and environmentally sustainable.

Our integrated ‘grass to glass’ approach epitomizes our dedication to quality and sustainability. This comprehensive process covers every stage of production – starting from the sourcing of feed for our dairy herds, all the way to the delivery of the

final product to the consumer. This approach allows us to maintain stringent quality control, guarantee traceability, and ensure the highest standards of sustainability throughout our entire production chain. At Baladna, traceability and sustainability are not mere buzzwords; they are integral to our operational philosophy. By overseeing every aspect of the production process, we ensure that each product that reaches the consumer is not only of the highest quality but also produced in an environmentally responsible manner. This deep commitment to sustainability is reflected in our efforts to minimize our environmental footprint, optimize resource use, and contribute positively to the ecological balance.

# Ethical Business Practices

Baladna has made significant strides in fostering ethical business practices, with a strong emphasis on transparency and accountability. This commitment involves close collaboration with various stakeholders to ensure integrity in all aspects of our operations. In 2023, Baladna conducted 11 comprehensive risk assessments, with a special focus on identifying and mitigating potential fraud risks. These assessments are integral to our proactive approach in safeguarding our operations against unethical practices.

## Anti-Corruption

A crucial component of our comprehensive anti-corruption strategy is our whistleblowing policy, which encourages employees and external parties to report any suspected or observed cases of fraud, bribery, or corruption. Individuals can freely express their concerns without fear of reprisals, allowing us to promptly address reported incidents, rectify problems, mitigate risks, and safeguard our reputation. By emphasizing the importance of utilizing internal reporting mechanisms, we demonstrate our dedication to upholding our Code of Conduct and fulfilling our responsibility to stakeholders, thus ensuring Baladna's status as a trusted corporate citizen.

To ensure the effectiveness of our whistleblowing policy, we have designated the Internal Audit Department as the primary recipient of whistle-blower reports. Our dedicated team conducts thorough investigations into each reported incident, taking appropriate action such as disciplinary measures or termination of employment or services when wrongdoing is substantiated. By regularly sharing reports on whistle-blower disclosures, investigations, and conclusions with the Audit Committee and the Board of Directors, we maintain transparency regarding our proactive efforts to combat corruption and uphold our commitment to ethical conduct.



**"I aspire to steer our company towards a sustainable future by ensuring that our risk management, health, safety, and environmental policies are not only compliant but also leading the way in industry standards. Our approach integrates sustainability into the core of our business operations, transcending traditional corporate functions to drive innovation, efficiency, and responsible stewardship of resources. This commitment to excellence in corporate services is what enables us to not just succeed, but to set a benchmark in sustainability that aligns with our corporate growth objectives and our values as a forward-thinking dairy and juice producer."**

*Nasser Ali Al Maslamani  
Chief Corporate Services Officer of Baladna*

## Compliance and Governance

Compliance and governance are fundamental principles in our business conduct, emphasizing our commitment to accountability. We undergo rigorous independent assurance engagements to assess our compliance with relevant regulations and industry standards. By upholding accurate reporting and compliance, we promote accountability throughout our organization. We also actively engage with government committees and regulatory bodies to align our practices with industry standards, laws, and regulations.

Annual audits from our clients demonstrate our commitment to compliance and accountability, as demonstrated in the table “Annual Stakeholder Audits” below. In 2023 we received 17 audits which included assessments of our product quality and safety standards, ensuring that we consistently meet and exceed the expectations of our valued customers. We also audit our suppliers using a set of criteria to ensure the safety of our products, as further discussed in the Supplier Screening section (Page 42).

Furthermore, we have actively engaged with stakeholders and partnered with various government committees in promoting open dialogue and collaborating on sustainable development. These measures ensure that we maintain the highest standards of accountability and governance in all aspects of our operations.

### ANNUAL STAKEHOLDER AUDITS



McDonalds, Qatar Airways - Qatar Aircraft Catering Company, Dana Club, Andaz Doha, Waldorf Astoria, Azadea Group – Dalco Trading, Compass Catering, Mandarin Oriental Hotel, Bel Group, Wyndham Doha West Bay, Tivoli Hotels, Zula Wellness Resort, Pizza Hut, US Army, Ritz Carlton and Sharq Village and Spa, City Center Rotana



**Audit criteria for our Suppliers:**  
ISO 22000 certification and Halal certification



**Audit Stakeholders and Partners:**  
Qatar Financial Markets Authority (QFMA), Qatar Stock Exchange (QSE), and General Tax Authority

## Ethical Business Conduct

Our commitment to ethical business conduct goes beyond compliance; it is deeply embedded in our corporate culture and is reflected in every facet of our operations. We firmly believe in conducting business with integrity, respect, and fairness to ensure moral and ethical development. This commitment represents an integral part of our corporate culture, guiding our interactions with employees, partners, suppliers, and customers.

Upholding the highest ethical standards has been a top priority for us throughout 2023. We have adhered to the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, ensuring compliance with fundamental principles such as integrity, objectivity, professional competence, confidentiality, and professional behavior. We maintain a comprehensive system of quality control, including documented policies and procedures that comply with ethical, professional, and relevant legal and regulatory obligations. By prioritizing ethical conduct, we aim to create a positive impact on the community, promote sustainable development, and foster stakeholder trust.

### Moving Forward

Looking ahead, Baladna is committed to exploring new opportunities to enhance our ethical business practices and further our commitment to sustainability, transparency, and accountability, as we have outlined strategic plans that will propel us forward on this journey. One of our key initiatives involves aligning our sustainability reporting with the Qatar Stock Exchange (QSE) sustainability reporting guidelines. By complying with these guidelines, we aim to enhance the transparency of our sustainability practices and effectively communicate our progress to stakeholders. Through regular and rigorous risk assessments, we aim to identify areas where we can further improve our sustainability practices and mitigate any potential adverse impacts.

Baladna’s dedication to ethical business practices, anti-corruption measures, compliance, and governance demonstrates our commitment to integrity and accountability. As we continue to evolve, our focus remains on strengthening these aspects of our operations, ensuring that we not only meet but exceed the expectations of our stakeholders and contribute positively to sustainable development.

# Risk and Risk Management

Effective risk management is a core component of our sustainable and responsible business practices at Baladna. In today's dynamic global business environment, identifying, assessing, and managing risks is essential for achieving our strategic goals.



## Comprehensive Risk Assessment

Our risk management methodology adheres to recognized industry standards and best practices, drawing on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Enterprise Risk Model for its Integrated Framework and ISO 31000 for risk management principles and guidelines. This framework provides us with a comprehensive approach to managing risks while supporting our short and long-term objectives effectively and efficiently. In 2023, we developed 112 new risk assessments (RA) and conducted 92 hours of annual RA training hours. This development is a result of the regular review of our methodologies to address the evolving needs of our business, ensuring its continued relevance and effectiveness at the highest level.

Generally, we assess risks by considering the combination of event consequences and the likelihood of their occurrence. To ensure effective risk management, our senior management team takes responsibility for implementing risk management policies, procedures, and practices across our organization. In addition, our Audit Committee continuously oversees the effectiveness of our risk management systems, providing an additional layer of accountability. Our Enterprise Risk Management (ERM) methodology, now in its third year, is deeply embedded in our day-to-day operations and decision-making processes, allowing us to navigate potential risks and ensure our long-term success.





Quality Control Laboratory, Al Khor

## Monitoring and Reporting Risks

Our Risk Management process follows a cyclical model aligned with the COSO Components and ISO 31000 guidelines. Our Quality Department plays a crucial role in this process, as it supports risk management through training, monitoring, reviewing, and assessing important factors. We provide guidance to our business management teams and utilize an ancillary toolset for recording, analyzing, and reporting on risks. This enables us to proactively identify and address potential risks across our operations. In 2023 we operated on a three lines of defense model to further enhance our risk management capabilities, aligning with the recognized best practices. This model ensures accountability across our departments for our management of risks.

Monitoring and reporting on risks are key components of our risk management approach. Our business risk register is reviewed quarterly by our leadership team for each business area. The consolidated risk register is subsequently reviewed and examined by our Quality Department. The most significant risks faced by Baladna are then presented to our Chief Executive Officer and leadership team. This process allows us to prioritize and address the critical risks and formulate appropriate risk mitigation plans.

## Safety Culture Promotion

In line with our commitment to safety and well-being, we conduct comprehensive risk and safety assessments throughout our organization. We understand that accidents can occur despite our best efforts, which is why we place great importance on conducting thorough root-cause investigations if an incident occurs. These investigations enable us to identify underlying factors and implement preventive measures to mitigate the risk of future incidents.

Through our proactive approach to risk management, ongoing training initiatives, and open channels of communication, we strive to create a safe working environment where the well-being of our employees and contractors remains paramount.

## Moving Forward

We are committed to strengthening our risk management framework and pursuing certifications for various ISO standards by 2024, as detailed in our Appendix section (page 82). These certifications will validate our dedication to best practices in risk management and enhance our ability to navigate uncertainties, protect our assets, and ensure long-term sustainability. By continuously improving our risk management capabilities and seeking internationally recognized certifications, we reaffirm our commitment to ESG principles and deliver added value to stakeholders, effectively solidifying our position as a responsible and forward-thinking organization.

Baladna's dedicated approach to risk management, encompassing comprehensive assessments, continuous training, and adherence to international standards, underscores our commitment to maintaining a safe, sustainable, and responsible business environment. Our future-oriented strategy ensures that we remain resilient and proactive in managing potential risks, further solidifying our position as a leader in sustainable business practices.

## EMPLOYEE SAFETY TRAINING



To foster a culture of safety, we go beyond basic investigations and take proactive measures to educate and empower our workforce. We provide supervisors with Behavior-Based Safety (BBS) training to equip them with the knowledge and skills to identify and address potential hazards and intervene accordingly. Additionally, we conduct Toolbox Talk (TBT) sessions, which serve as regular safety briefings for our employees and contractors. These sessions ensure that all workers are well-informed and aligned with our safety protocols, promoting a cohesive understanding of potential risks and the necessary preventive measures.

# Sustainable Growth



Our strategic sustainability focus encompasses three key areas: providing access to nutritious affordable dairy products, promoting healthy eating habits, and ensuring the well-being of our cows. In 2023, we managed to contribute to a more sustainable and inclusive food system by maintaining high animal welfare standards and reducing transportation-related environmental impacts.

## Strategic Sustainability Focus

Our strategic sustainability focus encompasses three key areas: providing access to nutritious affordable dairy products, promoting healthy eating habits, and ensuring the well-being of our cows. In 2023, we managed to contribute to a more sustainable and inclusive food system by maintaining high animal welfare standards and reducing transportation-related environmental impacts.

We have implemented a wide range of sustainable measures across all levels of the firm to manage our resources efficiently, reduce our ecological footprint and emissions, and improve our sustainable practices. We have actively pursued international certifications such as ISO and FSSC and integrated energy-efficient technologies into our production processes. Also, we have implemented initiatives across all levels to

minimize paper consumption by transitioning to digital document sharing and signing and reducing the printing of paper.

Baladna has adopted innovative methods to reuse and preserve water as well as reuse waste and reduce its methane production. Our innovative methods not only contribute to sustainable water and waste management, but also have broader implications for Qatar's food security and economic stability. By utilizing the converted manure waste as fertilizer for local farming, Qatar can strengthen its self-sufficiency in agriculture, reduce costly fertilizer imports, and minimize the strain on natural resources, ensuring a more resilient and self-reliant agriculture sector. More on these sustainable measures can be found in "Pillar 3: Our Planet" (Page 46).

## International Efforts Towards Sustainable Growth

In February 2023, Baladna made a pivotal move in global collaboration by signing a manufacturing agreement with The Bel Group, a renowned leader in the cheese and snack industry. This agreement brings new opportunities for both companies, starting with Baladna producing La Vache Qui Rit® in 2023 and more of Bel Group's products in the near future. By producing such popular dairy products locally, Baladna can help Qatar reduce its food imports and reliance on international markets, which reduces the possibility of supply chain disruptions.

In October 2023, Baladna expanded its footprint in the Middle East and North Africa (MENA) region by signing a Memorandum of Cooperation (MoC) with the Suez Canal Authority in Egypt in the field of food security. With an investment volume of up to USD 1.5 billion, the memorandum includes studying the establishment of a cattle breeding project with a capacity of 20,000 cattle for dairy production and cultivating 280,000 acres of land in the New Valley Governorate "El Wadi El Gedid" in Egypt. The success of this project can lead to a large-scale increase in dairy and agricultural supply for both local Egyptian use and export purposes.

## Moving Forward

As we move forward, Baladna is driven by its ambitious goals that align with the United Nations Sustainable Development Goals (SDGs). Our aim is to inspire local businesses as the benchmark in sustainability while recognizing the significance of maintaining a social license to operate.

To ensure continuous and seamless alignment within the whole organization, we are establishing a dedicated Sustainability Governance Committee. We expect this initiative to ensure the effective oversight and implementation of our sustainability plans. The Committee will oversee the organization's sustainability practices by keeping track of the KPIs. Secondly, we are enhancing our transparency and accountability by reporting progress directly to and from the board. This direct line of communication ensures that top-level management is continuously informed and engaged in our sustainability efforts. Thirdly, we are pursuing membership in the UN Global Compact to showcase our dedication to upholding global sustainability standards and principles. This membership will align us with a widely respected international framework for sustainable business practices. Fourthly, we are setting targets to achieve a significant 95% reduction in landfill waste by 2024, reflecting our commitment to responsible waste management practices.





# PILLAR 2: OUR PRODUCTS





# Product Quality and Safety

At Baladna, our unwavering commitment is to uphold the highest global safety and quality standards in our products. We recognize the importance of consistently delivering products that not only meet but exceed customer and stakeholder expectations in terms of safety and quality. We utilize state-of-the-art technologies to enhance the efficiency of our production processes. This strategic adoption of advanced systems and methodologies ensures that we stay ahead in the market while maintaining the highest quality standards.

Prioritizing cost efficiency across our value chain is not just about economic prudence; it's about optimizing our resources and processes to enhance product quality. By managing costs effectively, we ensure that our products are not only of the highest quality but also accessible to a broader customer base. Our Food Safety Policy is a testament to our dedication, encompassing the entire spectrum of our operations – from the supply and manufacture to the distribution and sale of our products. The policy is rigorously implemented to ensure that every product that reaches the market is safe and of the highest quality. It is a cornerstone of our operations, guiding our procedures and practices in every aspect of our business.

## Adherence to Standards and Regulations

We are proud to have been awarded the ISO 22000:2005 Food Safety Management System (FSMS) Certification. In addition to obtaining safety certifications, we follow the principles of the Hazard Analysis and Critical Control Points (HACCP) system for food safety. This system entails numerous procedures to ensure the safety of food production at different levels of operation, such as hazard analysis, identification of critical control points, establishment of critical limits, monitoring procedures, corrective actions, verification procedures, and record-keeping.



**“Our commitment to product care is our guiding principle that shapes our daily operations, emphasizing quality, safety, compliance, resource allocation, training, and customer satisfaction. Our team’s unwavering dedication to quality and food safety across our value chain is the most critical aspect of ensuring consistent, high-quality products. This involves sourcing superior ingredients, rigorous quality control, compliance with industry standards, investment in technology, employee training, listening to customer feedback, and embracing environmental responsibility.”**

*Anas Basam Sukkar  
Manufacturing Manager at Baladna*



Our close partnership with the Ministry of Public Health ensures that our product quality complies with regulations for safeguarding customer health and safety. All products launched by Baladna are approved by the Ministry's food safety specifications, which include nutritional facts, product quality, and safety. Our valued partnership with the Ministry of Public Health ensures our full alignment with Qatar's long-term goal to enhance the healthy lifestyle and well-being of the population.

Additionally, Baladna complies with the International Standard on Quality Control 1 (ISQM 1) and maintains a comprehensive system of documented policies and procedures regarding compliance with ethical requirements, professional standards, and relevant legal and regulatory requirements. The ISQM 1, a standard established by The International Auditing and Assurance Standards Board (IAASB), serves as a framework that aims to enhance public confidence in the global auditing profession by setting high-quality international standards for auditing, assurance, and quality management and encouraging firms to develop tailored quality management systems that align with their specific circumstances. By complying with Qatar's national food safety regulations and other outlined standards, we ensure the highest level of health and safety for our customers.

## Reliable Labeling

Baladna recognizes the critical importance of transparent and clear labeling in empowering customers to make informed health choices. We are dedicated to providing our customers with accurate and comprehensive product information, which is a key aspect of our commitment to transparency and consumer trust. Our adherence to both regional and national labeling standards demonstrates our commitment to ensuring that our customers have access to reliable and comprehensive product information. This commitment to reliable labeling is a cornerstone of our efforts to support informed consumer choices, promote health, and maintain the highest standards of transparency in the food and beverage industry.

While we plan to develop in-house labeling guidelines, our current compliance with the GCC Standardization Organization (GSO) "Requirements of Nutritional Labeling" guideline and our attentiveness to global labeling and competition analysis standards have allowed us to consistently provide our consumers with accurate information. The GSO is a reputable Regional Standardization Organization that facilitates various standardization activities in the production and service sectors in the GCC. We are proud to support Qatar's regional trade and health promotion efforts by complying with these guidelines.

In Qatar, we fully comply with the Ministry of Public Health's regulations on labeling. Our product labeling consists of ingredients, their respective quantities, and nutritional information. The label also contains a QR code that leads to our website and allows customers to further discover and understand our products' nutrition and health-related information.

## Cultivating a Culture of Quality

As a resilient business, we believe a culture focused on food safety and quality management is key to driving our success and ensuring stakeholder and customer satisfaction. Throughout our departments, we strive to improve our employee knowledge, attitudes, values, and beliefs concerning quality and food safety practices to adhere to our high expectations and standards.

We are currently implementing a three-year Food Safety and Quality Culture Action Plan that revolves around three main pillars: engaging top management, increasing employee awareness, and empowering employees. In the past two years, we have conducted a yearly survey to identify our strengths and potential improvement opportunities and create a more effective food safety and quality culture. A final survey was conducted in February 2023. Although the survey results showed very high overall ratings of 9.28 out of 10, the participation rate of employees was relatively low. As a result of the conducted survey, we outlined an

Action Plan that aims to increase employee awareness of food safety and quality culture through training, individual KPI setting, mentoring and coaching, and reviewing competence matrices, roles, and responsibilities.

Additionally, we plan to explore different ways to empower our employees, heighten their voices, and recognize their achievements. One way we are fulfilling this action plan is by encouraging them to transparently and directly report any issues they face so that their concerns are heard and validated. Another action we have taken is establishing an internal recognition system for "Quality Employees of the Month." This system highlights the employees who have displayed exemplary quality practices, and it serves as an incentive for other employees to do their best. The recognition system has already been implemented in Baladna's Manufacturing and Operations departments and will be scaled to include the Supply Chain, Finance, IT, Sales, and Farm departments.

As we acknowledge that a shift in corporate culture within employee mindsets is a long-term and ongoing process, we expect our continuous efforts to yield numerous benefits to our organization. This includes increased customer and employee retention, employee motivation, revenue growth, and enhanced decision-making at all levels, among other gains.



**"My ultimate goal for food safety and quality is to ensure that Baladna is a trusted and preferred brand among our consumers. I strive to achieve this primarily by following international food standards and engaging all my team members to ensure our alignment on strategic goals and action plan implementation cascades into our everyday operations and interactions with different departments. While we are currently certified for ISO 22000, my next goal is to work toward receiving the latest FSCC 22000 certification, which I am confident my team can achieve."**

*Syrmoula Stamatoglou*  
Senior Corporate Quality Manager at Baladna





## Continuous Improvement

We are proud to report continuous improvements in Baladna's manufacturing operations, due to our efforts to enhance line efficiencies, reduce product losses, and increase overall equipment efficiency. Not only have we met our KPI for minimization of Loss In Process (LIP), but we also reduced it further from 3.8% in 2022 to 3.4% in 2023. This has been possible due to new controls over finished product weights, optimizing planning to reduce product changeovers, and adjusting product flush volumes during processing.

Our Overall Equipment Efficiency (OEE) KPI also improved from 36% to 41% in 2023 due to our improved planning, adjustments to plant operating conditions, and staff training and development. In addition to introducing a new cooker to increase production capacity, we made volume and efficiency modifications to our production capabilities so that the machines operate more effectively and shorten the manufacturing process. Coupled with our staff training and succession program at the operator and technician levels, we plan to further improve our operational efficiency and maintain product quality and safety standards.

## Moving Forward

In our pursuit of continuous improvement, we are working towards achieving the FSSC 22000 (Food Safety System Certification for food manufacturers), the ISO 45001:2018 (Occupational Health and Safety Management Systems), the ISO 22301:2019 (Security and Resilience), and the Global G.A.P certification for Product Quality and Safety by the year 2024. Our plans to achieve these certifications reinforce our commitment to aligning with international best practices when it comes to producing and handling fresh, safe, nutritious, and high-quality products.

# Healthy and Nutritious Foods

In response to the growing consumer focus on health and wellness, Baladna is devoted to offering products that align with a holistic, health-conscious lifestyle. As Qatar's leading dairy and beverage company, we understand the importance of providing foods and beverages that are not only natural and nutritious but also meet the highest standards of food safety and biosecurity. Our approach to product development and innovation is deeply rooted in our commitment to health and well-being. By continually introducing nutritious, tasty, and innovative products, we aim not only to satisfy the evolving demands of our consumers but also to contribute positively to the community's health. This dedication to offering high-quality, natural, and health-conscious products positions us at the forefront of the dairy and beverage industry in Qatar.

## Balancing Taste and Nutrition

As we prioritize the health and well-being of our customers, our products are fortified with important vitamins such as vitamin A and Vitamin D, to ensure optimal nutritional value. Additionally, we are determined to maintain high standards in our flavorings and colors to provide the most natural and wholesome ingredients possible. A substantial 95% of the flavors used at Baladna are either completely natural or extracted from natural sources, ensuring an authentic and flavorful experience. Moreover, 100% of colors used are natural and 80% of all our products are free from preservatives, which reflects our continued dedication to providing wholesome and safe dairy products.

## Product Innovation and Customer Satisfaction

Our product development process is guided by our internal Nutrition Criteria, which are rooted in international best practices. These criteria help us set specific requirements for protein and calcium content while limiting the amounts of added sugars, salt, and fat. By following these standards, we ensure that our products contribute to a balanced diet and support the overall well-being of our consumers.

With our team of experts, we aim to fulfill Qatar's food security needs while maintaining the highest product standards through our New Product Development Programme (NDP). We continue to explore innovative ways to create new products to meet our customers' demands and optimal nutritional value. This drives our team's efforts in recipe development, in order to prioritize the production of both delicious and nutritious foods and beverages.

In addition to nutrient fortification, we are constantly examining new ways to cater to a growing customer base. To meet the diverse demands of our customers, we offer niche dairy products such as lactose-free options, that address the needs of our customers with dietary restrictions and allow them to enjoy the goodness of dairy without discomfort. Most recently in 2023, we launched new lines of Greek yogurt with increased protein to 5.6% per 100g to cater to different customer ages and nutritional needs. Baladna always aspires to stay abreast of changing market demands and trends. Moving forward, we plan to consider offering more niche products that will satisfy the diverse needs of the community.



## Health Partnerships

In line with our commitment to health and safety, we actively engage in research partnerships around the world to positively impact public health. Collaborating with esteemed organizations such as Campden BRI in the United Kingdom, NIZO Food and Health Research Company in the Netherlands, and Arla Foods company in Denmark, we aim to contribute to the advancement of knowledge in the field of nutrition. By leveraging these research partnerships, we strive to bring forth meaningful insights and innovative solutions that benefit our consumers and the industry as a whole.

We also take pride in promoting local sports through sponsorships of health events and initiatives that support active lifestyles and well-being. As an influential company, we believe it is our duty to support local causes and organizations that align with our values and contribute to common goals. Sports play a big role in enhancing an individual's and a society's quality of life. An active community has better life expectancy with a higher probability of safe, healthy,

and productive living conditions. With our diligent focus on providing safe and healthy products, our commitment in advocating healthy lifestyles ensures a holistic approach that yields long-lasting, positive transformations within our community. Further details on our promotion and sponsorship of health initiatives can be found in "Pillar 4: Our People" (Page 60) and Pillar 5: Our Community" (Page 72).

## Moving Forward

Moving forward, our teams will continue to enhance our products to meet our customers' needs and demands. Additionally, we plan to revise and expand the Food Safety and Quality Policy Statement into a stand-alone public and overarching policy. We also aim to revise Baladna's nutrition criteria against industry-leading practices and emerging global requirements and consider other possibilities that can positively impact the lives of our customers and the communities we serve.

# Ethical Sourcing

As a local market leader, we understand our supply chain's role in promoting ethical and sustainable procurement. We aim to foster enduring partnerships with reputable suppliers who share our business principles and make positive contributions to our value chain, communities, and the global environment. Baladna follows a strict Code of Ethics and Procurement Policy to guide our relationships with suppliers. The principles of the policy include fairness, integrity, confidentiality, conflict of interest guidelines, Corporate Social Responsibility (CSR), and more. Our suppliers are held to the same standard of our company's Health, Safety, Security, and Environmental (HSSE) requirements; which ensures we are partnering with suppliers that hold the same ethical, sustainable, and quality values.

## Rigorous Supplier Screening

To ensure we engage in ethical sourcing, our suppliers are screened and reviewed through our Supplier Registration Questionnaire, where details of their business, performance, and supply quality are evaluated. All our potential suppliers are expected to meet the following criteria for business partnership considerations:

- Possess ISO 22000 and Halal Certifications
- Provide GMO and Allergen Declarations
- Disclose information related to pesticides and heavy metals
- Present a Food Grade Certificate and Migration Test for primary packaging material
- Submit a Hazard Analysis and Critical Control Points (HACCP) Study

In 2023, we introduced ESG-relevant questions to our Supplier Questionnaire, enhancing our focus on environmental, social, and governance aspects during the onboarding process. Additionally, we incorporated questions assessing suppliers' In-Country Value (ICV) scores to elevate Baladna's ICV score for budget 2024. A key example of our sustainable supply chain is our partnership with Schweizerische Industrie Gesellschaft (SIG), which provides us with aseptic carton packs. These packs are sustainable by nature, made predominantly from renewable paperboard, responsibly sourced, and have a low carbon footprint. By choosing suppliers who are environmentally conscious and adhere to sustainability guidelines, we enhance the overall sustainability of our supply chain.

## Vendor Management and Auditing

Baladna's approach to vendor management and auditing exemplifies our commitment to sustainability and quality in our supply chain. By rigorously auditing suppliers, focusing on local sourcing, and exploring sustainable procurement options, we are reinforcing our pledge to be a responsible and environmentally conscious leader in the food and beverage industry. Our future plans further demonstrate our dedication to sustainable practices, both in sourcing materials and in operational procedures, ensuring that our impact on the community and the environment remains positive and substantial.

We conduct pre-audits on suppliers of raw materials and packaging to assess their quality of ingredients and adherence to food safety and hygiene measures. To ensure the nutritional value of the feed used for our dairy production, we test feed samples in three labs situated in the United States, which adhere to the United States Department of Agriculture (USDA) Standards for Feed Quality. Our farm quality team visits suppliers to inspect the materials being purchased and verify compliance with quality standards. Regular audits, both physical and online, are conducted every three to five years to evaluate our vendors based on certifications such as FSSC 22000, BRC food Safety, IFS Food Standard, risk assessments, and other relevant criteria.

We have continuously focused our efforts on increasing local sourcing of ingredients and materials to increase our community's shared values and better mitigate potential supply risks. Currently, we have 636 active local suppliers, accounting for 66% of our total supplier base. By partnering with local vendors who meet our rigorous quality standards, our brand reputation can be further enhanced as a trusted and reliable food and beverage producer that responsibly serves its community, promotes in-country value and supports the local economy.

## Moving Forward

Moving forward, we will continue investigating opportunities for sustainable sourcing such as sourcing sugar from the VIVE Sustainable Supply Chain Program and sourcing palm oil from ESG-compliant suppliers. We will also continue to source and purchase energy-efficient appliances and technology that are "Energy Star" certified. Our recently developed Policies and Manuals in relation to Procurement and Supply Chain will have a notable impact on our supply chain activities and transactions. To further promote sustainability, our "green" procurement guidelines will serve as a framework to minimize any negative environmental impacts in the procurement process and to positively contribute to our surroundings.

Balaana Headquarters, Al Khor





# PILLAR 3: OUR PLANET



Baladna recognizes the importance of meeting Qatar's dairy demand in an environmentally responsible manner. We are committed to optimizing our processes and operations to conserve resources, minimize waste, and reduce our environmental impact. Our significant investments in innovative technologies and ongoing research efforts demonstrate our dedication to improving our environmental footprint. By embracing these sustainable initiatives, Baladna not only contributes to Qatar's dairy demand in an eco-friendly way but also sets a benchmark for sustainability in the industry.

## Water Stewardship

Our holistic approach to water stewardship and conservation is pivotal to our company's pursuit of sustainable operations and environmental engagement. Baladna has actively adopted innovative and sustainable practices for high-quality dairy and juice production, aiming to reduce water consumption. We are cognizant that water is a finite resource and strive to ensure we utilize it responsibly.

### Environmental Investments

Among the most notable accomplishments for Baladna this year was investing 90 million QAR in upgrading the Veolia Wastewater Treatment Plant. While the initially constructed plant could treat 6,000 m<sup>3</sup> of water per day in 2020, through this upgrade, we were able to more than triple our water treatment capacity and reduce our

freshwater consumption by 50%. The state-of-the-art wastewater treatment plant contributes to a year-on-year growth of 17.7% for treated wastewater, which is reused for agriculture, cooling, soaking, and cleaning purposes.

The system includes an initial separation step with a capacity to treat 22,000 m<sup>3</sup> per day. Of its total capacity, almost half the wastewater is treated to replace the potable water used in the soaking and misting systems of the farm, and the remaining half is recirculated to clean the barns. This treatment takes place through a two-stage AnoxKaldnes™ Membrane Bioreactor (MBR) process, which uses microorganisms for the biological treatment of wastewater and allows for a high treatment capacity with a minuscule footprint.



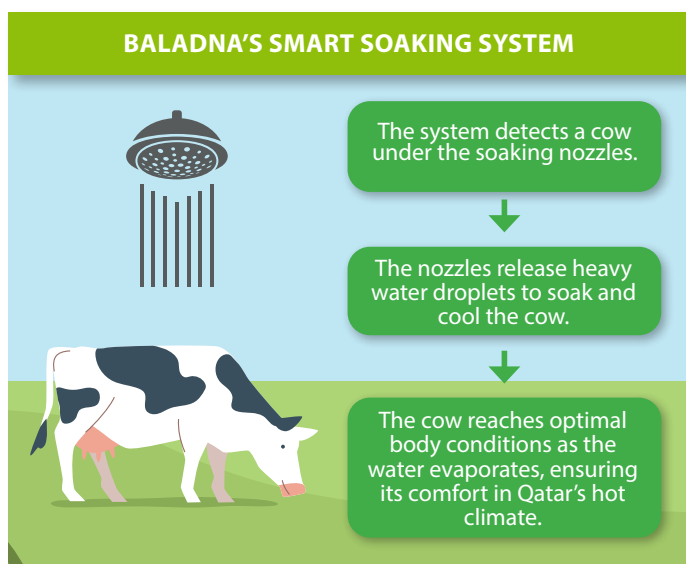
**"I aspire to contribute to Baladna's long-term sustainability goals by implementing and overseeing environmental, social, and governance initiatives that reduce the industry's environmental footprint, promote ethical practices, and ensure our strong governance. I take great pride in our achievement of developing Baladna's comprehensive Sustainability Roadmap. This roadmap reflects our commitment to reducing our environmental impact and supporting the community, ensuring a more sustainable future for Qatar."**

*Wafaa Al-Saffar*  
ESG Director at Baladna



The effluent is then treated with coagulants and flocculants before tertiary treatment through a two-stage filtration with high-quality filters that are cost-effective, consume less energy, and operate through an automatic control system that optimizes the treatment capacity.

Baladna has also invested in a Smart Soaking System, a conductive cooling system used to apply heavier water droplets on a cow's body so that it reaches optimal body conditions as the water evaporates. The soaking offers relief for overheated cows through droplets that are heavy enough to penetrate their hair and soak their skin for a maximum cooling effect, which is especially important for the cows' health and comfort in the hot and arid climate of Qatar. Aiming to save approximately 50-70% of fresh and treated water consumption in barns, the Smart System operates by only soaking when weather conditions warrant it and a cow is present at the installed soaking nozzles, ensuring optimal comfort conditions. Currently, we have prototypes of the system in two of our barns, with plans to scale up its utilization to all barns.



## Water Innovations, Research, and Development

To improve our water efficiencies within our plant operations, we currently use Reverse Osmosis (RO) technologies. These technologies use pressure and a semi-permeable membrane to generate pure water streams and separate water molecules from impurities, such as microbes, suspended solids, and dissolved salts, effectively removing up to +99% of impurities. The RO technologies have led to a successful decrease in the percentage of rigid water, from 40% water rigidity to 10%. Additionally, RO technologies have numerous economic, environmental, and technical benefits. Such benefits include preventing equipment corrosion, reducing operational costs, lowering the reliance on

## WATER HIGHLIGHTS IN 2023



### Veolia Waste-water Treatment

- 90 million QAR investment
- 50% decrease in freshwater consumption
- 17.7% increase in year-on-year wastewater treatment



### Smart Soaking System

- 50-70% decrease in barn water consumption, installation in all barns is ongoing (targeting completion in March 2024)



### Reverse Osmosis Technology

- 30% decrease in rigid water

external water sources, maintaining consistent product quality, and minimizing the release of contaminated waters back into our ecosystems.

Additionally, through consultation and research, we are always exploring new processes and technologies that could help us improve our water stewardship. Baladna continuously seeks research and development collaboration opportunities with prestigious academic institutions such as Qatar University and Texas A&M University in Qatar to research topics of water wastage in farming, vertical farming, and hydroponics.

## Moving Forward

Baladna plans to further explore initiatives that can help us reduce our water consumption by 50% in the next two to three years. The development of a Water Balance Chart is currently underway to measure the water movement between plants and improve the efficiency of water abstraction and circularity. The Chart will highlight the total water supplied to the site, the actual water consumed through different purposes on the site, and the total water leaving the site. By developing a Water Balance Chart, Baladna can track and identify areas of significant water consumption and potential problem areas such as leaks and uncontrolled losses.

# Waste Management

## Repurposing Waste

Our circular approach to food security is turning waste into wealth. Through responsible waste categorization, we identify recycling opportunities, minimize waste generation, and promote a circular economy. Throughout the year, we explored different opportunities to measure and increase our recycled waste, which has led to several achievements in our waste management.

Most of our waste is generated as factory liquid waste (sludge), manure, sewage water, packaging material (mostly mixed plastic), rejected products (plastic), and feed leftovers. Waste from our operations is initially separated into liquid waste and solid waste. While the liquid waste is sent to the wastewater treatment plant, the solid waste from our farms is sent to our

composting facility. The sand bedding for the cow barns is collected, cleaned and separated through our Sand Manure Separating (SMS) system to be recycled back into the barns. By converting waste into resources, we have managed to create a closed-loop system that minimizes environmental impact, supports the food security of the nation, and cultivates a greener circular economy.

To showcase the success of the waste-compost transformation, Baladna actively participated in the 3rd Recycling Towards Sustainability Conference and Exhibition, organized by the Ministry of Municipality. During the exhibition, Baladna's innovative journey of transforming waste into valuable resources was highlighted in a session entitled "Transforming Dairy Waste Streams: Baladna's Path to a Sustainable and Circular Economy."



## Reducing and Recycling Plastic

Our plastic factory has explored several opportunities to reduce plastic consumption over the past year. One important initiative has been the reduction in the weight of plastic bottles, as we successfully decreased our 2-liter plastic bottles by 3.5 grams each and our plastic sheet weights of the 170g yogurt cups by 11% over the past two years. This has led to an approximate reduction of 55,000 kgs of plastic in 2023 alone. The lighter weight also translates to reduced energy consumption, as these bottles require less cooling.

Recycling is another important initiative we prioritize to reduce waste. Baladna's plastic factory initiated the re-use of carton trays and corrugated boxes as a part of our environmental sustainability program commitment. Good quality corrugated carton trays and boxes are collected from the dairy filling line after using the packaging material. An average of 231,285 paper-based carton trays and boxes were reused in our production line in 2023 and will continue to be reused in 2024.

Moreover, our plastic factory line is equipped with recycling auxiliary equipment for rejected cap grinding. This ensures all the rejected closures and plastic bottles are recycled and used as raw material substitutes in

the manufacturing line. Through our partnership with Sea Shore Waste Management company, we were also able to recycle around 11,000 m3 of mixed plastic and rejected plastic products over the last two years. While the project is currently on pause, we are actively exploring alternative ways to sustain and expand our recycling initiatives.

## Information Technology Initiatives

At Baladna, we are constantly exploring new opportunities to adopt and implement eco-friendly practices throughout our operations, and our Information Technology (IT) department has been at the forefront of leading our digital transformation sustainably. Through our "Paperless Initiative," we aim to minimize our ecological footprint and contribute to a greener future. We are actively working towards reducing the usage of paper for bills, delivery notes, and shipping documents with our vendors and customers. By replacing paper-based workflows with digital approval systems, we are streamlining operations and further minimizing paper use. In addition to automating our daily office practices, we aim to further promote a circular economy by recycling toners from small printers and exploring options to collect toners from large printers to be repurposed and reused.



*Weight-Reduced Plastic Production, Al Khor*

## Moving Forward

We are in the process of partnering with local recycling companies to collect waste and implement new technologies to target a comprehensive circular production process. In terms of plastic minimization, we are studying the possibility of further reducing our plastic bottle's weight by 10 grams, which would lead to a significant reduction in annual plastic production. Recognizing the need for responsible waste management, we plan to collaborate with partners to establish a system for collecting and properly disposing of heavy-duty multi-functional printer (MFP) toners. Through communication campaigns focused on reducing paper consumption and promoting an equipment economy, we aim to install environmentally conscious practices throughout our organization.

# Energy Efficiency



## Energy-Efficient Cooling Technologies

In Qatar’s challenging climate, characterized by high temperatures and humidity, Baladna prioritizes maintaining a comfortable environment for our cows. This is crucial not only for the well-being of the livestock but also for optimizing milk production and overall farm efficiency. Barn ventilation is one of the key components to cow comfort and overall energy-usage on the farm. Tunnel-ventilated barns are preferable in this regard and were installed during the building of Farm 2. The initial site Farm 1 has now been upgraded from cross-ventilation to tunnel-ventilation, ensuring uniformity in climate control across all our cow housing facilities.

Baladna is supporting the Gulf Organization for Research & Development (GORD) to develop a patented, sustainable fresh air-handling dehumidification and cooling technology. Funded by Qatar National Research Fund (QNRF), the technology will revolutionize air-handling dehumidification and cooling for livestock barns while drastically reducing energy and water consumption. This enables us to be at the cutting edge of technological advancements while contributing to the responsible stewardship of our natural resources. The table below summarizes the technology we use to monitor and control the flow and quality of air on our farms.

### BALADNA’S FARM SYSTEMS: ENERGY-EFFICIENT TECHNOLOGY

<b>Oizom Odor Monitoring System</b>	Monitors the emission of gases like Ammonia, Hydrogen sulphide, Sulphur dioxide, Methanethiol, and TVOC from our farms.
<b>Cooling System</b>	High pressure cooling system with sophisticated fans used for maintaining the required temperature and humidity for cows. It is specially designed for Qatar’s hot and humid environment.
<b>PHASON Cooling Control system</b>	Monitors temperature and humidity inside and outside the barns, efficient controlling according to the programmed settings. Can be controlled remotely through the internet, and allows for data logging, analysis, and storage.
<b>BMS System (under implementation)</b>	Remotely Monitors the operation of cooling system components like pumps and fans with a feedback system. Will function as a secondary monitoring system in addition to PHASON.

## EXPLORING SUSTAINABLE OPTIONS



Recently, we conducted two independent studies on the feasibility of a solar plant to generate power for daily consumption in barns and reduce the amount of energy utilized to reduce harmful impacts on the environment. This data is vital for future operations as we expand into new markets.

### Shifting to Cleaner Energy

Our proactive approach to reducing our carbon footprint through methane abatement, research on gas capture methods, utilization of advanced data analytics, and transition to cleaner energy sources is integral to our mission of minimizing our ecological impact, reinforcing our commitment to being a responsible and forward-thinking leader in the industry.

An independent carbon credit audit has revealed that Baladna has successfully reduced its methane emissions to approximately 32,000 metric tons of carbon dioxide equivalent annually. This achievement is a significant step in our commitment to reducing GHG emissions. Alongside our efforts to reduce emissions, we are actively researching various gas capture methods. This research aims to identify more effective ways to capture and possibly utilize or store greenhouse gases, further contributing to our environmental sustainability goals.

Baladna has also taken active steps to move from diesel to liquified petroleum gas (LPG) for energy consumption. LPG releases significantly less carbon emissions than diesel and is an environmentally better option. Plant 4 is already powered by LPG, and Plant 3 is currently under conversion to utilize LPG. The switch will result in lower greenhouse gas emissions.

To gather and analyze all environmental-related data, we use Power Business Intelligence (BI). This tool helps our management and departments stay informed and strategically invest in initiatives that reduce our environmental impact.

### IT Practices and Automation

Baladna recognizes the importance of efficient data management and is developing a centralized server system for optimized operations. To align with sustainable practices, we plan to partner with Google for Systems Applications and Products in Processing (SAP) to transition from on-premise data centers and outdated infrastructure to cloud-based green data centers.

To optimize energy usage, sleep mode has been implemented for laptops and printers, reducing power consumption during inactive periods. We have transitioned to multi-functional printers to improve toner and energy efficiency. This shift not only conserves energy but also reduces operational costs. Additionally, we have embraced e-meetings and remote implementation by partners whenever possible to save energy and reduce the need for physical transportation.

### Moving Forward

Moving forward, we plan to achieve the Global Sustainability Assessment System (GSAS) certification throughout our business operations. This certification is a hallmark of adherence to rigorous environmental and sustainability standards. Achieving GSAS certification will reflect our commitment to sustainable development, covering various aspects such as energy efficiency, water conservation, and building materials. To promote clean energy use, we are interested in future cooperation with Kahramaa on a solar energy utilization project.

# Sustainable Distribution

## Fleet Optimization

Our fleet optimization strategy for 2023 highlights our commitment to operational efficiency, cost-effectiveness, and environmental sustainability. It focuses on route planning, fleet optimization, unscheduled delivery elimination (second loads), cost and fuel saving, fleet downtime reduction, and digitizing the fleet through telematics and SAP data records. The strategy has allowed Baladna to successfully meet numerous targets in fuel consumption, emission reductions, cost reductions, fleet maintenance, and technological improvements. We have also developed a Fleet Replacement Policy that will help us replace vehicles and equipment at optimal economical age, effectively limiting our spending.

This year, we established a fleet operation center that monitors resources and fuel, alerts management of any issues or concerns, efficiently plans routes, and assesses general data. Our fleet telematics plays a crucial role in ensuring optimal vehicle utilization through real-time alerts. This data-driven approach helps identify areas for improvement and facilitates proactive decision-making to enhance fuel efficiency and reduce environmental impact. Furthermore, our centralization of fleet-related assets enables cross-functional utilization, optimizing resource allocation and minimizing duplication. The Figure "Transportation Strategy Achievements in 2023" highlights our achievements throughout the past year. Through these achievements, we have increased our efficiency while significantly reducing the energy used to deliver orders to customers, in turn minimizing the negative impact of transportation on the environment.

## TRANSPORTATION STRATEGY ACHIEVEMENTS IN 2023



**4% decrease  
in second load  
deliveries**



**2-3% reduction in  
overall fuel costs  
by idling control**



**9% increase in  
served customers  
without an  
increase in fleets**



Baladna Fleet

## Limiting Idling

Baladna has specific policies in place related to excess idling, and we actively work towards reducing idling time, implementing measures to control fuel consumption, and setting limits that promote responsible fuel usage. We have also developed a technology that monitors and reports truck idling. The report is circulated among relevant management, and they consequently observe the top 20 inefficient vans and plan different ways to reduce inefficiencies and excess idling.

Employees involved in our transportation system receive quarterly training focused on reducing fleet idling. This training is crucial in educating our staff on best practices for reducing emissions and fuel consumption. New employees also receive comprehensive training before starting their duties, ensuring they are well-versed in our idling reduction policies and objectives.

## Moving Forward

We are determined to continually enhance our fleet optimization strategies by maximizing the benefits and performance of our fleet operations, ensuring they align with our sustainability goals and operational efficiency standards. A key initiative in our future plans is the conversion of Plants 1 and 2 into storage facilities. This strategic move is expected to significantly decrease the number of fleet trips required. By reducing the number of trips, we anticipate a corresponding decrease in fuel consumption and gas emissions. We also plan to mobilize department managers to help further improve our fleet operations, cold chain management, and waste management. This aligns with our environmental objectives and contributes to a reduction in our overall carbon footprint.

# Animal Care and Management



Cows with monitoring collars, Al Khor

In 2023, we continued to prioritize the health and well-being of the livestock by monitoring their overall health, implementing preventative healthcare measures, launching clinical trials, and improving animal nutrition and overall cow comfort. Our highly skilled staff have targeted their efforts to meet the needs of our animals, including providing comfortable and cool housing, access to high-quality milk and feed, calm handling practices, transportation, preventative health care, and veterinary attention.

## Farm Policies and Protocols

Since the first cows arrived at Baladna, we have strived to follow policies and procedures that prioritize the welfare of all animals on the farm. Our policies encompass a range of practices and international standards that promote the physical and mental health of the animals. We proactively care for the animals by handling them with the utmost care and providing the highest quality nutrition, veterinary care, housing, and management. This starts from within the first half hour that a calf is born, through its development, and well into its productive life on the farm.

## BALADNA'S FARM SYSTEMS: SUSTAINABLE ANIMAL HEALTH



### Bio-Security System

The Automatic Biosecurity Spray System operates in our farms to reduce the risks of diseases, weeds, or pests entering, spreading, or leaving the farm. The human disinfection machine works inside the biosecurity building, and the vehicle spray system is at the wheel dip area.



### SenseHub (SCR) Animal Monitoring

The SCR Cow monitoring systems allows us to monitor the following in live time:

1. Minutes per day ruminating (Feed efficiency)
2. Movement trends
3. Sickness
4. Onset of Oestrus Cycle
5. Breathing rates



### Sand Manure Separation (SMS) System

Cows lie on sand beds inside barns as the sand acts as a comfortable cooling bed for cows. The sand gets mixed with manure and is replaced in intervals through the system. After stages of cleaning, the sand is reused.



Our veterinarians and farm teams, supported by expert consultants, have developed detailed protocols for animal care. These protocols are tailored to meet the specific needs of our farm and our animals, such as farm and breeding systems, animal husbandry, fresh cow management, staff training, welfare of animals, and vaccination programs. A consultant vet periodically reviews and updates these protocols to ensure they align with internationally recognized standards, such as the Global G.A.P. audit standards. This process ensures our practices remain up-to-date with the latest developments in animal welfare.

### Animal Health and Innovation

Implementing technology on our farm is one of the ways Baladna continues to innovate in order to give all our animals the highest standard of care. By integrating climate-smart systems, conducting trials on emerging technologies, and hiring specialized expertise, we ensure that our cows are housed in a comfortable environment and their health is meticulously monitored. These initiatives not only enhance the welfare of our livestock but also position us at the forefront of technological advancements in the dairy industry. Technologies such as individual and herd-level monitoring technology are of utmost importance in managing a dairy herd, as further described in the table "Utilizing Innovative Technology."

Our management has continuously encouraged the development of innovative climate-smart technology and progressive operations to navigate the difficult weather in Qatar. We have invested in advanced automatic cooling systems that regulate the temperature and humidity to ensure comfortable, climate-controlled housing for our cows. Our barns are filled with sand beds that act as cooling and comfortable bedding for our cows. The barns are kept clean through a sand manure separation system (SMS), where the sand is reused after cleaning. Additionally, our smart soaking system operates with advanced sensors to detect the presence of a cow and apply heavier water droplets on its body to cool it down. This helps cool the cows and maintain their body temperatures in Qatar's hot and dry weather.

There are new technologies constantly being introduced in the dairy industry, and we conduct feasibility trials utilizing new cow monitoring technologies prior to their incorporation into our standard practices. Currently, we are completing trials on the farm with ear-tag and bolus animal health tracking systems. These are implemented in 300 cows each and are integrated into the animal health team's normal check-up routine. This enables us to compare

and contrast different monitoring technologies and decide which one most swiftly captures changes in the health status of the animals. We have also hired a veterinarian with international experience to specifically monitor farm technologies and explore more opportunities to implement technologies such as AI for locomotion scoring and tail scoring.

## UTILIZING INNOVATIVE TECHNOLOGY



We currently use monitoring collars that utilize AI (Artificial Intelligence) and IoT (Internet of Things) to collect data on the animals, including respiration rate, water intake, and feeding time. The team receives alerts when these parameters increase or decrease from the normal range for both an individual cow and a group of cows. This has allowed the team to detect and treat diseases earlier in individual cows and detect faults that occur with the facility, such as a malfunctioning fan. Since our veterinarians can address diseases early, this reduces reliance on antibiotic treatment, which is an important topic in both human and animal healthcare. By using this technology, we can positively contribute to heightened antibiotic stewardship and reduce the risk of encountering antibiotic-resistant strains of bacteria that cause disease in the herd.

## FARM SAFETY TRAINING



We provide training across all activities on farm, first aid, equipment usage, and emergency planning for higher-risk activities with animals to ensure that all staff are aware and can mitigate risk. For example, the facilities are designed with a pass-through gate in every farm that provides an “escape path” to allow a person to move quickly away from an animal in case of an emergency, which all staff are made aware of before working in risk prone areas.

### Expert Care and Animal Handling practices





Animal handling is an essential part of animal husbandry, as it benefits the welfare of our animals and creates an ideal working environment. Proper handling techniques ensure that the cows in our care do not experience undue stress or harm, which in turn maintains production quality and ensures interactions between our animals and staff are safe and effective. Animal handling guidelines apply to all aspects of livestock caretaking, which is the responsibility of every farm team member.

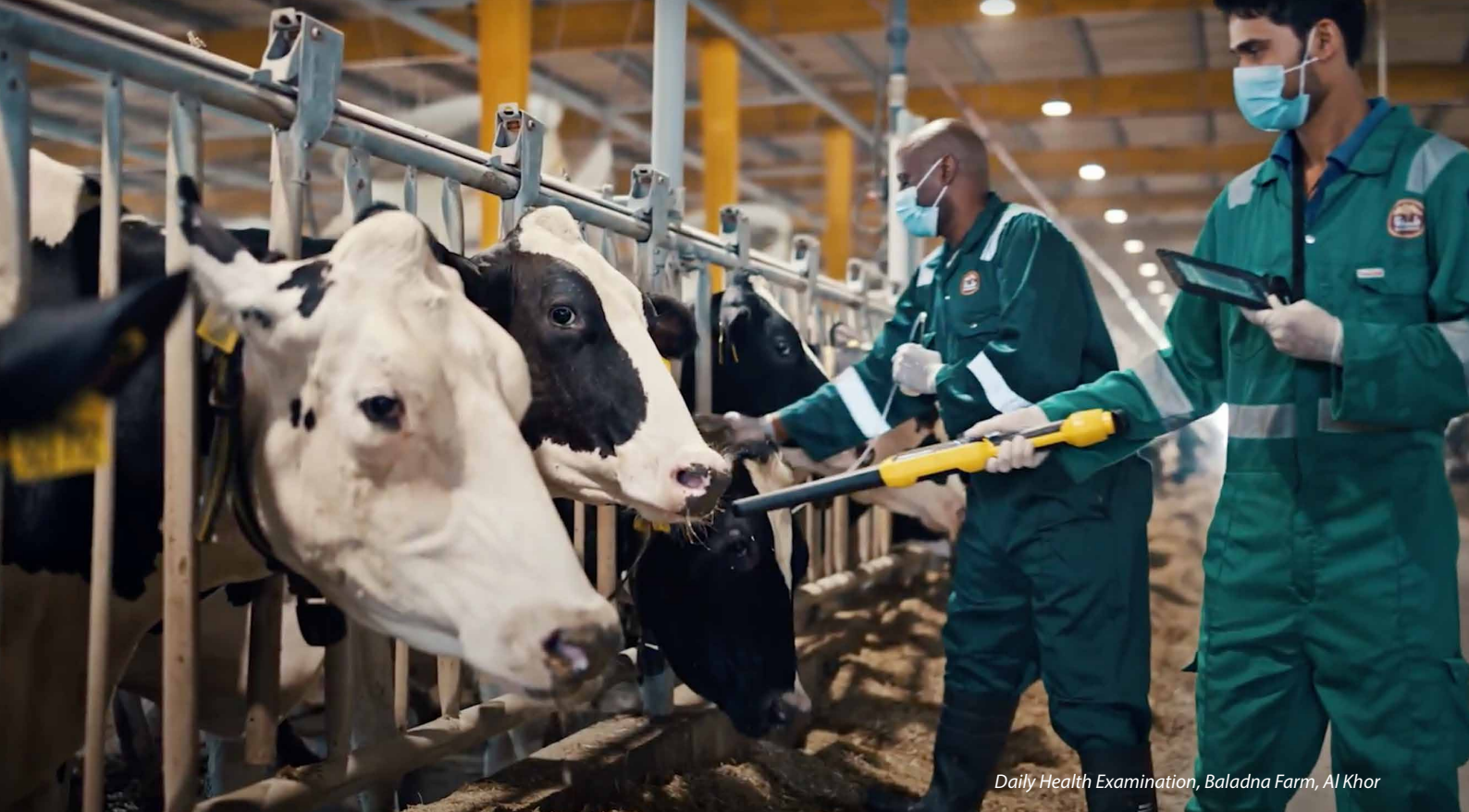
Consultants with expertise in various components of farm management visit the herd regularly to work with the farm team on improving and enhancing our policies

to ensure we are considering all needs of our calves, heifers, and cows so that they can produce their best. All consultants provide detailed reports after each visit so that we can monitor our progress on their action plans and maintain accountability, in addition to ad-hoc advice as needed in between visits.

Throughout the year, we initiated trials with homeopathic medicine to treat cows with health issues. These trials proved successful as we were able to reduce the stress of the cows while maintaining their milk production. We also initiated trials with Qatar University Research Center to produce a mastitis vaccine specifically for Baladna cows, which once developed, will offer greater protection for our herd.

### ANIMAL CONSULTANT COOPERATION AT BALADNA

CONSULTANT	FOCUS	VISIT FREQUENCY
 <b>Nutritionist</b>	Feed ration quality, assisting in adjustments for optimal performance, advice on ingredients	Every 6 weeks
 <b>Breeding</b>	Reproductive strategies, future planning, IVF and embryo transfers	Quarterly
 <b>Veterinarians</b>	Overall care strategies, preventative healthcare protocols, treatment advice	Quarterly
 <b>Specialists</b>	When needed, other experts with specific areas of focus will be called upon to obtain advice on areas of interest to the management team, such as, housing, ventilation systems, cooling technology, and more	As needed



*Daily Health Examination, Baladna Farm, Al Khor*

## Moving Forward

Moving forward, we plan to continue our investment in the best climate-smart solutions available to become one of the most sustainably managed dairy companies in the region. We will expand the digital transformation in herd care that began this year and launch two major trials to assess the health of the cows. The first trial will monitor the cows' body temperature and activity to assess the effectiveness of our cooling system, helping us optimize barn cooling and cow comfort. The second trial will involve CattleEye, a system that monitors the mobility, hoof health, and general conditions of each cow in real-time. We also plan to upgrade existing flooring with softer rubber alternatives to increase our herd's comfort.

**"One of the biggest challenges we faced on Baladna's farm was sustaining our operations through the COVID-19 pandemic. Since farming and animal management are daily exercises that we cannot afford to stop, we utilized this challenge to increase our cooperation with our farm team and improve our crisis management. To increase our employee awareness about proper animal handling in the midst of the pandemic, we conducted relevant intense training, delivered lectures, and implemented disinfection devices to create a safe and positive work atmosphere."**

*Essa Olyamat  
Assistant Herd Manager at Baladna*





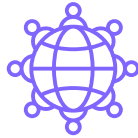
# PILLAR 4: OUR PEOPLE



# Diversity

## Countries of Origin

39 Nationalities



## Total Employees

1996

### Baladna's Diversity Overview in 2023

## Gender

Male: 1,941  
Female: 55



## Religious Groups

Muslim (45%)  
Hindu (27%)  
Christian (11%)  
and other (17%)

## Diversity Guidance and Expectations

Baladna's approach to diversity and inclusion reflects a deep understanding of the value that a diverse workforce brings to an organization. By fostering an inclusive, respectful, and collaborative environment, and upholding our principles of equality and diversity in employment, we continue to build a strong, dynamic, and forward-looking company. Our commitment in this area is integral to our identity as an organization and fundamental to our continued success and growth.

We recognize that the diversity of our employees is a significant asset. The variety of perspectives, experiences, and skills brought by our team members significantly enriches our company culture and

enhances our ability to innovate and grow. We are dedicated to fostering an environment of harmony and respect, acknowledging that such an atmosphere is key to our success and the well-being of our staff as we promote inclusion and collaboration. We believe that every employee should feel valued and have the opportunity to contribute fully to our shared goals.

Within our Human Resources (HR) Manual, we have a detailed Diversity Policy that underlines our commitment to being an equal-opportunity employer. This policy is a cornerstone of our HR strategy, ensuring that all employment practices are fair and inclusive. Employment diversity is not just a matter of compliance with legal and ethical standards, but it is a critical factor in driving innovation and excellence.



## Enhanced Strategies

Maintaining a comfortable and professional workplace for our employees is a top priority for Baladna, and we ensure that all our employees are fully aware of our behavioral expectations of them. During induction, all our onboarding employees are presented with an Employee Handbook that outlines organizational practices, policies, procedures, expected norms and behaviors, and available processes for assistance. This handbook prepares our onboarding employees to seamlessly assimilate into our organizational culture and serves as a general guideline for current employees.

Our Code of Conduct offers guidance on ethical and professional work expectations. It addresses critical areas such as personal behavior, equity, diversity and inclusion, and harassment. In 2023, we introduced a training program for employees on our Code of Ethics and Conduct. Topics covered include harassment, diversity, equity, inclusion, and our commitments to employees and suppliers. Approximately 90 employees attended these training sessions, with printed copies of the Code of Ethics distributed at the end of each session.

In the past year, we successfully revised and enhanced our HR strategy to produce the HR Transformation Strategy. With Baladna's expansion in scale and geography in mind, the new HR strategy was developed to help foster a resilient and flexible workforce as well as strengthen our HR department's effectiveness. As a result of the strategy rollout over the next two years, we expect to attract, develop, reward, and retain a diverse and talented workforce that flourishes in a comfortable work environment. The image below displays different stages of our HR Transformation Journey, and it highlights key target points for our progression.

## Equal Rights and Opportunities

As a proud advocate for equality, Baladna believes everyone deserves a fair chance to pursue opportunities and secure their livelihoods. With zero tolerance for discrimination, we ensure all our internal decisions regarding recruitment, hiring, promotion, compensation, employee development and training, and all other terms and conditions of employment are made without regard to race, religious beliefs, color, gender, marital status, physical and mental disability, age, ancestry, or place of origin. As we continue to grow with our workforce, our recruitment practices and HR management will further adapt to consider the diversity of our employees and tailor their communications to match audiences with different languages and levels of reading and comprehension.

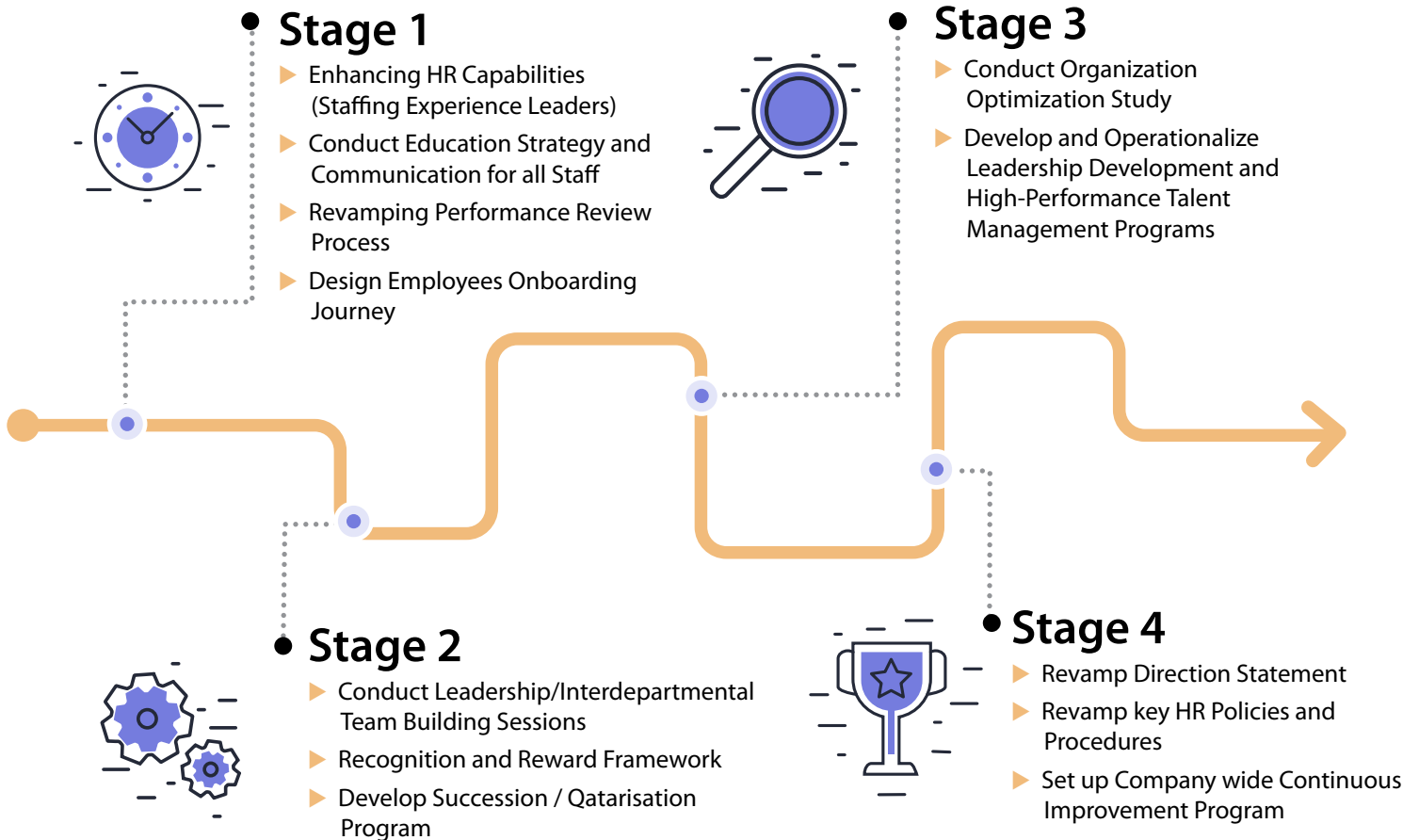
At Baladna, we strive to empower women in the workforce and ensure their equal access to opportunities. Due to the common perception of our industry being mainly labor-intensive, the number of women who pursue employment within our company is relatively lower than that of men. Recognizing this key area for improvement, we are exploring the possibility of extending our defined maternity leave and nursing hours beyond the requirements of Qatar's labor laws to ensure a comfortable environment for our working mothers.

As a part of the Qatar National Vision 2030 to enable national human development, we aim to attract local talent and increase the participation of Qataris within the workforce. Our current internship program with Qatar Foundation, Qatar University, Doha Institute for Graduate Studies, and the Qatari Armed Forces Cadets prioritizes training and developing Qatari talent. The current internship, as well as our activated five-year Qatarization Plan, are some of the vital steps we are taking to have both local and international representation within our workforce.

**Through the following, we seek to educate our employees on their rights and responsibilities, mandate their fair treatment, and protect them from discrimination.**

1. HR Manual
2. Code of Conduct
3. Fair, Safe, Healthy, and Ethical Environment Policy
4. Equity, Diversity, and Inclusion Policy
5. Harassment Policy
6. Whistleblower Policy

# BALADNA'S HR TRANSFORMATION JOURNEY



## Inclusive Employee Engagement

To cater to our diverse workforce, we engage our employees in interactive events and initiatives that encourage respectful communication and cooperation. As a result, our employees feel more motivated at our company, build better work relations, and improve their overall work culture by unwinding and reconnecting with their peers. These events typically draw substantial employee participation, as they help people sustain a flexible and meaningful work-life balance and serve as a break from their everyday routines.

Our internal engagement programs are tailored to satisfy various groups within our workforce, taking into account the differing interests and preferences of our employees. The Employee Engagement Overview table summarizes these programs, highlighting the range of activities and initiatives designed to cater to our diverse team.



## BALADNA'S EMPLOYEE ENGAGEMENT OVERVIEW IN 2023



### Religious Engagement

A special menu during Ramadan  
A special menu during Eid Al-Fitr  
A special menu during Eid Al-Adha



### Health Engagement

National Sport Day activities  
Organized blood donation campaign  
Gym facility and sports facility in camp



### Other Engagement

Town Hall Meetings  
BBQ night with executives  
Qatar National Day activities



National Sports Day Activities at Baladna, Al Khor

## Moving Forward

Baladna's future plans are centered on enhancing diversity and inclusion within our organization. By striving to increase female representation on our board, implementing policies that support female employees, and focusing on the inclusion of Qatari nationals, we are taking significant steps towards creating a more diverse and equitable workplace. Currently, there are no women on the board, and we hope to include more female representation in the near future.

Since we have a lower rate of female employment, we plan to implement an extended maternity policy that can attract and retain more female employees. This initiative is expected to make Baladna a more supportive workplace for current and prospective female employees. By enhancing maternity benefits, we aim to empower women within our organization, ensuring they have the support and flexibility needed to successfully manage their professional and personal commitments. Another key aspect of our future strategy is to increase the representation of Qatari nationals in our workforce, aligning with our goal to support local talent and contribute to the national economy. We are dedicated to ensuring that our diverse team is treated with respect and equality, as embracing diversity in all its forms is integral to our organizational culture and values.

# Employment and Income Creation

Baladna continuously creates employment opportunities, invests in human capacities, and increases its employee competitiveness to match changing global trends. Advancing our employees' skills and capabilities is integral to our company's success; not only does it increase our overall efficiency, but it also enhances our workers' present and future job prospects and opportunities. In addition to that, it is of our utmost interest that our employees feel valued and appreciated in our organization to ensure an ideal work environment and to retain our talent.

Our HR department plays a pivotal role in managing and advancing our workforce. In line with our HR Manual, the team focuses on various aspects of HR management, including:

- Administration
- Recruitment
- Training and Development
- Performance Management
- Employee Relations
- Human Resources Information Systems

On a quarterly basis, the HR department updates necessary policies and procedures, ensuring that our practices remain aligned with changing regulations and internal requirements. Updated policies are communicated to all employees effectively through various channels such as email, Microsoft SharePoint, and SAP SuccessFactors. This guarantees that all staff members are aware of and understand the latest policies and procedures.

## Talent Attraction and Retention

Attracting qualified talent is an important target for any successful business, and developing mechanisms to retain talent requires an extra layer of corporate care and dedication. Generally, each department identifies the need for manpower at the initiation of the annual budgeting process and recruitment timing. The HR department then conducts a gap assessment between Baladna's current skills and competencies and the required skills and competencies. Over the past years, our hiring and onboarding approach was further improved by facilitating training for our hiring managers and exploring different mechanisms to attract and screen applicants to enhance the quality of our workforce and ensure our sustainable growth.

### BALADNA'S EMPLOYEE ATTRACTION AND RETENTION IN 2023



**Number of  
New Hires** 110



**Gender of  
New Hires** Male: 97%;  
Female: 3%



**Age of New  
Hires** Below 30: 46%;  
Between 31 & 50: 48%;  
Over 51: 6%



**Number of  
Separations** 88



**Percentage  
of  
Parental  
Leave  
Returns** 100%

As a part of our employee retention efforts, we seek to ensure the satisfaction of our employees and regularly request their feedback for recommended work improvements. Earlier, we launched a survey to measure employee satisfaction with a focus on different aspects of their employment experience at Baladna. All employees at different levels were invited to participate and rate their satisfaction on a scale of 1 to 10. The overall satisfaction was 7.08, and we have since considered their feedback to develop opportunities to improve our employee satisfaction index.

The survey questions related to the following areas: health and safety, work teams, employee relations, compensation and benefits, facilities and services, and camp accommodations. As a result of the survey, we took numerous corrective actions to target the lowest-scoring factors.

To ensure we empower our employees and amplify their voices to transparently discuss any concerns, we have a Grievance Policy outlined in the HR manual that explains the process of grievance filing at Baladna. All our employees can submit their grievances confidentially to the HR department, in-person or digitally, and they are recorded in a master report and dealt with in the most effective manner. We also provide an Open Door policy where our employees can directly discuss issues and concerns with their managers, as well as submit their suggested feedback in a Suggestion Box.

### EMPLOYEE SATISFACTION SURVEY: CORRECTIVE ACTIONS EXAMPLES

To improve camp facility management, we hired a new company called “Alslyana” to take better care of laundry, room maintenance, and cleaning services. We also introduced a Netflix subscription to the Camp Cinema Hall to provide a wider range of entertainment at the camp.

We introduced three new chefs of Arab, Nepali, and Asian origin, to improve the cafeteria’s food quality and appeal. These chefs introduced their respective cuisine into the daily menu to provide different options for our diverse employees. In addition, we implemented a monthly rotation of an expanded menu to provide different varieties every month.



## Training and Career Development

Baladna’s approach to training and career development is holistic and employee-centric, focusing on creating clear career pathways, delivering tailored training programs, and conducting regular performance evaluations. This strategy is integral to our commitment to nurturing a dynamic, skilled, and forward-looking workforce. By designing employee career plans, we organize realistic and effective pathways for employees to progress within the company, consequently meeting organizational priorities and fulfilling our employees’ personal goals. Our HR department identifies potential career paths that enable career progression for each individual position within a job family, horizontally within the same level or vertically to a higher level within the same or different function. These career paths are then communicated to all employees to align their potential growth within Baladna.

Our Training and Development Policy outlined in the HR Manual addresses important elements of employee career development, including training needs assessment, training plan, training delivery, and outcome evaluations. This policy ultimately helps us build a skilled, well-trained, and professional workforce, strengthen organizational leadership, and adopt advanced management practices to encourage innovation and continuous performance improvements.

A dedicated Training and Development Team conducts quarterly and year-end performance evaluations for all employees at different job levels. Based on their evaluations, customized training programs are designed and delivered to help employees better understand their role and acquire and maintain knowledge, skills, and competencies related to their levels of function. The data on employee performance and training is then stored and tracked for future reference.

## BALADNA'S EMPLOYEE TRAINING AND DEVELOPMENT OVERVIEW IN 2023



### Competitive Compensation and Benefits

Baladna's Total Reward System, encompassing both tangible and intangible benefits, is designed to attract, motivate, and retain talented employees. By offering a competitive and fair compensation package, along with a range of benefits and a positive work culture, we aim to fulfill our motto of rewarding the right people at the right time with the right compensation for doing the right things. This approach not only benefits our employees but also contributes to the overall success and sustainability of our organization.

#### The Total Reward System is guided by three principles:

- 1. Rewarding Excellence:** Baladna's compensation strategy focuses on rewarding employees who excel in their roles. This approach aims to improve productivity and enhance the quality of work-life balance.
- 2. Sustainable and Cost-Efficient Management:** The reward system is managed in a sustainably cost-efficient way, while ensuring that compensation matches or exceeds external market standards.
- 3. Fairness and Equity:** Compensation adjustments are applied fairly among all employees, supporting our commitment to internal equity and equal opportunity values.

We also offer a number of benefits to our employees, including housing allowances, salary increments, bonuses, compensation for performance, retirement plans, and employee discounts. In addition to tangible benefits, we offer non-tangible rewards with internal value such as a motivating work culture, career growth opportunities, work-life balance, leadership and direction, recognition and appreciation, and meaningful job enablement.

### Moving Forward

Our future plans are geared towards strengthening our workforce through enhanced team-building, attractive reward systems, active talent acquisition, and effective turnover management. By focusing on these areas, we aim to build a more engaged, satisfied, and productive team, solidifying our position as a preferred employer and driving our company towards continued success.

We are committed to further investing in team-building activities, essential in improving employee engagement, satisfaction, and productivity. By fostering a stronger sense of team cohesion and collaboration, we aim to enhance the overall work environment. A key focus will be the development of our rewards and performance incentive programs. These programs are designed to recognize and reward the hard work and contributions of our employees, making Baladna an attractive workplace. We also plan to actively participate in talent acquisition events.

On an annual basis, our goal is to optimally retain productive employees, ensuring a stable and experienced workforce. Part of managing turnover involves understanding and addressing the needs and concerns of our employees. This includes providing growth opportunities, competitive compensation, and a positive work environment.



Baladna Headquarters, Al Khor

“Employee development and well-being play a pivotal role in our overall business strategy. With my team, I seek to foster a positive and harmonious work culture by increasing engagement, productivity, trust, and loyalty, all the while successfully reducing employee stress and mitigating possible conflicts.

Our achievements underscore the importance of investing in a skilled, motivated, and content workforce as a driving force for our business success in the competitive dairy and agricultural industry.”

*Yazan Mirza  
Employee Relations and Recruitment Manager at Baladna*



# Health and Safety

To protect the rights of our employees and ensure a healthy working environment, we implement sound health and safety protocols and practices that comply with Qatar's Labor Law and the regulations of the Ministry of Labor, the Ministry of Interior, and the Ministry of Social Development and Family. All of our workers are covered by an occupational health and safety management system, as we aim to achieve a workplace free from serious injury or illnesses.

## Monitoring Health and Safety

Baladna's approach to health and safety management is comprehensive and proactive, emphasizing the importance of standard operating procedures, effective implementation and monitoring, measurable KPIs, and responsive action to incidents. To prepare our staff for possible safety risks, we have developed standard operating procedures and protocols for health and safety (H&S) management and emergency preparedness, that outline how to deal with fire prevention and control and other emergencies such as injuries on duty. Our Health, Safety, Security, and Environment (HSSE) Department directs the implementation and monitoring of our health and safety practices alongside a Health and Safety Committee from every department. To transform our goals into measurable targets, we have established KPIs that monitor, manage, and improve our H&S practices.

One target KPI is "What is the percentage of reduction in lost-time injuries year-on-year?" Tracking this measurement helps us better understand the impact of our policies and actions and guides our adjustment planning and policy developments related to lost-time injuries.

In the event of an injury to an employee, we offer immediate assistance at our First Aid Facility before the worker is referred to further consultation and medical support. The case of the injury is then recorded and analyzed in an Incident Investigation Report to identify the root causes of the injury and the possible actions needed to prevent future similar incidents. The Health and Safety Committee meets at a minimum, once a month to discuss the monthly incidents and accidents, and the findings of the Incident Investigation Report are shared with all employees and contractors for educational and preventative measures.



Baladna Employees at the Factory, Al Khor

## Ongoing Health and Safety Training

By continuously enhancing our training programs, conducting detailed risk assessments, and regularly updating our safety protocols, we ensure the well-being of our employees and contractors. These initiatives are a crucial part of our operational excellence and reflect our dedication to maintaining high standards of workplace safety and health. Over the years, we have focused our efforts on reducing injuries and fatalities across our operations by conducting necessary H&S training for all our employees and taking a proactive approach to mitigating and resolving risks. All our employees and contractors, especially new joiners, are provided a Toolbox Talk (TBT) to brief them on safety and security in the workplace and their respective functions.

We have also increased the total hours and number of drills for worker training on occupational health and safety. Our number of Risk Assessments has grown over the years for more in-depth investigations of problem root causes, and they are revisited annually to incorporate new risks and revised accidents. The table below provides an overview of our annual H&S achievements and developments, which portrays our commitment to improving our H&S practices and protecting our employees.

### BALADNA'S H&S OVERVIEW IN 2023

<b>Number of fatalities</b>	0
<b>Number of heat stress incidents</b>	0
<b>Number of injuries per 100,000 hours worked (Lost Time Injury Frequency Rate)</b>	0.18
<b>Number of H&amp;S incident prevention</b>	473
<b>Number of incident investigations</b>	44
<b>Number of risk assessments</b>	112
<b>Total hours of worker training on H&amp;S</b>	537



## Moving Forward

Enhancing our occupational health and safety management is an ongoing journey of combined effort and dedication, and we aspire to continue improving our practices to implement optimal protocols and foster a leading culture of H&S excellence. To achieve the best-in-class H&S environment, we have approved a new H&S Policy that prepares us to implement an ISO 45001 Occupational Health and Safety Management System by 2024. All our current protocols and operating procedures will be upgraded to meet the standards of this new management system and ensure the most secure and incident-free environment possible.



# PILLAR 5: OUR COMMUNITY







# CSR and Engagement for a Resilient Community

## CSR Program and Approach

Our approach to Corporate Social Responsibility (CSR) demonstrates a strategic and multifaceted commitment to making a positive impact in various areas. By integrating CSR into our core business strategy, responsible marketing, and stakeholder engagement, we are not just enhancing our brand but also contributing significantly to the community, the environment, and the overall well-being of our stakeholders. This commitment underscores our role as a responsible corporate citizen and a leader in the dairy industry.

Focusing on economic, environmental and social actions that can create greater value for our stakeholders, our CSR program has 4 pillars: Community, Workplace, Nutrition and Well-being, and Environment and Sustainability. Our commitment to CSR and sustainability initiatives has grown over the years, as displayed by our increased CSR spending.

Our responsible marketing strategy also supports our CSR framework, as it is founded on three solid pillars: sustainable environment, sustainable community, and sustainable business. Accordingly, we can better understand our consumer needs, communicate our brand equity more effectively, and become a highly engaging consumer-centric brand. Through our CSR program, we set out to engage with our community and stakeholders through open communication channels and interactive initiatives to support value creation, maximize our market share, capitalize on our brand equity, and build a renowned product portfolio.

## Local Outreach and Communication

Baladna strives to connect with our consumers and stakeholders through the most effective means of communication. For conventional integrated communication, we leverage our strong market presence and increase our consumer-directed activities to deliver brand-driven messaging on key product benefits such as freshness, quality, and superiority. Throughout the year, we organized extensive sampling activities for core categories and new product launches to directly assess customer feedback. We are also keen to directly communicate our updates with our external stakeholders through social media, newspapers, television, radio, and press media.

Over the past three years, our communication channels have considerably grown as we adopt targets of continuous improvement. In the past year, we have developed a digital marketing strategy that would enable us to reach consumers easily and extensively. The combination of our conventional and digital marketing shaped our communication strategy to achieve our goals of highlighting Baladna as both a corporate brand that ensures national food security and a consumer brand that cares for its community and customers. This has been seen with our new record of reaching 1.2 million consumers through our social media outreach.

## Community Engagement

For efficient planning and budgeting, CSR activities have been well integrated into our strategies and policies. Our CSR spending in 2023 accounted for 24% of Baladna's annual budget, and it included sponsorships for sports activities, child education, and entertainment facilities, as well as the promotion of art, architecture, and archeological and heritage sites of Qatar. The spending also included sponsorships of various other events, such as the Amir's Sword and the Ramadan Campaign with Qatar Media Corporation. Additionally, the spending on CSR included improving and maintaining Baladna's Park and Visitors Hall, which are important facilities for educating our community on 'how we operate' and the origin of our dairy products.

Our CSR approach to community engagement has been developed with an ESG outlook. To enhance our community engagement, Baladna prioritizes initiatives that contribute positively to the environment, promote social well-being, and uphold high governance standards, as further discussed below.



## ENVIRONMENTAL

- Collaboration with KidsMondo on engagement between mothers and children to raise environmental awareness by making artwork out of plastic bottles
- Golden Sponsorship of the 10th AgriteQ Exhibition
- Golden Sponsorship of the MOECC's book "Corporate Environmental Sustainability Reports and Achievements"
- Participation in relevant local events, like Earthna's QNDCC, GPCA's Agri-Nutrients Conference, and the International Conference on Innovation & Technological Advances for Sustainability
- Organization of internal company sustainability initiatives

By collaborating with strategic customers and local entities, we have engaged in multiple partnerships, initiatives, and sponsorship programs, demonstrating our commitment to our stakeholders. Through these diverse initiatives, we not only strengthen our role as a key player in the food sector but also demonstrate our dedication to supporting national goals and community welfare.

Baladna is an active participant in local environmental initiatives and events such as the Qatar International Agricultural Exhibition (AgriteQ), the premier platform for Qatar's agriculture sector. As a strategic sponsor, we had a pavilion showcasing our various products as a part of our commitment to national food self-sufficiency in alignment with the Qatar National Vision 2030. We also participated as guest panelists and speakers on the topic of food security and climate change at the Qatar National Dialogue on

Climate Change 2023 (QNDCC) and the Agri-Nutrients Conference. Additionally, we partook in the capacity building and sustainability prioritization workshop organized by the MOECC in collaboration with the Global Green Growth Institute (GGGI) as a part of the national effort to develop "Qatar's Climate Vulnerability and Impact Assessment."

Moreover, Baladna participated in the International Conference on Innovation & Technological Advances for Sustainability (ITAS 2023), a premier forum uniting students, academics, policymakers, and industry leaders to explore and implement UN SDGs. The conference focuses on global issues related to food security, environment, energy, economy, and digital technologies, aiming to showcase accomplishments, foster collaborations, introduce advanced technologies, and provide policy recommendations for sustainable development.





## SOCIAL

### EDUCATION

- Management of Baladna's school education program for student farm and facility tours
- Sponsorship of programs in the Qatar Museum
- Sponsorship of DADU Children's Museum of Qatar
- Participation in the University of Doha for Science & Technology Research Week

### HUMANITARIAN

- Collaboration with Qatar Charity as a Humanitarian Partner
- Partnership in Ramadan charity campaigns such as "Rafeeq Al Khair"

### ACTIVE LIFESTYLES

- Sponsorship of Baladna's Padel Court
- Sponsorship of the Amir Sword Festival (Qatar Equestrian Championship) for the fourth consecutive year

Baladna has been actively engaged in various initiatives and events to address the social aspect of the ESG approach to CSR. In the realm of education, we manage a comprehensive school education program, facilitating student farm and facility tours to promote agricultural awareness. Furthermore, Baladna has demonstrated its commitment to cultural enrichment and community development by sponsoring programs at the Qatar Museum and the DADU Children's Museum of Qatar, fostering an environment of learning and creativity. We have also been integral participants in the local academic sphere, emphasizing our dedication to advancing research and education.

In the humanitarian domain, Baladna collaborates with Qatar Charity as a Humanitarian Partner, contributing to initiatives that address critical social needs. We also extend our philanthropic efforts by actively participating in Ramadan charity campaigns, such as "Rafeeq Al Khair," demonstrating a commitment to supporting the community during important cultural and religious events. Through these diverse initiatives, Baladna demonstrates a holistic and integrated approach to social responsibility, contributing positively to education, humanitarian causes, and active lifestyles, aligning with the principles of ESG in CSR engagement.



Ramadan Campaign "Rafeeq Al Khair," Doha



## GOVERNANCE

- Founding member of the newly formed “One Tide Industry Coalition”
- Diamond Sponsorship of the “Made in Qatar” Exhibition (the largest Qatari industrial expo)
- Participation in the Business Incubation and Acceleration Hackathon
- Qatar Armed Forces training for emergency takeover
- Management of Baladna Park and Visitors Hall

As a founding member of the “One Tide Industry Coalition,” Baladna pledged to collaborate with industry leaders, the Supreme Committee for Delivery & Legacy, and the Ministry of Environment and Climate Change to propose comprehensive solutions for waste management. This coalition, launched during the FIFA World Cup™, underscores Baladna’s commitment to working with governmental bodies to address environmental challenges. Additionally, Baladna’s Diamond Sponsorship of the “Made in Qatar” Exhibition, the largest Qatari industrial expo, showcases our support for local industries and aligns with government efforts to promote economic growth and sustainability.

Demonstrating our commitment to fostering local innovation in alignment with government-led initiatives, we participated in the Business Incubation and Acceleration Hackathon which was organized by Qatar FinTech Hub, Qatar Development Bank, and Qatar Financial Centre (QFC) Authority. As a panel judge, Baladna supported the endorsement of local entrepreneurs, their creative ideas, and solutions to propel Qatar’s knowledge-based economy. Furthermore, Baladna’s involvement in the French Business Council and HEC Paris workshop for International Women’s Day reflects our dedication to promoting diversity and inclusion, echoing government objectives for social progress.

As an important player in Qatar’s food security and self-sufficiency, we participated in an initiative to train the Qatar Armed Forces to operate our production

processes in case of emergencies. The initiative was a skills-focused, eight-week pilot program that trained 30 participating cadets in our dairy farming and factory operations. Demonstrating our long-standing commitment to developing reskilling programs for our communities, the initiative signified Baladna’s national importance and capacity to function. This initiative was a crucial step toward preparing Qatar to meet its dairy needs in critical times, thus avoiding negative supply shocks. Through these initiatives, we actively engage with governmental priorities, contributing to sustainable practices, economic growth, innovation, and diversity in Qatar.

## Measuring Brand Popularity

Baladna’s approach to brand assessment is multi-faceted, combining regular brand audits, consumer surveys, social listening, and detailed campaign analysis. To fully assess our consumer sentiment and track our market share, we regularly conduct brand audits and track brand appeal. A consumer survey called the “Brand Health Tracker” (BHT) is conducted through a third-party research firm to understand brand salience, brand adoption, and brand perceptions. We also rely on our social listening tool “LexisNexis” to monitor consumer reactions on social and digital platforms. Along with our campaign reports and dashboards on consumer engagement, these methods allow us to successfully measure our brand positioning in the market and allow us to develop informed and effective decisions along our operation chain.

## Moving Forward

Over the next years, we plan to continue our market growth by sustaining our highly equitable brand and continuous engagement with consumers. We plan to capitalize on our growing communication channels to promote extensive campaigns for Ramadan, back to school, and new product launches. We are determined to increase our brand value by connecting with more people through relevant and engaging content, raising our product appeal, and also ensuring the highest quality standards for our products.



Qatar Armed Force Training Day at Baladna, Al Khor

# Contribution to National Food Security



*H.H Sheikh Tamim bin Hamad Al Thani visit to Baladna, Al Khor*

At Baladna, we understand the importance of global food security and the role we can play in supporting nations in their journey toward self-sufficiency. We firmly believe that providing sufficient, safe, and nutritious food to the growing population of Qatar is not just a responsibility, but also a crucial aspect of our success as a company. We are dedicated to playing a vital role in strengthening Qatar's food security and self-sufficiency.

We continuously strive to create value for our shareholders and stakeholders while contributing to the long-term food security goals of the nation. Despite the challenges posed by inflationary pressures, significant increases in material prices, and environmental circumstances, we have maintained our commitment by implementing stringent cost controls and driving operational efficiencies. This ensures that we remain at the forefront of supporting the National Food Security program and the well-being of our local community.

Our journey toward delivering growth, preparing for the future, and building a sustainable food ecosystem continues. We are dedicated to investing in capacity, technology, and capabilities to increase efficiency, productivity, and sustainability, throughout our operations. With our strong customer and consumer loyalty, innovative product range, and market-leading position, we are confident in our ability to solidify our position as a leading Qatari brand.

Through our partnerships and initiatives, we strive to create a positive impact on a global scale, fostering a future where nations can thrive with abundant, safe, and locally-produced food. Through global initiatives, we aim to assist nations in developing their sustainable agricultural practices and achieving greater self-sufficiency in food production.

As we continue our journey towards growth and sustainability, we remain dedicated to not only strengthening Qatar's food security but also extending our reach to support other countries in their pursuit of self-sufficiency.

# Alignment with Qatar Stock Exchange's ESG Reporting

In 2016, Qatar Stock Exchange (QSE) became a signatory to the United Nations-sponsored Sustainable Stock Exchange initiative. This initiative is aimed to promote corporate investment in sustainability by providing a platform that allows exchanges, in collaboration with investors, listed companies, regulators, legislators, and international organizations to assess how they can enhance performance on ESG issues and encourage sustainable investment.

QSE has developed a set of 32 ESG KPIs to be incorporated into ESG reporting. This includes 9 Environmental KPIs, 13 Social KPIs, and 10 Governance KPIs. Based on these KPIs, QSE devised a Sustainability and ESG dashboard to report their ESG performance. A score is provided based on the transparency of the submission of all the information required as indicators for the achievement of material KPIs.

As a public company, we are listed under QSE. Even though ESG reporting is a voluntary practice, we strive to be transparent about our sustainability targets and accomplishments. Baladna closely aligns with the guidelines proposed by QSE to maintain its transparency in sustainability commitments. Starting in 2024, we will disclose our sustainability activities and performance data to obtain an ESG score and become a staunch leader in the ESG dashboard, as we proudly contribute towards national sustainable development.

In the year ahead, we will continue to be responsible stewards of our environment and finite natural resources, in support of Qatar's National Vision 2030 and the Qatar National Environment and Climate Change Strategy.

*Baladna's IPO Launch at Qatar Stock Exchange, Doha*



# Supporting a Healthy Community



*The Amir Sword Festival (Qatar Equestrian Championship), Sponsored by Baladna*

Over the past few years, we have sponsored Al Rayyan Football Club and Al Khor Kids Club to promote a healthy, active lifestyle for the people of Qatar through football and other sports, especially during the exhilarating year of the FIFA World Cup Qatar 2022™. In addition to this, we sponsored the Qatar Major 2022 Padel Tournament. The event was successfully hosted at the Khalifa International Tennis & Squash Complex by the Qatar Tennis, Squash & Badminton Association, and participants included top male and female players from more than 38 countries around the world.

Baladna also sponsored the 10th Annual Ooredoo Doha Marathon, an annual event held to encourage people to be more active and to raise funds for charity. The marathon unites people around a common cause, inspires them to lead better lifestyles, and drives them to volunteer in their communities.

Additionally, in 2023, Baladna sponsored the Amir Sword Festival for Qatar's equestrian championship for the fourth consecutive year. This year's edition of the Festival was held at the racecourse of the Racing and Equestrian Club in Al Rayyan, and it witnessed a high percentage of foreign participation with horses belonging to stables with a history of racing on the largest international racetracks.

Sponsoring these diverse sporting events is a source of pride and optimism for Baladna. We believe such sponsorships play a crucial role in building a healthy society by promoting sports, physical fitness, and well-being. With a focus on promoting holistic, healthy lifestyles, Baladna is dedicated to continuously investing in local events and initiatives that positively impact our community. Our involvement goes beyond mere sponsorship; it reflects our commitment to fostering a culture of health, sportsmanship, and community engagement.





Al Khor Kids Club, Sponsored by Baladna

"My commitment to serving my community is a driving force for both my personal and work efforts.

Our dedication is reflected through our many initiatives tailored to meet our community's specific needs and interests. The Rafeeq-Al Khair partnership is a prime example that I am proud to have contributed to, as we provided more than 10,000 food packets during Ramadan to the needy. Such initiatives continue to foster goodwill, strengthen relationships, and contribute to the overall well-being of our community."

*Ons Zitouni  
Communications and Public Relations Officer at Baladna*





# APPENDIX



## 1. CERTIFICATIONS

At Baladna, we are proud to have obtained several internationally accredited certifications, affirming our commitment to sustainable growth and responsible practices. Our goal is to exceed existing sustainability benchmarks, refine our operations, and assure a brighter future for all stakeholders.

### List of Certifications

FSSC 22000 (in progress, to be obtained by 2024)

Global GAP (in progress, to be obtained by 2024)

GSAS (in progress)

Halal certification

ISO 22000 Food Safety Management System

ISO 22301 Security and Resilience (in progress, to be obtained by 2024)

ISO 31000 Risk Management (in progress, to be obtained by 2024)

ISO 45001 Occupational Health and Safety Management (in progress, to be obtained by 2024)

## 2. GRI DISCLOSURES

### GRI 2: General Disclosures 2021

The Organization and its Reporting Practices	
<b>Disclosure 2-1: Organizational details</b>	Baladna Q.P.S.C (Qatari Public Shareholding Company)
	Baladna is located in Al Khor municipality, Doha, Qatar
<b>Disclosure 2-2: Entities included in the organization's sustainability reporting</b>	<p><a href="#">Baladna Annual Report 2022, page 134</a></p> <p>Subsidiaries:            Baladna Food Industries W.L.L.            Baladna Food Trading W.L.L.            Baladna Business and Trading LLC            Awafi W.L.L.            Baladna for Trading and Investment W.L.L. Agrocare Development S.R.L</p> <p>There are no noted discrepancies in audits of financial information between annual and sustainability reporting.</p> <p>Baladna is prepared to adjust the financial statement of its subsidiaries to bring their accounting policies into line with the overall organizational accounting, in cases of necessity.</p>
<b>Disclosure 2-3: Reporting period, frequency, and contact point</b>	<p>The report covers reporting to the timeframe spanning from January 1, 2023, to December 31, 2023.</p> <p>Publication Date of the Report: January __, 2024</p> <p>For feedback and concerns, email <a href="mailto:info@baladna.com">info@baladna.com</a> (General).</p>
<b>Disclosure 2-4: Restatements of information</b>	There are no restatements because this is the first sustainability report for the company.
<b>Disclosure 2-5: External assurance</b>	No External Assurance was conducted for this year's report.
Activities and workers	
<b>Disclosure 2-6: Activities, value chain and other business relationships</b>	<p>Food &amp; Beverages</p> <p>The value chain include:</p> <ul style="list-style-type: none"> <li>• Two farms with 23,632 head of dairy herd</li> <li>• Deliver over 230 products across Qatar</li> <li>• 139 sales contact points over the country</li> <li>• 35.2 liters of milk yield per cow per day</li> <li>• Annual revenue of QAR 1.048 billion</li> </ul> <p>Juhayna Food Industries, Egypt            E-Life Detergent Factory W.L.L, Qatar</p> <p>There are no significant changes to the previous reporting period as this is the first sustainability report.</p>

## Activities and workers

### Disclosure 2-7: Employees

1996 full-time employees  
Employee breakdown by gender:

Male: 1941  
Female: 55

Breakdown by country:

India: 618  
Nepal: 572  
Bangladesh: 199  
Philippines: 137  
Kenya: 110  
Sri Lanka: 89  
Pakistan: 70  
Syria: 57  
Ghana: 29  
Jordan: 18  
Sudan: 18  
Egypt: 13  
Tunisia: 8  
Uganda: 7  
Turkey: 4  
Zimbabwe: 4  
Eritrea: 3

Lebanon: 3  
UK: 3  
France: 2  
Indonesia: 2  
Morocco: 2  
Qatar: 2  
Sierra Leone: 2  
South Africa: 2  
US: 2  
Canada: 1  
Chile: 1  
Colombia: 1  
Ethiopia: 1  
Germany: 1  
Greece: 1  
Guinea: 1  
Italy: 1  
Netherlands: 1  
New Zealand: 1  
Nigeria: 1

Data is collected at the end of the reporting period.

The high number of male employees recorded in the 2-7 a is due to the labor intensity required in the workforce. In 2-7 b the highest number of employees are represented from countries of South-Asia origin.

No significant changes during the reporting period and between reporting periods.

### Disclosure 2-8: Workers who are not employees

The total number of non-employees is 187. The type of work ranges from operations, facility management services, security services, and catering services.

There are no significant fluctuations in the number of workers who are not employees.

## Governance

### Disclosure 2-9: Governance structure and composition

Baladna Annual Report 2022, pages 76-102  
Baladna Board Charter

The Board is formed according to the law and the articles of association of the company, the Board must include at least one-third independent members, with the majority being non-executives. Additionally, there is the possibility of allocating one or more seats to represent the minority, ensuring that no member or group has excessive control over decision-making.

Governance structure:  
Shareholders, Board of Directors, CEO, and Executive Management.

Members of the highest governance body:

- Mr. Mohamed Moutaz Al Khayyat (Chairman)
- Mr. Mohammed Badr Al Sada (representing Special Shareholder / Hassad Food) (Vice Chairman)
- Mr. Ramez Al Khayyat (Board Member/Managing Director)
- His Excellency Dr. Sheikh Faleh Bin Nasser Bin Ahmad Al Thani (representing Special Shareholder / Qatar Food Security Committee) (Board Member)
- Mr. Hamad Bin Abdullah Bin Khalid Al Attiya (representing Special Shareholder / GRSIA) (Board Member)
- Mr. Mazen Alsabeti (Board Member)
- Mr. Aidan Tynan (Board Member)

## Governance

<p style="text-align: center;"><b>Disclosure 2-10: Nomination and selection of the highest governance body</b></p>	<p>Board of Director consists of:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <a href="#">Company Secretary</a></li> <li><input type="checkbox"/> <a href="#">Shariah supervisory committee</a></li> <li><input type="checkbox"/> <a href="#">Audit committee</a></li> <li><input type="checkbox"/> <a href="#">Nomination &amp; Remuneration committee</a></li> </ul> <p><a href="#">The Nomination and Remuneration Committee is responsible for the review of Baladna's HR framework and compensation programs. The Committee issues its recommendations to the Board on the remuneration, allowances, and terms of service of the company's senior executives to ensure they are fairly rewarded for their individual contributions to Baladna. Two committee members are Non-Executive Directors of the Board while one member is independent from the Board.</a></p>
<p style="text-align: center;"><b>Disclosure 2-11: Chair of the highest governance body</b></p>	<p>Chairman is a non-executive member and is not a senior executive member</p>
<p style="text-align: center;"><b>Disclosure 2-12: Role of the highest governance body in overseeing the management of impacts</b></p>	<p><a href="#">Baladna Q.P.S.C Directors Report</a></p> <p>The Board of Directors releases a Corporate Governance Report for its shareholders with information about financial statements, dividends, corporate sustainability, and future outlook.</p> <p>The Board convenes at least six meetings during a year. Three months shouldn't pass without convening a meeting. The meeting of the Board shall not be valid unless attended by half of the members, provided that the Chairman or Vice-President is among them, and provided that the number of attendees is not less than three members.</p> <p>The decisions of the Board are determined by a majority vote of the attendees and representatives, with the president's side given more weight in the event of a tie, and each meeting's decisions are recorded and signed by the president and secretary, including any objections by dissenting members. In urgent situations, the Board may pass decisions through unanimous written agreement, which are then presented and documented in the minutes of the next meeting. Over the given period, the Board of Directors conducted six regular meetings, while the Board Committees, such as the Audit Committee and the Nomination and Remuneration Committee, held a total of two meetings each, fulfilling their respective responsibilities.</p>
<p style="text-align: center;"><b>Disclosure 2-13: Delegation of responsibility for managing impacts</b></p>	<p>The highest governance body prioritizes embedding sustainable goals in devising plans for accelerating the growth of the organization. The Board of Directors prepares the company's budget and the statement of profits and loss of the company, its financial status and its activity reports, and future plans for the next year in order to present it all to the general assembly. It also approves the comprehensive strategic plan and main objectives of the company and supervises its implementation.</p> <p>The Board of Directors specifies the powers that it delegates to the executive management, the procedures for making decisions, and the duration of the delegation. The Board also determines the issues it retains the power to decide on, and the executive management submits periodic reports on its practices of delegated powers.</p>
<p style="text-align: center;"><b>Disclosure 2-14: Role of the highest governance body in sustainability reporting</b></p>	<p>The Chief Corporate Service Officer, Chief Operation Officer, and the ESG Director review the sustainability report and forward it to the management for approval.</p>

## Governance

<p><b>Disclosure 2-15: Conflicts of Interest</b></p>	<p>The company adheres to Baladna’s Code of Conduct in resolving matters of conflict of interest. It also complies with Articles 108,109, 110, and 111 of the Commercial Companies Law No. 11 for 2015.</p> <p>The company releases related party transactions in its Annual Report in full disclosure to its shareholders.</p>
<p><b>Disclosure 2-16: Communication of critical concerns</b></p>	<p>In the operational management of the companies are reported to the board through the CEO of the company.</p> <p>During the period from 1 January to 31 December 2023, no significant operational internal control failures were identified. However, process-level improvements were identified by the IAD and accepted by management for implementation towards the continuous improvement of Baladna’s internal controls.</p>
<p><b>Disclosure 2-17: Collective knowledge of the highest governance body</b></p>	<p>The Nomination and Compensation Committee works closely with the Board to prepare a suite of development materials that prioritizes ESG principles.</p>
<p><b>Disclosure 2-18: Evaluation of the performance of the highest governance body</b></p>	<p>The Board members, Board Committees, and the executive management members are evaluated on the basis of the extent of their commitment to achieving Baladna’s best interests.</p> <p>The board itself conducts evaluations semi-annually and annually on the Board’s overall performance.</p>
<p><b>Disclosure 2-19: Remuneration policies</b></p>	<p><a href="#">Baladna Annual Report 2022, page 83</a></p> <p>The members of the Board of Directors and the committees emanating from it deserve annual bonuses according to the general policy for granting bonuses in the company, after the approval of the General Assembly.</p> <p>As per the company’s articles of association and since the company did not achieve the required net profit to distribute dividends, therefore, no remuneration is to be paid to the Board of Directors in 2023.</p>
<p><b>Disclosure 2-20: Process to determine remuneration</b></p>	<p><a href="#">Baladna Annual Report 2022, page 83</a></p> <p>The members of the Board of Directors and the committees emanating from it deserve annual bonuses according to the general policy for granting bonuses in the company, after the approval of the General Assembly.</p> <p>Provided that the sum of these annual bonuses for members of the Board and Committees does not exceed 5% of the net profit of the company after deducting the legal reserves and deductions and distributing cash and in-kind profits to the shareholders.</p> <p>No information is available on the results of the votes of stakeholders.</p>
<p><b>Disclosure 2-21: Annual total compensation ratio</b></p>	<p><a href="#">Baladna Annual Report 2022, pages 126-134</a></p> <p>The salary ratio is 29:1</p>



## Strategy, Policies, and Practices

<p><b>Disclosure 2-22: Statement on sustainable development strategy</b></p>	<p>Baladna's senior executive body is dedicated to integrating sustainable practices as a cornerstone of its environmental commitment. We are actively working on establishing a robust framework on our sustainability strategy, aiming to enhance our environmental stewardship. Recently, Baladna partnered with Gulf Organization for Research and Development (GORD) to develop patented cooling technology to reduce energy and water use. The company also laid a foundation to produce its inaugural Sustainability Report.</p>
<p><b>Disclosure 2-23: Policy commitments</b></p>	<p><a href="#">Baladna Annual Report 2022, pages 36-73, 54-57, 62-71, 91</a></p> <p>The senior management team is responsible for implementing risk management policies, procedures, and practices in the company. The Audit Committee oversees the effectiveness of risk management.</p>
<p><b>Disclosure 2-24: Embedding policy commitments</b></p>	<p>The company has a robust internal control system to ensure that the Board and management are able to fulfill the Company's business objectives. An effective internal control framework contributes to safeguarding the shareholders' investment and the Company's assets. The objective of Baladna's internal control framework is to ensure that internal controls are established; that policies and procedures are properly documented, maintained, and adhered to, and are incorporated by the Company within its normal management and governance processes.</p>
<p><b>Disclosure 2-25: Processes to remediate negative impacts</b></p>	<p>Baladna is committed to minimizing its impacts on the environment and society. In 2023, the company has continued to strengthen its ability in prioritizing sustainable business practices and environmental protection.</p> <p>Chapter 5: Our People</p> <p>The senior executive team assesses the negative impacts and their remedies, which then will be forwarded to the Board committee for decision-making.</p>
<p><b>Disclosure 2-26: Mechanisms for seeking advice and raising concerns</b></p>	<p>The Nomination and Remuneration Committee does request advice from management and third-party independent sources as appropriate, to ensure that its decisions are fully informed given the internal and external environment.</p>
<p><b>Disclosure 2-27: Compliance with laws and regulations</b></p>	<p>No fines has been imposed on the company.</p> <p>There are no instances of significant non-compliance.</p>
<p><b>Disclosure 2-28: Membership associations</b></p>	<p>GORD - Gulf Organization for Research and Development The Bel Group The Ministry of Municipality</p>

## Stakeholder Engagement

<p><b>Disclosure 2-29: Approach to stakeholder engagement</b></p>	<p>Chapter 1 – Stakeholder Engagement</p> <p>Baladna has created the Shareholders Affairs Department to be the link between the shareholders and the company. The functions of this department include the following:</p> <ul style="list-style-type: none"> <li>• Managing and disclosing information by communicating with shareholders and the community, responding to shareholder inquiries, and providing clear information.</li> <li>• Preparing a report submitted to the Board of Directors with the shareholders' proposals in the event of submitting any proposal that may benefit the company or monitor the shareholders' reaction to any decision taken by the company.</li> <li>• Maintaining the company's shareholders register on a monthly basis.</li> </ul>
<p><b>Disclosure 2-30: Collective bargaining agreements</b></p>	<p>Qatari law contains no provisions for collective bargaining and is not applicable by the company laws.</p>

## GRI 3: Material Topics 2021

GRI Reference Number	Reference Title	Location and Notes
<b>GRI 201: Economic Performance 2016</b>		
201-1	<b>Direct economic value generated and distributed</b>	<a href="#">Baladna Annual Report 2022 pg 14</a>
<b>GRI 303: Water and Effluents 2018</b>		
303-1	<b>Interactions with water as a shared resource</b>	Chapter 4: Our Planet
303-2	<b>Management of water discharge-related impacts</b>	We are actively working to improve the level of disclosure related to this topic
303-3	<b>Water withdrawal</b>	Total water withdrawal is 10,337,788 m <sup>3</sup> per year
303-4	<b>Water discharge</b>	We are actively working to improve the level of disclosure related to this topic
303-5	<b>Water consumption</b>	Total water consumption is 6,414,440 L per year
<b>GRI 305: Emissions 2016</b>		
305-1	<b>Direct (Scope 1) GHG emissions</b>	Scope 1 GHG emissions is 18,051.7 eCO <sub>2</sub> tons per year
305-2	<b>Energy indirect (Scope 2) GHG emissions</b>	Scope 2 GHG emissions is 107,259.430 eCO <sub>2</sub> tons per year
305-3	<b>Other indirect (Scope 3) GHG emissions</b>	We are actively working to improve the level of disclosure related to this topic
305-4	<b>GHG emissions intensity</b>	Farm 1: 47.88 eCO <sub>2</sub> grams/Lp Farm 2: 52.67 eCO <sub>2</sub> grams/Lp Plant 1 & 2: 294.12 eCO <sub>2</sub> grams/Lp Plant 3 & Plastic Factory: 65.13 eCO <sub>2</sub> /Lp
305-5	<b>Reduction of GHG emissions</b>	Chapter 4: Our Planet
305-6	<b>Emissions of ozone-depleting substances (ODS)</b>	We are actively working to improve the level of disclosure related to this topic
305-7	<b>Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions</b>	We are actively working to improve the level of disclosure related to this topic
<b>GRI 306: Waste 2020</b>		
306-1	<b>Waste generation and significant waste-related impacts</b>	Chapter 4: Our Planet
306-2	<b>Management of significant waste-related impacts</b>	Chapter 4: Our Planet
306-3	<b>Waste generated</b>	Total waste generated is 2,926,163 m <sup>3</sup>
306-4	<b>Waste diverted from disposal</b>	Chapter 4: Our Planet
306-5	<b>Waste directed to disposal</b>	We are actively working to improve the level of disclosure related to this topic
<b>GRI 307: Environmental Compliance 2016</b>		
307-1	<b>Non-compliance with environmental laws and regulations</b>	We are actively working to improve the level of disclosure related to this topic

### GRI 403: Occupational Health and Safety 2018

403-1	<b>Occupational health and safety management system</b>	Chapter 5: Our People 112 risk assessments were conducted in the year 2023.
403-2	<b>Hazard identification, risk management, and incident investigation</b>	Chapter 5: Our People 44 incidents were investigated.
403-4	<b>Worker participation, consultation, and communication on occupational health and safety</b>	Chapter 5: Our People In total 36 Health & Safety Committee meetings were conducted spending a total of 864 hours in occupational health & safety training.
403-5	<b>Worker training on occupational health and safety</b>	Chapter 5: Our People 10 people received external Behavioral Based Safety training, 50 people received Leadership and Management at Work training, and 28 Evacuation Drills were conducted.
403-6	<b>Promotion of worker health</b>	Chapter 5: Our People
403-7	<b>Prevention and mitigation of occupational health and safety</b>	Chapter 5: Our People 473 instances of occupational health and safety risks were prevented and mitigated.
403-8	<b>Workers covered by an occupational health and safety management system</b>	Chapter 5: Our People 100% of workers are covered by an occupational health and safety management system.

### GRI 415: Public Policy 2016

415-1	<b>Political contributions</b>	Chapter 2: Our Growth
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### GRI 416: Customer Health and Safety 2016

416-1	<b>Topic management disclosures (assessment and improvement of health and safety of products and life cycle stages)</b>	Chapter 3: Our Products We plan to reduce 10% of saturated fat, salt and sugar by 2027.
416-2	<b>Incidents of non-compliance concerning the health and safety impacts of products and services</b>	Chapter 3: Our Products There are no disclosures for non-compliance.

### GRI 419: Socioeconomic Compliance 2016

419-1	<b>Non-compliance with laws and regulations in the social and economic area</b>	We are actively working to improve the level of disclosure related to this topic
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### Topics that are not covered by the GRI

<b>Animal welfare</b>	Chapter 4: Our Planet
<b>Healthy and Affordable Food (Food Security)</b>	Chapter 3: Our Products

## Alignment to UN SDGs

SDG	Our Contribution	SDG Indicator	Location and Notes
 <p>1 NO POVERTY</p>	Provide sustainable employment opportunities throughout our value chain.	1.2	Chapter 5: Our People
 <p>2 ZERO HUNGER</p>	Play a crucial role in Qatar's food security through sustainable growth.	2.2 2.4	Chapter 1: Our Growth
 <p>3 GOOD HEALTH AND WELL-BEING</p>	Produce healthy and nutritious consumables. Developing Baladna food nutrition criteria.	3.4	Chapter 3: Our Products
 <p>4 QUALITY EDUCATION</p>	Collaborated with educational partners to educate students about food security.	4.7	Chapter 5: Our People Chapter 6: Our Community
 <p>5 GENDER EQUALITY</p>	Increasing women's participation in the workforces.	5.5	Chapter 5: Our People Chapter 6: Our Community
 <p>6 CLEAN WATER AND SANITATION</p>	Increased treated waste-water usage for agriculture. Reducing impact of production on water ecosystems.	6.3 6.4	Chapter 4: Our Planet
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	Providing a safe working environment to all employees.	8.8	Chapter 5: Our People Chapter 6: Our Community

	<p>Updated waste treatment plant to treat more water. Collaborating with universities to research relevant technological innovations.</p>	<p>9.4 9.5 9.b</p>	<p>Chapter 4: Our Planet</p>
	<p>Ensuring equal opportunity for employees irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status, and protect them through HR policies.</p>	<p>10.2 10.3 10.4</p>	<p>Chapter 5: Our People</p>
	<p>Closed the water lagoons to get rid of resulting odors and unpleasant air quality, and developed the water treatment plant to recycle waste water.</p>	<p>11.6</p>	<p>Chapter 4: Our Planet Chapter 6: Our Community</p>
	<p>Reduction of food waste in the supply chain process. Reduction of waste generation in operations and food packaging.</p>	<p>12.3 12.4 12.5</p>	<p>Chapter 5: Our People Chapter 6: Our Community</p>
	<p>Developed a strategy to take actions to mitigate impacts of climate change and reduce carbon footprint.</p>	<p>13.1</p>	<p>Chapter 4: Our Planet</p>
	<p>Developed a solid waste management system to effectively manage and reduce solid waste from inland ecosystems.</p>	<p>15.1</p>	<p>Chapter 4: Our Planet</p>
	<p>Extended our expertise and resources to countries such as Malaysia, Uzbekistan, and the Philippines. Through strategic partnerships and knowledge sharing, we assist these nations in developing their own sustainable agricultural practices and achieving greater self-sufficiency in food production.</p>	<p>17.7 17.14 17.17 17.19</p>	<p>Chapter 6: Our Community</p>







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