



2024 SUSTAINABILITY REPORT

Table of Contents



Overview

1. About Fine Hygienic Holding (FHH)
2. Product Portfolio
3. Message from the Chairman
4. Operations and Presence
5. Sustainability Strategy Overview



Environment

7. Circular Economy and Waste Management
8. Sustainable Forestry Practices
9. Energy Management and Emissions
11. Water Consumption and Management
13. KPI's and Measurable Targets
14. Hazardous Substances Management



Social

15. Our People
16. Investment in Training and Development
17. Comprehensive Wellness Strategy
18. World-class Pay, Benefits, and Policies
19. Recognition, Engagement, and Unions
20. DEI
21. Health and Safety
24. Community Involvement
25. Flagship CSR Programs



Governance

28. Corporate Governance Framework



WHO WE ARE

“If you don’t have your health, you don’t have anything”

This is a centuries-old truism we take seriously in FHH. We are, first and foremost, a wellness company that was established in the MENA region in 1958. We manufacture, market, and distribute superior products and services that provide not only good value to consumers, but also help improve their lives.

From our uniquely sterilized tissue products, to our skin-friendly baby and adult diapers, to our newest addition to the FHH Family - eon longevity herbal drink - each and every day we help millions of individuals and their families take care of their wellness.

This commitment extends into everything we do. Our most important asset is our employees. They are the backbone of FHH. We are committed to the all-around health and well-being of our employees, and to creating an environment that attracts and retains the best. We aspire to become the company where people love to join and hate to leave.

We also fervently believe we must give back to our communities. Giving back is a fundamental part of our DNA. Our legacy stretches far beyond products and services, but to serving humanity and helping in small yet meaningful ways, making our world a better place.

OUR MISSION

To offer products and services that enhance the wellness of millions.

OUR VALUES

- We do the right thing. Always
- We embrace meritocracy and diversity
- We are one team, one dream
- We take risks
- If we take care of our people, the business will take care of itself
- We deliver our targets, we don’t miss. Failure is not an option
- We master our fundamentals
- We spend company money as we spend our own
- We seek to transform every role in the company into a “revenue” role

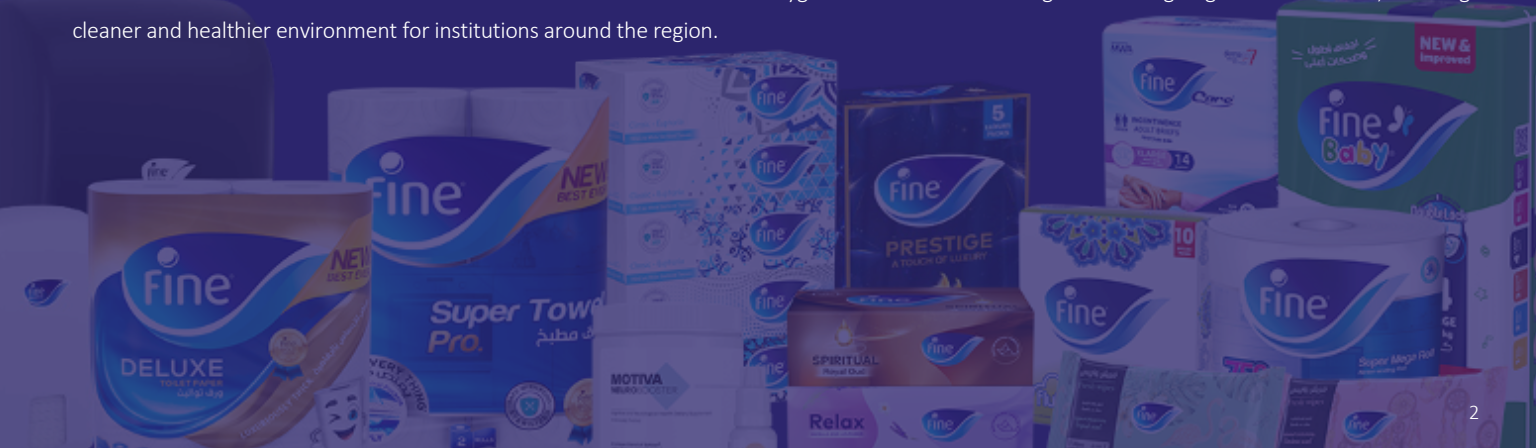


DIVERSE PRODUCT PORTFOLIO

At **Fine Hygienic Holding**, we take pride in offering an extensive range of world-class products designed to enhance the lives of our consumers and contribute to a healthier, more sustainable future.

Our product range includes:

- ▶ **Premium Jumbo Rolls:** That serve as the cornerstone of our hygienic paper products. They also serve the needs of clients around the world.
- ▶ **Sterilized Tissues:** We offer a wide range of hygienic paper products—from facial tissues and toilet paper to napkins and paper towels.
- ▶ **Baby Care:** We offer thoughtfully designed diapers to ensure ultimate comfort and protection for little ones.
- ▶ **Adult Care:** Our range of adult incontinence products prioritize the safety and wellbeing of adults, helping prevent skin irritation.
- ▶ **Germ Protection Solutions:** We offer antiviral face masks and long-lasting sanitizers.
- ▶ **Cosmetics and Cosmeceuticals:** We offer gentle, effective, and innovative personal care solutions, including baby wipes, fresh wipes, hand wash, shower gel, and 100% natural hair removal products.
- ▶ **Nutraceutical Products:** Our innovative eon Longevity+ and Motiva offer science-backed supplements for enhanced health and cognitive performance.
- ▶ **Healthy Beverages:** Through **Nai** we offer refreshing and all-natural iced teas.
- ▶ **Packaging:** We offer specialized packaging for diverse sectors including pharmaceuticals, cosmetics, food and others.
- ▶ **Business Solutions:** Our B2B arm “**Fine Solutions**” revolutionizes business hygiene with tailored offerings and cutting-edge smart solutions, ensuring a cleaner and healthier environment for institutions around the region.





MESSAGE FROM THE CHAIRMAN

As we reflect on another remarkable year at Fine Hygienic Holding (FHH), I am filled with pride and gratitude for our team's unwavering commitment to innovation, excellence, and sustainability. Our journey in 2024 has been defined by a steadfast focus on Environmental, Social, and Governance (ESG) principles, which continue to guide every aspect of our business and propel us toward a more responsible and impactful future.

Sustainability is not just a concept at FHH—it is embedded in the core of who we are. Our investments in cutting-edge technologies, eco-friendly practices, and meaningful community initiatives reaffirm our dedication to creating shared value for our stakeholders while reducing our environmental footprint. From optimizing resource management to reducing energy consumption across our facilities, we are proud to contribute to a healthier planet and a more sustainable global economy.

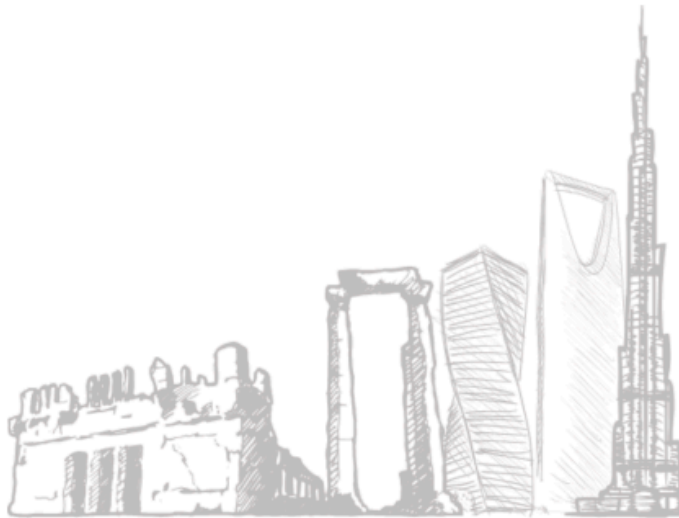
On the social front, we remain committed to improving the wellbeing of the communities we serve. Through our innovative product offerings—from hygienic solutions to nutraceuticals and personal care—we strive to help make everyday life safer, healthier, and more comfortable for millions of people. Our commitment to diversity and inclusion as well as employee development and wellbeing reflect our belief that our greatest asset is our people.

Good governance underpins everything FHH does. By adhering to robust ESG frameworks, FHH ensures transparency, accountability, and ethical decision-making at every level of the organization. FHH's commitment to international reporting standards, including the UN Global Compact, GRI, and SASB frameworks, reinforces its dedication to transparent and accountable sustainability reporting, enhancing stakeholder trust and corporate responsibility.

Looking ahead, we recognize the urgency of addressing global challenges like climate change, resource scarcity, and public health crises. At FHH, we are not merely responding to these challenges; we are actively shaping solutions that will make a lasting difference. As we continue to grow and innovate, we remain committed to aligning our goals with the United Nations Sustainable Development Goals (SDGs), ensuring our business contributes positively to people and the planet.

In 2025 and beyond, we are committed to continue leading with purpose, inspired by the belief that businesses thrive when they act responsibly and sustainably.

Ghassan Elia Nuqul
Chairman of Fine Hygienic Holding



GLOBAL OPERATIONS AND PRESENCE

Countries of operation: **4** Egypt, Jordan, KSA, and the UAE

Number of factories: **12+** paper mills, converting plants, and a packaging company

Number of countries we sell in: **80+** in 5 continents



SUSTAINABILITY STRATEGY OVERVIEW

FHH has pinpointed key sustainability issues in line with international standards such as the Global Reporting Initiative (GRI) and the UN Sustainable Development Goals (SDGs). To ensure comprehensive reporting, FHH also aligns its Key Performance Indicators with the Sustainability Accounting Standards Board (SASB) frameworks, enabling detailed tracking of environmental, social, labor, and governance metrics. This alignment demonstrates its contribution to global sustainability targets through the SDGs

In our 2024 report, FHH identified 7 SDGs that align directly with our business model and corporate values, and they are:

1

No Poverty

FHH launches sustainable initiatives in developing countries where it operates to help elevate the quality of life for underprivileged citizens, enhance quality of education, and provide job opportunities.

4

Quality Education

FHH launches initiatives aimed at offering quality education and bridging the gap between theoretical studies and market needs. A key example is its flagship CSR initiative, 'Fine Academy,' which complements its year-round internship programs across various departments and factories.

Furthermore, the company provides both monetary and non-monetary support to public schools in underprivileged communities to help improve their infrastructure.

5

Gender Equality

FHH promotes equal opportunities with initiatives such as "Shine with Purpose" female leadership program.

8

Decent Work & Growth

FHH facilities prioritize safe working conditions. In addition to having a fully-fledged strategy that focuses on employees' wellbeing as well as their learning and development.

12

Responsible Production

FHH optimizes energy and water use by implementing water recycling systems and energy-efficient motors. Our dedication to sustainable water management is further demonstrated through localized water-saving projects, such as greywater treatment systems and advanced recycling solutions, particularly in water-stressed regions. These initiatives not only reduce our water footprint but also contribute to long-term resource conservation.

13

Climate Change

FHH is committed to reducing GHG emissions by implementing renewable energy projects and adopting energy-efficient technologies, such as installing solar panels at its UAE facilities.

14

Life on Land

FHH is committed to sustainably managing forests by working with FSC-certified suppliers who plant up to five trees for every tree used in production.





United Nations
Global Compact

WOMEN'S EMPOWERMENT PRINCIPLES

We are proud to be the first paper mill in the MENA region to sign the **United Nations Global Compact** (UNGC). As part of this commitment, FHH aligns its operations with International Labor Organization (ILO) standards to ensure ethical labor practices. Our policies strictly prohibit child labor, forced labor, and human trafficking, with annual audits conducted across all operations to verify compliance. In 2024, no labor rights violations were reported, reflecting our dedication to maintaining high ethical standards, marking a significant milestone in our commitment to global sustainability. As one of the founding members of the UNGC Jordan Network, we actively contribute to its growth and success through our involvement on its Board of Directors.

In our pursuit of excellence, we are honored to have earned the **EcoVadis Silver** Rating, a prestigious recognition that places us among the top 20% of companies globally for leading sustainability practices both on the environmental and corporate social responsibility efforts. This rating reinforces our ongoing commitment to upholding the highest standards of corporate responsibility, driving sustainable practices throughout our operations, and continuously improving our sustainability performance.

Additionally, our attainment of the **CHEP Sustainability Certificate** further underscores our strategic focus on responsible supply chain management. By optimizing our logistics and material handling processes, we are not only enhancing operational efficiency but also reducing our environmental footprint. This certification is a testament to our commitment to sustainable and circular economy practices, ensuring that every aspect of our business aligns with global best practices.

Further demonstrating our commitment to transparency and climate action, we are proud to have received a C score from the **Carbon Disclosure Project (CDP)** for SMEs, the second-highest score achieved globally in 2024. This recognition reflects our dedication to measuring, managing, and mitigating our environmental impact as we work towards a more sustainable future.

As part of our broader sustainability strategy, FHH is also a proud signatory of the **Women's Empowerment Principles (WEPs)**, reinforcing our dedication to fostering gender equality and empowering women in the workplace and beyond.

ENVIRONMENT



Circular Economy and Waste Management

FHH has implemented state-of-the-art recycling technologies such as fiber recovery systems to minimize waste during production. Additionally, partnerships with regional recycling contractors ensure that by-products are repurposed or recycled efficiently. For instance, the UAE facility has diverted 85% of its waste from landfills by collaborating with local eco-waste organizations.

The company is also exploring innovative methods like using waste as energy through anaerobic digestion processes. Future goals include integrating AI-driven waste segregation systems to enhance recycling accuracy and reduce operational waste by 20% across all sites by 2025.

85%

2024 Performance

Recycling and zero-waste initiatives achieved an 85% diversion from landfill. Examples include the implementation of fiber recovery systems and collaboration with recycling contractors.

90%

2025 Targets

Achieve a 90% waste recycling rate and expand circular practices across all facilities.

FHH has embraced circular economy principles to minimize waste, maximize recovery, and promote sustainability.

Waste Generation and Recovery

600
TONS

Recovery of 600 tons of waste from the UAE facility in 2024, diverting significant amounts from landfills.

2500
TONS

Repurposing and recycling of 2500 tons of scrap waste in KSA, enhancing resource efficiency.

52.4
TONS

Reducing waste by repurposing wooden pallets, thereby eliminating the need to cut down trees for new pallet production.

Internal Waste Management

We implemented comprehensive waste segregation and sorting systems across all sites, ensuring proper handling and recovery of materials. We conducted training programs for our employees to foster a culture of waste reduction and promote effective waste sorting practices.

SUSTAINABLE FORESTRY PRACTICES



At FHH, we are committed to giving back to our planet more than we take. For every tree used in our production, our suppliers plant an average of five, ensuring a positive and lasting environmental impact.

All our hygienic paper products are crafted from 100% virgin pulp, sourced exclusively from environmentally responsible and sustainable plantations. We hold our suppliers to the highest standards, collaborating only with those certified by the Forest Stewardship Council (FSC) and the Program for the Endorsement of Forest Certification (PEFC).

We focus on process optimization across operations, reducing raw material consumption, and contributing to cost efficiency. As part of these efforts, we've successfully saved 119,284 cubic decimetre (dm³) of wood resources. This not only demonstrates our commitment to sustainability but also reinforces the importance of mindful resource management in achieving long-term operational success.



ENERGY MANAGEMENT AND EMISSIONS



We are steadfast in our commitment to reducing greenhouse gas (GHG) emissions across all our operations. In Egypt for example, we have launched a dedicated initiative to cut CO₂ and GHG emissions by diversifying electricity sources and reducing dependence on grid-generated power. These efforts have led to an impressive reduction of approximately 25,384 tons of CO₂ emissions annually.

Furthermore, we have adopted natural gas as a cleaner energy source across our facilities in Egypt and Jordan. This transition has significantly lowered overall emissions, minimized reliance on heavy fuels, and enabled the generation of steam for industrial processes. By reducing dependence on conventional boilers, we are driving sustainable practices that contribute to a greener, more eco-friendly future.

In addition to these efforts, we also consider Scope 3 emissions, which arise from activities of assets not owned by our organization. In 2024, we successfully managed to reduce these indirect CO₂ emissions by 722,596 kg, further solidifying our commitment to comprehensive sustainability.

MILL ENERGY METRIC	2024 DATA	2025 TARGET
TOTAL ENERGY CONSUMPTION	242,000 MWh	Reduce by 2%
GHG EMISSIONS (TONS)	180,000	Reduce by 2%
EMISSION INTENSITY (KG CO ₂ /TON)	818	Reduce by 2%

ENERGY MANAGEMENT AND GHG EMISSION REDUCTION

FHH has implemented robust energy management systems to optimize consumption and minimize greenhouse gas emissions across its operations. Key achievements include:

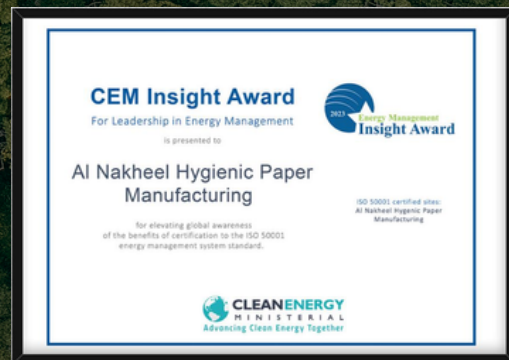
ENERGY EFFICIENCY

- Integration of digital energy monitoring systems in the UAE facilities to enable real-time tracking and optimize consumption.
- Obtaining ISO 50001 certification in Jordan, driving systematic energy management and achieving a 5% year-over-year (YoY) energy reduction target.
- Implementing LED retrofitting and energy monitoring in KSA and Egypt, targeting a 2% YoY reduction in energy consumption.
- Installation of Variable Speed Drive (VSD) compressors in Egypt, resulting in savings of 139 MWh of electricity and 5,000 MBTU of natural gas in 2024.

GHG EMISSIONS REDUCTION

Group-wide tracking systems ensure adherence to ambitious reduction targets, complementing energy-saving projects and renewable energy integration.

These measures underscore FHH's commitment to energy efficiency and reducing carbon emissions while contributing to international climate goals.



WATER CONSUMPTION EFFICIENCY

At FHH, we are committed to minimizing the consumption of water at every level of our operations. As the industry leader in water conservation, we continuously seek innovative ways to preserve precious resources and drive sustainable practices.

FHH proudly became the first private-sector company in Jordan to implement a wastewater recycling initiative. Since its inception, this program has reduced our freshwater consumption for production by over 20%.

Our commitment to conservation extends across borders: in Egypt, our initiatives have cut freshwater usage by 10%, while in the UAE, we have achieved an impressive 22% reduction. These milestones reflect our unwavering dedication to sustainability and environmental stewardship.

We are proud to achieve one of the industry's lowest water consumption levels globally, using just 4.5 m³/ton.

FRESHWATER CONSUMPTION REDUCTION



22%
UAE



20%
JORDAN



10%
EGYPT

WATER METRIC

2024 DATA

2025 TARGET

WATER USAGE
(M³/TON) IN UAE

4.5

4.2

RECYCLED WATER (%)
IN JORDAN

75%

80%

WATER MANAGEMENT AND CONSERVATION

FHH recognizes water as a critical resource, particularly in water-stressed regions, and has implemented targeted initiatives to optimize usage and enhance recycling.

WATER EFFICIENCY AND REDUCTION

- ▶ Achieved a reduction of 12,000 m³ of water in the UAE operations and 43,000 m³ in Egypt in 2024 through process optimizations and recycling initiatives.
- ▶ Reduction targets of 0.5 m³ per ton by 2026 in the UAE and Egypt, 0.1 m³ per ton by 2025 in Jordan.
- ▶ Implementation of greywater treatment projects in the UAE and advanced water recycling systems in Jordan.
- ▶ Daily water tracking and process optimization in Egypt to monitor and minimize consumption.

WATER RISK AND COMPLIANCE

We conduct comprehensive water-stress assessments in the UAE and Jordan to mitigate risks in water-scarce regions. We conduct regular audits and risk mapping in KSA and Egypt to address regional water challenges and align with sustainability goals.

These efforts highlight FHH's dedication to sustainable water management practices and compliance with international standards.

KPI's and Measurable Targets

FHH tracks sustainability progress through well-defined targets and measurable outcomes, ensuring continuous improvement across all operations

ENERGY EFFICIENCY

Achieve an annual energy consumption reduction of 2% across all sites in 2025.

WATER USE

Reduce water consumption by 0.5 m³ per ton by 2026 in critical regions, with ongoing YoY reductions.

ENERGY SAVINGS

Implement efficiency measures to continuously lower electricity and natural gas consumption across all sites.

WASTE REDUCTION

Reduce total waste generation by 5% YoY, with a focus on increasing non-hazardous waste recovery and minimizing landfill dependency.

EMISSIONS REDUCTION

Achieve a 2% YoY reduction in Scope 1 and Scope 2 emissions, driven by energy efficiency improvements and increased reliance on renewable energy.

HAZARDOUS SUBSTANCES MANAGEMENT

FHH's approach to managing hazardous substances emphasizes safety, compliance, and sustainability.

- ▶▶ Comprehensive training programs for employees on safe handling and management of hazardous substances.
- ▶▶ Systematic replacement of hazardous materials with safer alternatives to minimize environmental risks.
- ▶▶ Implementation of emergency response measures, including spill containment and hazardous material cleanup protocols.

These measures reflect FHH's focus on hazardous substance reduction and environmental safety.



SOCIAL

OUR PEOPLE: THE CORNERSTONE OF OUR SUCCESS

At FHH, our 2,800 employees are the heart of our organization and the driving force behind our success. We firmly believe in our core value: **"If we take care of our people, the business will take care of itself."**

Recognizing our employees as our most valuable asset, we have established a robust and multifaceted strategy to promote their well-being, development, engagement, and recognition. This commitment is embedded in everything we do, from wellness programs to progressive policies, ensuring that our people thrive personally and professionally.



INVESTMENT IN TRAINING & DEVELOPMENT

At FHH, we believe in the power of growth and lifelong learning. Our investment in employee development ensures they remain equipped with the skills needed to thrive in a dynamic world.

- **Comprehensive Growth Opportunities:** Leadership development, technical skills enhancement, and soft skills training are integral to our strategy.
- **Tailored Learning Pathways:** We provide on-the-job training and specialized courses for technical skill development.
- **Dedicated Budget:** We allocate substantial resources annually for local training and group-wide leadership programs.
- **Career Development:** We are committed to investing in our people's growth, strengthening their skills, and providing continuous support, mentorship, and opportunities for advancement.
- **Internal Advancement:** Our policies prioritize promoting from within, fostering loyalty and career growth.



COMPREHENSIVE WELLNESS STRATEGY

Well-being at FHH is a priority, extending beyond the external care we provide to our consumers and customers. Internally, we nurture a culture of wellness through innovative programs and initiatives:

Holistic Wellness Programs: We prioritize both physical and mental well-being with diverse activities and resources.

State-of-the-Art Facilities: Our corporate wellness center in Dubai is equipped with modern gym facilities.

Accessible Fitness Options: We own a gym and offer competitive corporate rates for employees.

Wellness-inspired Office Design: Bicycle stations, walking tracks, and other wellness-focused features are integrated into our office spaces.

Engaging Wellness Challenges: Regular internal challenges foster a spirit of health and teamwork.



WORLD-CLASS PAY, BENEFITS, AND POLICIES

FHH leads the way with progressive, inclusive, and employee-centric policies, ensuring fair treatment and exceptional support:

- 1- Equal Pay Practices:**
FHH ensures pay equity through the Korn Ferry methodology, regardless of gender, race, or nationality. In addition, FHH regularly benchmarks its salary reviews against scientific market surveys to ensure fair compensation practices, guaranteeing that all employees receive wages that meet or exceed local regulations. This approach reinforces its commitment to equity and inclusivity in the workplace.
- 2- Generous Parental Leave:**
Maternity Leave:
16 weeks fully paid, plus an optional 16 weeks unpaid, with flexible return-to-work arrangements.
Paternity Leave:
21 days of fully paid leave to support gender equality.
- 3- Flexible Work Arrangements:**
Policies include flexible hours, remote work one day per month, and partial work options post-leave.
- 4- Miscarriage/Stillbirth Policy:**
5 days of paid leave for females who go through miscarriage or stillbirth, with the option to extend for another 5 days unpaid. Male employees whose wives go through this unfortunate situation also get 5 days of paid leave.
- 5- Fine Flourish Policy:**
12 days of paid leave for females who go through biological changes including menstruation, menopause and fertility treatment.

Recognition Programs: Celebrating Excellence

We believe in acknowledging and celebrating exceptional performance, fostering a culture of appreciation:

Recognition Menu: A variety of programs celebrate achievements, high performers, and milestones.

Continuous Celebrations: Regular announcements highlighting successes, fostering a sense of pride and belonging.

Comprehensive Rewards: Our full reward policy ensures employees feel valued and motivated.

Employee Engagement: A Cornerstone of Our Culture

We understand that engaged employees drive innovation and excellence. Our engagement strategy ensures open communication, collaboration, and trust:

Regular Engagement Surveys: We prioritize employee feedback to enhance workplace satisfaction.

Transparent Communication Channels: Frequent town halls, open forums, and group-wide online meetings connect all levels of the organization.

Accessible Reporting Platforms: The Code of Business Ethics (CoBE) enables employees to voice concerns, report misconduct, or share suggestions.

Collaboration with Unions

At FHH, we recognize the critical role of unions in fostering a fair and equitable workplace. In alignment with this belief, FHH acknowledges the right to collective bargaining and maintains open communication with trade unions and employee representatives. This ongoing dialogue ensures that labor-related concerns are addressed promptly, reinforcing its commitment to maintaining a transparent and supportive work environment. Our strong collaboration with unions reflects our commitment to upholding and exceeding industry standards. Beyond meeting negotiated agreements, we consistently provide enhanced benefits and safety measures that prioritize the well-being of our employees. This proactive approach not only strengthens trust and mutual respect but also ensures that our workforce thrives in a supportive and secure environment, aligning with our overarching sustainability goals.

At FHH, our people are not just employees; they are our partners in success. Through our unwavering commitment to their well-being, development, engagement, and recognition, we create an environment where talent thrives, innovation flourishes, and excellence is the standard. Together, we continue to build a sustainable future driven by the power of our people.



DIVERSITY, EQUITY, AND INCLUSION (DEI): A CORE PILLAR OF OUR SUSTAINABILITY

Diversity, Equity, and Inclusion (DEI) is a core pillar of FHH's sustainability strategy. The company fosters a culture of meritocracy and diversity while maintaining a zero-tolerance policy for harassment and discrimination. FHH's comprehensive anti-discrimination policies include robust mechanisms for reporting and addressing violations. By promoting a culture of respect and inclusion, the company ensures that all employees feel valued and empowered.

FEMALE LEADERSHIP

Women make up 30% of our leadership team. We remain committed to further increasing this percentage, reflecting our dedication to empowering women and fostering inclusive leadership.

ADVANCING DEI IN 2024

We continued to drive DEI through impactful initiatives:

- **Diverse Talent Pipeline Program:** Recruiting from underrepresented groups to enhance workforce diversity.
- **Community Partnerships:** Promoting mentoring and career growth for disadvantaged individuals.
- **DEI Annual Report:** Providing a transparent overview of our progress and identifying opportunities for improvement.

EMBEDDING DEI ACROSS FHH

Our DEI efforts extend to hiring, development, leadership programs, and fair pay practices, ensuring equal opportunities for all. A robust DEI policy and the Code of Business Ethics (CoBE) empower employees to voice concerns, share suggestions, and drive a culture of openness and accountability. DEI is not just a commitment but a core pillar of FHH's sustainability strategy, driving innovation and ensuring a workplace where everyone feels valued and empowered.



HEALTH AND SAFETY

We uphold the highest standards of workplace safety and well-being through strict compliance with global regulations. Our commitment is reinforced by key certifications, including ISO 45001:2018, the internationally recognized standard for occupational health and safety management systems. This underscores our proactive approach to risk prevention, employee protection, and continuous safety improvement.

MAJOR SAFETY MILESTONES

In November 2024, FHH's UAE site achieved a significant milestone by surpassing four years and over four million safe working hours without a lost-time injury. This accomplishment highlights the effectiveness of FHH's safety culture, robust risk management systems, and proactive hazard mitigation strategies. The milestone was celebrated across the organization, reinforcing the company's unwavering commitment to a zero-incident workplace and continuous improvement in occupational health and safety.

HEALTH, SAFETY, AND ENVIRONMENT MANAGEMENT

The Safety, Health, and Environment (HS&E) team partners with the operations management, leadership, and safety teams across all FHH sites to uphold the highest standards of workplace safety and regulatory compliance. Aligned with FHH's strategic goals, the team ensures adherence to ISO 45001:2018, local regulations, and OSHA guidelines, fostering a safe and sustainable work environment across all locations.

HEALTH AND SAFETY MANAGEMENT SYSTEM

FHH continuously enhances its HS&E management system through structured workshops, training, and assessments. In 2025, at least ten workshops will be conducted to reinforce safety culture and fire safety measures. These workshops will include hazard identification, fire prevention, and emergency response training. Additionally, real-time safety analytics and digital tracking will be introduced to enhance risk assessment processes.

RISK AND HAZARD MANAGEMENT

FHH systematically assesses occupational risks, hazards, and potential damages at all workplaces. Employees receive annual (or more frequent) training to mitigate these risks. A digital reporting system will be integrated to track and resolve hazards efficiently. Procedures include accident investigation, facility alarms, and emergency response plans.

INCIDENT PREVENTION AND EMPLOYEE TRAINING

All new employees receive comprehensive health and safety training, with continuous learning programs on chemical management, forklift operations, working at heights, hazardous energy isolation, and confined space entry. These are complemented by on-the-floor coaching, shift-change briefings, and a digital safety alert system. An incident elimination system is in place to identify safety gaps and implement corrective actions immediately.

BEHAVIORAL SAFETY AND LEADERSHIP TRAINING

A regional safety survey was conducted to assess site maturity and develop targeted behavioral safety training for leadership. A key focus is training leaders to implement incident elimination strategies effectively, ensuring a proactive approach to workplace safety. Additionally, behavior-based safety (BBS) programs will be expanded to encourage peer-to-peer safety coaching.

EMERGENCY PREPAREDNESS AND FIRE SAFETY

All sites have trained 100% of employees on emergency procedures, with specialized training for emergency response teams. Fire drills are conducted regularly to ensure preparedness, with risk assessments identifying evacuation gaps and corrective actions. New fire suppression technologies and automated emergency alert systems will be implemented to further enhance response capabilities.

OCCUPATIONAL HEALTH AND WELLNESS

FHH supports employee health with comprehensive medical coverage, periodic health check-ups, and wellness initiatives. Employees have access to flexible work arrangements, lactation rooms, and extended parental leave policies. The company will introduce a proactive wellness program incorporating mental health support, ergonomic assessments, and fitness incentives.

FUTURE SAFETY GOALS AND CONTINUOUS IMPROVEMENT

FHH aims to achieve a zero-incident workplace by:

- Reducing recordable incidents through enhanced hazard identification and digital risk tracking.
- Expanding employee engagement in safety initiatives through incentives and safety culture programs.
- Strengthening fire safety measures with real-time fire detection and suppression technologies.
- Ensuring continuous compliance with ISO 45001 and OSHA standards while incorporating real-time compliance monitoring.
- Implementing AI-driven predictive analytics for proactive safety management and accident prevention.
- Enhancing cross-functional collaboration between departments to ensure a holistic approach to safety management.
- Integrating advanced wearable safety technology for real-time monitoring of workers' health and exposure to potential hazards.

FHH remains committed to fostering a strong safety culture, ensuring the health and well-being of its employees while maintaining compliance with global health and safety standards.



COMMUNITY INVOLVEMENT: EMPOWERING LIVES AND CREATING IMPACT

At Fine Hygienic Holding (FHH), we are deeply committed to making a meaningful impact in the communities where we operate. Through a comprehensive Corporate Social Responsibility (CSR) strategy, we address critical pain points in each country, empowering individuals and uplifting communities to foster sustainable growth.



FLAGSHIP PROGRAM: FINE ACADEMY

Fine Academy is a paid, on-the-job training program designed to bridge the gap between academia and the job market. Targeting bachelor's and diploma students, the program provides practical training in our different departments and factories. It offers a blend of theoretical, technical, and soft skills training, delivered by internal experts and external professionals.

- The program supports quality education and enhances employability, helping students transition into the workforce more efficiently.
- In Jordan, 23% of graduates from Fine Academy have joined our workforce, reflecting its success in developing market-ready talent.

Additionally, we provide numerous internships to students, offering hands-on learning experiences.



EMPOWERING WOMEN THROUGH INCOME-GENERATING PROJECTS

FHH prioritizes gender equality and economic empowerment, particularly for women in underprivileged areas:

Khair Al Koura Program: This initiative in northern Jordan supported women in establishing income-generating projects to elevate their living standards.

Khair Al Koura in numbers:

- 108 ladies benefited from the computer literacy training
- 3,920 benefited from the legal aid program
- 46 students benefited from the GEMS program
- 21 teachers received robotics training, benefiting 100 students
- 70 teachers received STEM certification
- 320 local produce

**** 6,000+ people in Al Koura benefit from the program directly and indirectly

Passionately Handmade: In collaboration with Misr El Khair, we partnered with women to create similar income-generating opportunities in less privileged areas in Egypt, driving self-sufficiency and economic stability.



SUPPORTING LOCAL COMMUNITIES

We actively support local initiatives and events across various sectors, including sports, education, and arts. Additionally, we consistently donate hygienic products to various organizations in need, ensuring that essential health and hygiene supplies are accessible to those who need them most. These donations support a range of sectors, including hospitals, schools, and community initiatives, and span across regions where we operate.



ONGOING SUPPORT FOR PALESTINE

In response to the ongoing crisis in Palestine, FHH has provided continuous support, donating products to hospitals and organizations in Gaza to help alleviate the hardships faced by local communities. Our commitment extends to Lebanon, where we made significant product donations to support those affected by recent attacks, ensuring that vital hygiene products reach those in need.



GOVERNANCE: A COMMITMENT TO INTEGRITY, ACCOUNTABILITY, AND TRANSPARENCY

At FHH, effective governance is a cornerstone of our commitment to sustainability and long-term value creation. We understand that strong governance practices are essential to maintaining trust with our stakeholders, including employees, customers, shareholders, and communities. By adhering to the highest standards of integrity, transparency, and accountability, we ensure that our decisions are made with the best interests of all parties in mind.

CORPORATE GOVERNANCE FRAMEWORK

Our governance framework is designed to foster a culture of accountability and ethical decision-making. FHH's board of directors, leadership team, senior management, and various governance bodies work collaboratively to oversee business operations and ensure that our practices align with the company's values and long-term objectives.

We are committed to continuous improvement in governance practices, regularly reviewing and refining our policies and procedures to address evolving regulatory requirements and market expectations. Our corporate governance framework is managed by 3 key pillars:

- **Board Composition and Independence:** Ensuring a diverse, experienced, and independent board to guide the company's strategic direction.
- **Group Standard Manual (GSM):** Comprehensively details all policies and procedures that have been developed for our group. This manual encompasses all organizational functions and activities.
- **Ethical Standards:** Upholding the highest ethical standards in all aspects of business conduct, in addition to abiding strictly by all local and international laws and regulations supported by a robust Code of Business Ethics.



TRANSPARENCY AND ACCOUNTABILITY

At FHH, we prioritize transparency by providing our stakeholders with accurate and timely information about our operations, key performance indicators, and sustainability progress. This open communication builds trust and strengthens our relationships.

Accountability is embedded across all levels of the organization, with the leadership team setting the ethical tone and all employees encouraged to follow our guidelines and take responsibility for their actions.

ETHICS AND COMPLIANCE

FHH's Code of Business Ethics (CoBE) serves as the foundation of our corporate governance structure. The CoBE outlines our commitment to ethical business practices, compliance with laws and regulations, and respect for human rights. We ensure that all employees are trained on the principles of the CoBE, and we provide mechanisms for reporting concerns or violations in a confidential and non-retaliatory manner.

Furthermore, all employees, from the Chairman down to the lowest level, are required to take an annual CoBE test.

STAKEHOLDER ENGAGEMENT

We actively engage with our stakeholders to ensure that our governance practices align with their expectations and concerns. Through regular communication, surveys, and feedback mechanisms, we gather insights that help us refine our governance practices and improve our decision-making processes.

RISK MANAGEMENT

Risk management is a critical component of our sustainability strategy, focused on proactively identifying and addressing potential risks that could impact the company's long-term success. We prioritize safeguarding our reputation and financial stability by systematically evaluating environmental, social, and governance (ESG) risks, along with operational, regulatory, and market-related challenges. Our risk mitigation strategies are designed to minimize disruptions, ensure compliance with relevant standards, and promote a resilient business model. By embedding risk management into our decision-making processes, we aim to not only protect the company's assets but also contribute to sustainable growth and the well-being of all stakeholders.



Appendix

GRI STANDARD

DISCLOSURE

LOCATION

GRI 2: General Disclosures 2021

2-1 Organizational details
2-7 Employees
2-9 Governance structure and composition
2-15 Conflicts of interest
2-16 Communication of critical concerns
2-17 Collective knowledge of the highest governance body
2-22 Statement on sustainable development strategy
2-23 Policy commitments
2-26 Mechanisms for seeking advice and raising concerns
2-27 Compliance with laws and regulations
2-30 Collective bargaining agreements

Pages 1, 2 & 4
Pages 15- 23
Pages 28 & 29
Page 28
Page 28
Page 28
Pages 3 & 5
Page 6
Page 28
Page 28
Page 19

GRI 3: Material Topics 2021

3-2 List of material topics

Page 5

GRI 205: Anti-corruption 2016

205-2 Communication and training about anti-corruption policies and procedures

Page 28

GRI 302: Energy 2016

302-4 Reduction of energy consumption

Pages 9, 10 & 13

GRI 303: Water and Effluents 2018

303-1 Interactions with water as a shared resource
303-5 Water consumption

Pages 11,12 & 13
Page 7 & 11

GRI 305: Emissions 2016

305-1 Direct (Scope 1) GHG emissions
305-2 Energy indirect (Scope 2) GHG emissions
305-5 Reduction of GHG emissions

Page 6
Page 6
Pages 9 & 10

GRI STANDARD	DISCLOSURE	LOCATION
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Page 7 & 13
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees 401-3 Parental leave	Pages 16- 20 Page 18
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system 403-4 Worker participation, consultation, and communication on occupational health and safety 403-5 Worker training on occupational health and safety 403-8 Workers covered by an occupational health and safety management system 403-9 Work-related injuries	Pages 21- 23 Pages 21- 23 Pages 21- 23 Pages 21- 23 Pages 21
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Page 16
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Pages 24- 27



Improving the wellness of
millions of people.