

# An Interconnected World

Savola Group believes in a deeply interconnected world, where corporate actions impact commercial performance, the well-being of the community, and the health of the environment. The Group champions a sustainability approach that safeguards both company success and stakeholder well-being. Savola Group's approach to sustainability is embedded in its commitment to deliver "values built on values".



## Savola Group CSR Strategy (Overarching Theme)



### Savola World becomes a Foundation

Launched in March 2017 with the aim of promoting socially and environmentally responsible practices, Savola World works towards an internationally recognized role model for sustainability and CSR in business practices. Savola World reaches out to promote socially responsible behavioral change among customers and stakeholders across the four pillars of Community, Employees, Environment and Sector. In late 2019, Savola Group increased and formalized the importance of sustainability and CSR by transforming Savola World to a standalone private foundation called Savola World Foundation. The new legal structure empowers Savola World Foundation to seek funding, and form partnerships with government and private sector entities. This enables it to more effectively champion the sustainability and social development objectives of the Saudi Arabia Vision 2030. In 2019, the Foundation commenced operating as a not-for-profit concern to financially sustain its activities.

Stakeholder engagement remained a priority for Savola World in 2019, with input from external parties shaping the Foundation's planning and strategic objectives. The Foundation continued working alongside highly-qualified, internationally-acclaimed experts to maximize programs impact. Savola World Foundation focuses on social awareness campaigns, coaching and consultancy, training, events management, research and studies, social impact, and accreditation.

In 2020 and beyond, Savola World Foundation will accelerate its current sustainability strategy based on a new vision, and will create sectoral-based

CSR programs that converge with its new strategic direction, the priorities enumerated in the Saudi Arabia Vision 2030, and the UN's Sustainable Development Goals.

### Tackling Food Security and Waste

The idea of resource preservation and reducing food waste is a key element of Savola Group's sustainability efforts. Food wastage is also an issue of national importance as laid out in the National Strategy for Food Security. In response to this, Negaderha (The Food Waste Management Program) was established. February 2019 saw Savola Group sign an MoU with the Saudi Grains Organization (SAGO), a national institution safeguarding the supply of the nation's most important food commodities. The MoU was signed during the launch of Saudi Arabia's Index of Food Waste & Loss in the Kingdom. The partnership calls for joint programs bringing together multi-sectoral stakeholders to address food security and wastage.

Later in the year, Savola Group joined the world's largest food retailers under a World Resources Institute (WRI) initiative to optimise supply chains in the fight against food loss and waste. The initiative – termed "10x20x30" – convened the world's 10 biggest food retailers to work with 20 of their top suppliers to halve their rates of food loss and waste by 2030. The commitment is a significant advancement toward the UNSDG Target 12.3, which calls for a 50 percent reduction in food loss and waste by 2030 worldwide. Savola Group actively reaches out to local stakeholders with its Negaderha Program, highlighting the importance of preventing food waste in the Kingdom.

## CSR & Sustainability



### SAVOLA WORLD | Makeen

Makeen and Inclusion for People with Disability Savola Group has long been a regional pioneer in recruiting persons with disabilities (PWDs), and promoting their participation in the broader socio-economic fabric. In 2017, Savola Group became Saudi Arabia's first company to become a member of the International Labour Organization (ILO) Global Business and Disability Network. Savola Group is also one of the founders of the Qaderoon Business Disability Network and holds a gold category Mowaamah certificate for the advancement of PWD. Makeen program is the centerpiece of the company's commitment to PWD rights, and the vehicle through which the group promotes employment, inclusion and awareness opportunities for PWD. 2019 was a busy year for Makeen, with numerous initiatives taken to promote PWD rights. The Savola Group website was enhanced in line with W3C Visual Accessibility standards to make it easier to peruse for the visually impaired. The first edition of the Makeen Newsletter was produced to create another channel of communication between the program and its beneficiaries. An initiative on Saudi Arabia's Southern border secured various job opportunities for PWD in the region. Internally, steps continued being taken for a more inclusive and representative workplace across Savola Group and its subsidiaries. Feedback sessions were arranged with our employees with disability from across the Savola ecosystem to gather suggestions for enhancing the workplace for them.

Meanwhile, Makeen's Mentor and Buddy program, which offers support in creating an inclusive work environment for PWD, received a content and training upgrade. Makeen signed an agreement with learning, development and training concern Safea to upgrade the program's content and delivery. PWDs will benefit from more effective training, while the improved content will help Mentor and Buddy qualify for accreditation from the Technical and Vocational Training Corporation (TVTC). A Mentor and Buddy session was also organized in Umm Al-Qura University during the year. Separately, a sign language training session was organized in association with Qaderoon Network. Makeen celebrated a number of global occasions highlighting people with disabilities, such as Awareness about Accessibility Day and Autism Spectrum Disorder Day. International Day for PWDs was also marked with enthusiasm, with Makeen inviting and honoring the Saudi National Football Team for Intellectual Disabilities for winning the World Football Championships four times in a row.

Negaderha conducts research to obtain an in-depth understanding of the drivers, actors and volumes of food waste in Saudi Arabia. It then creates frameworks and action plans to spark sustainable behavioural change.

In 2019, Negaderha continued engaging with two crucial stakeholders: individual households and HORECA businesses. A number of informative short videos were produced to offer tips on food storage, portion planning and grocery shopping for households. The Negaderha mobile app was also launched during the year, and made available on both Android and iOS platforms. The app increases Negaderha's outreach, and offers users a suite of tools, interactive media and tips. It encourages mindful grocery shopping habits, offers tips on food storage techniques, and also offers recipes to transform leftovers into delicious new dishes. A portion planner eliminates the guesswork from estimating food requirements, so households can cook only what is needed.

For HORECA stakeholders, Negaderha produced a manual on food waste management targeting restaurants, hotels and cafes. The manual raises awareness of food waste, and helps HORECA owners and workers to optimize food usage at every point of the consumption cycle. The manual was compiled in association with global institutions, nutritional experts, chefs and business owners from around the world. Negaderha planned to reach out to younger audiences during 2019 - engaging with children between 6-10-year-old via a cartoon superhero which empowers them to reduce food waste. Two interactive comic books were also created, showcasing the superhero's waste-busting adventures. 2020 will see this campaign gain further traction, supported by an on-the-ground campaign.



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Finally, the Makeen team attended a number of symposia and forums through the year – including the Hope Smile Forum under the patronage of HRH Prince Mohammad bin Nasir bin Abdul Aziz, Governor of Jazan Province; ILO- GBDN annual conference in Genève; and a remote working workshop organized by the Ministry of Labour and Social Development in Jeddah.

#### Employee Volunteering

2019 saw corporate volunteering take center-stage, involving Group employees in social initiatives while promoting personal and professional growth. Savola Group's volunteering program is aligned with the Saudi Arabia Vision 2030 goal of expanding the impact of the non-profit sector.

The new corporate volunteering program partnered with several organizations – including Ita'am, Namaa Society and Dallah Academy – to create volunteering opportunities for employees. Through 2019, Savola Group employees, along with team members from subsidiary companies, organized internal workshops on special occasions relating to PWDs, undertook hospital and rehab center visits, and participated in food drives to feed those in need.

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#### Sustainability Reporting

Savola is recognized for its world-class sustainability reports, and is a national champion in preparing detailed reports according to GRI standards. Reporting was previously done biannually, but from 2018 has become an annual exercise.

#### Social Return on Investment Study (SROI)

Social Return on Investment (SROI) analyses was conducted for Makeen and Negaderha programs in 2019. SROI predicts the expected impact, or assesses the actual impact, of a community initiative, taking into account change theories, financial parameters, outputs, and outcomes.

The SROI study for both programs demonstrated that the two programs create measurable value for their stakeholders and the society and that they generate a positive return on investment and high financial value.

#### Panda Retail

As part of Savola's commitment to giving back to the community, Panda Retail's ongoing 'Leave the Change' charitable initiative encourages Panda's customers to donate the small change from their purchases at retail outlets. The amount collected from this program is allocated to a number of charities across the Kingdom.