



# SFC ESG Strategy



# The Local Landscape

- Embracing ESG has become a priority in the kingdom supporting in the development of a solid foundation



We are ushering in a new green era for the region; in which we are collectively leading and reaping its fruits, in our joint belief that the effects of climate change are not limited to the natural environment only, but also to the economy and security of our nations.

**HRH MOHAMMED BIN SALMAN,  
CROWN PRINCE AND PRIME MINISTER  
OF SAUDI ARABIA**

**Saudi Arabia is set to implement unprecedented reforms in the public sector, economy and society through the execution of Saudi Vision 2030 and Saudi Green Initiative**

**Women Participation**  
**22% ↑ 30%**

**SMEs Contribution**  
**20% ↑ 35%**

By 2030

**CO2 Emissions**  
**↓ Net Zero**

By 2060

# Strategy Development Approach

- A custom-made approach was followed to develop SFC's ESG strategy and identify detailed action plans to ensure successful implementation and achievement of ambitions

## Benchmarking assessment

Conduct a detailed assessment on SFC as a subsidiary of Savola Group's leading peers to identify best ESG practices and targets

## Maturity assessment

Conduct an assessment focusing on evaluating SFC's ESG current performance across specified metrics

## Materiality Assessment

Conduct a double materiality assessment exercise to identify SFC's ESG material topics covering external and internal stakeholders

## Strategy development

Conducted over 5 main phases to develop SFC's strategic framework, ESG related targets, and ESG roadmap, as a part of Savola Group ESG Strategy.

### Departmental Analysis

- Analyzed Key Performance Indicators (KPIs)
- Department mandates
- Department processes, roles and functions

### Material Topics Mapping

- Mapped divisional KPIs to the relevant material topics
- Identified relevant material topics for each department

### Preliminary Initiatives

- Drafted potential initiatives, covering three levels of maturity (comply, compete and transform) to integrate ESG into departments mandates

### Internal Interviews

- Conducted various department interviews to assess their ambition and feasibility of integrating ESG into day-to-day operation

### Target Setting

- Set targets in alignment with findings and interviews results
- Identify roles and responsibilities of involved departments

# SFC - ESG Strategic Framework



# ESG Strategic Framework

- ESG strategic framework defines SFC's strategic pillars and areas that were identified as the core to guide the achievement of its ESG ambitions



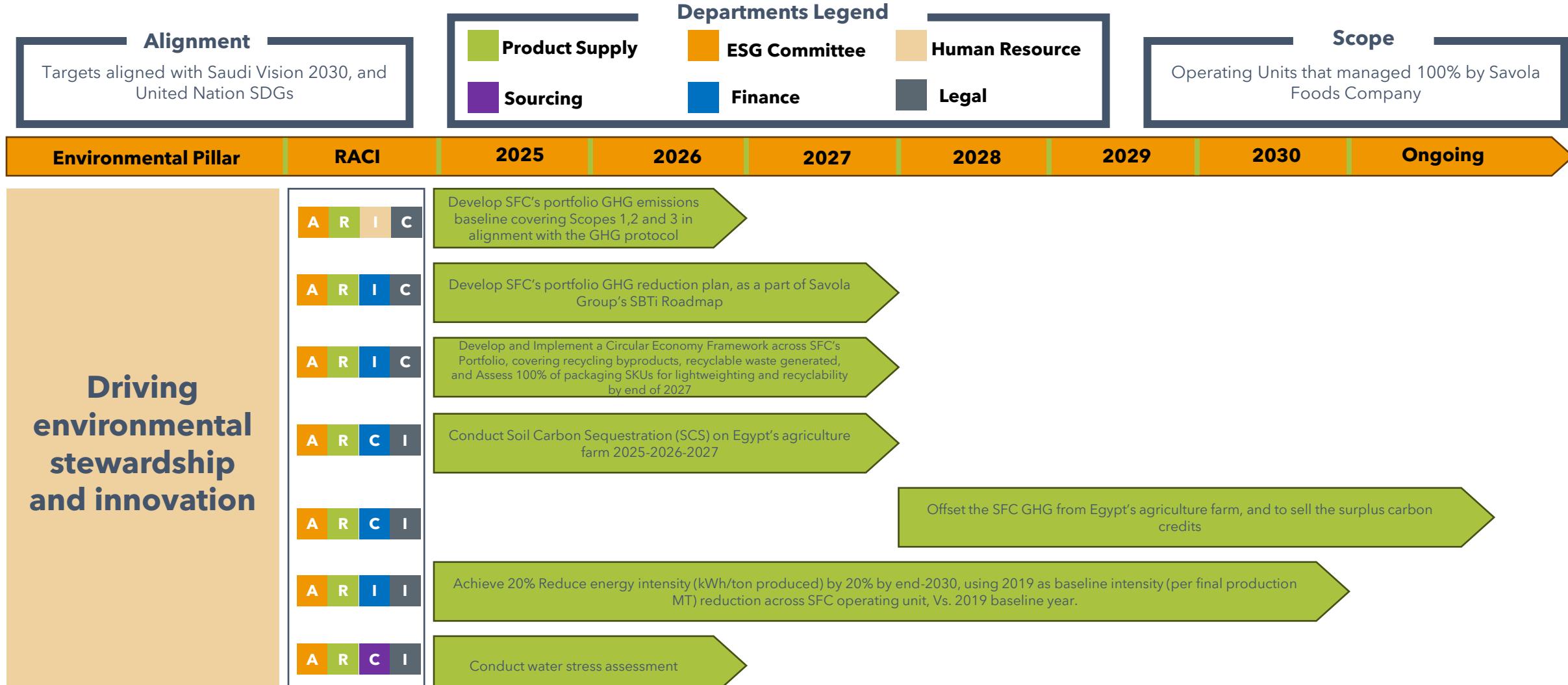
ESG Vision	Spearheading sustainable growth and empowering responsible practices across our ecosystem					
Strategic Pillars	Driving environmental stewardship and innovation <i>Implementing measures to lead and promote efforts aimed at responsibly managing environmental activities and applying innovative solutions to mitigate environmental challenges</i>	Fostering community wellness and employee welfare <i>Actively promoting and supporting initiatives that enhance the health, wellness, and overall quality of life for the customers, and employees</i>	Advancing ethical governance and stakeholder trust <i>Proactively strengthening ethical governance and risk management practices within SFC, with the aim of enhancing trust and confidence among stakeholders</i>			
Strategic Focus Areas	<ul style="list-style-type: none"><li>• Clean &amp; efficient energy</li><li>• Climate change &amp; emissions</li><li>• Waste &amp; circular economy</li><li>• Sustainable packaging</li></ul>	<ul style="list-style-type: none"><li>• Food Quality &amp; Safety</li><li>• Nationalization</li><li>• Diversity, equity &amp; inclusion</li><li>• Nutrition &amp; Health</li><li>• Human Capital retention, engagement, &amp; development</li></ul>	<ul style="list-style-type: none"><li>• Transparency &amp; Reporting</li><li>• Business ethics &amp; integrity</li><li>• Corporate governance</li><li>• Customer experience &amp; relationship management</li></ul>			
Drivers	Alignment with international standards and agreements	Alignment with national agendas and vision	Alignment with external stakeholder	Maintaining portfolio attractiveness for ESG aligned investors	Alignment with international ESG frameworks	Avoid implications on reputational risks

# SFC - ESG Strategic Actions



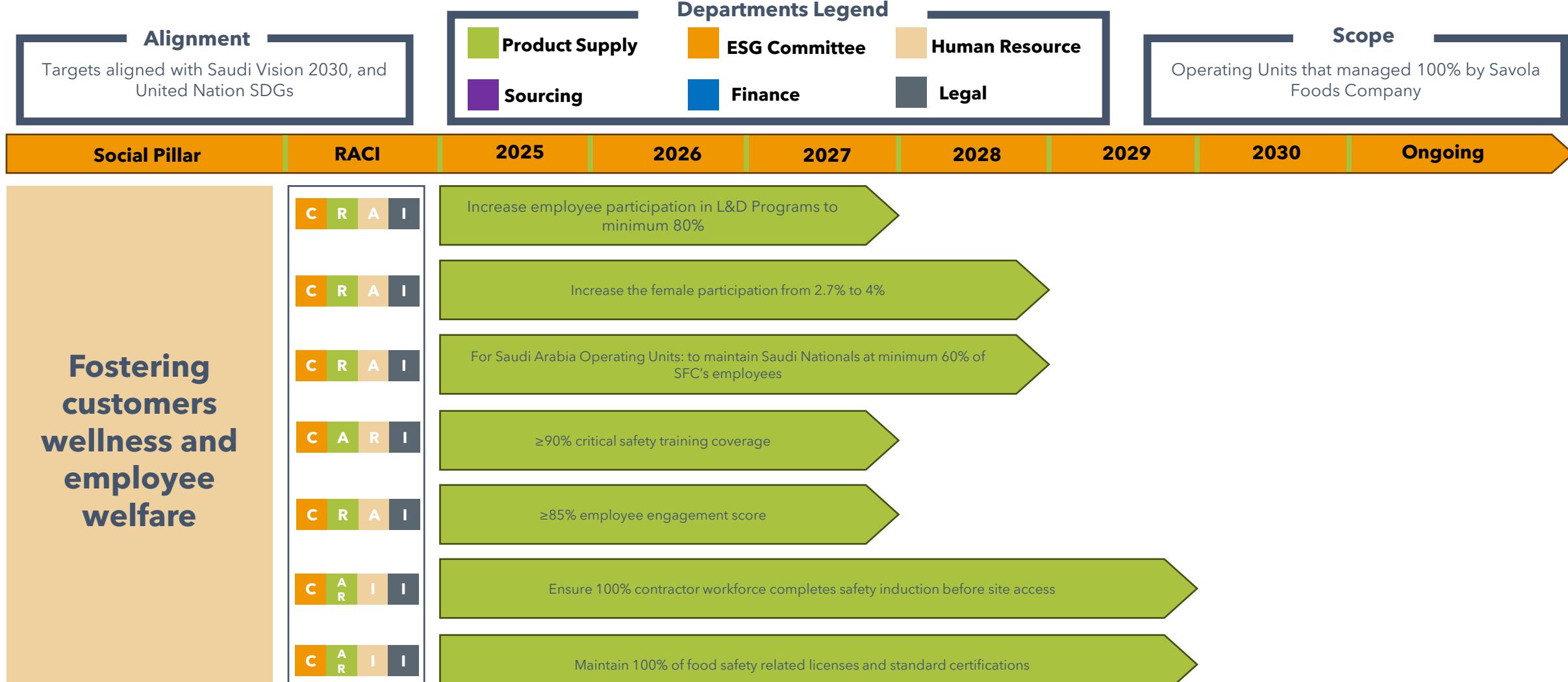
# SFC's ESG Targets

- We have outlined the following targets across Savola's three ESG pillars to promote the integration of ESG principles into daily operations



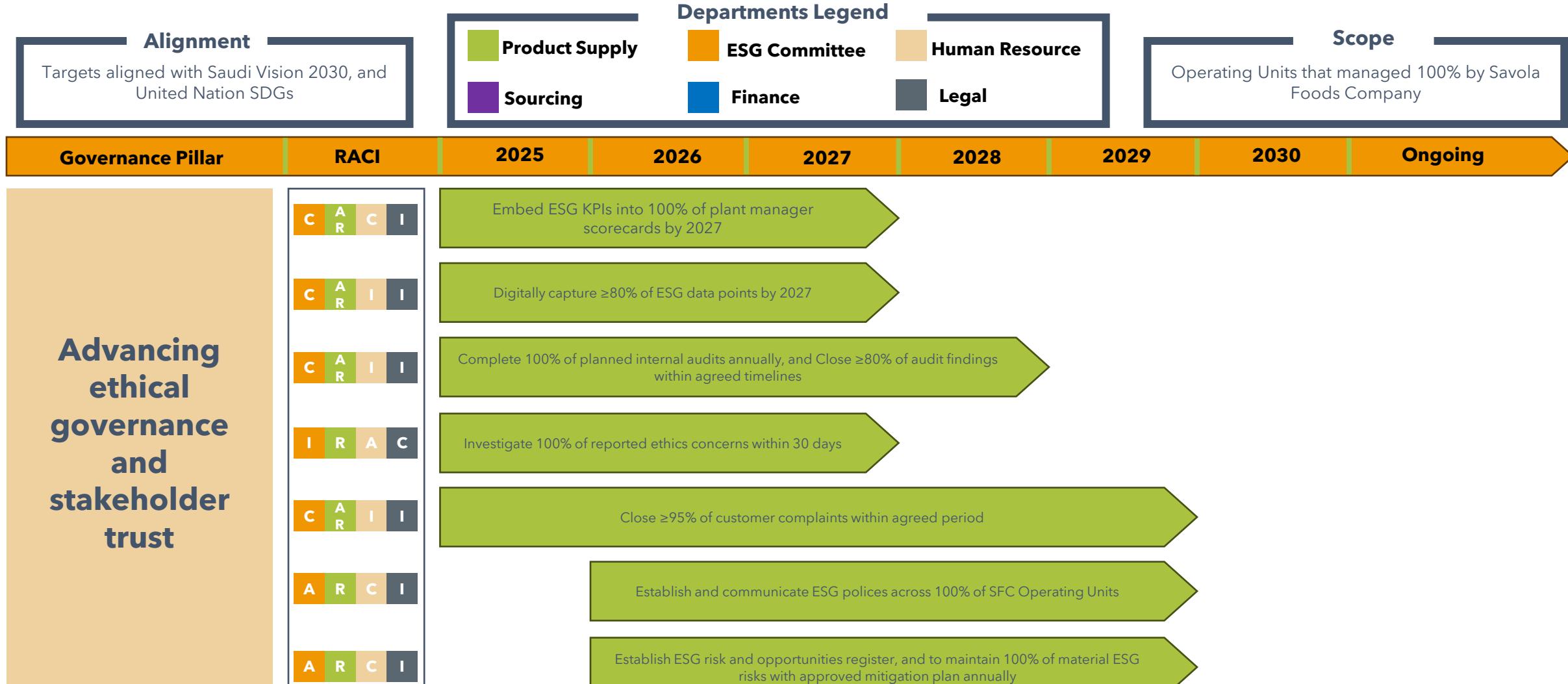
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# SFC - ESG Governance Integration



# SFC - ESG Team Roles and Responsibilities

Role*	Rank	Key responsibilities	Skills required
Chief ESG	Executive Director / Chief Officer	<ul style="list-style-type: none"> <li>Oversee ESG strategy implementation</li> <li>Oversee environmental impact reduction efforts</li> <li>Oversee CSR programs and social impact activities</li> <li>Ensure accurate ESG reporting</li> <li>Stay updated on ESG trends and best practices</li> <li>Oversee ESG culture and knowledge across the organization</li> </ul>	<ul style="list-style-type: none"> <li>Strategic leadership, vision and decision making</li> <li>Stakeholder engagement and relationship-building</li> <li>Environmental regulations and compliance knowledge</li> <li>Business acumen and sustainability integration</li> <li>Change management and organizational influence</li> <li>Adaptability and continuous learning</li> <li>Effective communication and inspiration to drive ESG culture</li> </ul>
ESG Head	Senior Manager / Director	<ul style="list-style-type: none"> <li>Ensure implementation of ESG strategy</li> <li>Monitor environmental performance and compliance</li> <li>Address social impact and stakeholder concerns</li> <li>Ensure implementation of governance and ethical practices</li> <li>Ensure accurate ESG reporting</li> <li>Engage with external stakeholders and manage external partnerships</li> <li>Collaborate with internal teams for ESG integration</li> <li>Drive transparency and accountability</li> <li>Lead sustainability and responsible investment initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Strategic planning and execution</li> <li>ESG data analysis and reporting expertise</li> <li>Stakeholder management and communication</li> <li>Knowledge of social impact and ethical considerations</li> <li>Governance and regulatory compliance understanding</li> <li>Collaborative leadership and team coordination</li> <li>Adaptability to evolving ESG requirements</li> <li>Sustainable finance and investment knowledge</li> <li>Ability to drive ESG culture and knowledge within Savola</li> </ul>
ESG Team Members	Manager / Senior Manager	<ul style="list-style-type: none"> <li>Review ESG data and reports for accuracy and completeness</li> <li>Guide efforts on ESG strategy implementation</li> <li>Monitor implementation of portfolio and in-house initiatives</li> <li>Support on coordination with partners and external stakeholders</li> <li>Raise awareness about ESG issues within the organization</li> <li>Guide direction of research and trend identification</li> </ul>	<ul style="list-style-type: none"> <li>Excellent communication and stakeholder engagement skills</li> <li>In-depth knowledge of ESG frameworks and regulations</li> <li>Analytical and risk assessment abilities</li> <li>Experience in team management and mentorship</li> <li>Passion of sustainability to inspire ESG culture</li> </ul>
	Junior (2 years experience)	<ul style="list-style-type: none"> <li>Collect and analyze ESG data and assist with all assessments</li> <li>Research ESG trends and prepare ESG reports and disclosures</li> <li>Support ESG projects and initiatives</li> <li>Stay updated on ESG-related developments</li> </ul>	<ul style="list-style-type: none"> <li>Strong analytical and research skills</li> <li>Attention to detail and data accuracy</li> <li>Familiarity with ESG reporting framework</li> <li>Eagerness to learn and adapt to evolving ESG practices</li> </ul>

Role\*:The assignment is part of individual job scope.



Thank you!