



Bariq's ESG Blueprint

Restoring the Balance: Our ESG Impact
and Commitment to a Sustainable Future



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About this Report

Report Scope and Boundaries

The Bariq 2021-2022 Sustainability Report outlines our performance and progress on defined material topics and aligns with the expectations and requests of our stakeholders. The report scope encompasses Bariq's operations, including activities at the headquarters, offices, factories, and owned warehouses in Egypt.

This report encompasses activities spanning from January 1st, 2021, to December 31st, 2022. Additionally, other disclosures that transpired in 2023 are included, considering their significance and relevance to the report's context. Any omissions or exclusions are explicitly addressed within the report.

Reporting Frameworks

This report has been developed in accordance with the GRI Standards as well as contains disclosures in line with the following frameworks: Sustainability Accounting Boards Standards (SASB) – Chemicals Standard, United Nations Global Compact (UNGC) and the Task Force on Climate-Related Financial Disclosures (TCFD).

Restatements

Bariq, formerly a subsidiary under Raya Holding in the [2019-2020 sustainability report](#), highlighted its dedication to environmental and social responsibility within the broader corporate context. Following its acquisition by Intro Resource Recovery Holding, Bariq is

poised to launch its independent sustainability report this year, offering a detailed and comprehensive overview of its sustainability initiatives and accomplishments. This autonomous report reaffirms Bariq's commitment to transparently communicate its advancements and contributions toward fostering a sustainable future under its new ownership.

Assurance

[Masader](#), Corporate Sustainability Consulting Firm (S.A.E.), has provided a limited assurance statement on the content of this report.

For further details, please refer to the [Limited Assurance Statement](#).

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Chairman Letter

To Our Esteemed Stakeholders,

Over the past year, Bariq's trajectory of growth and environmental innovation has been nothing short of remarkable. Leveraging the strong foundation established by Raya Holding, the strategic acumen of Intro Holding Group has been a catalyst, propelling Bariq to the forefront of the global recycling industry with renewed vigor and strategic foresight.

We have embraced an audacious vision: to repurpose 50 billion bottles by the year 2030, thereby fortifying our commitment to the planet's health and future generations. This vision came to life following INTRO's acquisition of Bariq in 2021, which at the time was transforming 1.6 billion bottles annually into 15,000 tons of food-grade rPET. The subsequent Phase 1 expansion was a leap forward, amplifying our recycling capabilities to an impressive 3.73 billion bottles per year, and bolstering our production to 35,000 tons of food-grade rPET.

The narrative of our growth continued with the Phase 2 expansion, which further scaled our operations to recycle 5.86 billion bottles annually, and to produce 55,000 tons of high-quality food-grade rPET. By the year 2024, the company will celebrate the strategic acquisition of an additional food-grade rPET facility in KSA, augmenting our annual production capacity to a stellar 70,000 tons and enabling the recycling of 7.45 billion bottles. Furthermore, the pursuit of a third acquisition within Europe is underway, underscoring our commitment to global expansion and ecological responsibility.

Integral to our success has been the harmonious collaboration with our sister companies, harnessing their unique capabilities to create a synergy that drives our mission forward. Environ Services, with its cutting-edge technology and digital solutions, has been instrumental. Their application, Dawar, has been vital in elevating Bariq's application of environmental & social standards, particularly within the informal waste collection sector, ensuring the highest ethical sourcing standards.

As Bariq extends its reach globally, the resolve to embed our values and exacting standards into every facet of our operations remains unwavering. The expansions of the past are not just a reflection of growth but a reaffirmation of our pledge to be pioneers of sustainability in every market we grace.

The support and trust from each of you have been the cornerstone of our past achievements, and it is this collective dedication that will continue to carry Bariq towards making an indelible impact on the global stage of environmental conservation.

With gratitude and determination,



Mohamed Abbas

Chairman, Intro Resource Recovery



Message from the Managing Director

Dear Stakeholders,

It is with great enthusiasm that I present to you Bariq's inaugural sustainability report, highlighting our progress and achievements in the fiscal years 2021 and 2022. This report reflects our evolving commitment to sustainable development and transparent reporting.

Consolidating Our Foundations

The period covered in this report was transformative, with the first materiality assessment shaping our sustainability pillars: Accountability, Ethical Sourcing, Environmental Impact, Social Impact, and Innovation. This framework, bolstered by the engagement with our stakeholders, has been critical in structuring this report and will continue to guide our actions moving forward.

A Pioneering Step Forward

Our first materiality assessment marks a pivotal achievement in our sustainability endeavors. It was meticulously conducted with the invaluable input from both internal and external stakeholders. The process led to the identification of 18 material topics that have been meticulously grouped under our newly established sustainability pillars: Accountability, Ethical Sourcing, Environmental Impact, Social Impact, and Innovation. These pillars serve as a robust framework for this report and will guide our future actions.

Strategic Growth and Impact

The acquisition by INTRO Resource Recovery in October 2021 marked a new chapter for Bariq, enabling us to scale our operations and amplify our impact on waste management. With our ambitious goal to recycle 5.86 billion PET bottles per year, we are on track to increase our production of food-grade rPET and make a significant dent in CO2 emissions.

In 2023, Bariq joined the ranks of B Corp-Certified companies, further cementing our commitment to meeting rigorous standards of sustainability and social

responsibility. Our achievements to date, as chronicled on the B Corp website, are a testament to our dedication and the effectiveness of our efforts.

Economic Resilience and Contribution

We recognize that our environmental and social impacts are intertwined with our economic sustainability. Our commitment to the green and circular economies is unwavering, as evidenced by our adherence to the Triple Bottom Line approach. We are proud to be at the forefront of Egypt's recycling capabilities, contributing significantly to the nation's exports and attracting Foreign Direct Investment.

Environmental Stewardship and Ethical Sourcing

Our environmental stewardship is relentless, with a goal to repurpose 50 billion bottles by 2030. The substantial reduction in emissions from our rPET production is a clear indicator of our environmental commitment.



In our ethical sourcing efforts, we have established environmental and social standards for the bulking stations in our supply chain and we work with our sister company Environ Services on the digitization of the informal sector for supply chain mapping. This initiative, coupled with our Traceability Report in partnership with Coca-Cola, allows us to pinpoint the origins of our materials with precision. Such transparency is not only a requirement of our partnership with Coca-Cola but also a significant contribution to organizing and addressing waste management challenges in Egypt. Through these traceability efforts, which Coca-Cola invests in, we are pioneering a movement towards a more sustainable and accountable industry.

Social Integration and Development

Our social development initiatives are a cornerstone of our sustainability agenda, with substantial investments in the growth and well-being of our stakeholders. We have endeavored to integrate social upliftment into every facet of our operations, from education to professional development and community engagement. We continue to celebrate and build upon our diverse workforce. Our latest figures reflect a commitment to inclusivity, with increased female representation and meaningful participation of employees with disabilities.

Sustainability Governance

Looking ahead, the establishment of a comprehensive sustainability policy in 2023 will further our dedication to operating at global standards, as indicated by our possession of 12 global certificates.

In closing, this report embodies both our achievements and our ambitions. I invite you to peruse its contents and join us as we forge ahead, committed to driving sustainable change for a brighter, more equitable future.

Mostafa Khairat

Mostafa Khairat

Executive Chairman, Bariq
(and CEO, Intro Resource Recovery)



Sustainability Performance Highlights 2021-2022



Accountability

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Global Certificates

100%

Employee attendance rate at training related to anti-corruption, compliance & code of conduct

100%

Board meetings attendance rate

Bariq receives FRA approval for a **EUR 40 mn green bond offering**



Ethical Sourcing

19%

Increase in Recycled PET bottles

Established **environmental and social standards** for supply chain **bulking stations** in 2022

100%

Traced locally sourced products

Traceability Project

Partnership with Coca Cola Egypt to increase collection rates along with enhanced traceability



Environmental Stewardship

87%

Lower emissions produced compared to virgin PET manufacturing

15%

Reduction in Water withdrawal from 2021-2022

60%

Of all Wastewater is Treated and Recycled from 2021-2022

313,500 Tons

Emissions mitigated since 2012

22%

Reduction in waste generated in operations from 2021 to 2022.

767 kg

Waste collected from beach cleanups



Social Impact

5%

Female representation in Bariq's overall workforce, reflecting a 2% increase from 2021 to 2022

25%

Of employees are below the age of 30

9,224

Total hours of training delivered to employees during 2021 and 2022

100%

Sustainability training attended by all internal employees by 2022

5,000+

Indirect jobs created through our extensive network within the waste supply chain

1,300+

Youth have received Recycling Education



Innovation

Future Green Leaders Program

Collaborations with engineering students on innovative technologies

Red Bull Basement 2021

30 University students were inspired through the competition to come up with innovative solutions

Sustainability Performance Highlights 2021-2022

Bariq Certifications



Continuing Professional Development (CPD) Certification

Certified in 2021 (renewed annually)

Certified Trainings:

- Sustainable Development
- Sustainable Packaging



Further Information: [Bariq - Providers](#) | [The CPD Certification Service](#)

B Corp Certification

Certified: 2023

Further Information: [Bariq - Certified B Corporation - B Lab Global](#)



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About us

Bariq for Techno and Advanced Industries, a fully owned subsidiary of the INTRO Resource Recovery Holding family, holds the distinguished title of being the first PET Bottle to Bottle Manufacturer in the Middle East and Africa. This pioneering enterprise was founded in 2011 and quickly rose to prominence as Egypt's inaugural producer of food-grade recycled PET (rPET), subsequently becoming the largest in the MENA region.

Our production facility, equipped with cutting-edge AMUT and Starlinger PET recycling lines since 2012, adheres to the stringent standards of EFSA, FDA, and Health Canada, and it complies with the regulations of REACH & GRS. We produce compliant PET pellets and maintain a positive EFSA opinion and an FDA Letter of Non-Objection (LNO). Our commitment to excellence extends to our adherence to BRC and SEDEX guidelines, ensuring the highest standards in manufacturing practices and fostering superior social working conditions.

Bariq proudly serves a global clientele in the packaging sector, exporting 90% of its output to bottle and food container producers across Europe and North America. Our sustainability efforts revolve around two core pillars: economic viability and environmental responsibility. Each year, we recycle an impressive **1.6 billion PET bottles**, and over our operational history, we have transformed approximately **17.6 billion PET bottles** into food and non-food grade pellets up to 2022. These efforts have culminated in the reduction of over **313,500 tons** of CO₂ emissions, playing a critical role in preserving marine life by mitigating the impact of non-degradable plastic.

INTRO Resource Recovery's acquisition of Bariq in late 2021 was a pivotal moment in fortifying its waste management portfolio. Our ambitious sustainability strategy, unveiled at a high-profile event in February 2022, intends to position us as the region's top recycler. We're expanding our capabilities by integrating a washing and upgrading line into our operations. Our new state-of-the-art recycling system, the recoSTAR PET 215 HC iV+, bolstered by a viscoSTAR 350 SSP reactor, is set to increase our total production capacity to 35,000 metric tonnes of food-grade rPET pellets annually.

Additionally, the ARTline will further raise the capacity to 55,000 metric tonnes of food-grade rPET pellets annually as well.

Building the Biggest Recycling Factory in the MENA Region by 2024

Our vision has always been to keep the oceans blue and the planet green. 12 years ago we established the first bottle to bottle recycling plant in the MENA region. Now, in partnerships with the top machinery suppliers globally, Starlinger, CO GmbH and TOMRA, we signed the contracts of building the biggest recycling plant in the Middle East and Africa. This will raise our capacity to 55,000 tons of Food Grade rPET by recycling more than 5.8 billion bottles yearly. Not to mention, saving 104,500 tons of CO₂ emissions annually.



55,000

Annual production capacity of food grade rPET



5.86

Billion bottles repurposed annually



104,500

Avoided tons of CO₂ annually

About INTRO Group and INTRO Resource Recovery Holding

INTRO Group, established in 1980 as INTRO Trading & Contracting, is a leading private Egyptian conglomerate with a storied history of success in the region. Comprising a diverse portfolio of companies engaged in trading, commercial representation, oil and gas, pharmaceuticals, and engineering, the group has built a robust legacy. Boasting a significant local presence and a track record of sustained growth, INTRO Group is dedicated to competing with global market leaders. Through strategic investments, partnerships, and alliances, the group actively contributes to the development of the Egyptian economy. Notably, in 2023, INTRO Resource Recovery Holding joined the United Nations Global Compact (UNGC) as a participant, further emphasizing its commitment to sustainable business practices.



About us

Bariq's Products

Our products are processed with top notch equipment with the highest technology in the market. Bariq's products are complying with the highest quality standards, while applying world class quality assurance and traceability international standards.



Our Food Grade Products



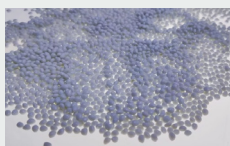
QPET 84

QPET 80

QPET 76



Our Non-Food Grade Products



Polyethylene Terephthalate

APET 70



Polylefin

QPO

Bariq's Services



Consultation Services

Leveraging over a decade of comprehensive operational and technical experience, Bariq offers robust consultation services. We support our partners from the initial feasibility study and sourcing stages all the way through to setting up a fully operational plant. Our expertise aids in overcoming potential challenges and ensures a smooth startup, while also offering direct savings on machinery purchases, thanks to our strong relationships with technology providers.



Competitions

Bariq actively encourages the younger generation's involvement in climate change mitigation and sustainable development. We host competitions for schools and universities, providing students with the opportunity to lead project implementations related to Bariq's mission, in addition to winning exciting prizes.



Sustainability Day

Bariq believes in fostering a strong employee engagement culture. We organize sustainability carnivals and events featuring a range of activities and competitions centered around the theme of sustainable development. The events touch on the three pillars of sustainability: social, economic, and environmental. We also host special sessions for our employees' children to raise their awareness and share in the fun.



Student Field Trips

Bariq warmly welcomes student groups to our factory, providing them with a firsthand look at how waste can be transformed into safe, food-grade products. Visits include a factory tour, a brief talk on our recycling process, and participation in green activities on-site.



Volunteering Events

Bariq warmly welcomes student groups to our factory, providing them with a firsthand look at how waste can be transformed into safe, food-grade products. Visits include a factory tour, a brief talk on our recycling process, an awareness session on climate change, and participation in green activities on-site.

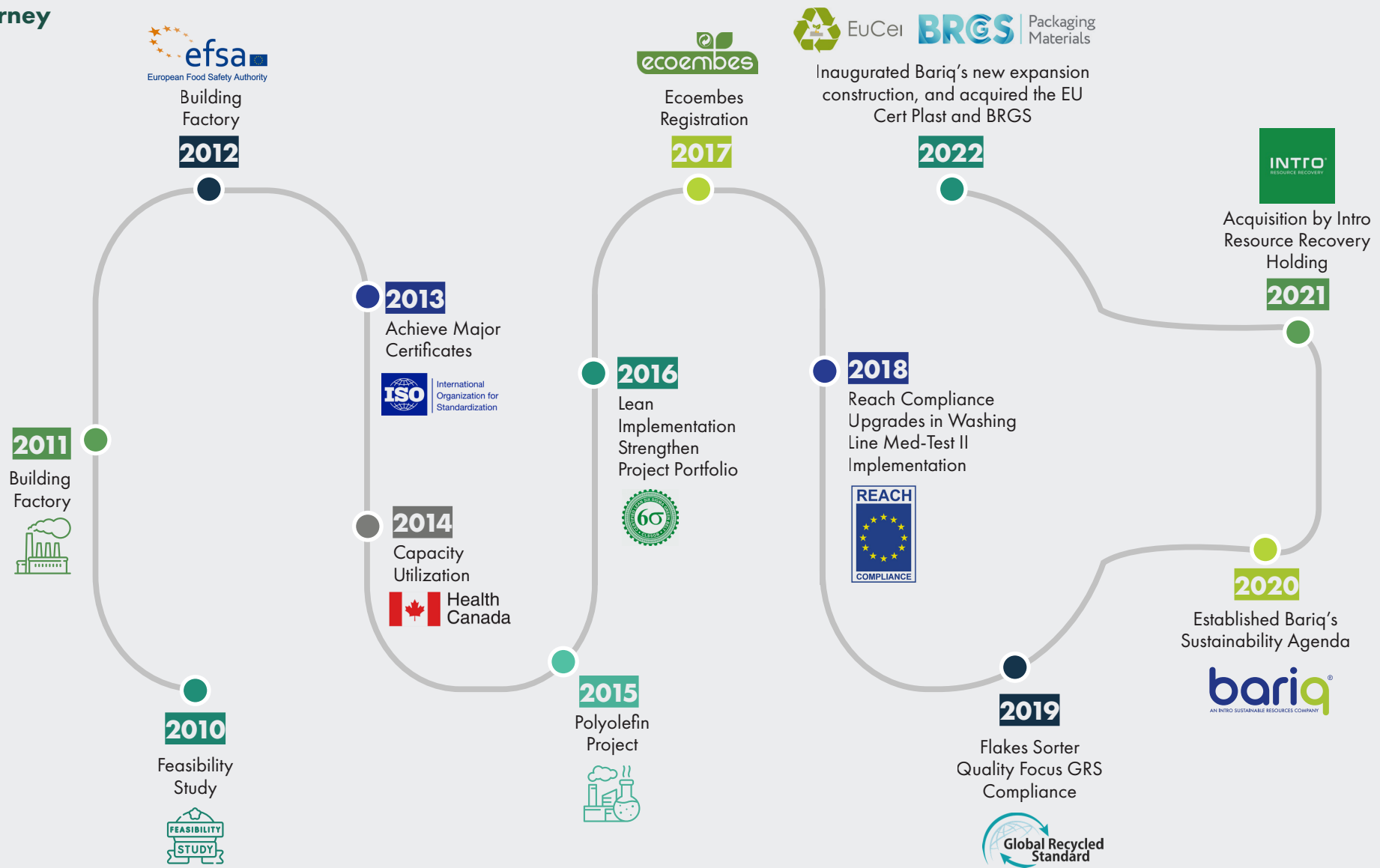


Contribution & Awareness Program (CAP)

Bariq's Contribution & Awareness Program (CAP) is designed to raise individual awareness on sustainable development and climate change. The program exemplifies our commitment to the circular economy by investing in plastic recycling on behalf of our trainees. We purchase bales of plastic bottles using program fees, which are then recycled at our facility. This approach saves greenhouse gas emissions, reduces air, land, and water pollution, and protects marine and terrestrial life. Our training material is CPD-certified, fostering employee development. At a macro level, Bariq's CAP aligns with eight different UN Sustainable Development Goals and the three environmental principles of the UN Global Compact.

About us

Our Journey



Business Performance Overview

Revenue + **62%** YoY

FY 2021: EGP 414.22 Mn (USD 26.29 Mn)

FY 2022: EGP 674.61 Mn (USD 35.61 Mn)

Current Net Income Group share + **63%** YoY

FY 2021: EGP 53.92Mn (USD 3.42 Mn)

FY 2022: EGP 88.64 Mn (USD 4.68 Mn)

Free Cash Flow before discretionary investment

EGP -68.6 Mn (USD -3.62 Mn)

Dividend per share for fiscal year 2021

EGP 0.788

Post-tax ROCE

FY 2021: **13%**

FY 2022: **36%**



Business Performance Overview

Our operational responsibilities, guided by strategic foresight and executed with efficiency, have been the driving force behind our exceptional financial performance in FY 2021-2022. The dedicated efforts of our people at Bariq have ensured financial robustness, driving growth and bolstering our financial health in a dynamic fiscal environment.

Bariq's financial performance for the fiscal years 2021 and 2022 demonstrated a strong trajectory of growth, profitability and robust operational resilience, as evidenced by various metrics outlined in the following sections:

Sales and Production

While the total sales volume of pellets slightly decreased from **14,633 MT** in FY2021 to 13,974 MT in FY2022, the sales volume of flakes increased from 724 MT in FY2021 to 1,803 MT in FY2022. Bariq's shift in product focus and changes in market demand resulted in a total production of pellets increased slightly from **14,109k tons** in FY2021 to 14,921k tons in FY2022, indicating an enhancement in production efficiency.

Financial Performance

Bariq's financial performance improved significantly from FY2021 to FY2022. Bariq's total revenue saw a substantial increase from EGP 414.22 million (USD 26.29 million) in FY2021 to **EGP 674.61 million** (USD 35.61 million) in FY2022. This represents a substantial growth in revenue, signifying a growth of approximately 63% in local currency and 35% in USD, which is a positive indicator of Bariq's financial health and profitability.

Financial Performance

The company's EBITDA more than doubled from EGP 99.63 million (USD 6.26 million) in FY2021 to **EGP 227.74 million** (USD 12.02 million) in FY2022. The EBITDA margin also showed improvement, increasing from 24% in FY2021 to **34%** in FY2022, indicating more efficient operations and better cost management.

Net income attributable to controlling interest grew significantly, from EGP 53.92 million (USD 3.42 million) in FY2021 to **EGP 88.64 million** (USD 4.68 million) in FY2022, reflecting a growth of nearly **64%** in local currency and 37% in USD.

Capital Expenditure

Bariq is investing more in long-term assets to potentially boost its future earnings. Bariq's CAPEX increased more than threefold from EGP 91.25 million (USD 5.79 million) in FY2021 to **EGP 302.39 million** (USD 15.96 million) in FY2022. This increase indicates an aggressive investment in expanding and improving the company's operational capacity.

Operating Cash Flow

Bariq turned around its operating cash flow from a negative EGP 274.46 million (USD -17.42 million) in FY2021 to a positive **EGP 204.39 million** (USD 10.78 million) in FY2022. This positive shift reflects that Bariq improved its ability to generate cash from its core operations.

Taxes

Bariq's tax management strategies have been effective over the past two-years. While the company's income before taxes and total income tax both increased in FY2022, the effective tax rate remained steady at **22.5%** in both years.

Profitability Ratios

Bariq's EBITDA Margin grew from 24% in FY2021 to **34%** in FY2022. This increase shows that Bariq has been successful in controlling its operating costs.

Bariq's Return on Capital Employed (ROCE), a measure of profitability and efficiency, experienced an impressive rise from 17% in FY2021 to **46%** in FY2022, signifying the effective use of capital in generating profits. This improvement indicates that Bariq has become more efficient in generating profits from its capital.



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Our Approach to Sustainability

At Bariq, we uphold the triple bottom line of people, planet, and profit, guiding our sustainable business practices. Our Sustainability Department drives change both within and beyond our organization, ensuring alignment with Bariq's Sustainability Agenda.

Our core product, recycled PET, places sustainability at the heart of our market presence, influencing our growth strategies. We are responsible for developing our Sustainability Agenda, which includes Responsible Operations, Ethical Sourcing, Corporate Footprint, Social Development, Sustainable Products, and Economic Expansion.

The EUR 40 million green bond offering approved by Egypt's FRA in 2020 underscores our commitment to sustainable financial practices.

[Learn about our green bond journey.](#)

Our priority areas focus on reducing carbon emissions, promoting circularity and zero waste, enhancing diversity and inclusion, and maintaining ethical labor practices in our supply chain through setting E&S standards. Also, Bariq's Sustainability Academy enables us to increase our community and social impact through targeted awareness and educational programs.

At Bariq, sustainability is not just a policy; it's our business model's core, propelling us towards a greener future of a resilient community.

Lina Allam,

Sustainability Manager, Bariq



Our Stakeholders

At Bariq, we are dedicated to promoting transparent and open communication with all parties involved. Our stakeholders encompass clients, vendors, suppliers, employees, consultants, industry experts, and government/regulatory bodies. Our primary objective is to keep them well-informed about our sustainability initiatives while actively seeking to comprehend their viewpoints and priorities. This valuable input serves as the basis for shaping our strategies.

Stakeholder Groups



Clients and Business Partners

Our partners in achieving sustainable packaging solutions

How we engage with them

- Customer portals and dedicated account management
- Customer satisfaction surveys
- Customer support teams
- Regular communication through digital platforms

Key topics of discussion and focus areas

- Product quality and reliability
- Customer experience and support
- Complaints resolution and responsiveness
- Decarbonization efforts and environmental impact reduction in the supply chain
- Customer satisfaction and feedback mechanisms for continuous improvement
- Supply chain transparency and responsible sourcing



Employees

Our dedicated team members driving sustainability

How we engage with them

- Performance evaluations and career development programs
- Recognition programs and skill enhancement initiatives
- Internal communication channels, such as intranet, employee newsletters, and emails
- Employee feedback sessions and focus groups
- Annual employee satisfaction survey
- Employee competitions

Key topics of discussion and focus areas

- Employee well-being and work-life balance
- Professional growth and development opportunities
- Awareness of ESG issues related to the industry and business
- Diversity, equity, and inclusion
- Health and safety measures at the workplace
- Corporate culture and employee engagement and feedback channels
- Remuneration and benefits



Shareholders and Investors

Our valued partners in advancing circular economy

How we engage with them

- Annual general meetings and shareholder conferences
- Annual sustainability reports
- Regular updates on financial and non-financial sustainability metrics



Shareholders and Investors

Our valued partners in advancing circular economy

Key topics of discussion and focus areas

- Financial performance and returns on investment
- Corporate governance and transparency
- Risk management and long-term growth strategies
- Compliance with laws and regulations
- Tax and financial matters



Government and Regulators

Our regulatory partners in driving sustainable practices

How we engage with them

- Regular meetings and consultations on regulatory compliance
- Timely reporting and audits of environmental and sustainability metrics
- Participation in government consultations, workshops, and policy development initiatives
- Regular meetings and dialogue with regulatory agencies and policymakers

Key topics of discussion and focus areas

- Regulatory compliance and reporting requirements
- Environmental impact and sustainability regulations influencing our operations
- Health and safety standards and practices
- Legislative and policy developments
- National permits and approvals
- Taxes
- Extended Producer Responsibility (EPR)

Our Stakeholders



Local Communities

Our neighbors and partners in promoting sustainability

How we engage with them

- Community outreach programs and partnerships
- Participation in sustainability events and capacity building workshops through Bariq Sustainability Academy
- Active engagement through social media platforms and community forums
- Employment opportunities and local hiring

Key topics of discussion and focus areas

- Environmental impact reduction
- Job creation and economic contribution in the local community
- Supporting local education and skill development in the circular economy
- Health and safety measures for the community and nearby areas
- Addressing community concerns and feedback regarding our operations



Suppliers and Vendors

Our trusted partners in the recycled PET value chain

How we engage with them

- Supplier evaluation audits
- Supplier code of conduct
- Supplier engagement initiatives and capacity building
- Regular communication and feedback channels for continuous improvement



Suppliers and Vendors

Our trusted partners in the recycled PET value chain

Key topics of discussion and focus areas

- Responsible and ethical sourcing and supply chain transparency
- Raw material quality and reliability of supplies
- Timely delivery, pricing and payment terms
- Human rights and labor rights
- Supplier diversity and inclusion



Consultants

Our trusted advisors and experts in sustainability

How we engage with them

- Collaborative projects and contracts
- Regular meetings and progress updates on sustainability initiatives
- Knowledge-sharing sessions and workshops for capacity building

Key topics of discussion and focus areas

- Expertise and insights on sustainable manufacturing practices in the recycled PET industry
- Process optimization and efficiency measures for enhanced sustainability performance
- Market trends and competitive intelligence in the circular economy space
- Innovation and research collaboration for sustainable packaging solutions
- Value-added services and continuous improvement in our sustainability journey



Sustainable Value Creation

At Bariq, we believe in creating value not just for our shareholders, but also for the broader society and the environment. We commit to embed sustainable practices across our operations and foster a culture of sustainability within our organization and beyond.

Our internal activities are designed to nurture an environment where sustainability is part of our everyday operations and culture. We conduct regular awareness sessions on sustainable development, fostering a workforce that's equipped with the knowledge and motivation to contribute to our sustainability agenda. Through volunteering events, annual competitions, and the implementation of sustainability standards and policies, we encourage our employees to actively participate in our sustainability journey.

Beyond our organizational boundaries, we are dedicated to spreading the message of sustainability to the wider community. Our engagements with schools and universities aim to inspire the next generation of leaders to adopt sustainable practices. By providing awareness sessions, field trips, internships, and support for graduation projects, we are nurturing a future workforce that values sustainability.

Our collaborations with companies, NGOs and social enterprises extend our impact even further. Through activities like our Contribution and Awareness Program (CAP Training), volunteering events, Sustainability Day celebrations, and waste collection initiatives, we are helping to drive wider societal change towards more sustainable practices.



Looking Ahead

In alignment with our commitment to sustainable value creation, we are setting ambitious goals for the future. We are inspired by the encouragement from one of our customers to certify Bariq as a sustainable organization. After careful consideration and comparison between EcoVadis and B Corp, we decided to pursue B Corp certification, a globally recognized mark of sustainability.

In addition to this, we have plans to establish emissions reduction targets and initiate projects towards achieving these objectives. Our forward-looking approach also entails considering future participation in the Carbon Disclosure Project (CDP) and setting Science-Based Targets (SBTs).

Currently, we are focusing on the creation of a comprehensive sustainability policy. This policy, which we aim to finalize by the beginning of 2024, will integrate Environmental, Social, and Governance (ESG) principles across all of Bariq's operations. It will align us with several international frameworks such as the UN SDGs, B Corp standards, and the principles of the UN Global Compact.



Sustainable Value Creation

Bariq's Commitment to Sustainable Development

[An Overview of our SDG Action Manager Assessment](#)

At Bariq, we are dedicated to driving sustainable development and creating meaningful impact across our business operations. We believe in the power of collective action and understand the critical role that businesses play in achieving the United Nations' Sustainable Development Goals (SDGs). To measure our performance and identify areas for improvement, we have leveraged the SDG Action Manager, a dynamic tool co-developed by B Lab and the UN Global Compact. The B Impact Assessment is an integral part of the SDG Action Manager. It provides a robust framework for measuring and managing our impact on workers, community, environment, and customers. By integrating the B Impact Assessment into our sustainability strategy, we can ensure we are aligning with best practices and diligently working towards improving our overall sustainability performance.

Our SDG Impact Assessment: The Baseline

Our baseline score of 83.4% reflects a strong commitment to sustainable development, with rigorous policies and practices already in place. This score is testament to the measurable positive impact we're making in multiple areas.

Our Performance Across the SDGs

The SDG Action Manager breaks down our performance across individual SDGs, providing a comprehensive view of our strengths and areas for improvement. From decent

work and economic growth to responsible consumption and production, we have achieved scores that reflect our dedication to sustainability. We are particularly proud of our high performance in areas like SDG 8 (Decent Work and Economic Growth) and SDG 12 (Responsible Consumption and Production), where we scored 82.3% and 83.5% respectively.

That said, we acknowledge that there is room for growth in several areas, including SDG 2 (Zero Hunger), SDG 3 (Good Health and Well-being), and SDG 7 (Affordable and Clean Energy). In addition, we have achieved commendable scores in SDG 14 (Life Below Water) with a score of 73.6% and SDG 15 (Life On Land) with a score of 72.9%. These figures highlight our commitment to environmental stewardship and our dedication to preserving and enhancing the planet's aquatic and terrestrial ecosystems.

The Road Ahead

The results of our assessment are not an end point, but a starting line. They provide a roadmap for our ongoing sustainability journey, helping us understand where we are now and what steps we need to take next. We are committed to doing our part in achieving the SDGs, and we will continue to leverage tools like the SDG Action Manager and the B Impact Assessment to guide our efforts. We understand that sustainability is a complex, multifaceted issue that requires context-specific analysis. Therefore, we will also undertake our own analysis to identify priority SDGs based on factors such as geography, industry, and stakeholder engagement.



Sustainable Value Creation



The Road Ahead

The results of our assessment are not an end point, but a starting line. They provide a roadmap for our ongoing sustainability journey, helping us understand where we are now and what steps we need to take next. We are committed to doing our part in achieving the SDGs, and we will continue to leverage tools like the SDG Action Manager and the B Impact Assessment to guide our efforts. We understand that sustainability is a complex, multifaceted issue that requires context-specific analysis. Therefore, we will also undertake our own analysis to identify priority SDGs based on factors such as geography, industry, and stakeholder engagement.

Materiality Assessment

It is vital to identify our key risks and material issues. By understanding which topics impact our stakeholders and business the most, we can determine where our focus should be. As the world is constantly changing, we need to stay on top of those changes and how they can affect our stakeholders and our operations. We work to identify where Bariq has the greatest impact on society and the environment, as well as identify which topics have the greatest potential to influence our business success, this is why we carried out a comprehensive materiality assessment.

Our Approach to Assessing What Matters

In 2023, we collaborated with third party consultant to carry out desk research, conduct interviews, and survey multiple internal and external stakeholders at Bariq. The desk research which was based on several leading global standards including the GRI and SASB standards, as well as industry benchmarking. The research identified a pool of over 30 short and long-term material topics that were then explored during the stakeholder engagements. Internal stakeholders included Bariq's department heads and top management personnel, while external stakeholders included shareholders, suppliers, customers, governmental entities, and social enterprises/NGOs. Their insights and engagement results helped us identify risks and opportunities and adjust our strategies and priorities accordingly.

Materiality Assessment Results

The results of our 2022 materiality assessment which was conducted in 2023, which was conducted in 2023, are supporting decisions on where to focus our resources. Some of the topics identified as among the most important by both internal and external stakeholders are:

- Circularity and zero waste
- Supplier environmental and social due diligence
- Carbon emissions and energy efficiency
- Supply chain management
- Ethical business practices



Materiality Assessment

Our Mission's Pillars



Ocean Saving



Circular Economy



Climate Protection

Our Sustainability Pillars and Material Topics



Accountability



Ethical Sourcing



Environmental Stewardship



Social Impact



Innovation

Ensure transparency and responsible management of resources to minimize environmental impact and promote sustainability throughout our food grade PET recycling manufacturing processes.

Adhere to strict ethical standards in sourcing raw materials, collaborating with suppliers who share our commitment to social, environmental, and ethical practices, thus promoting responsible supply chain management.

Champion environmental conservation by implementing sustainable practices, reaching zero waste, and promoting the circular economy principles in our operations, thereby minimizing our ecological footprint.

Promote positive social change by prioritizing employee well-being, fostering a diverse and inclusive workforce, and actively engaging in community outreach initiatives, and spread awareness among communities where we operate.

Drive industry innovation by continuously exploring and implementing cutting-edge technologies and processes to boost collection rates and sorting efficiency and advance our overall operational processes.

- Digital Transformation and Cybersecurity
- Ethical Business Practices
- Risk and Crisis Management

- Supply Chain Management
- Supplier Environmental and Social Due Diligence
- Green and Sustainable Logistics

- Carbon Emissions and Energy Efficiency
- Circularity And Zero Waste
- Water Stewardship
- Biodiversity
- Air Quality and Pollution

- Diversity, Equity & Inclusion (DEI)
- Occupational Health & Safety
- Customer Relationship Management
- Community Engagement
- Talent Acquisition, Management and Skilled Employment
- Recycling Education

- Innovation and Recycling Technologies



Sustainability Agenda: Our Cross-Cutting Enablers

Responsible Operations

Ethical Sourcing

Corporate Footprint

Social Development

Sustainable Products

Economic Expansion

Materiality Assessment

Materiality Assessment

Through the materiality assessment process, we have determined 18 ESG material topics that hold significant importance for Bariq. These topics have been prioritized and presented on the materiality matrix. They have been integrated into our sustainability pillars, and we are dedicated to transparently report on our performance and advancements in managing these topics through our sustainability report and various communication channels.

50+

Survey Respondents

Internal and external stakeholders were surveyed on key potential material topics and were asked to rate them based on their significance

20+

Internal Stakeholders Interviewed

Employees and heads of departments were briefed on ESG through workshops, and were interviewed to gather their insights on the potential material topics



- Environmental Stewardship
- Social Impact
- Ethical Sourcing
- Accountability
- Innovation

Subsequent chapters within this report offer comprehensive insights into each material topic.

ACCOUNTABILITY

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Accountability

Bariq is committed to the highest standards of governance, ethics, and integrity, a commitment ingrained in our organizational culture and vital for long-term success. Guided by our leadership team and Board of Directors, we prioritize ethical conduct across our organization and value chain, actively opposing unethical practices. We also champion responsible sourcing, support diversity, and enforce robust cybersecurity and data privacy measures, showcasing our commitment to transparency through responsible disclosures.

12

Global Certificates

100%

Employee attendance rate at training related to anti-corruption, compliance & code of conduct

100%

Board meetings attendance rate



Key Certificates:

- ✓ ISO 9001 – Quality Management Systems
- ✓ ISO 22000 – Food Safety Management
- ✓ ISO 14001 – Environmental Management Systems
- ✓ ISO 45001 – Occupational health and safety management systems
- ✓ ISO 17025 – Testing & Calibration Laboratories
- ✓ BRCGS – Food Safety Global Standard
- ✓ RecyClass – Recycling Guidelines
- ✓ REACH – Environmental
- ✓ SEDEX



Ethical Business Practices

Business ethics and integrity are fundamental pillars of Bariq. They serve as the bedrock upon which trust is built among stakeholders, including customers, employees, shareholders, and the wider community. Ethical business practices entail conducting operations in a manner that aligns with moral principles, laws, and societal expectations. It goes beyond mere compliance, striving to do what is right, fair, and just. This includes treating employees with respect and fairness, delivering high-quality products and services, and engaging in honest and transparent communication.



Sustainability is a critical pillar in our recycling operations. Our goal is to ensure that our solutions are sustainable on all fronts while expanding our customer base in Egypt. "Restoring the Balance" is not just our vision; it drives our business practices.

To this end, we're enhancing our production lines for greater sustainability and developing projects to repurpose waste into new products. Raising awareness about the benefits of rPET is pivotal to our approach.

Our priorities include upholding business ethics and customer data privacy, with clients coded for confidentiality. We're embracing digitalization through a new dashboard integrated with SAP, ensuring customers receive digital documentation.

We're expanding our supply chain to improve waste collection across Egypt and educating on the environmental impact of plastic waste. Our energy initiatives include adopting alternative sources like Combined Heat and Power (CHP) systems to reduce electricity use. Water conservation is managed through our treatment facilities, and we're committed to materials efficiency, recycling, and designing products that are easier to recycle.

These efforts showcase our commitment to a sustainable business model that aligns with our environmental vision.



Youssef Makhlof,
Sales Manager, Bariq



Ethical Business Practices

Corporate Governance

Intro Sustainable Resources (ISR) has been established as one of Intro Group's subsidiaries to develop the green economy and empower various entities with sustainable solutions in the power and utilities, and resource recovery sectors.

Intro Group is a private Egyptian conglomerate that encompasses a diverse range of companies operating in various sectors, including Oil & Gas, Real Estate, Renewable Energy, and Waste Management and Resource Recovery. With its recent acquisition of Bariq, Intro Group aims to strengthen its presence in the green economy, particularly within its Waste Management and Resource Recovery division. In 2020, Intro Group established Intro Power and Utilities and Intro Waste Management and Material Recovery as subsidiaries under its clean energy, waste management, and recycling development arm, known as ISR. As part of its expansion strategy, Intro Waste Management successfully acquired the recycling company Bariq from Raya for EGP 571 million in late 2021.

Integrating the triple bottom line and acting responsibility towards our suppliers, employees, customers and communities, maintaining efficient performance and complying with laws and standards. For Bariq, maintaining an honest reputation is of utmost importance. Consequently, employees are expected to conduct their work with honesty, objectivity, and diligence. They should also avoid any behavior that could harm Bariq or its affiliated companies, even outside the scope of work.

Our corporate governance framework is designed to promote transparency and accountability. It ensures

the timely and accurate disclosure of information to stakeholders, enabling them to make well-informed decisions. This encompasses financial reporting, disclosure of conflicts of interest, and executive compensation disclosures. Moreover, our framework incorporates a clear structure of authority and responsibility. This typically involves a board of directors that oversees the company's strategic direction, risk management, and performance. The board acts as a fiduciary for shareholders and assumes responsibility for selecting and supervising the management team.

Furthermore, effective risk management practices are integral to our corporate governance. We expect companies to identify, assess, and manage risks in order to safeguard the interests of stakeholders. This may entail implementing internal control systems, compliance programs, and risk mitigation strategies.

Board of Directors

At Bariq, under Intro Resources Recovery Holding, the roles of the Chairperson and CEO are intertwined, emphasizing a collaborative approach to leadership. Whether the Chairperson serves as an executive director or not, their shared responsibilities encompass setting policies, devising strategies, and establishing goals focused on sustainable development. The Board, led by the Chairperson and CEO, plays a pivotal role in managing the organization's overall impact on the economy, environment, and people. Additionally, they diligently review and approve the company's sustainability reports, ensuring transparency and accountability. In navigating these responsibilities, the Board is committed to managing any conflicts of interest that may arise, reinforcing Bariq's dedication to ethical and sustainable business practices.

Board Member	Tenure	Board Meetings Attendance	Field of Expertise
 Mostafa Khairat Chairman	3 years	100%	Waste Management
 Ayman Abbas Director	3 years	100%	Oil & Gas
 Mohamed Abbas Director	3 years	100%	Waste Management & Energy
 Hatem Soliman Director	3 years	100%	Oil & Gas
 Abdelrahman Khalid Al Zamil Director	3 years	100%	Investments
 Adel Saleh El Ghassab Director	3 years	100%	Plastics Industry

Ethical Business Practices

Board Committees

Committee	Roles and Responsibilities	Meeting Frequency
Audit Committee	Oversees financial reporting, internal controls, risk management, and ethics and compliance. The committee also reviews the work of independent and internal auditors.	Once every quarter.
Investment and Finance Committee	Oversees the Company's evaluation of contemplated investments and portfolio companies on behalf of the Board. The results of their activities are reported to the Board.	
Executive Committee	Advises and prioritizes issues for board members to handle and provides recommendations on various issues to the board, playing a crucial role in strategic decision making.	

Strategic Compliance and Sustainability Oversight

Compliance with regulations and laws, transparency requirements, environmental and social impacts, as well as tax and financial matters are crucial considerations for government regulators. To ensure adherence, the company has implemented internal processes and controls. These processes undergo regular reviews and adjustments as necessary to address specific regulatory concerns or participate in industry consultations.

Our Approach to Ethical Business Conduct

Bariq, in adherence to our commitment to ethical business practices, has formulated a comprehensive Code of Business Conduct, incorporating essential elements such as anti-bribery and anti-corruption measures, guidelines for charitable contributions, conflict of interest policies, and the responsible handling of entertainment and gifts. The code further addresses issues related to illegal trading, the misuse of inside information, and the pursuit of commercial opportunities for personal gain.

To ensure widespread awareness and adherence to these policies, the whistleblowing policy, designed by Bariq with a strong emphasis on confidentiality, is circulated to all employees and business partners. Anonymous mechanisms are also in place, enabling individuals to report concerns and grievances without fear of retaliation.

New employees undergo a comprehensive orientation process that includes an acknowledgment and commitment to abide by the Code of Business Conduct. The orientation also covers details about the training provided, emphasizing transparency, accountability, and respect within our workplace. Should employees require advice or clarification, they are encouraged to communicate with the HR Department. This holistic approach reflects our dedication to fostering an environment that aligns with Bariq's values of responsible and ethical business practices.

12

Of our employees and new hires acknowledge the company's code of conduct

100%

Employee attendance rate at training related to anti-corruption, compliance and code of conduct

Crisis and Risk Management

By taking a proactive approach to risk management, organizations can enhance our ability to navigate challenges and seize opportunities, thereby safeguarding our long-term sustainability and success. These risks can arise from various sources, such as regulatory changes, market volatility, technological disruptions, and geopolitical events. Simultaneously, we also encounter numerous opportunities to innovate, grow, and create value. Our risk approach is in line with our purpose, focusing on operational, strategic, compliance, and reputational risks across both financial and non-financial aspects.

Effective risk management within the framework of corporate governance enables Bariq to identify, assess, and mitigate potential risks while capitalizing on opportunities. It involves establishing robust systems and processes to proactively identify and evaluate risks, ensuring that appropriate controls and mitigation strategies are in place.

Our Enterprise Risk Management (ERM) process incorporates ESG topics, ensuring that sustainability concerns are integrated into the risks and opportunities evaluated throughout the company. We also review risks associated with the environmental and social impact of our supply chain.

ESG risk management is thoroughly reviewed in Bariq's Board meetings. The main responsibility for organizational risk management lies with the directors who possess expertise in auditing. Generally, risk management can be classified into multiple forms:

Strategic Risks



May arise from internal or external events or circumstances that could affect our business goals. These include:

- Shortages in raw materials and supplies
- Legal and stakeholder pressures due to plastic pollution
- Cyberattacks

Emerging Risks



These risks arise from extraordinary external factors that are expected to have a lasting impact or potential medium-term effects on our operations and supply chain.

Climate-Related Risks stem from the effects of climate change and can have a detrimental impact on our operations, value chain, and financial inputs and outputs. Some of which include the following:

- **Technology:** The increased energy consumption and the potential failure of certain new technologies, as well as the existence of substitutes, pose risks to our operations.
- **Market:** Changes in customer preferences and rising raw material costs introduce risks to our business and value chain.
- **Policy & Legal:** Changes in environmental legislation may lead to an increase in operational costs, posing risks to our financial performance.
- **Reputation:** Growing stakeholder concerns and the global focus on plastic pollution pose risks to our reputation, requiring careful management and mitigation strategies.

Sustainability and Climate-Related Opportunities



Resource Efficiency

- Increased use of efficient production and distribution processes.
- Adoption of modern technologies to reduce resource intensity in production.
- Reduction of energy and water consumption through innovative technologies and efficiency measures.



Markets

- Access to new markets.
- Utilization of public sector incentives.
- The need for insurance coverage due to access to new assets and locations.



Products and Services

- Development of risk solutions and climate mitigation and adaptation strategies.
- Expansion of low emission products.
- Anticipating consumer preferences and market dynamics.
- Innovation of products through research and development.



Resiliency

- Diversification, innovation, and resource substitution.
- Development and deployment of recycling technologies.
- Staying ahead of plastic usage regulations.

Digital Transformation and Cybersecurity

In the era of rapid technological advancements, Bariq's approach to digital transformation and cybersecurity is rooted in the strategic and meticulous operations of the Information Technology (IT) Department. We manage and enhance all aspects of the company's information technology infrastructure and systems, with a commitment to delivering high-quality IT services, continually refining Bariq's IT and automation systems and processes, and integrating emerging technologies.



We are aware that our clients' preference for recycled materials is deeply rooted in the environmental and societal benefits these materials afford. Sustainability is not merely a concept but the very foundation upon which our enterprise is built. It is incumbent upon us, therefore, to embody and reflect these sustainability practices with integrity, presenting them to our clientele as a fundamental corporate tenet.

Within the IT department, we bear the responsibility of deploying digital systems that meticulously capture, scrutinize, and display our sustainability performance metrics. Mastery of our sustainability KPIs is essential, as is our ability to procure and process the relevant data to appraise these indicators accurately. Our objective transcends the mere attainment of our sustainability targets; we endeavor to consistently exceed them.

Our commitment to sustainability permeates every facet of our operations, encompassing technology, innovation, supply chain logistics, and daily procedural activities. It is essential that these values are effectively communicated, vigorously championed, and rigorously enforced across all teams.

Moreover, we apply technological solutions in our sourcing processes to assure the stringent application of Bariq's sustainability standards, even within the informal sector, reinforcing our overarching commitment to sustainable



practice. Through the strategic application of technology, Bariq's dedication to sustainability is rendered quantifiable and integral to the way we conduct our business and deliver value to our clients.

Youssef Sami,

Chief Technology Officer, Intro Resource Recovery



Digital Transformation and Cybersecurity

Bariq's Commitment to Seamless IT Operations: Software Development, Infrastructure Management, and Support

Bariq prioritizes the development and maintenance of software applications such as CRM, ERP, and MES, ensuring their seamless integration and alignment with the broader IT framework. The company places great emphasis on the robustness and security of its hardware and networking infrastructure, closely managing servers, storage devices, switches, and routers to guarantee reliability. Alongside these efforts, Bariq's IT department provides vital technical support to both employees and customers, resolving IT issues promptly and enabling efficient utilization of the company's IT systems. Performance is closely monitored through various indicators, demonstrating strong alignment with set goals across key areas.

During the review period, Bariq faced a software management challenge when an unauthorized user downloaded pirated software. Upon immediate discovery, decisive action was taken to mitigate the issue, including the revocation of admin access for the implicated user and the implementation of stricter policies to prevent future occurrences. Consequently, Bariq responsibly addressed the situation by complying with the requirement to pay for the software license as demanded by the software company, demonstrating the company's commitment to ethical practices and accountability.

During 2021-2022, we also undertook several measures to bolster our **cybersecurity framework**, reflecting our commitment to protecting our digital infrastructure:

Boosting Devices Security

We installed Kaspersky cybersecurity software on all of our devices, enhancing their security.

Firewall Policies

To further fortify our network, we enhanced our firewall policies and closed all unused ports, reducing potential vulnerabilities.

M365 Defender

We implemented new rules and policies for phishing and spam emails in Microsoft 365 Defender, safeguarding our digital communications.

Parallel to our cybersecurity efforts, we embarked on three significant **digitalization projects**:

Seamless Email Migration: Ensuring Uninterrupted Communication

The first project involved the migration of our emails, which was executed without any data loss, ensuring the continuity of our communications.

Empowering Digital Infrastructure: Bariq's Independent Data Center

Bariq established its own data center, which provides us with independence and scalability in managing our digital resources.

Enhanced Asset Tracking: Transparency for Informed Decision-Making

The third project focused on improving asset tracking. Today, all company assets are being tracked with comprehensive information, providing clarity and transparency that support informed decision-making.

Moving Forward

Our commitments and responsibilities extend to providing reliable and secure IT services, supporting the organization's business goals by working in tandem with other departments to integrate IT solutions, managing all facets of IT resources, and offering prompt IT support to users.

Future targets and plans are oriented towards the growing realms of cloud computing, data analytics, cybersecurity, and digital transformation. As we adapt to a more connected and digitalized world, the IT Department is set to adopt more cloud-based solutions, use data analytics for informed decision-making and operations, enhance cybersecurity measures, and drive digital transformation initiatives.

As we traverse the path of digital transformation and secure our cyber frontiers, our strategic direction ensures that Bariq continues to harness technology for operational efficiency, business growth, and enhanced cybersecurity.



ETHICAL SOURCING

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Supply Chain Management

30%

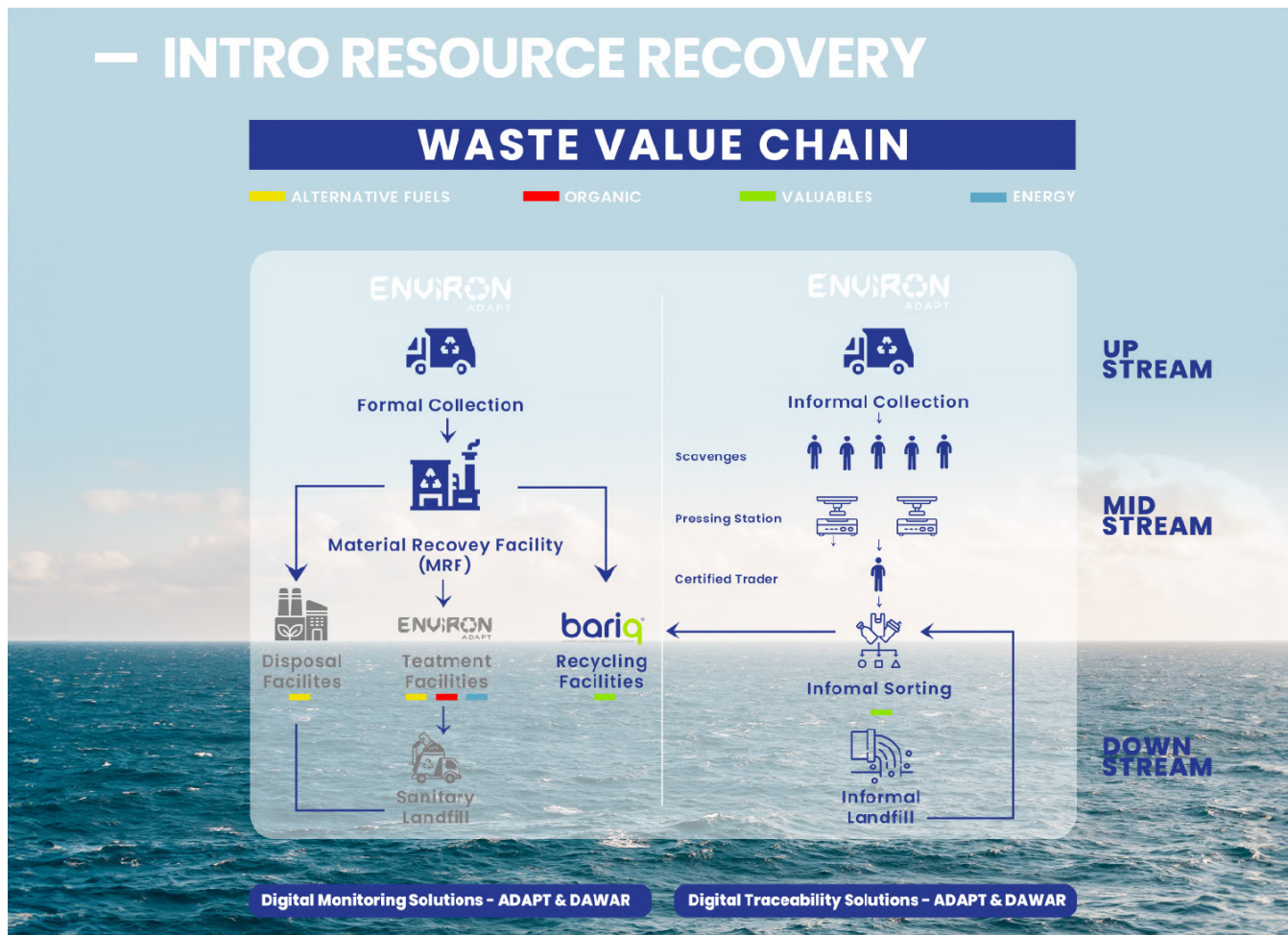
Of the recyclable raw materials are locally sourced

100%

Of the locally sourced materials are traced

90%

Of suppliers were assessed on human rights over the past 3 years



As part of our commitment to sustainability and excellence, Bariq's Supply Chain Management (SCM) system operates with precision and a forward-thinking approach. Our strategies are designed to meet the dynamic demands of the recycling industry while

upholding our core values and mission. This section outlines the key components of our system and highlights the performance metrics that underscore our success and continuous improvement.

Supply Chain Management

Mission and Core Values

Our SCM system is dedicated to realizing our mission of providing a sustainable, globally integrated supply chain solution while aligning with our vision to become a world-class procure-to-pay service. This is done by holding professionalism, integrity, transparency, fair play, a commitment to sustainability and fair competition as our core values in all interactions.



Professionalism



Transparency & Accountability



Promoting fair competition



Integrity with customers and stakeholders



Fair play in dealing with users and suppliers



Promoting sustainability in the supply chain

An overview of our SCM

1. Planning and Procurement

Our SCM begins with the co-ordination of Inventory levels and logistics to meet the forecasted demands of our customers and business objectives. Suppliers are selected based on our established policies which are selective toward sustainable, reliable and quality entities. With a focus on long term and collaborative successes we have been able to grow our supplier base over the years internationally. We are able to effectively control inventory by anticipating market requirements and managing swift communication with suppliers to ensure an uninterrupted supply chain.

2. Logistics and Production

Our logistics network centers around collection, processing, and transportation, while our warehousing strategy focuses on maintaining inventory, striking a balance between availability and efficiency. Through the use of advanced sorting and processing machinery, we maintain an efficient network which minimizes environmental impacts while maintaining high efficiency and customer satisfaction.

3. Supplier and Downstream Entity Dynamics

Our diverse suppliers, including raw material suppliers, manufacturers, service providers, and distributors, span Egypt, EU countries, and beyond, forming a robust network of around 30 entities across Europe, the USA, and the Middle East. This reflects Bariq's extensive reach, with ongoing plans for growth. Committed to innovation, we continually refine processes to manage diverse waste from different countries, ensuring our exported products consistently surpass required quality standards abroad.



4. Continuous Improvement and Adaptation

Bariq's latest endeavors in supply chain and procurement strategically prioritize improvements in efficiency, sustainability, supplier relationships, and overall sustainable growth, all while mitigating costs and risks. Aligned with our expansion objectives, we are conscious of our social and environmental responsibility. Therefore, we have a robust set of KPIs developed and monitored to assess where we could improve our process to enhance our environmental and social impact while fostering financial and production growth.



Supply Chain Management

On-Time Delivery (OTD):

Monitoring delivery times reflecting our commitment to reliability and customer service.

Supplier Performance:

Supplier KPI monitoring aligning with our supplier policies and standards.

Inventory Turnover:

Maintaining a high inventory turnover rate indicating an efficient management of stock, and the minimization of waste.

Benchmarking:

We benchmark our performance against industry leaders.

Fill Rate: Monitoring our high fill rate to meet customer orders in full, reducing backorders or stockouts.

Customer Feedback:

Gauge our performance and to make adjustments that improve the customer experience.

Lead Time:

Reducing lead time to monitor customer satisfaction.

Quality Metrics:

Measure defect rates and customer complaints.

Based on the KPIs we can identify which areas have opportunities for improvement and develop new initiatives to evolve and set new benchmarks in the

recycling industry, driven by our core values. The following presents a categorized summary of these impactful initiatives:



Supplier Co-Ordination

Goal

To reduce the risk associated with overreliance on a single supplier and supplier related disruptions.

Action

We expanded our supplier base by 20% in the last year and an additional 15% in 2022, as well as strengthening ties through our supplier's relationship management.

Improvements

- Negotiation Leverage
- Supply chain reliability
- Business continuity
- Competitiveness



Inventory And Procurement Management

Goal

To reduce excess inventory and minimizing carrying costs and improving cash flow. With swift cycles and minimal errors.

Action

Adopting Just-In-Time Inventory management and inaugurating a state-of-the-art e-procurement system.

Improvements

- Reduced inventory levels leads to minimized carrying costs
- Fulfilment speed and accuracy
- Cash flow
- Storage space requirements
- Customer satisfaction
- Enhanced transparency



Supply Chain Sustainability & Cost Management

Goal

To reduce the environmental impact of the supply chain and promote sustainable sourcing.

Action

Responsible sourcing and minimizing packaging waste in tandem with slashing procurement expenses without compromising the product quality. Reduced our energy and water consumption in our processes and engaged consumers in recycling efforts.

Improvements

- Reduced carbon emissions during sources and minimized packaging waste
- Environmental impacts and the achievement of sustainability goals
- Meeting ethical and social responsibility standards
- Decreased energy and water consumption



Lean & Continuous Improvement

Goal

To reduce waste, optimize processes and improve efficiency through the supply chain.

Action

Embraced lean methodologies to minimize waste, refine processes and boost efficiencies.

Improvements

- Operational efficiency
- Cost saving
- Corporate culture of innovation and adaptability
- Streamlined processes

Supply Chain Management

Future Environmental and Social Standards for Bulking Stations

In 2023, we plan to embark on a significant initiative to enhance the sustainability of our supply chain. Recognizing the importance of the impact of our bulking stations in operations. Driven by our SCM vision and mission, our goal is to enhance the social, economic, and environmental situations of individuals involved in the waste management sector, particularly those within the Intro Resource Recovery (IRR) subsidiaries' network. This will be done by a comprehensive set of standards, aligned with International Labor Organization (ILO) guidelines, they shall be categorized into three tiers: meeting standards, above standards, and below standards, subject to periodic reviews.

Under the mandatory standards established by Bariq, the focus is on prioritizing employee well-being, covering shelter, accessible toilets, Personal Protective Equipment (PPE), ventilation, indoor lighting, first aid kits, fire extinguishers, and accident emergency plans. Labor conditions include commitments to minimum wage, break periods every five consecutive hours, pest-free machinery, and the prevention of mistreatment or discrimination, with monitoring facilitated through a mandatory workers' information database. Stations surpassing these mandatory standards attain "Above Standards" status, meeting extra criteria like higher wages, well-equipped facilities, fixed working hours, overtime pay, and extending educational benefits to workers

and children above 15 years. Conversely, stations not meeting mandatory standards, even if fulfilling some "Above Standards" criteria, are labeled as "Below Standards."

Child Employment Guidelines, aligned with ILO recommendations, strictly prohibit the involvement of individuals below 12 years old in any work. Employment for older children is allowed under specific conditions, with regulated working hours.

The introduction of these standards represents a significant advancement for Bariq in our journey towards sustainable value creation. We anticipate monitoring the progress of the environmental and social impact of implementing these standards through regular reviews and updates.



Raw Material Sourcing

Bariq's Ethical Sourcing Policy aligns with ILO conventions and the UN Universal Declaration of Human Rights. The policy sets requirements for sustainable working conditions throughout the supply chain. During the supplier base expansion in Europe and North Africa, Bariq ensures prospective suppliers adhere to ethical sourcing criteria emphasizing sustainability, improved working conditions, and fair practices for formal and informal collectors. Accountability is maintained through monitoring and digital traceability. Bariq urges suppliers to adhere to the same core values we follow in our SCM for an integrated sustainable approach and follow the ethical sourcing policy. Our raw materials, primarily plastic waste (85% local, 15% global), are recycled at our facility in Giza. In 2021, 80% were local, and 20% were imported. By 2022, the composition shifted to 90% local and 10% imported materials.

85%

Of Bariq's raw materials are locally sourced and 100% traced

Type of material	2021	2022
Input Number of Bottles	1,093,400,000	1,296,600,000
rPET Produced (tons)	14,112	14,919
Flakes (tons)	16,864	17,470
RPO (tons)	755	1,265

Supply Chain Management

Supplier ESG Engagement & Capacity Building

In addition to our internal processes, we actively engage with our suppliers to build their capacity to manage sustainability risks. This includes education on best practices, support in developing their own sustainability initiatives, and joint efforts to improve standards across the industry. This process begins with a rigorous process for selecting suppliers, that sets a standard for all suppliers to follow to be able to remain competitive, hence pushing them to be accountable. This process includes:



Supplier Audits:

Perform on-site evaluations of suppliers to assess their environmental and social compliance. These comprehensive audits may encompass interviews, document reviews, and physical inspections, ensuring that suppliers align with established sustainability and social responsibility standards.



Supplier Questionnaires:

Distribute surveys to suppliers to collect data on their environmental and social practices. This aids in evaluating their dedication to sustainability and social responsibility.



Supplier Reputation:

Evaluate the supplier's standing and historical reputation and performance in environmental and social responsibility. Investigate and assess any previous incidents or controversies linked to them.



Performance Metrics:

Evaluate supplier performance using performance metrics, comparing their actual performance against the defined KPIs and industry benchmarks.



Environmental Criteria

Evaluate suppliers on their environmental performance, such as energy efficiency, waste reduction, recycling, sustainable sourcing, and carbon emissions. Certifications like ISO 14001 and ISO 50001 can also be considered.



CASE STUDY: Extended Producer Responsibility (EPR)

Bariq's policy for producers to be tasked with financial or physical responsibility for the post-consumer phase of their products.

Bariq's progressive policy approach EPR, holds producers accountable for the end-of-life phase of their products. Bariq works alongside government entities for the adoption of EPR to bolster recycling efforts through establishing efficient recycling infrastructure and encouraging industries to create easily recyclable products. This approach incentivizes waste prevention and drives industries towards circular economies as they begin to consider the post-consumer phase of their products. This encourages the creation of easily recyclable products, promoting resource efficiency, leading to novel, sustainable, and durable product development. The initiative not only reduces waste build-up and GHG emissions, but also increases awareness to the growing impacts of excessive consumption and contributes to cost savings and job creation. EPR commonly involves educational campaigns, which can enhance consumer awareness about the significance of recycling. This initiative will lead to more environmentally mindful behaviours and increased recycling engagement. Proactive alignment with regulations such as EPR enhances a companies' brand image, showcasing environmentally responsible practices as a market differentiator.

Bariq positions itself as an excellent post-consumer phase solution for plastic products, closing the loop for a circular economy, and aiding businesses in their sustainability goals and gaining new suppliers.

Supplier Environmental and Social Due Diligence

In the pursuit of a sustainable and ethical supply chain, Bariq has implemented a multifaceted approach to manage sustainability risks amongst all suppliers. Throughout the intricacies of our modern supply chain, Bariq has been able to establish rigorous measures to ensure the integrity of our operations and the welfare of all stakeholders involved. These efforts primarily revolve around two key principles: Identification and Prevention



Identification

As part of Bariq's intensive due diligence process, is the pro-active identification of potential risks to allow for risk avoidance before any issues arise. Bariq has instigated a formalized risk identification process designed to spotlight suppliers that may pose high risks or have significant impacts on the environment or those that could potentially engage in forced or child labor.

Through the use of our comprehensive set of KPIs, and the use of the latest supply chain management software to analyze and optimize operations, we can assess and identify potential impacts and risks relating to respecting human rights. This process encompasses the entire value chain and specifically targets issues such as forced or child labor, discrimination and harassment, equal remuneration, and impacts on vulnerable groups including local communities, children, women, and third-party contracted labor. While observing the ever-changing human rights landscape our process continuously ensures compliance and effective communication of our policies. In instances where potential issues are identified, we engage collaboratively with the supplier to provide support and guidance for the implementation of corrective measures.



Prevention

It is essential to remove obstacles that may lead to future risks, therefore Bariq takes the hands-on approach to remove obstacles, preventing issues from developing. Examples of such initiatives include the following:

- Maintaining minimum inventory levels and employing reorder points to ensure that our operations do not exert undue demand pressure that could lead to unsustainable practices.
- Conducting periodic reviews of our supplier database to ensure compliance with our standards for sustainability and ethical practice.
- Assessing and ensuring the rights of vulnerable groups within the supply chain, to prevent any form of discrimination or harassment, enforcing policies that guarantee equal remuneration for equal work.

Bariq's supply chain sustainability approach is integral to our ethos, featuring proactive strategies, rigorous risk management, and adherence to human rights policies. Our due diligence creates an efficient, reliable, and ethical supply chain, demonstrating our commitment to high standards of social and environmental responsibility and a positive global impact through our business practices.

Supplier Environmental and Social Due Diligence

Our Commitment to Human Rights

Bariq believes in the importance of integrating and maintaining human rights within the supply chain, and we have instigated our own human rights policy. This policy aligns with the UN Guiding Principles on Business and Human Rights and other internationally accepted standards, and defines the guidelines and framework for our operations and relationships with suppliers. We have managed to uphold human rights, recognizing the intrinsic value of each individual in the supply chain from contractors to Tier I suppliers.

We begin with continuous training for our suppliers, the establishment of clear lines of communication for reporting grievances, and regular follow-ups to ensure that improvements are sustained over time. An integral part of our framework is our Human Rights Assessment which is based on international human rights standards, as part of our due diligence and corporate responsibility. These assessments are inclusive of factors such as working conditions, labor practices, and the broader impact on communities.

Over the past three years, we have conducted comprehensive assessments covering 90% of our contractors and Tier I suppliers, uncovering risks in 5% of the assessed entities. These identified risks signify potential breaches in the commitment we and our partners have made. In alignment with our proactive approach, we have implemented risk mitigations such as action plans and adjustments to procurement practices to address non-compliance and minimize future risks and established a process for ongoing monitoring and reassessment of the risk.

At Bariq we are firm in our commitment to incorporating the latest human rights advancements into our processes and engaging in meaningful collaboration with industry bodies, NGOs, and civil society organizations to amplify our impact. Transparency is at the core of our approach as we share our human rights practices throughout the supply chain. Our Human Rights Assessment not only demonstrates a commitment surpassing mere compliance but also seeks to foster respect, dignity, and fairness through rigorous assessment, effective mitigation, and collaborative improvement initiatives. In doing so, we actively contribute to the global mission of safeguarding human rights in the supply chain.

90%

Of Contractors and Tier I Suppliers assessed in last three years

5%

Of Contractors and Tier I Suppliers of total assessed where risks have been identified

100%

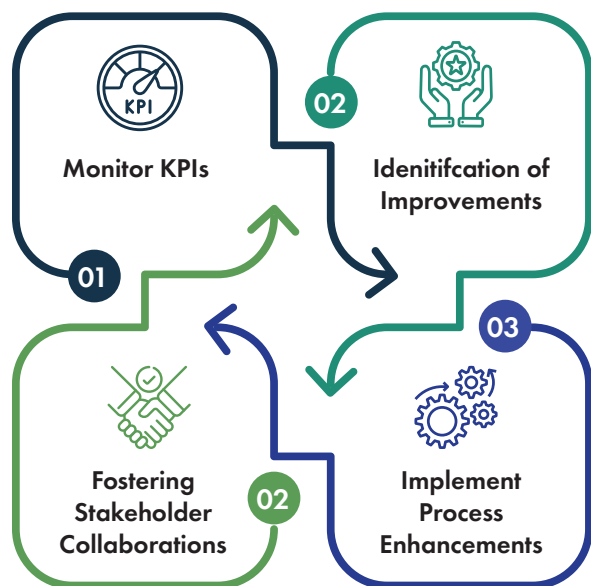
Of Contractors and Tier I Suppliers of risks with mitigation actions taken



Green and Sustainable Logistics

At Bariq, we recognize the direct environmental implications of our operational logistics, and we take responsibility for establishing a system rooted in sustainable practices. Our dedicated professional team is committed to the primary goal of facilitating the smooth and effective transfer of resources from their origin to the point of consumption or utilization.

Consequently, the enhancement of our logistics is a continual endeavor. We prioritize operational efficiency, cost reduction, and surpassing customer expectations as integral aspects of our ongoing optimization process, which provides continuous feedback. We take action by following a continuous improvement strategy:



Green Logistics Initiatives

Bariq is committed to incorporating green initiatives into its logistics operations, actively generating inventive ideas aimed at improving the overall production process through sustainable practices. By observing the SDGs.



Supply Chain

As mentioned, the supply chain begins with suppliers who have been evaluated for their sustainability and their ethical practices as outlined in our ethical sourcing policy, which highlights supplier environmental compliance. This policy is to be able to further push the green agenda throughout all the parts of the industry.



Warehouse And Production

Bariq has successfully implemented practical measures to enhance energy, water, and waste management in support of its sustainability objectives. Through close collaboration between logistics and the warehouse, the team consistently explores on-site solutions. Examples include the implementation of water-saving measures through low-flow fixtures, optimizing energy efficiency by using lubrication to reduce machinery loads, and establishing partnerships for sustainable waste disposal to minimize landfill contributions. Throughout these implemented changes the water, energy and waste footprints of Bariq have experienced extreme improvements.



Shipping

Our latest green initiative involves transitioning to railway transportation, a move known for its capacity to decrease emissions, noise, and traffic congestion, while also offering financial advantages. Trials have shown the success of and feasibility of this initiative, demonstrating its positive impact on both social and environmental fronts. By embracing railway transportation, Bariq aims to significantly reduce its overall carbon footprint.

Future Innovation

The future outlook for Bariq’s logistics are focused on further improving efficiency to reduce costs and the environmental impacts. We look towards implementing new technologies such as automated systems through AI and big data analytics to improve supply chain management. This is to be done with partnerships and assessing the feasibility on smaller scale pilot projects.



INNOVATION

Innovation and Recycling
Technologies

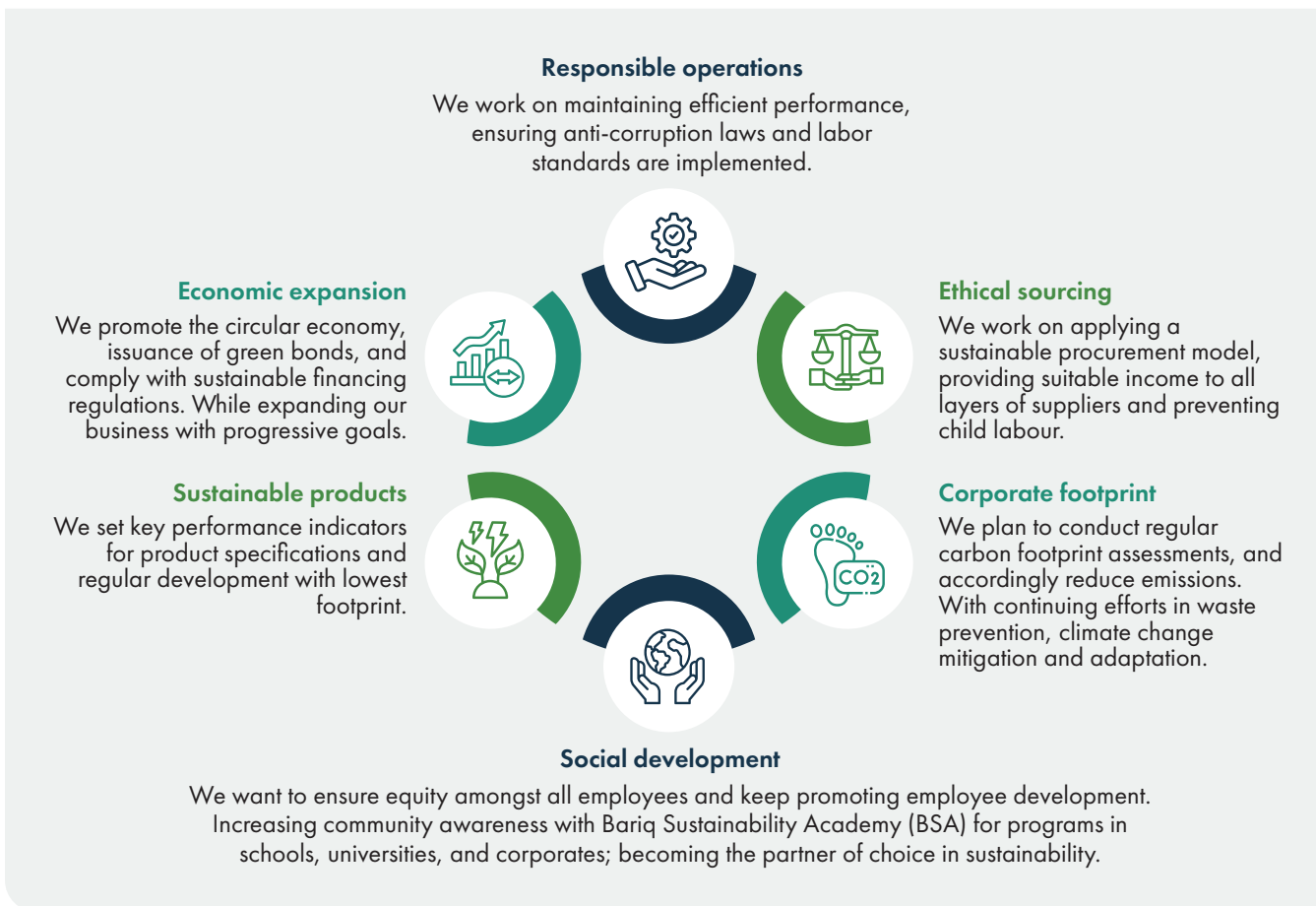
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Innovation

Since its establishment, Bariq has played a crucial role in fostering sustainable innovation in the MENA region, notably as the first and only PET recycler in the area. This distinction reflects Bariq's commitment to addressing the prevalent issue of plastic waste. In response to the rising demand for PET resin and industries' efforts to meet recycled content targets, Bariq sees ample opportunities

for market growth in the region. Bariq is dedicated to ongoing innovation, driven by a set of six key ideals encompassing social, environmental, and economic objectives. These guiding principles underscore the company's mission to contribute meaningfully to sustainable practices.



Innovation and Recycling Technologies

Bariq faces the critical task of navigating the considerable variability in input materials, meeting the escalating quality standards demanded by plastic-receiving industries, and achieving ambitious production goals. In tandem with these challenges, Bariq is committed to enhancing its social and environmental impact. To tackle these complexities, Bariq is actively seeking partnerships with industry leaders to drive continuous improvement within the company.

Product Design Efficiency

Bariq's commitment goes beyond merely closing circular economy loop; we are dedicated to enabling future industries to craft products that seamlessly integrate into circular economies, utilizing the recycled materials we provide. Currently, we are actively engaged with different entities in innovating designs for bottles that will support future recycling.

Collaborations

Our Reliable Partner: Coca-Cola

A significant milestone in our pursuit for improvement and innovation occurred in 2020 through our collaboration with Coca-Cola. BariQ, in partnership with Coca-Cola Atlantic, introduced a cutting-edge pre-sorting system at our plant, with the support of the Ministry of Environment (MoE) and the Ministry of International Cooperation (MoIC). Utilizing state-of-the-art German technology, the TOMRA bottle sorting machinery, never before exported from Europe, can separate clear PET bottles at a remarkable speed of up to 10 tons (500,000 bottles) per hour using infrared spectra. This equipment is versatile, capable of sorting

various plastics, providing valuable analytical insights into recycling inputs and outputs. With the installation of this new pre-sorting system, BariQ can now efficiently handle low and medium-quality plastic waste from the banks of the Nile and sanitary drains. Achieving up to 95% efficiency in separating clear PET bottles, this enhancement expands our waste collection capabilities and increases production capabilities in support of our 2030 goals.

Further collaboration with Coca-Cola has resulted in the collection and recycling of more than 31,000 tons of PET bottles in 2022, delivering a packaging collection rate of 43% for Coca-Cola HBC Egypt. Through this ongoing partnership, we continue to support collection and high-quality recycling in the region in tandem with industry leaders.

TOMRA

TOMRA offers extensive on-site and remote support in the new facility developed by BariQ and Coca-Cola. This facility incorporates the latest versatile technologies, including AUTOSORT® features like FLYING BEAM® and DEEP LAISER®. These advanced technologies ensure precise separation of PET bottles by material and color in a sophisticated multi-step sorting process. Further down the process, AUTOSORT® FLAKE machines come into play, producing a pure PET flake fraction that is subsequently transformed into pellets. TOMRA in itself continues to innovate using advanced technology such as the data collection that enables smart automated sorting units to provide fully transparent performance overviews that can be used to instantly optimize machine settings. This meticulous approach

maximizes the utilization of collected waste by using an accurate energy efficient sorting process, which saving future operational costs, supporting sustainability and production goals



Starlinger and Increased Production

Following the success of the 2012 plant, Bariq has re-engaged Starlinger for new recycling systems in the Giza plant and upgrading the current line. Starlinger has proved to be able to provide reliable equipment and technology that meets high quality specifications and its ability to handle the variability of raw materials (similar to the newly acquired TOMRA machinery). In an effort to expand the recycling efforts and enable round-the-clock production of rPET with increasing quality specifications. Furthermore, an improved filtration system and additional SSP reactor has been added to support increased production of rPET types beyond average bottle-to-bottle grades ensuring favorable decontamination results. The upgrade aims to secure an increase in Bariq's production capacity to 35,000 tons of rPET.

This advanced machinery by TOMRA and STARLINGER play a pivotal role in addressing the persistent challenges presented by the increasing variability of incoming plastic waste. It aligns seamlessly with our innovation goals, supporting responsible operations, the creation of sustainable products, economic expansion, and a reduction in corporate footprint.

Innovation and Recycling Technologies

Innovation Inspiration

Incorporating the perspectives of young individuals into our business has been instrumental in advancing key objectives, including social development, responsible operations, sustainable products, and economic expansion. By actively involving university students, we encourage them to develop ethical, sustainable, and efficient improvements for our company or economy in general. Specific instances of our youth engagements are outlined below.

Red Bull Basement 2021

An example of university and corporate partnership for innovation would be the engagement of youth who can provide a fresh perspective to the field. Bariq was proud to be the sustainability partner of Red Bull Basement for 2021 in Egypt. Instigating a competition that inspired 30 university students to come up with innovative solutions to drive positive change. The winners were chosen through local voting, which led to the progressing participants to compete with university students all across the globe.

Future Green Leaders Program

In collaboration with the GUC in 2021, Bariq Sustainability Academy started a program aimed at innovating the current recycling process. Engineering interns were split into teams studying efficiency, optimization, and automation. This competition sparked innovation in the students and the winning team studied **“the feasibility of transforming manual sorting lines into fully automated systems using AI”**, providing a creative solution for an integral part of our process line.



ENVIRONMENTAL STEWARDSHIP

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Environmental Stewardship

Environmental Sustainability has become a frequent topic of conversation among industry leaders over the past decade, due to growing concerns over the scarcity of non-renewable resources and increased regulations. Sustainability has become a growing intercede not only due to the environmental gains but the financial and logistical benefits that are commonly associated.

Bariq has been established on the basis of sustainable ideals and the business has been built centered around three main pillars, Circular Economy, Climate Protection and Ocean Saving. Therefore, with these core ideals in our mind we have been able to develop an environmentally conscious organization that is positioned to aid and spread the UN SDGs. Bariq's founding principles have resulted in growing achievements in environmental stewardships and setting sustainable goals. Bariq strives to continuously improve our environmental impacts with multiple strategies in place.



767 kg

Of waste collected from Egyptian beaches in 2021 and 2022, and **153 kg** of waste collected from the Wadi Degla Protectorate in 2022

87%

Reduction in the carbon footprint associated with rPET production compared to virgin PET

60%

Of all wastewater generated is treated and recycled

19%

Increase in the number of plastic bottles recycled from 2021 to 2022

19.1%

Decrease between 2021 and 2022 in the amount of water needed to produce one ton of product

15%

Reduction in water consumption from 2021 to 2022

22%

Reduction in total waste generated in operation from 2021 to 2022

38%

Increase in the number of plastic bottles recycled per m3 of water from 2021 to 2022



Key Certificates:

- ✓ ISO 22000:2015
- ✓ ISO 14001
- ✓ ISO 9001
- ✓ FDA
- ✓ EFSA
- ✓ HEALTH CANADA
- ✓ REACH compliant
- ✓ Ecoembes
- ✓ Global Recycle Standard
- ✓ EOS (Egyptian Standard)
- ✓ B Impact Assessment

Circularity and Zero Waste

As populations grow exponentially, heavy consumerism grows simultaneously, with products of linear short lifecycles and non-biodegradable materials flooding methane-emitting landfills. Placing pressure on already scarce land availability, for growing populations and the increasing demand for landfill space. This pressure leads to desperate measures like ocean pollution, incineration, and deforestation, which have disastrous environmental impacts. To counter these challenges, innovative solutions such as the circular economy model have emerged, transforming the linear "take-make-waste" lifecycle into a more sustainable "take-make-recycle" approach. By prioritizing recycled materials, Bariq was founded with a focus on sustainability, evolving into a leader and catalyst for positive change in the plastic industry, and closing the product life cycle loop.

At Bariq, the circular economy is one of the main pillars, guided by the motto "Bottle to Bottle Recycling." We've successfully prolonged the life of plastic equivalent to 17.6 billion bottles, averting landfill buildup and mitigating over 313,500 tons of CO₂ emissions. Bariq stands as a testament to the potential profitability of circular economy models, showcasing how repurposing plastic waste not only benefits the environment but also aids partner companies in significantly reducing their plastic footprint through a transition to circular product life cycles.



1.6 Billion

PET Bottles are Recycled at Bariq Annually

Bariq aims to be at the forefront of seamlessly integrating circular economy principles and zero-waste practices to redefine the plastic industry's impact on our planet. Hence, Bariq aims to incorporate waste minimization strategies and initiatives into its operational framework, aligning its actions with its advocacy and extending its active engagement in the principles of the circular economy.

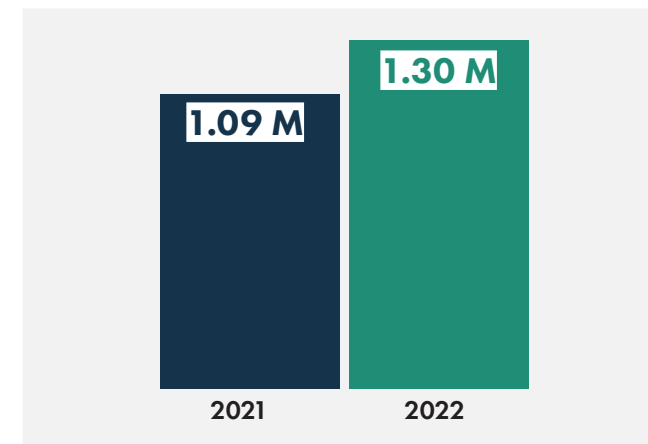
Production and Recycling: Treat the Waste

Bariq aims to maintain a steady average of recycling 1.6 billion PET bottles annually since 2012, with a targeted approach to use the reclaimed material at its maximum potential. The bottles are sources from waste, decreasing landfill buildup and creating job opportunities. The goal is to have given 50 billion bottles new life by 2030, as operations expand, we have thus far been successful in maintaining our operations at a set number of bottles collected and hope to grow our processing capacity by 2024. In 2022, Bariq was able to establish a new washing line and one pelletizing line in aid of expansion.

At Bariq, our commitment is to maximize the potential of received materials, leading to the production of two distinct standards of recycled plastic. Our food-grade plastic, compliant with FDA, EFSA, REACH, and Health Canada regulations, is derived from reclaimed PET. Additionally, we produce non-food grade products, including Qflakes and recycled polyolefin (RPO), sourced from components like bottle caps and labels. This dual approach not only minimizes the plastic footprint of plastic waste-producing companies but

also enables Bariq to decrease its own waste output, generating valuable sustainable raw materials for use in other industries. In 2021/2022 Bariq managed to improve the material yield by 2.5%, reducing operational losses and saving costs. We can see that as the years continue the rate of production increases, providing more recycled materials to drive industries to opt into the circular economy.

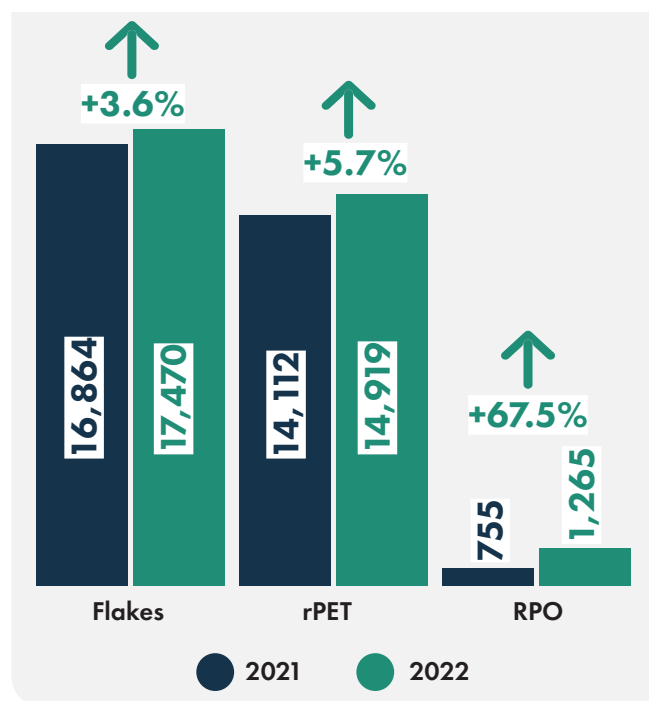
PET Bottles Recycled at BariQ



Circularity and Zero Waste

Bariq's production demonstrated positive trends across key product categories from 2021 to 2022. Flakes production increased by approximately 3.9%, RPET production grew by around 5.7%, and the most substantial growth was observed in RPO, with a remarkable increase of approximately 67.5%. These percentage-based improvements reflect Bariq's strategic efforts to enhance and diversify its manufacturing output, positioning the company to meet evolving market demands and capitalize on emerging opportunities in the industry.

Bariq's Production Categorized by Product Type (metric tons)



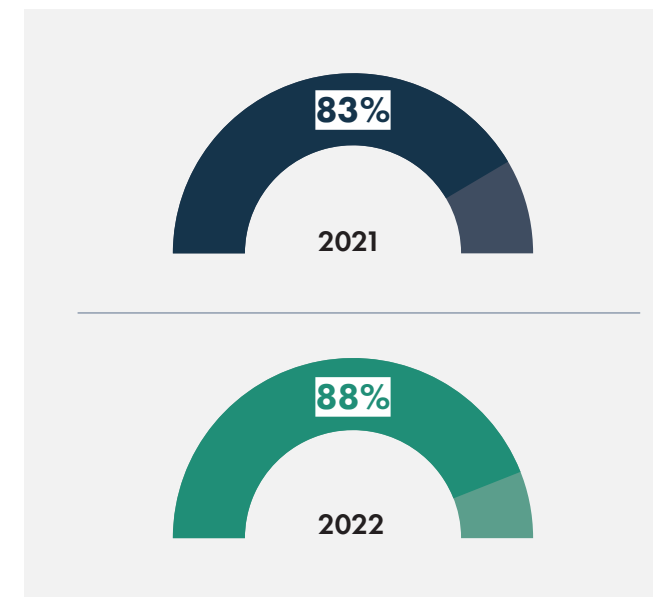
Operational Waste Management

To actively participate in an effective circular economy, Bariq is dedicated to efficiently managing all generated waste, aiming to minimize the underutilization of resources. The company strives for an effective waste management process that selectively disposes of only unusable and hazardous waste. Once we set our waste management goals, we move swiftly to implement these crucial changes and try to continuously identify and adapt waste minimization strategies.

Despite our commitment to operational waste reduction, complete elimination remains a challenge. The non-hazardous category, predominantly consisting of metal, plastic and sludge. Bariq exports this form of operational yield waste to Fareast in the home appliances to be reused. Furthermore, solid waste is also sold to cement factories such as the Arabian Cement Factories to be used as alternative fuel. Remaining sludge and hazardous waste is collected and sent for disposal in a healthy and environmentally friendly manner with "New Valley" a third-party company which follows current regulations and standards.

One of our main objectives is to reduce hazardous waste, given the current limitation of disposal options limited to landfills. While the majority of our waste is currently non-hazardous, our aim is continued improvement. The existing waste management system has demonstrated effectiveness in steering away from landfills, directing a significant portion of waste towards more sustainable and environmentally friendly solutions.

Percentage of Operational Waste diverted from landfills

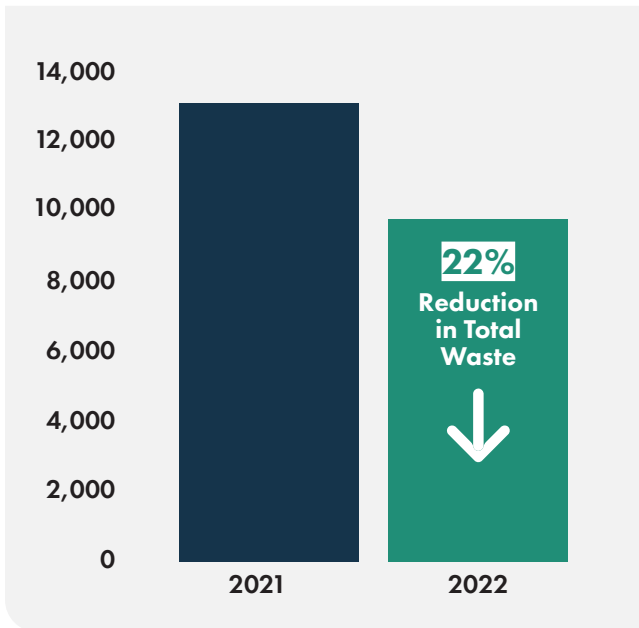


Circularity and Zero Waste

Zero Waste Goal

From 2021 to 2022, Bariq has been able to minimize the operational waste production by 22% following the current waste management strategy, however we aim to explore further advanced waste minimization strategies within warehouses and production lines. To facilitate this commitment, comprehensive guidelines and training programs are in place, encompassing sustainable waste management practices. These initiatives include the establishment of in-house recycling systems, minimizing waste during maintenance, and implementing standardized operating procedures (SOPs) for the proper disposal of materials such as lubricants.

Non Hazardous Operational Waste



Carbon Emissions & Energy Efficiency

13

CLIMATE ACTION



Bariq employs climate change as one of the main pillars of our business vision and mission. Consequently, reducing local and global emissions are ingrained into our daily business activities. Our initiatives harmonize seamlessly with UN SDG 13, emphasizing action to combat climate change. Bariq's proactive stance not only reflects our dedication to environmental preservation but also serves as a tangible demonstration of our commitment to advancing global sustainability objectives.

The removal of waste from landfills and recycling processes is able to mitigate immense amounts of carbon emissions as it decreases pollution sources. Bariq proudly assumes the role of a significant CO₂ offset contributor. In our inaugural decade of operation, we have successfully mitigated 313.5 Kilotons of CO₂ emissions by responsibly recycling 17.6 billion PET bottles. This not only underscores our environmental stewardship but also positions Bariq as a noteworthy source of CO₂ offset.

Founded on the principles of environmental advocacy, Bariq is acutely aware of the environmental impacts of our production processes. Bariq, aims to vigilantly monitor our carbon footprint, to continuously improve our performance and surpass industry standards.



Bariq's rPET Product Carbon Footprint

This assessment serves to quantify our overall greenhouse gas emissions from the warehouse and factories, specifically focusing on carbon dioxide, as a crucial tool for evaluating and managing our environmental impact of producing the product. It plays a pivotal role in identifying opportunities for emission reduction and demonstrating our commitment to sustainability.

Boundaries & Methodology¹

The environmental assessment adhered to the ISO 14010 & 14044 life cycle assessment standards based on the EPD eco-label defined by ISO 14025 for plastic waste. This methodology incorporates the climate change factors outlined by the IPCC over a 100-year timeframe, quantified as Global Warming Potential (GWP) measured in kg CO₂eq.

The Carbon Footprint was calculated under a "cradle to gate" approach, therefore the boundaries of the assessment begin from the procurement of raw materials to the delivery of products to the customer's gate. This comprehensive approach includes upstream processes such as the collection and pre-treatment of plastic waste, as well as the production of raw and ancillary materials. Additionally, core processes are considered, involving the transportation of materials to the plant, recycling processes, and waste management.

¹ For further details, please refer to Bariq's published rPET Product Carbon Footprint Assessment.

Carbon Footprint Table of Results	kg CO ₂ eq/ 1,000 kg PET waste	%
Upstream process	63 %	
PET waste	9.34E+01	85.89
NaOH	1.53E+01	14.11
Total	1.09E+02	100
Core	37 %	
Transport (trucks)	6.75E+00	10.52
Transport (ships)	2.38E+01	37.02
Washing electricity	1.00E-01	0.16
Electricity upgrading	1.95E-01	0.30
Boiler diesel consumption	2.91E+01	45.30
Forklift diesel consumption	2.80E+00	4.36
Water consumption	1.35E+00	2.11
Wastewater treatment	1.23E-01	0.19
Solid waste treatment	2.36E-02	0.04
Total core	4.58E+02	100
Total carbon footprint	1.73E+02	

The results of the carbon footprint show that the highest portion of the carbon footprint comes from upstream processes. Therefore, these processes hold the highest opportunity for optimization for emissions reduction. The total carbon footprint amounts to 173 kg CO₂ eq are emitted when 1,000 kg of PET waste are processed. However, the by-product processing must also be considered, the comprehensive total amount of rPET obtained along the recycling process is 0.29 kg CO₂ eq/kg rPET pellets.

Carbon Emissions & Energy Efficiency

Benchmark Results

To gauge Bariq's carbon footprint on a global scale, we conduct a comparative analysis with a similar PET-producing company. Given that Bariq's primary operation revolves around PET production, comparing our carbon footprint to that of a virgin PET producer serves as a benchmark for assessment.

This analysis aims to determine the net environmental impact of Bariq's activities. A comparison between PlasticsEurope and Bariq reveals an impressive 87% reduction in the carbon footprint associated with rPET production compared to virgin PET. These findings underscore Bariq's unwavering commitment to continuous improvement and setting new standards. The aim is to decrease the carbon footprint by minimizing energy consumption, improving electrical efficiency and mitigating GHG emissions.



87%

reduction in the carbon footprint associated with rPET production compared to virgin PET

Energy Management and Efficiency

To effectively reduce the carbon footprint, a thorough evaluation of energy management strategies is undertaken, and efficiencies are considered across all of Bariq's activities. The most significant energy consumption occurs within the factories and warehouses hence the strategies center around their improvement. The administration building's consumptions are negligible in comparison, hence are not considered in the upcoming figures and strategies.

For continuous monitoring and evaluation of our energy usage, we have implemented advanced measurement devices like Schneider PM8000 and MPR 47S on our electrical incoming sources. These devices are interconnected to a gateway, linking them to our internal network. Additionally, we utilize software tools such as log reader to present and analyze the collected data. The current methodologies employed to reduce energy consumption and enhance efficiencies include the following:



Use railways as a transportation mode instead of trucks from our warehouse to loading port (Alexandria Port) which reducing emissions, noise & traffic congestion.



Evaluate suppliers on their environmental performance, such as energy efficiency, waste reduction, recycling, sustainable sourcing, and carbon emissions. Certifications like ISO 14001 or participation in sustainability programs .



Warehouses are designed to maximize energy efficiency, including the use of energy-efficient lighting, HVAC systems, and effective building insulation.



Design considerations also take into account natural lighting and ventilation to reduce the need for artificial lighting and cooling.



Ensure that equipment is adequately lubricated to reduce friction, improve performance, and minimize energy consumption.



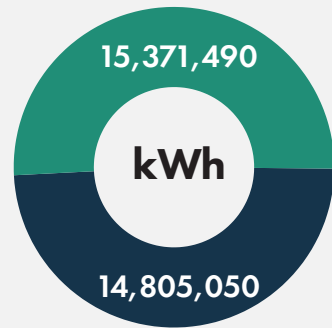
Train equipment operators to use the machinery correctly and safely as proper operation can reduce energy consumption.



Regularly assess the environmental impact of maintenance activities, including energy consumption and emissions and set reduction targets.

Carbon Emissions & Energy Efficiency

Despite an 18.6% increase in the number of recycled plastic bottles, the overall rise in total purchased electricity remains minimal at 3.83%. Notably, the total energy consumption saw an 11% increase from 2021 to 2022, which is attributed to the increased in production requiring a larger amount of fuel and electricity. Although, the impacts were largely mitigated as the majority of the fuel utilized in 2022 was natural gas.



● 2021 ● 2022

↑ **3.8%**

Purchased Electricity



↑ **18.6%**

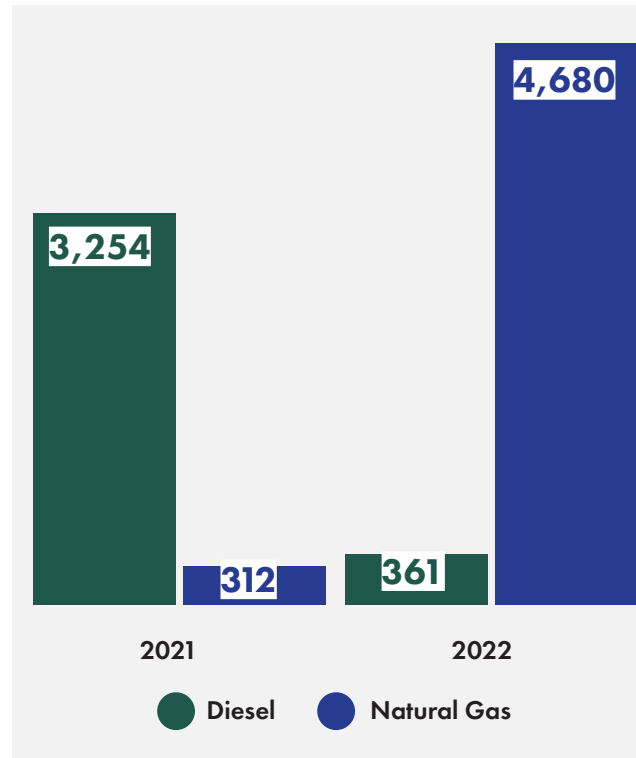
Recycled PET Bottles

↑ **11%**

Total Energy Consumption

Bariq has recently implemented a transition at its manufacturing facility by gradually shifting from diesel to natural gas as an energy source. This strategic move aligns with Bariq’s gradual transition towards cleaner energy sources, as natural gas is considered to be more sustainable fuel option source compared to diesel in terms of GHG emissions. Accordingly, Bariq has reduced its diesel consumption by 89%, decreasing from 3,254 MWh in 2021 to 361 MWh in 2022.

Diesel vs. Natural Gas Consumption at Bariq's Manufacturing Facility (MWh)



Continued Efficiency Improvement

Bariq is committed to advancing its energy efficiency, employing current improvement strategies that involve upgrading to energy-efficient equipment and machinery surpassing established energy efficiency standards. This proactive approach is designed to diminish energy consumption and lower operating costs.



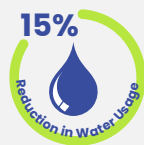
Water Stewardship



The world continues to move towards an impending water availability crisis as outlined by the 6th UN SDG goal for clean water and sanitation. Bariq, believes that water stewardship enhances operational efficiency, and reduces water-related risks. Bariq relies on municipal tap water, in this reporting period there have been 0 non compliance water related incidents, demonstrating Bariq's commitment to sustainable water management and disposal.

Sustainable Water Consumption

Since 2019, the company has proactively implemented water-saving measures to reduce consumption. Initially, the introduction of an enhanced washing line filtration system resulted in a significant 36% reduction in water usage. Building on this success, an additional 15% decrease was achieved from 2021 to 2022 through the adoption of low-flow fixtures in the warehouses. Presently, the total water consumption for 2021 and 2022 stands at 120,000 cubic meters. This concerted effort has not only contributed to sustainability goals but has also markedly improved the efficiency of water use, with an impressive 18.6% enhancement in the number of recycled bottles per metric cube of water from 2021 to 2022. In conclusion, the quantity of water needed to manufacture one ton of product has decreased by 19.1%, indicating that, despite an increase in production, water usage has declined thanks to the implementation of a more water-efficient system.



2021-2022 Water Intensity

2.04-1.65

m³ of water per ton of product produced

16,867-23,331

Plastic PET bottles recycled per m³ of water

Wastewater Treatment and Recycling

Bariq predominantly utilizes municipal tap water for cleaning collected plastic waste and shredded flakes, a procedure that inevitably results in water contamination. Committed to sustainable practices, Bariq strives to maximize water treatment and recycling efforts. After passing through the washing line, water is collected, undergoing a thorough process that eliminates sludge contaminants and mud. The water is then reintegrated into the system for reuse, reducing the demand for fresh water. Currently, Bariq successfully treats and recycles 60% of all in-house wastewater, contributing significantly to water conservation. The remaining wastewater is discharged with regards to the nationally stipulated limits, aligning with our commitment to minimizing the environmental impact of our operations.

60% Of all wastewater is Treated & Recycled



Future Initiatives

As Bariq's operations expand, we are actively contemplating the integration of more water-efficient machinery. This strategic consideration was particularly evident during the addition of a new washing line, notably an area of high-water demand. The commitment to water conservation drives ongoing efforts to embrace advanced technologies and practices that align with sustainable and responsible resource management.



Biodiversity



The preservation of biodiversity is a critical aspect of environmental conservation and sustainable development. Industrial activities, such as habitat destruction, pollution, over-exploitation of resources, and climate change, can threaten biodiversity. Bariq believes that efforts to conserve and sustainably manage biodiversity are essential to sustain the health of ecosystems.



Bariq considers biodiversity preservation to be a consequence of the vision and mission of the business. With populations growing the impacts on biodiversity become more evident. Bariq believes that industries bear the responsibility of mitigating their environmental footprint to support SDG 14 and 15. This involves instigating a conscientious approach to minimize ecological disturbances. Bariq has embedded the preservation of biodiversity since the beginning, aligning its business model with a commitment to environmental well-being and conducting assessments on our environmental impacts.

As a testament to its dedication, Bariq pledges to safeguard biodiversity both in marine and terrestrial environments. The company actively contributes to biodiversity preservation by removing plastic from circulation from within these ecosystems. An example of this would be the commitment Bariq has to removing plastic waste from our local environment in the Nile and the Mediterranean sea. While Bariq's direct production impact on biodiversity is minimal, the collection

process actively removes waste and assists biodiversity preservation initiatives. Through these efforts, Bariq strives not only to meet environmental standards but to serve as a role model in preservation for other industries.

Ocean Saving

Ocean conservation stands as one of Bariq's primary pillars, and we actively address this commitment by focusing on the preservation of marine life through the removal of plastic waste from the ocean. We acknowledge the significant challenge posed by ocean plastic debris and its adverse effects on marine ecosystems. In alignment with the government's waste management strategy, Bariq has pioneered the development of Ocean Bound rPET food-grade resin.

Our approach involves sourcing this resin from locations situated 50 kilometers from the shores, where we collect and process the plastic waste at our facilities. Additionally, this is also done in the Nile River, where water is collected, pressed, and processed at Bariq's facility, preventing it from entering the ocean and introducing the product Nile QPET resin. This initiative demonstrates our commitment to sustainable practices and the protection of our oceans.

Volunteering



Waste collected through beach cleanups

Bariq has actively engaged in direct preservation initiatives through collaborative efforts, notably partnering with organizations like Banlastic. Bariq employees joined forces with Banlastic in numerous beach cleanup events, resulting in the collection of an impressive 767 kg of waste in 2022 and 2021. One of these cleanups in 2021 was a Guinness World Record

for the largest series of simultaneous clean-ups on 8 different beaches in one hour. For all cleanups that Bariq participates in, the collected PET is sent to Bariq facility to be recycled. These collective events helped safeguard ocean biodiversity by preventing the infiltration of waste into aquatic ecosystems, thereby averting potential disruptions to the food chain and mitigating risks of harm to marine life.

The success of these initiatives, which commenced in 2021, has spurred the continuation and expansion of beach cleanup events. It has also sparked the establishment of similar new collaborations, such as the collaboration with Etisalat for waste collection at the Wadi Degla Protectorate. Bariq remains committed to organizing such events, driven by their proven success and the growing demand for environmental stewardship. These ongoing efforts underscore the unwavering dedication of Bariq towards the preservation of the environment.

Landfills And Biodiversity

Landfills pose significant environmental threats, contributing to biodiversity loss in dual ways: firstly, by necessitating the clearing of wild areas and generating leachates that pollute surrounding habitats, resulting in habitat loss and degradation. Secondly, landfills release gasses that contribute to climate change, exacerbating environmental challenges that pressure ecosystems and wildlife. In response, Bariq is committed to mitigating the impact of landfills by actively removing plastic waste from landfills minimizing buildup. Bariq also ensures it does not add significantly to landfills by implementing a robust waste management process designed to minimize the amount of waste sent to landfills, underscoring its dedication to environmental preservation.

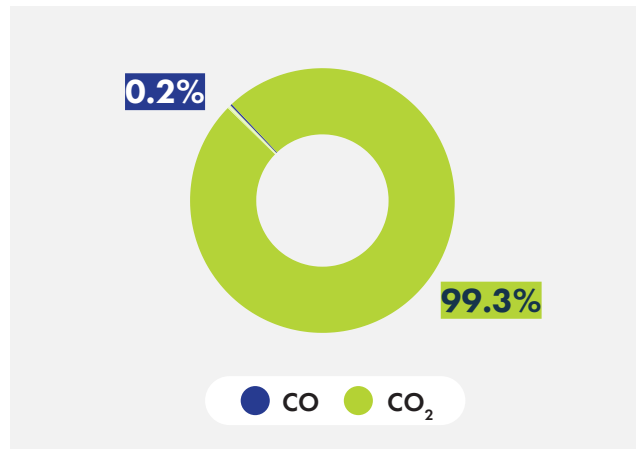
Air Quality and Pollution

Climate change stands as a core pillar at Bariq, prompting meticulous monitoring and stringent control of emissions, including SO₂, NO₂, CO, CO₂, VOCs and Acetaldehyde. These greenhouse gasses (GHGs) are recognized for their potential to induce severe health and environmental consequences, spanning from contributing to climate change and ozone formation to direct respiratory impacts and, in extreme cases, fatalities. In adherence to government-set standards and guidelines prioritizing environmental and social well-being, Bariq consistently maintains these pollutant levels within manageable limits.

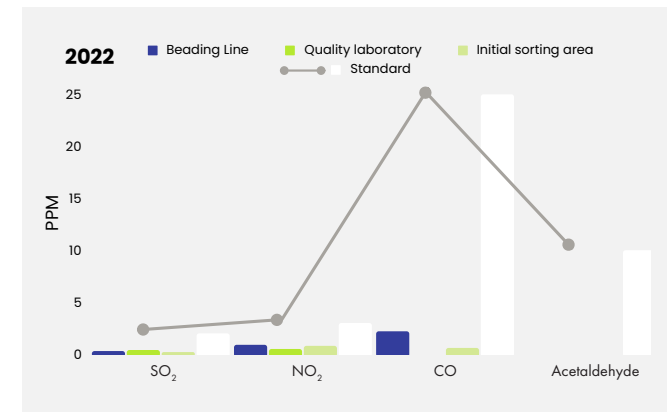
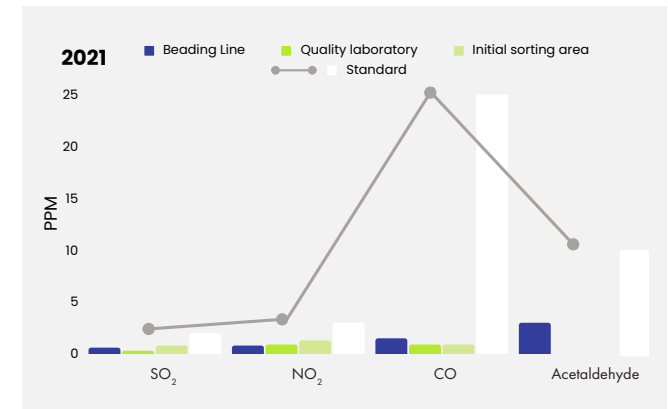
Our Air Quality

Bariq is deeply committed to upholding air quality standards and consistently maintaining pollution levels significantly below the required thresholds. Our pollution profile is predominantly characterized by CO₂ emissions, accompanied by trace amounts of other greenhouse gasses (GHGs) and no VOCs. To verify compliance, our air pollution levels undergo thorough annual assessments conducted by government-approved third-party entities, ensuring that emissions remain well below permissible limits.

Air Pollution Profile



The annual assessments are comparable as they are conducted during the autumn, and is representative of the emissions of the warehouse and factory at the time of testing, this data is not inclusive of the total emissions around the year.



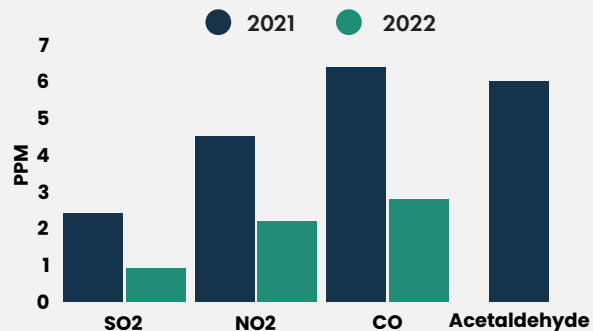
Bariq's commitment to alleviating air pollution surpasses the mere management of our internal emissions. The company's vision and mission actively tackle the extraction of waste from landfills, well-known sources of methane, which is a potent contributor to global warming. Furthermore, the extraction of plastic waste from landfills minimizes waste burning, significantly reduces a major source of heavy pollution, known for causing immediate health effects and long-term climate impacts. This demonstrated Bariq's commitment to SDG 3 for health and well-being and SDG 11 which aims to reduce the environmental impact of cities by improving air quality.

Air Quality and Pollution

In consistent adherence to emission standards, Bariq consistently maintains emissions well below permissible levels. Our commitment to environmental responsibility extends to the ongoing enhancement of our greenhouse gas (GHG) footprint and air pollution levels.

The air pollution emitted at Bariq is concentrated in the beading line, followed by the quality laboratory and initial sorting area. This analysis highlights that the most significant potential for improvement in air pollution emissions lies in evaluating and enhancing the processes carried out in the beading line.

Notably, when comparing the annual tests of 2021 to 2022, there is a significant decrease in the amount of pollutants emitted. Particularly noteworthy is the complete elimination of acetaldehyde pollution. The values show that there was also a 38% difference between 2021 and 2022 in direct CO₂ emission from the factories and warehouses. These values are indicative of our overall reduction in direct emission. This could be attributed to the exclusion of the baling line from consideration, which was previously one of the more substantial contributors to pollution.



SOCIAL IMPACT

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Social Impact

At Bariq, we believe in the immense potential of our people and the communities in which we operate. Our commitment to fostering an environment where every individual can thrive is at the core of our values. We are dedicated to nurturing the health and wellbeing of our workforce, advancing rewarding and fulfilling career paths, and upholding the highest standards of human and social rights.

We recognize that a diverse and inclusive culture is not only a moral imperative but also a key driver of innovation and business success. Bariq strives to create a workplace where diversity is celebrated, and every voice is heard.

In giving back to our communities, we seek to make a lasting, positive impact. Through community engagement, philanthropy, and volunteerism, Bariq aims to contribute to a brighter, more sustainable future for all.

Together, we build strength through diversity, health through care, and potential through opportunity. This is our promise to our workforce, our communities, and the world.

219

Total number of Employees as of 2022

2%

Increase in female representation within the workforce from 2021 to 2022

25%

Of employees are below the age of 30

943

External participants in the Bariq Sustainability Academy in 2021 and 2022

22%

Increase in training days from 2021 to 2022

50%

Of new hires are below the age of 30

138

Internal employees attended sustainability training in 2021 and 2022

*All the above figures are as of December 2022 unless stated otherwise.



Talent Acquisition, Management and Skilled Employment

We are firmly committed to fostering a workplace that thrives on equal opportunity for all employees, underpinned by a fair payment scheme that rewards dedication and skill. Our dedication to talent acquisition and management is reflected in our steadfast adherence to labor laws, ensuring a legally compliant and ethically sound environment. We are devoted to the continuous development of our workforce, recognizing that our employees are the cornerstone of our success. With a positive work environment as our foundation, we actively pursue the creation of robust succession plans for all critical positions. This strategic approach guarantees that we not only attract but also retain and cultivate the finest talent, ensuring skilled employment and a future-proof organization ready to meet the challenges of tomorrow with a dynamic and proficient team.

Key Policies:

- ✓ Training Policy
- ✓ Variable Compensation Policy
- ✓ Travel & Transportation Policy
- ✓ Provident Fund Policy
- ✓ Production Incentive Policy
- ✓ Attendance & Vacation Policy
- ✓ Work from Home Policy

At Bariq, our Human Resources department upholds a strong commitment to sustainability, which is reflected in our comprehensive HR strategies. Business Ethics and Integrity form the foundation of our corporate culture, influencing how we evaluate and recognize our employees. Protecting our employees' confidential data is paramount, and we diligently work to secure all private information entrusted to HR.

In our journey towards sustainability, we prioritize the digitalization of our HR processes to reduce paper consumption and increase efficiency. We're dedicated to the development of our human capital, offering tailored training programs that align with both individual career aspirations and Bariq's environmental mission.

Attracting and retaining top talent is also at the forefront of our efforts. We strive to enhance our employer brand and create a positive work environment, complete with competitive compensation and engaging recognition activities. Through these initiatives, we ensure that HR not only supports Bariq's sustainability goals but actively contributes to them, driving the company's growth and eco-friendly initiatives forward.







Mohamed El Desouky,
Human Resources Director, Bariq



Talent Acquisition, Management and Skilled Employment

Bariq places great importance on the professional development of its employees as a crucial factor in enhancing business capability and achieving performance excellence. We ensure that individuals at all levels of the organization possess and cultivate the skills, knowledge, and experience necessary to fulfill the organization's short-term and long-term ambitions.

We provide soft skills programs for essential professional development at the professional and senior professional levels. We also provide a supervisor development program for team leaders and supervisors. Additionally, we offer technical skills training for engineers, chemists, technicians, managers, supervisors, and professionals at the senior professional level. The numerical data provided in the table below pertains to the year 2021-2022:

	Training hours	
	5,393	3,831
	Training days	
	5,393	3,831
	Employees trained	
	5,393	3,831
	Percentage females	
	5,393	3,831

● 2021 ● 2022

Training Implementation

In response to the annual identification of training needs, effectively managing training activities is a crucial business process that HR should oversee. The Training Implementation SOP outlines the procedures for implementing training programs, including both short programs and accredited professional qualifications and certifications such as CMA, CFA, PHR, CCNA, CCNP, PMP among others, which are under the purview of HR.

Enrollment in training programs is applicable to all permanent employees who have completed six months of employment, with the exception of orientation and onboarding training for new hires, which should be handled by the HR head.

Work from Home

Bariq is dedicated to providing flexible working arrangements through our work-from-home policy, aimed at addressing business requirements while promoting work-life balance for our staff. This policy extends to all permanent employees at Bariq, assuming their roles are conducive to remote work.

Bariq's Champions Program

The Bariq Champions program is an employee recognition initiative aimed at boosting performance and motivation among key performers in the company. Its purpose is to increase job satisfaction, productivity, loyalty, and recognition while aligning with Bariq's overall strategy. The program is open to permanent employees in job grades G4 to G11 who have completed at least six months of service with no misconduct or absences.

HR receives monthly nominations from various departments, evaluates eligibility, and forms a committee to select champions on a quarterly basis. The committee chooses one admin employee and four factory employees each quarter, resulting in a total of 20 champions annually. Rankings are determined based on criteria such as knowledge sharing, cost-saving, idea generation, project involvement, initiative, and exceptional efforts. Employees with quarterly or monthly objectives must achieve outstanding results, while those with annual objectives should consistently work towards their goals throughout the year.

Direct managers play a crucial role by reviewing criteria, submitting nomination stories to HR, and presenting the nominations in quarterly meetings with top management. HR verifies eligibility, completes missing information, calculates voting, and announces the winner.

The program's winner receives a certificate, a voucher worth EGP 2,500 and their story and photo are published in the company newsletter and factory portal for further recognition. Notably, individuals nominated in one quarter can participate in subsequent quarters if they have additional achievements. The ranking process ensures that top management can select only one nominee from their department in the first ranking, with subsequent rankings featuring nominees from different departments.

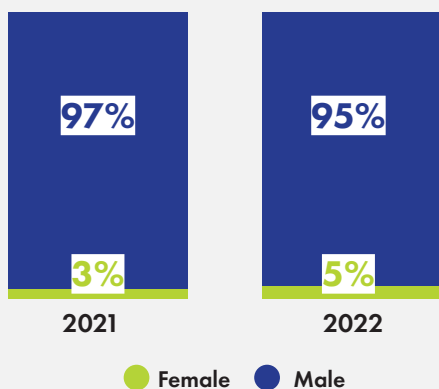
Diversity, Equity & Inclusion (DEI)

Bariq is increasingly recognizing that diversity and inclusion are not just ethical imperatives but also critical drivers of success. By embracing diversity and fostering an inclusive work environment, we unlock the full potential of our employees, cultivate innovation, and build strong connections with customers and communities. This approach encompasses a wide range of dimensions, including but not limited to gender, age, disability, and leadership and STEM positions. We recognize and value the unique perspectives, experiences, and talents that individuals from different backgrounds bring to the table.

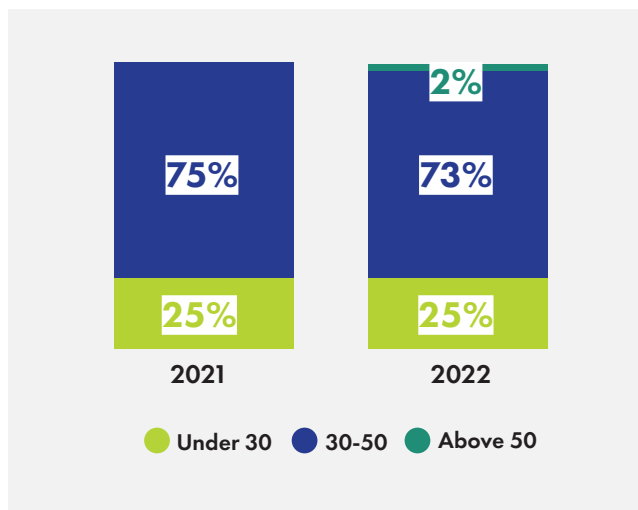
Advancing Gender & Age Diversity

In 2022, our workforce grew to 219 employees, with 5% being female, compared to 206 employees in 2021, where female representation was at 3%. The inclusion of women increased by 2%. Additionally, the majority of Bariq's employees are within the 30-50 age group.

Women Representation in the Workforce



Age Diversity across Bariq's Workforce



Employee Diversity by Disabilities

In 2021, all employees with disabilities were male, with no female representation (0% female). However, by the year 2022, there was an increase in female inclusion among employees with disabilities. Our aim is to advance the representation of women across different positions, while also striving to meet the national requirement of having 5% of our employees with disabilities by 2025. To achieve this, we are attracting individuals with disabilities through improved facilities and policies.

1%

Increase in the representation of employees with disabilities across the total workforce from 2021 to 2022



Diversity, Equity & Inclusion (DEI)

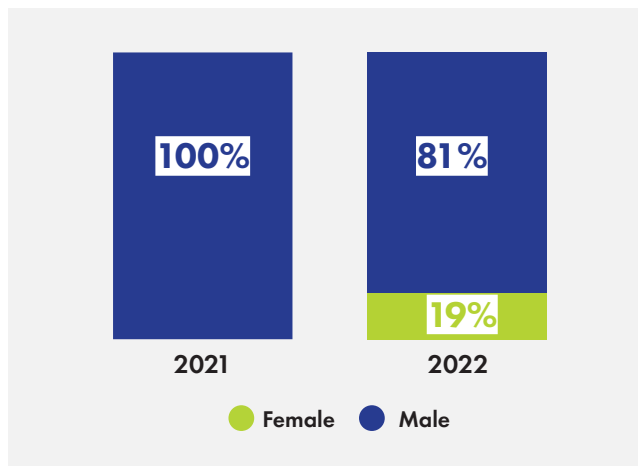
New Hires

Bariq's recent new hires show a significant shift in the demographic composition of its workforce, particularly in the gender and age distribution. In 2022, the company saw a notable increase in female representation among new hires, rising from 0% in 2021 to 19% in 2022. This indicates a positive trend towards gender diversity within the organization, reflecting a more inclusive approach to recruitment.

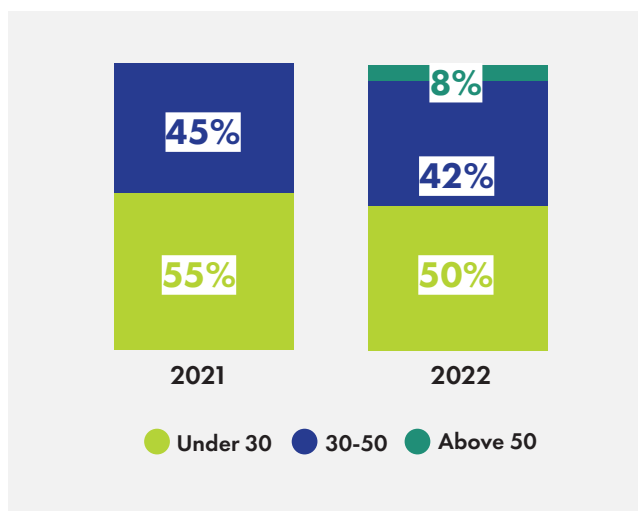
Furthermore, the age distribution of new hires also underwent a noticeable transformation. In 2022, 50% of new hires were under 30 years old, signifying a substantial increase from 2021 when this age group accounted for 55% of new hires. This suggests a deliberate effort to attract and onboard younger talent into the organization.

Overall, Bariq's new hiring trends reflect a proactive approach to diversifying its workforce, particularly in terms of gender and age. By actively recruiting more women and targeting younger talent, the company is positioning itself to benefit from a more varied skill set, experience, and perspective among its employees. This shift aligns with modern trends in workforce diversity and may ultimately contribute to a more dynamic and innovative organizational culture at Bariq.

Gender Diversity of New Hires













Age Diversity of New Hires



Bariq's Employee Engagement Activities

Throughout 2021-2022, we conducted various activities for our employees. Moving forward, for future initiatives we are also working on an employer branding program aimed at improving working conditions for all employees.

 Cycling Day	 International Women's Day	 Mother's Day
 Ramadan Game	 Ramadan Gif	 Eid Gift
 New Year Celebration	 Employee Birthday Celebration	 Internal Offers
 Annual Gathering Event		

Occupational Health & Safety

Bariq is dedicated to prioritizing the well-being and safety of our team members. We aim to create an energetic and supportive environment to ensure a dynamic and healthy work culture. Our commitment extends beyond mere compliance with international and national health and safety standards; we endeavor to surpass these benchmarks, creating a workplace where employees not only meet but exceed their expectations of safety and security.

Key Policies:

- ✓ HSE Policy - Health & Safety Policy

Key Certificates:

- ✓ ISO 14001 - Environmental Management System
- ✓ ISO 45001 - Occupational Health & Safety Management Systems

We are unwavering in our commitment to responsible operations that prioritize economic, social, and environmental well-being. Our role is pivotal in diminishing plastic waste and conserving energy resources, pivotal for a recycling company. The QHSE team's expertise is in identifying and managing risks, ensuring compliance, and driving continuous improvement, particularly in sustainability.

A clear vision for sustainability is set with leadership engagement and employee participation. We instill a strong safety culture through training and leadership, reducing accidents and bolstering employee health. Our initiatives extend to comprehensive ESG risk assessments and adherence to environmental standards, essential for our company's resilience and minimal ecological impact.

Prioritizing business ethics, we reinforce a culture of integrity. Embracing digitalization, we enhance data management for QHSE. Tackling toxic emissions, we monitor and control air quality around our facilities. We maintain a focus on occupational health and safety, with rigorous training and audits, and invest in our workforce's development to support our sustainability journey. Through these integrated actions, Bariq's QHSE department is dedicated to steering our company towards a sustainably secure future.



Ahmed Abdelhakim,
Senior Manager QHSE, Intro
Resource Recovery



Occupational Health & Safety

Bariq's Commitment to Occupational Health and Safety:

Elevating Standards and Fostering a Safety Culture






Bariq has an established Health and Safety Department consisting of highly trained professionals that have developed essential policies to ensure the best practices are implemented efficiently. Since the inception of production in 2012, Bariq has consistently adhered to our internal Health and Safety Management System (HSMS). These standards aim to ensure minimal risks, employee safety and improving workplace conditions. Notably, during the construction of new production lines in 2021/22, the application of HSMS resulted in zero reported incidents. While our current approach has proven successful, Bariq is actively engaged in enhancing the existing HSMS, developing a superior version for 2023/2024. This initiative incorporates valuable input from workers, contractors, and management, highlighting Bariq's firm commitment to surpassing health and safety benchmarks for our team.



At Bariq, we are committed to promoting the health, safety, and well-being of our team members every day throughout our organization as part of Bariq's Health and Safety Management System (HSMS) & Safety Culture. The dedication of our leadership and the active involvement of our employees are central to our safety initiatives. This team-based approach to safety plays a vital role in driving our success.

Over the past year, we have made significant improvements in strengthening our culture of safety by refining our training programs and incorporating a new method that emphasizes both human and organizational aspects of employee engagement. Our comprehensive policies and meticulous oversight ensure the adoption of a mindful and safety-focused attitude throughout our workforce. The HSMS includes detailed operating procedures that all team members can easily access. These procedures are consistently reinforced through ongoing training sessions that cover important safety areas such as the measurement, monitoring, and evaluation of occupational health and safety performance; hazard identification, risk assessment and mitigation; emergency preparedness and response; handling of accidents and compliance issues related to health and safety standards; and safety protocols for specific equipment.

The health and safety department at Bariq ensures the availability of all occupational health and safety functions. A training system has been implemented to reinforce the health and safety standards through frequent workshops. These workshops serve to reiterate work procedures and ensure the participation of all essential personnel. This system has ensured 69 health and safety training sessions, with a total of 472 attendees within the years 2021 and 2022. Our commitment extends to ongoing initiatives such as continuous emergency drills, health and safety inspections, and the provision of personal protective equipment (PPE) in accordance with the Health and Safety Management System (HSMS). This proactive approach is essential in safeguarding our team and enables Bariq to assess and address the need for additional training when required.

	Training	
	Number of Workshops:	Number of Attendees:
 First Aid	1	15
 Making safety #1 priority	4	47
 Forklift Hazards	3	10
 Workplace Hazards and PPE	57	317
 Fire Fighting	4	83

Occupational Health & Safety

Bariq HSMS & Safety Culture Assessment²

The assessment process involved a thorough review of Bariq's Health and Safety Management System (HSMS) in alignment with ISO 45001 standards, which placed the company's safety culture at a pivotal stage between reactive and dependent behaviors. This evaluation provided critical insights into the company's operational safety, identifying leadership commitment as a strong suit and signaling significant room for improvement in proactive safety measures.

As part of the assessment, strategic recommendations were made following the DROFTINGS framework to nurture a positive safety culture. The framework's focus on disciplines such as open communication, no-blame policy, and worker involvement is instrumental in driving the shift toward a more proactive and autonomous safety environment.

Incorporating these findings into organizational practices is expected to enhance overall workplace safety, reduce the frequency of accidents, and ensure that safety becomes an ingrained part of the company's ethos. The process not only highlighted current safety practices but also set forth a clear action plan to elevate Bariq's standards to meet and exceed international safety benchmarks.

We are keen on focusing on targeted improvements and continuously observe the following health and safety indicators (HSI):

Beyond compliance with local Egyptian regulations, we have attained ISO 45001:2018 certification, and our occupational health and safety system is SGS certified. Our OHS system undergoes periodic external and internal audits to ensure continuous compliance and assess system performance. Our policies extend to all employees, contractors, visitors and third-party entities.



² Assessment has been conducted as of September 2023.

Occupational Health & Safety

Hazard identification and Risk Assessment

Bariq employs a robust hazard identification and risk assessment process, meticulously outlining mitigations and controls to shape a comprehensive risk management plan. The identification process involves meticulously inspecting each production line, and discussing the range of situations that may lead to potential hazards. Hazards undergo risk assessments which classify, and rate hazards based on their frequency and effects. This process creates a hierarchy of hazards and facilitates the implementation of tailored controls and mitigations. Furthermore, Bariq has established distinct categories of controls to be applied when hazards and risks are identified.



Elimination



Engineering Controls



Substitution



Administrative Controls



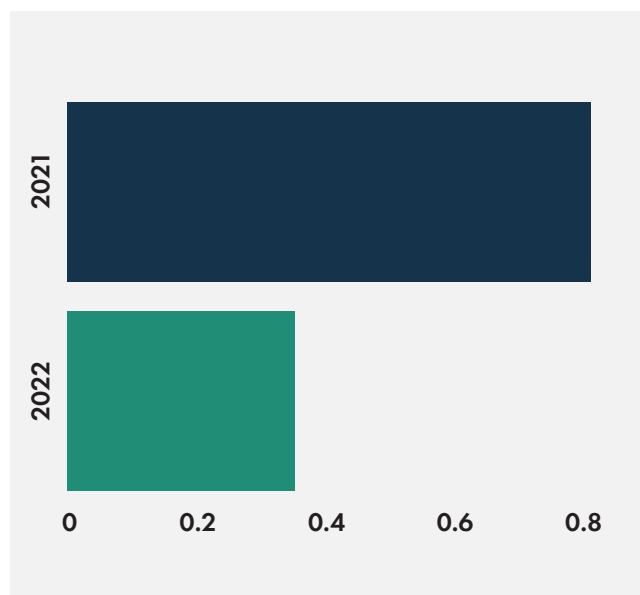
Isolation



Personal Protective Equipment

The hazard identification and risk assessment process is repeated for tasks that have gained high ratings on the risk assessment matrix. This is to observe if the set controls have been effective in reducing the risk. Moreover, all hazards are subject to reevaluation bi-annually, or in the case of any modification in the production process, the reevaluation considers near misses, reported incidents and injuries. This ensures that the risk management plan is constantly improving and updated to the latest processes. The effectiveness of the established process can be seen by the decreasing trends in the lost time injury severity rate that decreased by 56% from 2021 to 2022.

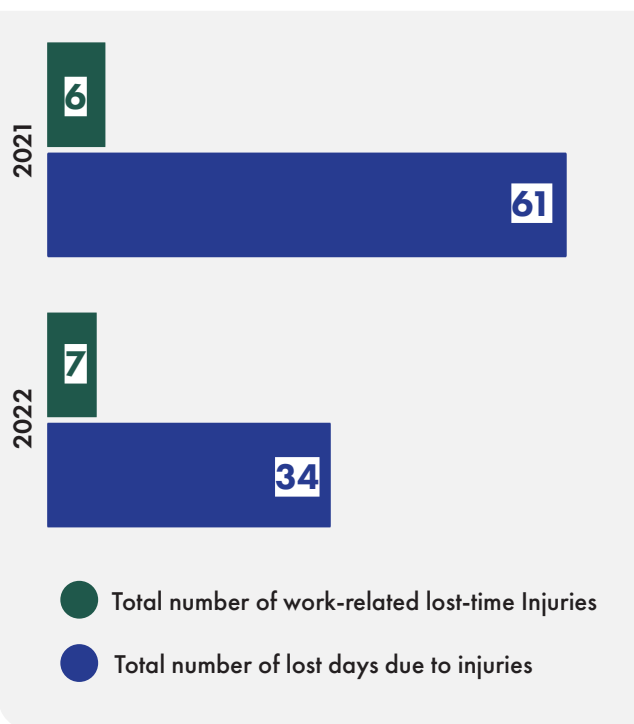
Lost-Time Injury Severity Rate (LTISR) (per 1M hrs worked)



Occupational Health & Safety

Health and Safety Initiatives and Accidents

Bariq is committed to enhancing the daily working conditions for each employee by actively seeking ways to improve. An example of this commitment is the implementation of an easily accessible hotline designed for reporting incidents. This user-friendly approach ensures that incident reporting is within reach for all employees, facilitating swift and effective action. Effective approaches such as this have significantly reduced the total number of lost days due to injuries, 44.2% from 2021 to 2022.



Furthermore, Bariq is dedicated to ensuring employee comfort in the work environment. Therefore, a policy has been established, granting workers the right to refuse tasks they perceive as too risky. This allows employees to prioritize their security and safety, backed by Bariq's support. This initiative supplements the rigorous hazard identification and risk assessment matrix utilized by Bariq, ensuring a thorough evaluation of task safety before assignment to workers.

Promoting our People's Health

At Bariq, we have implemented annual health surveillance checkups to promptly identify and manage any underlying health issues. Additionally, our dedicated team at Bariq actively engages in raising awareness about prevalent health issues in the local community. This includes initiatives like the HR campaign that was organized to promote the importance of the flu vaccine, exemplifying just one among many efforts to spread health awareness.



Customer Relationship

At Bariq, our commitment to customer excellence is at the forefront of our innovation endeavors. We place a strong emphasis on continuous improvement throughout the entire value chain, ensuring that our packaging solutions not only stand out on the shelves but also contribute to our customers' market success. By prioritizing functionality, environmentally conscious practices, and circular design, we strive to deliver enhancements that not only meet but exceed our customers' expectations, while also positively impacting the planet. Our dedication to ongoing product evolution reflects our unwavering commitment to identifying opportunities for additional investment, creating significant value across various product categories, and ultimately fostering excellence in our customer relationships and markets.

Key Policies:

- ✓ International Marketing Policy
- ✓ IMC (Integrated Marketing Communication) Policy

We are at the forefront of advocating for a sustainable future, placing environmental stewardship at the core of our business. Our commitment to sustainability extends beyond our commercial activities, such as the sale of rPET to global bottle producers, to encompass youth development and environmental awareness.

At Bariq, the Marketing Department ensures that all communication is sustainable, prioritizing digital formats and reusability. We are dedicated to spreading knowledge on the environmental impacts of our actions and believe in giving the Earth a second chance through our efforts.

We champion digital communication, limiting print materials and ensuring that any physical marketing assets are recycled or reusable. Our support of the Bariq Sustainability Academy underlines our dedication to integrating sustainability into all facets of our brand.

Our strategic priorities integrate risk and crisis management, cybersecurity, and digitalization to enhance our marketing effectiveness. We also focus on supply chain resilience, material efficiency, and cutting-edge recycling technologies, always with an eye toward designing products that are efficient in use and recyclable by design. These elements are critical to our approach to marketing, reflecting our deep commitment to sustainability.



Nour El Gammal,
Marketing Manager, Bariq



Customer Relationship

Bariq's Vision, Customer Excellence, and Sustainable Solutions

Bariq envisions becoming a global leader and the primary supplier in the Middle East and Africa, with a unique focus on being the first comprehensive rPET solution provider. From collection to the final product, they aim to cover the entire process.

Customer excellence at Bariq is realized through transparent communication and collaboration. Prioritizing open engagement with customers and partners, we actively seek feedback for continuous improvement, ensuring adaptability to market dynamics. Collaboration is integral to our innovation strategy, facilitating the co-creation of solutions by understanding emerging needs. Sustainability is ingrained in our operations, reflecting shared environmental values.

Established to contribute to regional recycling, Bariq successfully transforms plastic waste into high-quality food-grade r-PET pellets. This initiative aims to create shared value and close the recycling loop on a regional and global scale. By upcycling plastic waste, Bariq assists partner companies in achieving reduction targets and incorporating recycled content into their food packaging materials, aligning with sustainability goals.



Customer Satisfaction Survey

To better understand and meet our customers' needs, we conduct a customer satisfaction survey which allows us to identify and address challenges, leading to improved service delivery. The survey results indicated an upward trend in customer ratings during 2022, reflecting Bariq's continuous efforts to meet and exceed customer expectations.



CASE STUDY

HSBC's sustainable trade financing instruments are helping Egypt's Bariq expand its bottle-to-bottle recycling business

HSBC is providing sustainable trade financing instruments to support the expansion of Bariq.

Bariq plans to establish a new plant in 2023 to further increase its recycling capacity. To support Bariq's expansion, HSBC is providing domestic trade loans, import documentary credit, and clean import loans. These funds help finance the purchase of plastic bottles, the raw materials for Bariq's recycling operations, as well as the associated direct costs. HSBC's trade financing instruments are part of their Sustainable Trade Instrument Proposition (STIP), which aims to connect global trade expertise with sustainable finance goals. Customers qualify for STIP products by engaging in sustainable economic activities that have clear environmental or social benefits.

Community Engagement

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE



12

RESPONSIBLE CONSUMPTION AND PRODUCTION



Bariq's commitment to corporate social responsibility is deeply integrated with our business objectives, aligning closely with the vision and mission dedicated to supporting the SDGs, specifically focusing on SDG 9 (Industry, Innovation, and Infrastructure) and SDG 12 (Responsible Consumption and Production). At the core of our corporate social responsibility efforts is a robust dedication to promoting sustainability through community engagement. We aim to set a precedent for other corporations by actively participating in environmental improvements and fostering awareness.

Our community engagements revolve around three key principles: spreading awareness, creating volunteering opportunities, and cultivating strong community partnerships. Our focus extends beyond mere awareness to actively encouraging community involvement in sustainable initiatives. By doing so, we aspire not only to meet our business goals but also to spark positive change in local communities and businesses. Through these approaches, Bariq strives to create a culture of environmental consciousness within and beyond its organizational boundaries.

Spreading Awareness

Bariq is committed to fostering internal awareness of crucial environmental issues among its employees, empowering them to instigate positive change in their daily lives and share this knowledge with their families. Awareness sessions are developed in both English and Arabic to educate the Bariq community. We initiated internal awareness trainings in 2020, and by 2021, we successfully achieved full coverage of all our employees. In 2022, awareness sessions were tailored exclusively for new hires and those who had missed the sessions in the previous year, resulting in a noticeable decline in numbers compared to previous years.

Awareness is further disseminated through active initiatives such as the E3raf wa Eksab competition of 2021 and the photography competition of 2022. While the 2021 competition extended throughout the year, the 2022 competition spanned only one month. The 2021 competition boasted an impressive participation rate of over 50%, showcasing the depth of engagement within the company. Bariq is dedicated to ensuring that our community remains well-informed about sustainability matters through various initiatives, including these awareness campaigns and other impactful activities.



Awareness Sessions

2021 - 107 Attendees

2022 - 31 Attendees



Competitions

2021 - 50% of Employees

2022 - 18 Participants



Community Engagement

Volunteering

Bariq is committed to consistently offering and contributing to opportunities to support and nurture our local communities. That is why we regularly take part and organize volunteering events for ourselves and with industry partners. These events display the active interest we take in participating in positive community engagements through collaborations. We aim to increase the number of these opportunities, to create a larger impact and further inspire positive change through direct immediate action.



Beach Cleanups

In 2021, Bariq employees participated in 2 beach cleanup events with **Banlastic** in Alexandria, one of which became the Guinness World Record for the longest (distance) beach-clean up in the world, after which, the waste was sent for recycling at Bariq’s facility.

These initiatives persisted into 2022, with Bariq and Environ employees actively engaging in a private beach cleanup event organized by **Banlastic**. All waste gathered during the cleanup is subsequently recycled at Bariq’s and its sister company, Environ’s, facilities. These occasions not only served as enjoyable team bonding experiences but also set a positive example and raised awareness for the local beach community.

28	Bariq Volunteers
36	Bariq and Environ Volunteers



Wadi Degla Protectorate Cleanups

Bariq organized a cleanup initiative at the Wadi Degla Protectorate for Etisalat Egypt in 2022, fostering a sense of community during a cheerful day dedicated to taking a pro-active role in improving the local environment.

We went further and hosted a “Bring your Kids” to the Wadi Degla Protectorate clean up event for our employees, to inspire the younger generation to take part in looking after the local environment. Where all the waste from the cleanup events is taken for recycling at Bariq’s facility.

10	Etisalat Volunteers
53	Bariq Volunteers including their kids



Community Engagement

Planting for Impact with BARQ Systems

In our ongoing commitment to community engagement, we partnered with **BARQ Systems** and Shagrha for a collaborative initiative to promote environmental consciousness among Barq employees. To celebrate World Environment Day, the volunteers actively participated in planting 100 trees in a public garden in New Cairo. This impactful initiative by BARQ Systems' employees is expected to save around 2 tons of CO₂ annually once the trees mature. The event beautified the community and supported local ecology by planting fruitful trees in public areas.



Partnerships

In addition to establishing community engagement opportunities, Bariq actively seeks involvement in existing community initiatives. We regularly initiate conversations with stakeholders from NGOs, social enterprises, and universities to explore potential areas of collaboration. This proactive outreach ensures that Bariq remains accessible and actively participates in a diverse array of events, forging partnerships with corporations, educational institutions, and government entities alike.

CASE STUDY

Youth Empowerment in Action: Bariq's Global Sustainability Impact

An example of university and corporate partnership, Bariq consistently engages with the younger demographic, primarily through the established Bariq Sustainability Academy. However, our commitment extends beyond this framework. In 2021, Bariq was honored to participate in a student competition at Zewail University, where we had the privilege of being on the judges panel and selecting the winning team. Demonstrating an active engagement in ongoing local events



Moreover, Bariq played an active role in the Climate Change Conference of Youth 17 (COY17) and the Local Climate Change Conference of Youth (LCOY) in 2022, hosted in Sharm el Sheikh. Our involvement included hosting a series of sessions addressing crucial sustainability topics, aimed at enhancing youth awareness on these pressing issues. Through these initiatives, Bariq remains dedicated to help the younger generation become well informed and environmentally conscious.



Bariq extends its commitment to global sustainability by actively participating in prominent events such as the Conference of the Parties (COP) 26 in Glasgow and COP27 in Egypt. At these conferences, Bariq not only attended panel discussions addressing pivotal sustainability issues but also showcased its expertise with visitors and fellow pioneers in sustainable business, contributing to the collective dialogue on sustainable practices and environmental responsibility.

Recycling Education

Bariq Sustainability Academy (BSA)



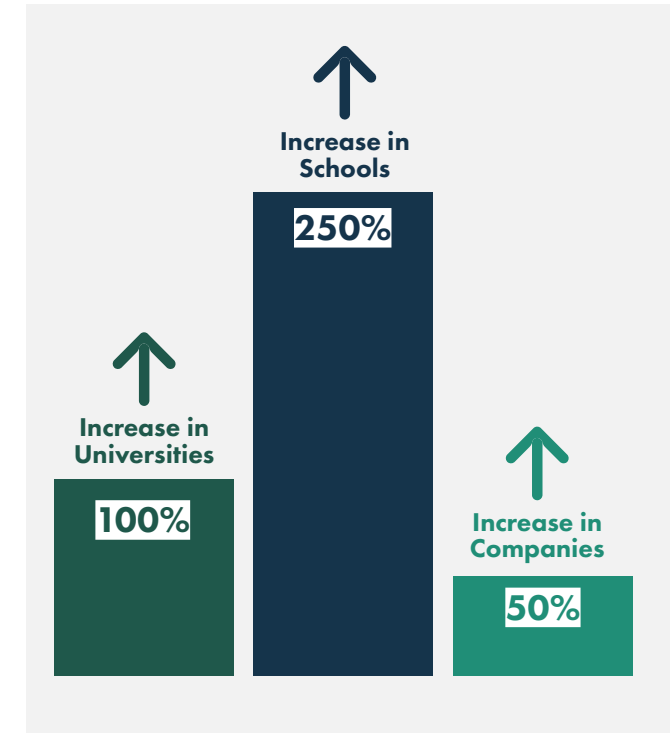
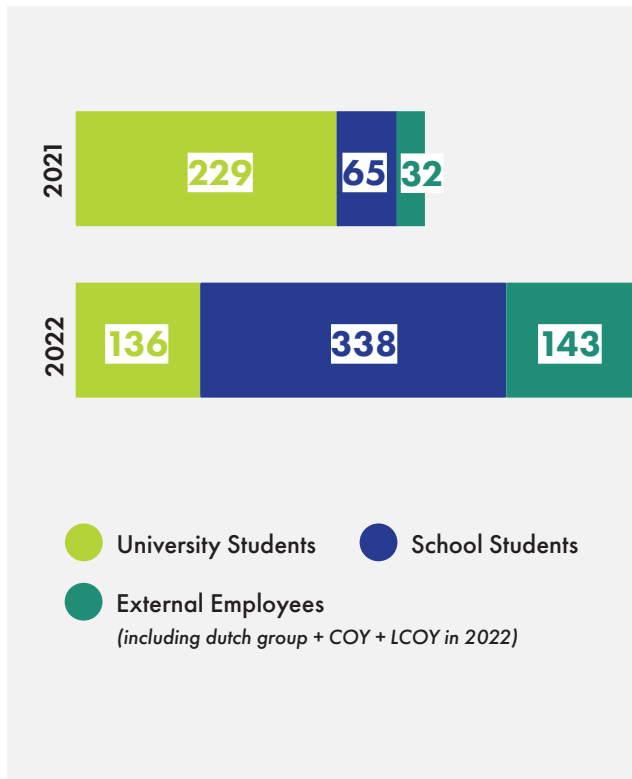
At Bariq, we consider our expertise in sustainability, circular economy, and hands on experience to be our main asset. We are dedicated to sharing this expertise with our communities, viewing it as both a commitment and a responsibility. The inauguration of the Bariq Sustainability Academy (BSA) in 2020 exemplifies this dedication, as it signifies our commitment to raising awareness through tailored programs designed for schools, universities, and corporations respectfully.

These programs are constructed on the foundation of the Value Sharing Model, integrating CSR activities with market experiences. Through the establishment of these educational initiatives, Bariq actively contributes to inclusive value creation and works towards fulfilling the United Nations SDGs, specifically 9, 12, 13, 14, 15 and 17. The goal of the academy is to realize part of Bariq's vision and mission, to actively promote awareness at both regional and global levels.



BSA's Journey: Spreading Awareness and Education on Sustainability and Circular Economy

Establishing the BSA in 2020, started with the vision to spread awareness and education. The BSA has managed to attract 326 participants in 2021 and 617 participants in 2022. This increasingly positive trend in participation displays the success the BSA has had on enacting Bariq's vision and mission to spread awareness on sustainability issues and the circular economy.



Examples of Participants of the BSA



Recycling Education

Companies

Bariq aims to serve companies in many ways designed to aid them in improving their corporate sustainability. These services include events such as the organization of volunteering opportunities and awareness sessions such as sustainability day. Direct impact is also enacted through the provision of sorting bins/ waste collection and educational programs.



CASE STUDY

Contribution and Awareness Program



The contribution and awareness program (CAP) is one of the main programs aimed towards external companies. This program aims to increase individuals' awareness on sustainable development and climate change within companies, both offline and online. The topics covered by the program are as follows:

- Sustainability pillars and Triple Bottom Line
- Sustainable Development Goals (SDG)
- Global Warming & Climate Change
- Climate Change impact on Egypt
- Carbon Emissions & Carbon Footprint
- Carbon Footprint of service providers
- Ocean plastics and impact on Mediterranean
- Circular Economy and Waste Management
- Sustainable Procurement
- Service providers best practices in environmental sustainability.

Participants of the program take part in workshops where there are engaging activities such as giveaways, factory tours and technical sessions. To affirm the knowledge gained they receive (English & Arabic), Pre/Post evaluation reports as well as CPD certificates. In aid of the SDG, taking part in the program leads to a certificate for recycling contribution in the name of the company, as bottles are recycled on behalf of the company, aiding in the achievement of their CSR goals.



Recycling Education

Schools

Bariq is dedicated to making sustainability education accessible to youth to be able to inspire future leaders in sustainability. Therefore, the BSA offers a wide range of services towards schools, which allow children to directly see the impact. The BSA has tailor made a school version of the contribution and awareness program, alongside other services such as:

Free Factory Visits



Facility tours and technical sessions with an overview of the products. The main aim is to provide an insightful overview into the recycling process, in a safe and unique experience.

Sustainability Events



Awareness sessions on sustainability designed with games, activities and competition that engage kids in understanding their footprint

Volunteering Events



Planting and beach cleanup events are held to encourage children to look to their surroundings and see how they can help. Developing active citizenship

CASE STUDY

Contribution and Awareness Program for Schools and Universities



The contribution and awareness program (CAP), aims to develop the student's awareness on how to consider sustainability in their daily life and climate action. The full program includes an environmental awareness session followed by a factory tour with an included technical session. To be able to engage the students' giveaways and a Trash Art Workshop is conducted for a hands-on learning experience.

Universities

Bariq continues to enhance sustainability education within university students free of charge in an effort to engage the working youth in sustainable industries. Other than providing awareness sessions, field trips and competitions, a more practical experience is provided for university students. Bariq provides a graduation projects program and internship program, to allow for a more interactive and engaging process to involve the youth in a circular economy.



ESG ANNEXES

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Abbreviations and Acronyms

CCNA	Cisco Certified Network Associate
CCNP	Cisco Certified Network Professional
CDP	Carbon Disclosure Project
CFA	Chartered Financial Analyst
CMA	Certified Management Accountant
ESG	Environmental, Social, and Governance
FRA	Financial Regulatory Authority
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HSE	Health, Safety, and Environment
IFRS	International Finance Reporting Standards
ISO	International Standardization Organization
IT	Information Technology
kWh	Kilowatt-hour
LTIFR	Lost-time Injury Frequency Rate
LTISR	Lost-time Injury Severity Rate

MWh	Megawatt-hour
PHR	Professional in Human Resources
PMP	Project Management Professional
R&D	Research and Development
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goal
TCFD	Task-Force on Climate-Related Financial Disclosures
tCO₂e	Tons of Carbon Dioxide Equivalent
UNGC	United Nations Global Compact

Limited Assurance Statement

Introduction and Objectives of the Engagement

Masader Environmental & Energy Services S.A.E (the 'Assurance Provider') has been engaged by Bariq for Techno and Advanced Industries (the 'Reporting Organization') to provide Moderate Assurance Type 1 (the 'Assurance') regarding adherence to the AA1000AS v3 (2020) over the Bariq's 2021-2022 Sustainability Report (the 'Report').

Scope, Subject Matter and Limitations

The subject matter of the Report is the Reporting Organization ESG performance data and information for the year ended 31 December 2022. The scope of assurance is limited to a review of the Selected Information listed below:

- Bariq's ESG Management
- Stakeholder Engagement
- Materiality Assessment

The assurance process was subject to the following limitations and exclusions.

- Verifying the data or information provided by Bariq stated in the Introduction section, Bariq's CEO Letter.
- Appropriateness of definitions and any internal reporting criteria adopted by Bariq for its disclosures.
- Appropriateness of any new commitments and objectives established and communicated by Bariq.
- Content of external websites or documents linked from the Report and Bariq.

We have not been engaged to:

- Verify any statement indicating the intention, opinion, belief and/or aspiration of Bariq.
- Determining which, if any, recommendations should be implemented.

Intended Users

The intended users of this assurance engagement are the Reporting Organization and its stakeholders, including but not limited to customers, employees, investors, government, and regulators.

Reporting Criteria

The selected information has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, and the Sustainability Accounting Standards Board (SASB) Standards, in addition to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, and the UN Global Compact (UNGC) Principles.

Responsibilities of the Reporting Organization

The provision of the Selected Information in the Report is the sole responsibility of the Management of Bariq. The Reporting Organization is responsible for preparing the Report in line with the reporting criteria and in accordance with the GRI 2021 Universal Standards and for calculating the selected KPIs in accordance with Bariq's "Basis of Reporting".

Responsibilities of the Assurance Provider

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. Our responsibilities were to:

- Provide Moderate Level (Type 1) assurance as per AA1000AS v3 over the accuracy, reliability and objectivity of the information contained within the Report;
- Form an independent conclusion based on the procedures performed and evidence obtained.

Methodology

To form our conclusion, we undertook the following procedures:

- Interviewed management and other persons responsible for the Reporting Organization's ESG performance to assess the application of the GRI 2021 Universal Standards in the preparation of the Report;
- Analyzed and assessed the key structures, processes, procedures and controls relating to the preparation of the Report;
- Evaluated whether the management approach for the material topics presented in the Report is consistent with the overall sustainability management and performance at Bariq;
- Assessed the completeness and accuracy of the GRI, SASB, TCFD, and UNGC content indexes concerning the disclosures and their omissions;
- Interviewed management and data owners regarding the process of identification, data collection, consolidation and reporting for the selected KPIs;

Limited Assurance Statement

- Reviewed the selected KPIs to Bariq’s internal calculations and supporting documentation;
- Compared the content of the Report against the findings of the outlined procedures.

Statement of Independence and Impartiality

The Assurance Provider and the Reporting Organization are not engaged in relationships that would be perceived to affect its ability to provide an independent and impartial statement.

Statement of Competence

Masader Environmental & Energy Services S.A.E is an AA1000AS v3- Licensed Assurance Provider as per the license agreement (ID: 000-882) with Accountability AA1000 CIC. The assurance team has extensive experience in the assurance of ESG data, systems, and procedures.

Recommendations

Based on the conducted assurance engagement, it is recommended that the Reporting Organization can implement the following measures to enhance future reporting:

- Ensure clear alignment between reported metrics and the long-term ESG goals and targets, including progress made during the reporting period;
- Ensure consistent and complete disclosure of stakeholder engagements conducted for the purpose of the report prepared in case such actions have been undertaken.

Conclusion

Our conclusion has been formed based on and is subject to the matters outlined in this Report. We believe our evidence is sufficient and appropriate to provide a basis for our conclusions. The conclusion on applying the AA1000 Assurance Principles (2018) is presented below.

Inclusivity	The Reporting Organization has provided evidence of the inclusivity regarding its stakeholder relations, including understanding and representation of stakeholder interests in the Report.
Materiality	The Reporting Organization has described its material topics and the materiality assessment process. Based on the conducted engagement, we believe the material topics accurately reflect the Reporting Organization’s ESG impacts and disclosures. The disclosures presented in the Report have been organized to present performance on each material topic. The Report would benefit from a more straightforward representation of the connection between the Reporting Organization’s targets and reported disclosures.
Responsiveness	The obtained evidence has been sufficient to conclude that the Reporting Organization is responsive to the issues raised by its stakeholder groups by collecting regular feedback via tailored communication channels and appropriate procedures to handle grievances, feedback, and other types of stakeholder inputs.

Impact	The Reporting Organization has provided evidence of the applied procedures and systems to monitor and measure its impacts on the environment and actions to ensure accountability for those impacts.
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Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the Selected Information of the Report of Bariq for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the standards, frameworks, and principles indicated in the ‘Reporting Criteria’ section above.

In accordance with the terms of our engagement, this independent assurance statement on the Selected Information has been prepared for Bariq concerning reporting to the Reporting Organization’s stakeholders and for no other purpose or in any other context.

For and on behalf of Masader Environmental and Energy Services S.A.E

Dr. Abdelhamid Beshara,

Founder and Chief Executive Officer

Masader, Environmental & Energy Services (S.A.E)

Cairo, December 28, 2023




AA1000 Licensed Assurance Provider 000-882

ESG Indicators

Environmental

Production and Environmental Performance Indicators				
		Unit	2021	2022
Raw Materials and Production	Raw Materials	No. of PET Bottles	1,093,400,000	1,296,600,000
	Flakes	tons	16,864	17,470
	RPET	tons	14,112	14,919
	RPO	tons	755	1,265
Energy Consumption	Natural gas	m ³	30,000	449,710
	Diesel	Liters	324,333	36,000
	Purchased electricity	kWh	14,805,050	15,371,490
	Diesel by owned vehicles	Liters	2,400	2,400
	Total Energy Consumption	MWh	18,395	20,437

Production and Environmental Performance Indicators				
		Unit	2021	2022
Water	Municipal Water Intake	m ³	64,822	55,596
	Wastewater Discharged	m ³	25,929	22,238
	Wastewater Treated	m ³	38,893	33,358
	Water Intensity per Ton of Product	m ³ /ton	2.04	1.65
Waste		Total (tons)	12,590	9,835
	Non-hazardous	% Landfilled	12%	17%
		% Diverted from landfill	88%	83%
		Total (kg)	1,570	2,420
	Hazardous	% Landfilled	100%	100%
		% Diverted from landfill	-	-

³ Total energy consumption including all energy sources presented above. Fuel to energy conversion factors have been used to calculate the energy content of the fuel sources (diesel and natural gas).

ESG Indicators

Social

Employee Demographics			
	Headcount	FY 2021	FY 2022
Employees	Total	206	219
	Full-time	205	218
	Part-time	1	1
Breakdown by Gender	Male	200	209
	Female	6	10
Breakdown by Age	Age under 30	51	55
	Age 30-50	154	160
	Age above 50	1	4
Breakdown by Category	Entry Level⁴	179	188
	% Male	99%	97%
	% Female	1%	3%
	Middle Management	18	21
	% Male	83%	81%
	% Female	3%	19%
	Senior Management	5	5
	% Male	100%	100%
	% Female	-	-
	C-Level	5	4
	% Male	75%	80%
	% Female	1%	20%
	With Disability	Total	6

⁴ Includes technicians and professionals.

New Hires			
	Headcount	FY 2021	FY 2022
New Hires	Total	20	26
Breakdown by Gender	Male	20	21
	Female	0	5
Breakdown by Age	Age under 30	11	13
	Age 30-50	9	11
	Age above 50	0	2
With Disability	Total	6	9
Employee Turnover			
	Headcount	FY 2021	FY 2022
Employee Turnover	Total	14	19
	Voluntary Turnover	9	12
	Turnover for Cause	5	7
Breakdown by Gender	Male	14	17
	Female	0	2
Breakdown by Age	Age under 30	9	8
	Age 30-50	5	11
	Age above 50	0	0
With Disability	Total	9	12

ESG Indicators

Parental Leave	FY 2021		FY 2022	
	Male	Female	Male	Female
Employees entitled to a parental leave	All Bariq employees are entitled to a parental leave as per the national labor law			
Employees who took a parental leave during reporting period	0	0	0	0
Employees who returned to work after parental leave ended	0	0	0	0

Employee Training Hours	FY 2021		FY 2022		
	Total No. of Hours	Average Hours per Employee	Total No. of Hours	Average Hours per Employee	
Total (All Employees)	5,393	37.7	3,831	25.9	
Breakdown by Gender	Male	4,822	46.8	3,559	25.1
	Female	571	114.2	272	45.3
Breakdown by Age	Under 30	818	34.1	1,433	44.8
	30-50	4,557	56.3	2,384	21.3
	Above 50	18	6.0	14	3.5
Breakdown by Category	Entry Level	1,943	18.0	2,375	19.2
	Middle Management	1,797	78.1	1,215	55.2
	Senior Management	1,653	137.8	241	120.5

Employees Receiving Performance and Career Development Reviews			
% from total employees		FY 2021	FY 2022
Breakdown by Gender	Male	100%	100%
	Female	100%	100%
Breakdown by Category	Entry Level	100%	100%
	Middle Management	100%	100%
	Senior Management	100%	100%

Occupational Health and Safety			
Disclosure	Unit	FY 2021	FY 2022
Work-related lost time injuries	Number	7	6
Fatalities	Number	0	0
Lost days due to Injury	Number	61	34
Man worked hours	Number	70,451,928	89,196,752
Lost-time injury frequency rate (LTIFR)	Injuries per 1M hours worked	0.1	0.1
Lost-time injury severity rate (LTISR)	Days lost per 1M hours worked	0.87	0.38

ESG Indicators

Community Engagement				
			FY 2021	FY 2022
Bariq Sustainability Academy	Schools	Partnerships	2	7
		Participants	65	348
	Universities	Partnerships	3	6
		Participants	177	135
	Companies	Partnerships	2	3
		Participants	32	44

Governance

Corporate Governance				
		Disclosure	FY 2021	FY 2022
Board Composition	Total number of board members		4	4
	Number of female board members		0	0
	Number of male board members		4	4
	Number of independent board members		0	0
Board Activities	Number of board meetings		4	4
	Board meeting attendance rate		100%	100%
Board Tenure	Number of board members with 10+ years of tenure		4	4
	Number of board members with 3 to 5 years of tenure		0	0
	Number of board members with 0 to 2 years of tenure		0	0

Corporate Governance				
		Disclosure	FY 2021	FY 2022
Corporate Governance Policy Awareness and Implementation	Employee attendance rate at trainings related to anti-corruption, compliance, and code of conduct (% of total employees)		100%	100%
	Number of breaches to human rights and code of ethics		0	0
Ethics and Compliance	Number of complaints received related to corruption, bribery, discrimination, harassment, and conflicts of interest		0	0
	Resolution rate of complaints received		N/A	N/A

ESG Indicators

Economic

Business Performance Indicators		
	FY 2021	FY 2022
Total volume (in ktons) Sales	Pellets: Tons 14,633 MT Flakes: Tons 724 MT	Pellets: Tons 13,974 MT Flakes: Tons 1,803 MT
Total production (in ktons)	Pellets: Tons 14,109 MT	Pellets: Tons 14,921 MT
Total revenue (in EGP/USD million)	EGP 414.22 Mn USD 26.29 Mn	EGP 674.61 Mn USD 35.61 Mn
EBITDA (in EGP/USD million)	EGP 99.63Mn USD 6.26 Mn	EGP 227.74 Mn USD 12.02 Mn
Net Income (Controlling Interest) (in EGP/USD million)	EGP 53.92Mn USD 3.42 Mn	EGP 88.64 Mn USD 4.68 Mn
CAPEX (in EGP/USD million)	EGP 91.25Mn USD 5.79 Mn	EGP 302.39 Mn USD 15.96 Mn
Non-Audit Fees (in EGP/USD million)	EGP 1.11 Mn USD 70.93K	EGP 2.34 Mn USD 123.7 K
Total sales volume (in million tons*)	Pellets: Tons 14,633 MT Flakes: Tons 724 MT	Pellets: Tons 13,974 MT Flakes: Tons 1,803 MT
Core EBITDA (in EGP/USD million)	EGP 98.63 Mn USD 6.26 Mn	EGP 227.74 Mn USD 12.02 Mn
EBITDA Margin	24%	34%
Return on Capital Employed (ROCE)	17%	46%
Core Net Profit after Tax and NCI (in EGP/USD million)	EGP 53.92 Mn USD 3.42 Mn	EGP 88.64 Mn USD 4.68 Mn
Operating Cash Flow (in EGP/USD million)	EGP 274.46 Mn USD 17.42 Mn	EGP 204.39 Mn USD 10.78 Mn

Business Performance Indicators		
	FY 2021	FY 2022
Core Earnings per Share (in THB)	EGP 8.30 USD 0.53	EGP 13.64 USD 0.72
Total delivered products to consumers and end markets (in million tons)	Pellets: Tons 14,633 MT Flakes: Tons 724 MT	Pellets: Tons 13,974 MT Flakes: Tons 1,803 MT
Taxes		
Income before taxes (in EGP/USD million)	EGP 71.08 Mn USD 4.51 Mn	EGP 116.73 Mn USD 6.16 Mn
Total income tax (in EGP/USD million)	EGP 17.75 Mn USD 1.13 Mn	EGP 27.7 Mn USD 1.46 Mn
Effective tax rate	22.5%	22.5%

GRI content index

Statement of use	Bariq for Techno and Advanced Industries has reported in accordance with the GRI Standards for the period from January 1 st , 2021, to December 31 st , 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	None

GRI Standard	Disclosure	Direct Response / Section in this Report (pg. #)	Omissions			SDG Mapping
			Requirement Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021						
The organization and its reporting practices						
	2-1 Organizational details	About this Report (p. 2)				
	2-2 Entities included in the organization's sustainability reporting	About this Report (p. 2)				
	2-3 Reporting period, frequency and contact point	About this Report (p. 2)				
	2-4 Restatement of information	None, as this is Bariq's first sustainability report.				
	2-5 External assurance	Limited Assurance Statement (p. 78)				
Activities and workers						
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	About Us (p. 9-11) Supply Chain Management (p. 33)				
	2-7 Employees	ESG Indicators (p. 81)				8.5, 10.3
	2-8 Workers who are not employees		a, b, c	Information not available or incomplete.	Bariq is working on developing a company wide ESG data management system to allow for disclosing this requirement in upcoming reports.	8.5
Governance						
	2-9 Governance structure and composition	Ethical Business Practices (p. 27-28)				
	2-10 Nomination and selection of the highest governance body	Ethical Business Practices (p. 27-28)				

GRI content index

GRI Standard	Disclosure	Direct Response / Section in this Report (pg. #)	Omissions			SDG Mapping	
			Requirement Omitted	Reason	Explanation		
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	Ethical Business Practices (p. 27)					
	2-12 Role of the highest governance body in overseeing the management of impacts	Ethical Business Practices (p. 27-28)					
	2-13 Delegation of responsibility for managing impacts	Ethical Business Practices (p. 27-28)					
	2-14 Role of the highest governance body in sustainability reporting	Ethical Business Practices (p. 27-28)					
	2-15 Conflicts of interest	Ethical Business Practices (p. 27-28)					
	2-16 Communication of critical concerns	Ethical Business Practices (p. 28)					
	2-17 Collective knowledge of the highest governance body	Ethical Business Practices (p. 27-28)					
	2-18 Evaluation of the performance of the highest governance body	Ethical Business Practices (p. 27-28)					
	2-19 Remuneration policies		Confidentiality constraints.	a, b	Bariq deems this information as confidential.		
	2-20 Process to determine remuneration		Confidentiality constraints.	a, b	Bariq deems this information as confidential.	16.7	
	2-21 Annual total compensation ratio		Confidentiality constraints.	a, b, c	Bariq deems this information as confidential.		
	Strategy, Policy, and Practices						
	2-22 Statement on sustainable development strategy		Message from the Managing Director (p. 5)				
	2-23 Policy commitments		Sustainable Value Creation (p. 18-20)				16.3
	2-24 Embedding policy commitments		Sustainable Value Creation (p. 18-20)				
2-25 Processes to remediate negative impacts		Sustainable Value Creation (p. 18-20)					

GRI content index

GRI Standard	Disclosure	Direct Response / Section in this Report (pg. #)	Omissions			SDG Mapping
			Requirement Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	Ethical Business Practices (p. 28)				16.3
	2-27 Compliance with laws and regulations	Bariq Certifications (p. 7)				
	2-28 Membership associations	Bariq Certifications (p. 7) About Us (p. 9)				
	Stakeholder Engagement					
	2-29 Approach to stakeholder engagement	Our Stakeholders (p. 16)				
	2-30 Collective bargaining agreements		a, b	Not applicable.	Bariq is not a party to any collective bargaining agreements.	8.8
GRI 3: Material Topics 2021						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment (p. 21-23)				
	3-2 List of material topics	Materiality Assessment (p. 22)				
Digital Transformation and Cybersecurity						
GRI 3: Material Topics 2021	3-3 Management of material topic	Digital Transformation and Cybersecurity (p. 30-31)				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No complaints have been reported during the reporting period.				16.3, 16.10
Ethical Business Practices						
GRI 3: Material Topics 2021	3-3 Management of material topic	Ethical Business Practices (p. 26-28)				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Accountability (p. 25)				16.5
	205-2 Communication and training about anti-corruption policies and procedures	Ethical Business Practices (p. 28)				16.5

GRI content index

GRI Standard	Disclosure	Direct Response / Section in this Report (pg. #)	Omissions			SDG Mapping
			Requirement Omitted	Reason	Explanation	
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	There have been no instances of fraudulent activities, financial losses, or pending legal actions related to anti-competitive behavior, anti-trust, and monopoly actions during this period.				16.5
Crisis and Risk Management						
GRI 3: Material Topics 2021	3-3 Management of material topic	Crisis and Risk Management (p. 29)				
Supply Chain Management						
GRI 3: Material Topics 2021	3-3 Management of material topic	Supply Chain Management (p. 33-37)				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain Management (p. 36)				8.3
Supplier Environmental and Social Due Diligence						
GRI 3: Material Topics 2021	3-3 Management of material topic	Supplier Environmental and Social Due Diligence (p. 38-39)				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supplier Environmental and Social Due Diligence (p. 38-39)				
	308-2 Negative environmental impacts in the supply chain and actions taken	Supplier Environmental and Social Due Diligence (p. 38-39)				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Supplier Environmental and Social Due Diligence (p. 38-39)				5.2, 8.7, 16.2
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supplier Environmental and Social Due Diligence (p. 38-39)				5.2, 8.7
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supplier Environmental and Social Due Diligence (p. 38-39)				5.2, 8.8, 16.1
	414-2 Negative social impacts in the supply chain and actions taken	Supplier Environmental and Social Due Diligence (p. 38-39)				5.2, 8.8, 16.1

GRI content index

GRI Standard	Disclosure	Direct Response / Section in this Report (pg. #)	Omissions			SDG Mapping
			Requirement Omitted	Reason	Explanation	
Green and Sustainable Logistics						
GRI 3: Material Topics 2021	3-3 Management of material topic	Green and Sustainable Logistics (p. 40)				
Carbon Emissions and Energy Efficiency						
GRI 3: Material Topics 2021	3-3 Management of material topic	Carbon Emissions and Energy Efficiency (p. 50-52)				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Carbon Emissions and Energy Efficiency (p. 52) ESG Indicators (p. 80)				7.2, 7.3, 8.4, 12.2, 13.1
	302-2 Energy consumption outside of the organization		a, b, c	Information not available or incomplete.	Bariq is working on developing a company wide ESG data management system to allow for disclosing this requirement in upcoming reports.	7.2, 7.3, 8.4, 12.2, 13.1
	302-3 Energy intensity	ESG Indicators (p. 80)				7.3, 8.4, 12.2, 13.1
	302-4 Reduction of energy consumption	Carbon Emissions and Energy Efficiency (p. 50-52)				7.3, 8.4, 12.2, 13.1
	302-5 Reductions in energy requirements of products and services	Carbon Emissions and Energy Efficiency (p. 50-52)				7.3, 8.4, 12.2, 13.1
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions					3.9, 12.4, 13.1, 14.3, 15.2
	305-2 Energy indirect (Scope 2) GHG emissions			Information not available or incomplete.	Bariq is working on developing a company wide ESG data management system, and is working on completing an organizational GHG emissions assessment in the upcoming year.	3.9, 12.4, 13.1, 14.3, 15.2
	305-3 Other indirect (Scope 3) GHG emissions			Information not available or incomplete.	Bariq is working on developing a company wide ESG data management system, and is working on completing an organizational GHG emissions assessment in the upcoming year.	3.9, 12.4, 13.1, 14.3, 15.2
	305-4 GHG emissions intensity					13.1, 14.3, 15.2
	305-5 Reduction of GHG emissions					13.1, 14.3, 15.2

GRI content index

GRI Standard	Disclosure	Direct Response / Section in this Report (pg. #)	Omissions			SDG Mapping
			Requirement Omitted	Reason	Explanation	
Circularity and Zero Waste						
GRI 3: Material Topics 2021	3-3 Management of material topic	Circularity and Zero Waste (p. 47-49)				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Circularity and Zero Waste (p. 47)				8.4, 12.2
	301-2 Recycled input materials used	Circularity and Zero Waste (p. 47)				8.4, 12.2, 12.5
	301-3 Reclaimed products and their packaging materials	Circularity and Zero Waste (p. 47)				8.4, 12.2, 12.5
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Circularity and Zero Waste (p. 48-49)				3.9, 6.3, 6.6, 11.6, 12.4, 12.5
	306-2 Management of significant waste-related impacts	Circularity and Zero Waste (p. 48-49)				3.9, 6.3, 8.4, 11.6, 12.4, 12.5
	306-3 Waste generated	Circularity and Zero Waste (p. 48-49) ESG Indicators (p. 80)				3.9, 6.6, 11.6, 12.5, 12.4, 15.1
	306-4 Waste diverted from disposal	Circularity and Zero Waste (p. 48-49) ESG Indicators (p. 80)				3.9, 11.6, 12.4, 12.5
	306-5 Waste directed to disposal	ESG Indicators (p. 80)				3.9, 6.6, 11.6, 12.4, 12.5, 15.1
Water Stewardship						
GRI 3: Material Topics 2021	3-3 Management of material topic	Water Stewardship (p. 53)				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Stewardship (p. 53)				6.3, 6.4, 6.A, 6.B, 12.4
	303-2 Management of water discharge-related impacts	Water Stewardship (p. 53)				6.3

GRI content index

GRI Standard	Disclosure	Direct Response / Section in this Report (pg. #)	Omissions			SDG Mapping
			Requirement Omitted	Reason	Explanation	
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Water Stewardship (p. 53) ESG Indicators (p. 80)				6.4
	303-4 Water discharge	Water Stewardship (p. 53) ESG Indicators (p. 80)				6.3
	303-5 Water consumption	Water Stewardship (p. 53) ESG Indicators (p. 80)				6.4
Biodiversity						
GRI 3: Material Topics 2021	3-3 Management of material topic	Biodiversity (p. 54)				
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Bariq does not own or operate any sites in or adjacent to protected areas or areas of high biodiversity value.				6.6, 14.2, 15.1, 15.5
	304-2 Significant impacts of activities, products, and services on biodiversity	Circularity and Zero Waste (p. 47) Biodiversity (p. 54)				6.6, 14.2, 15.1, 15.5
	304-3 Habitats protected or restored	Biodiversity (p. 54)				6.6, 14.2, 15.1, 15.5
Air Quality and Pollution						
GRI 3: Material Topics 2021	3-3 Management of material topic	Air Quality and Pollution (p. 55-56)				
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Air Quality and Pollution (p. 55-56)				3.9, 12.4, 14.3, 15.2
Occupational Health and Safety						
GRI 3: Material Topics 2021	3-3 Management of material topic	Occupational Health & Safety (p. 63- 67)				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health & Safety (p. 63- 64)				3.3, 3.4, 3.9, 8.8, 16.1

GRI content index

GRI Standard	Disclosure	Direct Response / Section in this Report (pg. #)	Omissions			SDG Mapping
			Requirement Omitted	Reason	Explanation	
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health & Safety (p. 66)				8.8
	403-3 Occupational health services	Occupational Health & Safety (p. 63-67)				8.8
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health & Safety (p. 63-67)				8.8, 16.7
	403-5 Worker training on occupational health and safety	Occupational Health & Safety (p. 64)				8.8
	403-6 Promotion of worker health	Occupational Health & Safety (p. 67)				3.3, 3.5, 3.7, 3.8
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health & Safety (p. 63-67)				8.8
	403-8 Workers covered by an occupational health and safety management system	Occupational Health & Safety (p. 63-64)				8.8
	403-9 Work-related injuries	Occupational Health & Safety (p. 66-67) ESG Indicators (p. 82)				3.6, 3.9, 8.8, 16.1
	403-10 Work-related ill health	Occupational Health & Safety (p. 67)				3.3, 3.4, 3.9, 8.8, 16.1
	Diversity, Equity, and Inclusion					
GRI 3: Material Topics 2021	3-3 Management of material topic	Diversity, Equity & Inclusion (DEI) (p. 61-62)				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Diversity, Equity & Inclusion (DEI) (p. 62) ESG Indicators (p. 81)				5.1, 8.5, 8.6, 10.3
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Diversity, Equity & Inclusion (DEI) (p. 62)				3.2, 5.4, 8.5
	401-3 Parental leave	ESG Indicators (p. 82)				5.1, 5.4, 8.5

GRI content index

GRI Standard	Disclosure	Direct Response / Section in this Report (pg. #)	Omissions			SDG Mapping
			Requirement Omitted	Reason	Explanation	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	ESG Indicators (p. 81)				5.1, 5.5, 8.5
	405-2 Ratio of basic salary and remuneration of women to men		Confidentiality constraints.	a, b	Bariq deems this information as confidential.	5.1, 8.5, 10.3
Talent Acquisition, Management and Skilled Employment						
GRI 3: Material Topics 2021	3-3 Management of material topic	Talent Acquisition, Management and Skilled Employment (p. 59-60)				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	ESG Indicators (p. 82)				4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Acquisition, Management and Skilled Employment (p. 60)				8.2, 8.5
	404-3 Percentage of employees receiving regular performance and career development reviews	ESG Indicators (p. 82)				5.1, 8.5, 10.3
Community Engagement						
GRI 3: Material Topics 2021	3-3 Management of material topic	Community Engagement (p. 70-72)				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Engagement (p. 70-72) Recycling Education (p. 73-75) ESG Indicators (p. 83)				
	413-2 Operations with significant actual and potential negative impacts on local communities	Community Engagement (p. 70-72) Recycling Education (p. 73-75)				1.4, 2.3

GRI content index

GRI Standard	Disclosure	Direct Response / Section in this Report (pg. #)	Omissions			SDG Mapping
			Requirement Omitted	Reason	Explanation	
Customer Relationship Management						
GRI 3: Material Topics 2021	3-3 Management of material topic	Customer Relationship Management (p. 68-69)				
Recycling Education						
GRI 3: Material Topics 2021	3-3 Management of material topic	Recycling Education (p. 73-75)				
Innovation and Recycling Technologies						
GRI 3: Material Topics 2021	3-3 Management of material topic	Innovation and Recycling Technologies (p. 42-44)				
GRI 203: Indirect Economic Performance	203-1 Infrastructure investments and services supported	Innovation and Recycling Technologies (p. 42-44)				
	203-2 Significant indirect economic impacts	Sustainability Performance Highlights 2021-2022 (p. 6) Innovation and Recycling Technologies (p. 42-44)				

SASB Content Index

SASB Standard – Chemicals					
Accounting Metric	Category	Unit of Measure	Code	Report Section(s) or Direct Response	
Greenhouse Gas Emissions					
Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	Metric tons (t) CO ₂ -e, Percentage (%)	RT-CH-110a.1	Bariq is actively developing a company-wide ESG data management system and is in the process of completing an organizational GHG emissions assessment in the upcoming year. Subsequent to the assessment, reduction targets, a strategy, and an action plan will be established.	
Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	RT-CH-110a.2		
Air Quality					
Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Quantitative	Metric tons (t)	RT-CH-120a.1	Air Quality and Pollution (p. 55-56)	
Energy Management					
(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable and (4) total self-generated energy	Quantitative	Gigajoules (GJ), Percentage (%)	RT-CH-130a.1	73,573 GJ; (2) 100%; (3) 0%; (4) 0% The above figures correspond to the year 2022. For further details please refer to "ESG Indicators (p. 80)"	
Water Management					
(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m ³), Percentage (%)	RT-CH-140a.1	(1) 56k m ³ ; (2) 33k m ³ The above figures correspond to the year 2022. For further details please refer to "ESG Indicators (p. 80)"	
Number of incidents of non-compliance associated with water quality permits, standards and regulations	Quantitative	Number	RT-CH-140a.2	No incidents of non-compliance were recorded during the reporting period.	
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	RT-CH-140a.3	Water Stewardship (p. 53)	
Hazardous Waste Management					
Amount of hazardous waste generated, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	RT-CH-150a.1	2.4 tons, 100% landfilled. The above figures correspond to the year 2022. For further details please refer to "ESG Indicators (p. 80)"	

SASB Content Index

SASB Standard – Chemicals				
Accounting Metric	Category	Unit of Measure	Code	Report Section(s) or Direct Response
Community Relations				
Discussion of engagement processes to manage risks and opportunities associated with community interests	Discussion and Analysis	n/a	RT-CH-210a.1	Our Approach to Sustainability (p. 15-23)
Workforce Health & Safety				
(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	Rate	RT-CH-210a.1	Occupational Health and Safety (p. 66-67) ESG Indicators (p. 82)
Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	Discussion and Analysis	n/a	RT-CH-320a.2	Occupational Health and Safety (p. 63-67)
Product Design for Use-phase Efficiency				
Revenue from products designed for use phase resource efficiency	Quantitative	EGP	RT-CH-410a.1	Not applicable to Bariq's products, which are significantly more resource-efficient during their manufacturing phase
Safety & Environmental Stewardship of Chemicals				
(1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	Quantitative	Percentage (%) by revenue, Percentage (%)	RT-CH-410b.1	Not applicable to Bariq's products.
Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	Discussion and Analysis	n/a	RT-CH-410b.2	
Genetically Modified Organisms				
Percentage of products by revenue that contain genetically modified organisms (GMOs)	Quantitative	Percentage (%) by revenue	RT-CH-410c.1	Not applicable. Bariq does not manufacture any products that contain GMOs.
Management of the Legal & Regulatory Environment				
Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	n/a	RT-CH-530a.1	Supply Chain Management (p. 37)

SASB Content Index

SASB Standard – Chemicals				
Accounting Metric	Category	Unit of Measure	Code	Report Section(s) or Direct Response
Operational Safety, Emergency Preparedness & Response				
Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Quantitative	Number, Rate	RT-CH-540a.1	Occupational Health and Safety (p. 66-67) ESG Indicators (p. 82)
Number of transport incidents	Quantitative	Number	RT-CH-540a.2	ESG Indicators (p. 82)
Activity Metric				
Production by reportable segment	Quantitative	metric tons (t)	RT-CH-000.A	ESG Indicators (p. 80)

UNGC Content Index

Principle	Description	Report Section(s)
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	Supply Chain Management (p. 33-37)
Principle 2	Businesses should make sure they are not complicit in human rights abuses.	Supplier Environmental and Social Due Diligence (p. 38-39)
Labor		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Supply Chain Management (p. 33)
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labor	Supplier Environmental and Social Due Diligence (p. 38-39)
Principle 5	Businesses should uphold the effective abolition of child labor.	
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Diversity, Equity & Inclusion (DEI) (p. 61-62)
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges.	Sustainable Value Creation (18-20)
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	Supply Chain Management (p. 33)
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Innovation and Recycling Technologies (p. 42-44)
Anti-corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Ethical Business Practices (p. 26-28)

TCFD Content Index

TCFD Recommendation	Report Section(s) (or direct answer)
Human Rights	
a. Describe the board's oversight of climate-related risks and opportunities.	Ethical Business Practices (p. 26-28)
b. Describe management's role in assessing and managing climate-related risks and opportunities.	Ethical Business Practices (p. 26-28)
Strategy	
a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Crisis and Risk Management (p. 29) Bariq has recognized various climate-related risks, including market risk stemming from increased demand for low-carbon products. Additionally, the company is exploring opportunities such as transitioning to renewable energy sources and investigating low-carbon technologies and products.
b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	As part of the decarbonization action plan to be set, and the complete establishment of an ESG management system, Bariq will identify further risks and opportunities, assessing their impacts.
c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Bariq is working on an ESG data management system and is preparing for a comprehensive assessment of its organizational greenhouse gas emissions. Consequently, a climate-related scenario analysis is anticipated in the coming years after the assessment.
Environment	
a. Describe the organization's processes for identifying and assessing climate-related risks.	Crisis and Risk Management (p. 29)
b. Describe the organization's processes for managing climate-related risks.	Bariq is actively developing a company-wide ESG data management system and is in the process of completing an organizational GHG emissions assessment in the upcoming year. The ESG data management system along with the GHG assessment, will enable the identification and management of climate-related risks, along with the integration of climate risk assessment into the overall risk management system of the company.
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
Anti-corruption	
a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	
b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Bariq is actively developing a company-wide ESG data management system and is in the process of completing an organizational GHG emissions assessment in the upcoming year. Subsequent to the assessment, reduction targets, a strategy, and an action plan will be established.
c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	