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AFIA International Egypt 2020 PALM OIL PROGRESS REPORT

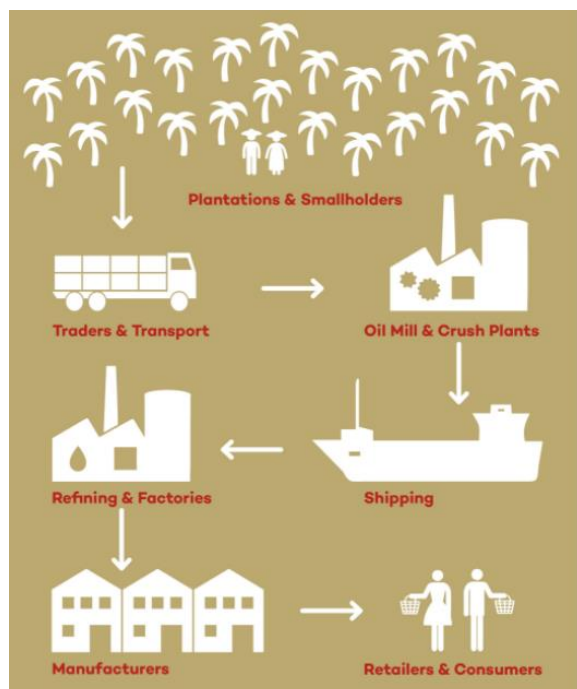


AFIA International Egypt is fully committed to securing a deforestation-free and exploitation-free palm oil supply chain through active cooperation with suppliers and continues to commit to sourcing sustainable palm oil that is 100% RSPO Certified and traceable back to mills. In addition to the RSPO certification, currently available to achieve responsible palm oil supply chains. We invest in establishing direct long-term commercial relationships with our suppliers and engage them, by addressing environmental and social issues. AFIA's commitments and actions towards

responsible sourcing of palm oil go beyond basic requirements and certifications and are a distinctive characteristic of our approach. We will continue to build on these elements to further reinforce our supplier to approach for the benefit of the environment.

Supply chain traceability and transparency

A key factor in AFIA's approach to sustainable palm oil is maintaining a robust level of mill traceability. This allows us to have clear visibility of the first mile of our palm oil supply chain.



Transparency is another essential element of our approach and every six months we will publish the list of mills from which we source our palm oil. The latest list, related to the first half of 2021

We're working to extend our commitment to source only sustainable palm oil that is 100% RSPO Certified also to those products and bring them to our overall responsible palm oil sourcing standards.

The Three Big NO:



Countries from where AFIA sourced its palm oil in 2020 from trusted supplier in Indonesia and Malaysia

Our strengthened approach

Building on the many years of positive impact of the existing AFIA Palm Oil, during 2021 we have undertaken a major collaborative effort with our key internal and external stakeholders to review it in order to further strengthen our commitments and actions.

Currently we identify grievance in our supply chain and drive positive change on the ground. We are confident that new grievance mechanism will strengthen our efforts to secure a sustainable palm oil supply chain.

Actively supporting Transformation

We will continue to be an active promoter of sustainable palm oil at multiple levels. We will seek contributing members of various multidisciplinary expert platforms like Working Group and an continue active member of the RSPO, where the future of the palm oil industry is tailored and discussed.

AFIA's believes that it is crucial to the integrity, credibility and continued progress of the RSPO that every member supports, promotes and works towards the production, procurement and use of sustainable palm oil.

Our 2021 Achievement

Sourcing certified palm oil

AFIA joined the Roundtable on Sustainable Palm Oil (RSPO) in 2018. Since 2019, we have been committed to sourcing 100% certified sustainable palm oil for Customer. Coming year, we expect increase volume of RSPO certified for B2B, at least at the level of the mass balance supply chain model. In 2021, we reached 15% RSPO certified (minimum MB) palm oil.

Improving traceability

Within our supply chain, two main supplier deliver palm oil to us from mills, Full traceability is therefore a complex exercise and an ambitious goal to pursue. In 2021, we could already trace 98% of our palm oil to the mill it came from. By 2025, that should be 100%.

NDPE policy

We require all our key palm oil suppliers to have an NDPE policy (No Deforestation, No Peat and No Exploitation). This policy is the starting point for a sustainable palm supply chain and describes the measures we need to take as an industry. Since 2021, 100% of our key palm oil suppliers have an NDPE policy.



Toward deforestation-free palm oil

Better grievances management

During previous years we receive a grievance that is linked to our supply chain. Until 2020, we contact our supplier to ensure they handle grievance and receive response from them. In 2021 we develop our grievance policy, so we can deal with grievances in a structured way. We will also draft an action plan for every relevant complaint by 2022. By 2025, we want to reach 100% palm grievances with an action plan.

Our KPI

KPI	Status 2021	Target 2025
%Physically sustainable certified (min MB) palmoil	15%	30%
% Palm traceable to mill	98%	100%
%Key palmoil suppliers have NDPE policy	100%	100%
%Palm grievances have an action plan	NA	100%