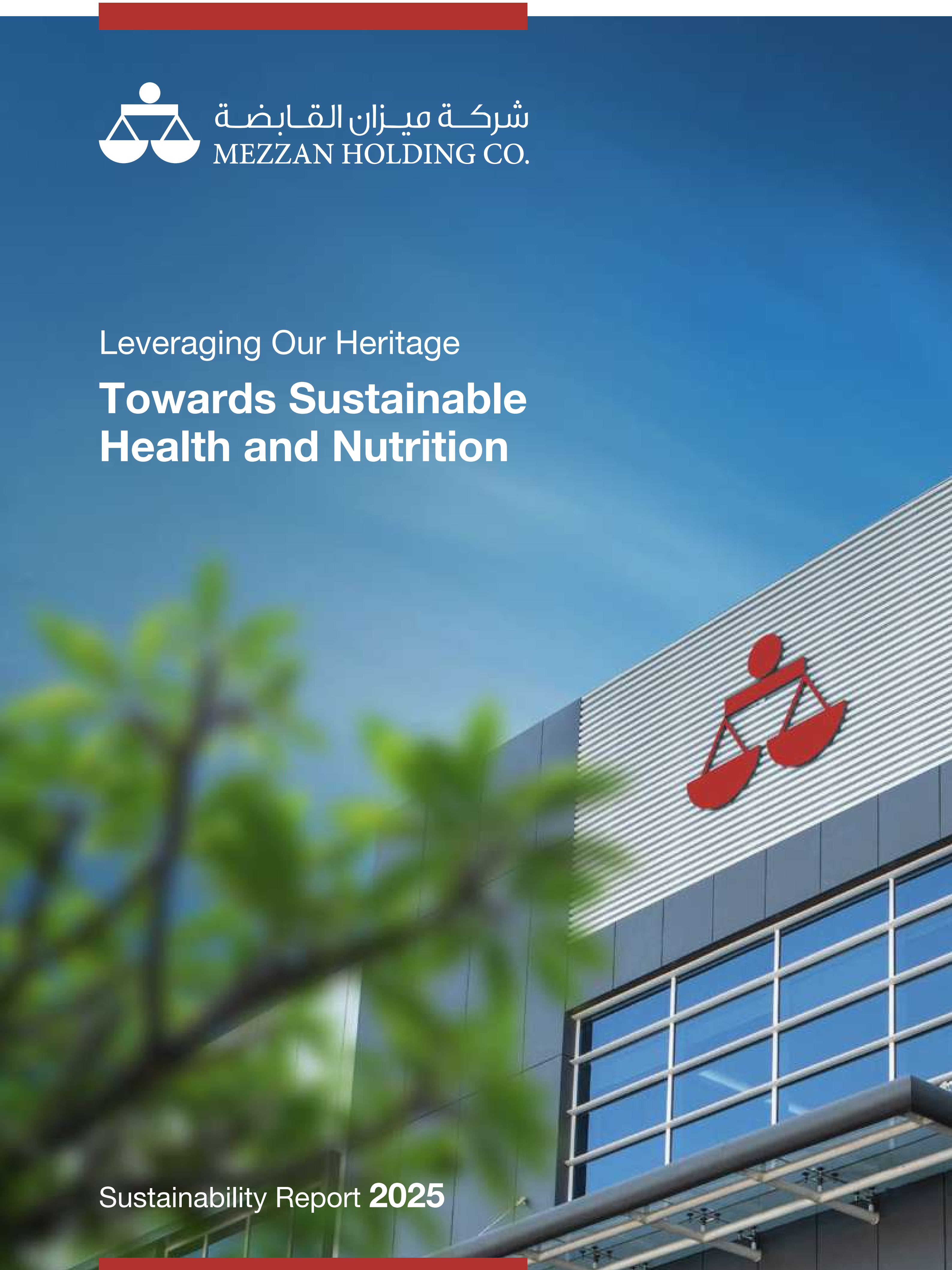
شركة ميزان القابضة
MEZZAN HOLDING CO.

Leveraging Our Heritage

Towards Sustainable Health and Nutrition



Sustainability Report **2025**

Mezzan Holding Co. KSC

Al Ardia. Block 1, Building 287
P.O. Box 124 – Safat, 13002 – Kuwait.
Tel: +965 2228 6444
ir@mezzan.com
www.mezzan.com

His Highness Sheikh
Mishal Al-Ahmad Al-Jaber Al-Sabah
Amir of the State of Kuwait
May Allah Grant Him Protection

His Highness Sheikh
Sabah Al-Khaled Al-Hamad Al-Sabah
Crown Prince of the State of Kuwait
May Allah Grant Him Protection

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شركة ميزان القابضة
MEZZAN HOLDING CO.

Khazan Exhibition Stand at the Kuwait International Fair in 1985.
The Late Jassim Al Wazzan Pictured with the Chairman and Director General of Kuwait News Agency.

Leveraging Our Heritage Towards Sustainable Health and Nutrition

About This Report

The Mezzan Holding Company 2025 Sustainability Report forms part of Mezzan Holding Company's 2025 published reports, including the [Annual Report 2025].

This Sustainability Report presents Mezzan Holding Company's environmental, social, and governance performance for the period from 1 January to 31 December 2025. It is the Company's first standalone sustainability report and is intended to be published on an annual basis. The reporting period is aligned with the Group's financial reporting cycle.

This report should be read alongside Mezzan Holding Company's Annual Report 2025, which provides additional information on financial performance and corporate developments.

Reporting Boundary and Standards
In this report, Mezzan Holding Company is also referred to as "Mezzan", "we," "our", "the Company" and "the Holding". The scope of this report is aligned with the entities included in Mezzan's financial reporting consolidation scope. No differences were identified between the entities covered in the Group's financial reporting and those included in this Sustainability Report. The reporting scope will be reviewed each year and updated before the report is finalized to reflect any mergers, acquisitions, divestments, or ownership changes, to maintain consistency with the Group's financial consolidation approach.

The reporting approach also reflects the nature of each material topic. Certain disclosures are presented at the Group level, while selected operational indicators are reported at the subsidiary or business unit level where this is more relevant to the topic and underlying operations. This approach provides a clearer view of performance across Mezzan's businesses while maintaining consistency in overall reporting boundaries.

This report's quantitative boundary is limited to the Head Offices. Broader Group and subsidiary activities are covered through narrative disclosures and case studies. This report reflects Mezzan's continued commitment and contribution to national and international priorities, including the United Nations Sustainable Development Goals (UN SDGs) and Kuwait Vision 2035. The report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards and with reference to Boursa Kuwait's Environmental, Social, and Governance (ESG) Reporting Guide for Listed Companies.

Feedback
Questions about this report may be directed to Mr. Omar Fouda, Head of Investor Relations, at ir@mezzan.com or +965 2228 6600.

Additional Information
For additional information on our publicly available reports, and presentations, please visit: [Mezzan Holding Company | Investor Tools].

Message from **the Chairman**

The publication of Mezzan Holding's first Sustainability Report marks an important step in the Group's institutional development. It reflects our continued commitment to transparency, accountability, and responsible governance, while providing a more structured view of the environmental, social, and governance matters that are most relevant to the long-term resilience of our business.

At Board level, we view sustainability as part of sound stewardship. It is not a separate agenda, nor a matter of reporting alone. It is connected to how we govern the Group, how we oversee risk, how we safeguard trust in our products and brands, and how we consider our responsibilities toward shareholders, employees, customers, partners, and the communities we serve.

During 2025, Mezzan continued to strengthen its governance framework, oversight practices, and internal control environment. These efforts form part of a broader institutional journey to ensure that the Group remains well positioned to manage change, meet evolving stakeholder expectations, and protect the foundations on which long-term value is built.

This first Sustainability Report should also be viewed as a starting point. The report reflects the breadth of Mezzan's contribution across its businesses, including its role in supporting communities, advancing charitable and humanitarian efforts, and creating broader social value alongside its commercial activities.

Looking ahead, the Board will continue to support the development of stronger governance, reporting quality, and oversight of the material matters identified in this report. Our objective is to ensure that Mezzan continues to grow on a foundation of responsibility, sound judgment, and enduring stakeholder trust.

On behalf of the Board of Directors, I would like to thank our shareholders, employees, customers, business partners, and wider stakeholders for their continued confidence in Mezzan Holding.

Mr. Muntaser Jassem Mohammad Al-Wazzan
Mezzan Holding Company Chairman

"2025 was a year of considerable progress for the Group. We delivered robust growth across all key metrics. As we enter 2026, our focus remains on growing our leadership in food, FMCG, and healthcare while reinforcing our deep-rooted presence in Kuwait and regional markets to deliver long-term value for our shareholders, partners, and customers."

Message from **the Group Chief Executive Officer**

For Mezzan Holding, sustainability is closely tied to the way we operate our business every day. As a group active across food, healthcare, and consumer goods, our responsibilities are practical and direct. They are reflected in the quality and safety of the products we provide, the reliability of our operations, the strength of our supply chain, the development of our people, and the trust we build with customers, partners, and communities.

In 2025, Mezzan continued to focus on disciplined execution across its portfolio. Alongside the Group's business performance, we took important steps to strengthen the systems, practices, and reporting structures that support more accountable and sustainable operations.

This included continued attention to product quality and consumer safety, operational controls, workforce-related priorities, risk management, and the foundations needed for more consistent sustainability reporting across the Group.

As management, our role is to turn priorities into execution. That means embedding discipline into the way our teams work, improving the availability and quality of information, and ensuring that sustainability considerations are gradually integrated into decision-making across functions and business lines. It also means recognizing that meaningful progress is built through consistent action, not through statements alone.

This report represents our first structured sustainability disclosure, and we see it as a baseline for future development. Some areas of our approach are already well established, and our work ahead will focus on improving consistency, deepening data availability, strengthening internal coordination, and setting clearer measures to track progress over time. Looking forward, our priority is to continue building a business that is operationally strong, responsibly managed, and better prepared for long-term growth. We will remain focused on quality, efficiency, accountability, and resilience, while continuing to serve our stakeholders with the discipline and reliability that have long defined Mezzan.

I would like to thank our employees for their commitment, our customers and partners for their trust, and our shareholders and wider stakeholders for their continued support.

Mr. Amr Farghal
Group Chief Executive Officer (CEO)
Mezzan Holding Company

"2025 results reflect the strength and the resilience of our operating model, and disciplined execution across the business. We delivered solid growth while continuing to invest in our core capabilities, expand into priority markets, and strengthen long-term value creation. These results demonstrate our ability to navigate a dynamic environment while maintaining focus on operational excellence, balance sheet health, and sustainable growth."

1 | Introduction to Mezzan

"We are a Leading Manufacturer and Distributor of Food, Healthcare and Consumer Products"

1.1 | About Mezzan

With headquarters in Kuwait and the UAE, Mezzan has a deep regional reach that includes operations and distribution networks across six countries. We manufacture and distribute over 34,000 stock keeping units in the consumer goods and services sector through 34 subsidiaries.

6 Countries

34 Subsidiaries

6,700 Employees

1,200+ Brands

190,000m2 Manufacturing Facilities

34,000+ SKUs

60,000 Meals Catered Daily

Our History

Mezzan's journey reflects over eight decades of continuous growth, transformation, and strategic expansion. Its origins date back to the 1940s, when the late Jassim Mohammad Ali Al Wazzan, a young and ambitious Kuwaiti entrepreneur, opened his first retail store offering consumer-ready imported products, including rice, sugar, and other food staples sourced initially from neighboring countries and later from Europe, the United States, and Asia.

Over the years, Mezzan has evolved into one of the region's most reputable and trusted conglomerates, with its growth built on a legacy of strong partnerships, operational development, and market responsiveness. The following timeline outlines the key milestones that have shaped the Company's development and current position.

From a Local Store to Global Partners

1940s
The Beginning

The origins of Mezzan trace back to the 1940s, when its founder, Jassim Mohammad Ali Al Wazzan, established a retail store in Altararih Souk in Kuwait. The business focused on essential food and household products, laying the foundation for long-term growth. During this period, the Company began building relationships with international manufacturers and introduced globally recognized brands into the local market.

1960s
Manufacturing Launch

In the 1960s, the Company transitioned from trading into manufacturing by establishing GCC's first facility for processing sharia-compliant meat products, now known as Khazan. This period also marked the acquisition of KITCO, strengthening Mezzan's presence in food production. These developments supported the expansion of international partnerships and positioned the Company for industrial growth.

1980s
Vertical Integration

During the 1980s, the second generation of the Al Wazzan family assumed a greater role in the business, continuing to build on the founder's principles. Mezzan expanded its operations across manufacturing, FMCG distribution, catering, and industrial services. This enabled the development of a vertically integrated business model that strengthened operational efficiency and market responsiveness.

2000s
Institutional Strengthening

Entering the 2000s, Mezzan focused on strengthening its institutional structure and operational performance. In 2009, the Company introduced a mandate to enhance efficiency, governance, and profitability. This transformation included upgrading IT systems through the implementation of SAP, supporting improved internal controls, auditing processes, and data integrity.

2010s
Regional Expansion

Beginning in 2010, Mezzan expanded its footprint beyond Kuwait into regional markets. The Company established a distribution platform in Saudi Arabia and developed manufacturing operations in Qatar and Jordan. The acquisition of Unitra Mets Group in the UAE further strengthened its regional presence and was supported by a growing logistics network across multiple countries.

2015
Public Listing

In 2015, Mezzan was listed on the Kuwait Stock Exchange, marking a significant milestone in its corporate development. This transition reflected the Company's growth, increased transparency, and strengthened governance framework.

2019
Healthcare Expansion

KSP

In 2019, Mezzan acquired a majority stake in Kuwait Saudi Pharmaceutical Industries Company (KSPICO), marking its entry into pharmaceutical manufacturing. This acquisition represented a strategic diversification into the healthcare sector and expanded the Company's operational capabilities.

2020s
Strategic Transformation

In the 2020s, Mezzan restructured its business model to align with its evolving portfolio, transitioning into two core segments: Food and Healthcare and Consumer. The integration of KSPICO enabled the Company to manage pharmaceutical research, manufacturing, and distribution, further strengthening its position in consumer-driven healthcare.

Today
Regional Conglomerate

80+

Mezzan is recognized as a leading food, healthcare, and consumer products conglomerate in the Middle East. With over 80 years of heritage, the Company manufactures and distributes more than 34,000 stock keeping units (SKUs) across the consumer goods and services sectors. Its operations span the Gulf and select international markets through a network of 34 vertically integrated companies.

Future Outlook
Continued Growth

Looking ahead, Mezzan continues to focus on expanding its product portfolio, strengthening its regional footprint, and enhancing operational capabilities. The Company remains committed to scaling its business and reinforcing its market presence across the region.

Our Consumer Journey

At Mezzan, our strength lies in understanding and serving consumers across every stage of their journey. Rooted in a strong heritage, we have evolved beyond traditional distribution to build an integrated, consumer-centric ecosystem—one that connects sourcing, production, distribution, and direct engagement.

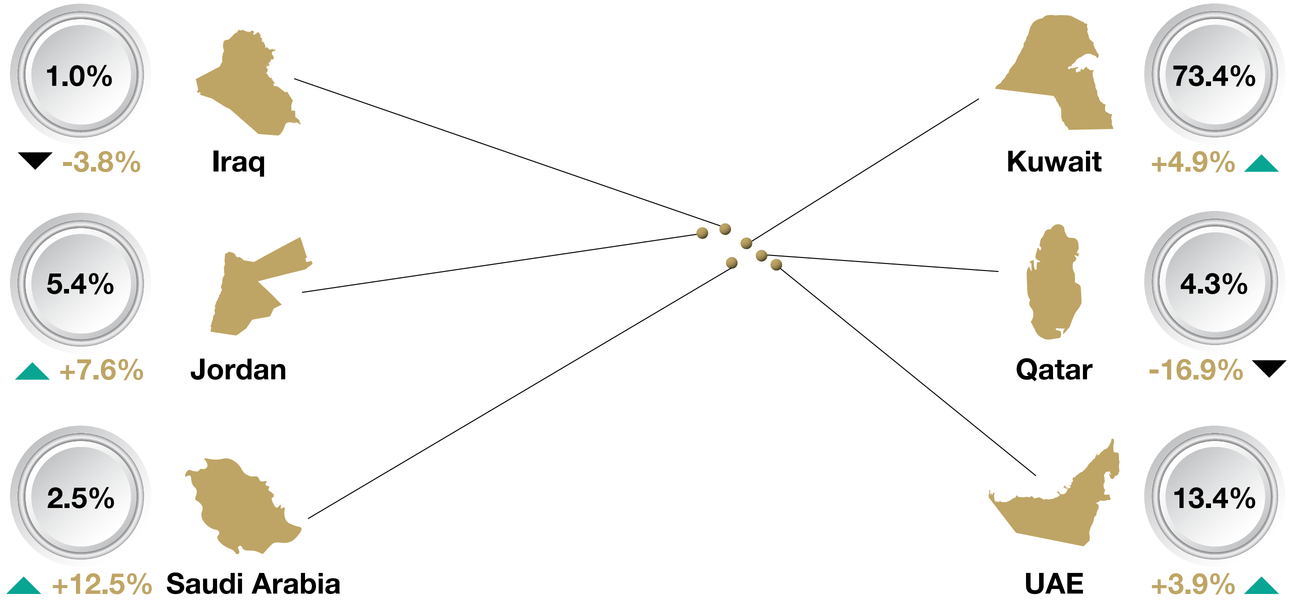
Our Business-to-Business (B2B) and Business-to-Consumer (B2C) journey enables us to deliver healthier, high-quality, and more accessible products, while maintaining close proximity to the communities we serve. By combining deep market insight with diverse touchpoints—from retail and pharmacies to community-based channels—we ensure that our offerings are responsive to real consumer needs, creating lasting value and impact.

	Production		Distribution	Retail	Consumer Interaction	
	1. Responsible Sourcing	2. Production and Innovation	3. Distribution Network (B2B)	4. Retail and Channels	5. Direct Consumer Engagement (B2C)	6. Consumer & Community Impact
Description	Ensuring sustainable, high-quality inputs aligned with health priorities	Developing healthier, high-quality products while maintaining taste and safety	Leveraging strong logistics to ensure product availability and reach	Expanding across diverse and accessible consumer channels	Building direct relationships with consumers beyond traditional distribution	Delivering measurable value to consumers and communities
Key Actions / Examples	Local sourcing (e.g., potatoes), palm oil replacement with sunflower oil)	Product reformulation, quality assurance, food safety standards	Established distribution network, regional expansion	Supermarkets, pharmacies, dark stores, non-traditional retail	Community-based retail (e.g., refugee camps), direct interaction, feedback loops	Healthier lifestyles, improved access, beneficiary-based models
ESG Focus Area	Responsible sourcing, environmental impact	Health & nutrition, product responsibility	Operational efficiency, accessibility	Inclusive access	Community engagement, social impact	Social value creation, wellbeing

Our Presence

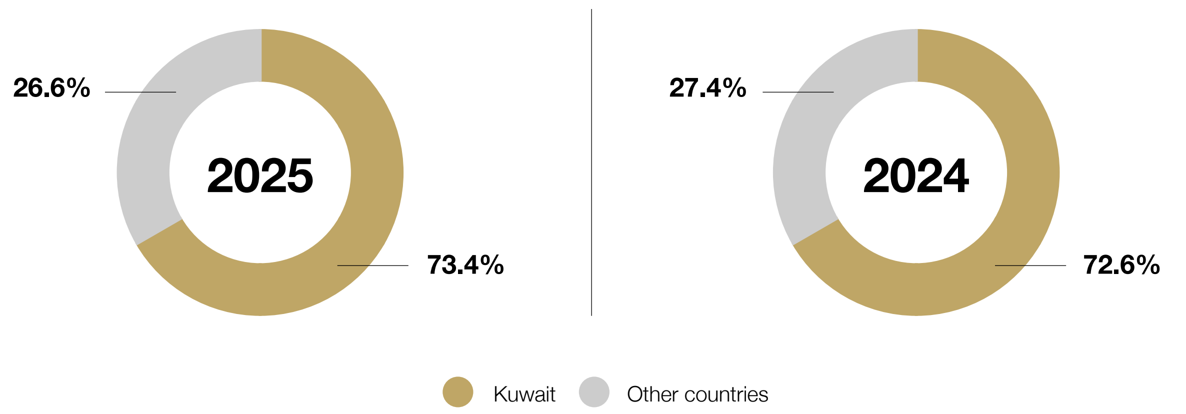
The Group's revenue contribution across key regional markets reflects the relative scale of operations in each country. Kuwait remained the largest contributor to total revenues during the year, followed by the UAE and Jordan, while Qatar, Saudi Arabia, and Iraq represented smaller shares of total Group revenues. Compared with the previous year, some markets recorded growth, while others saw a decline in their contribution.

Overview of Operating Performance in Key Regional Markets



% Percentage contribution of the market to the Group's revenues
% Percentage change in contribution on a year-on-year basis

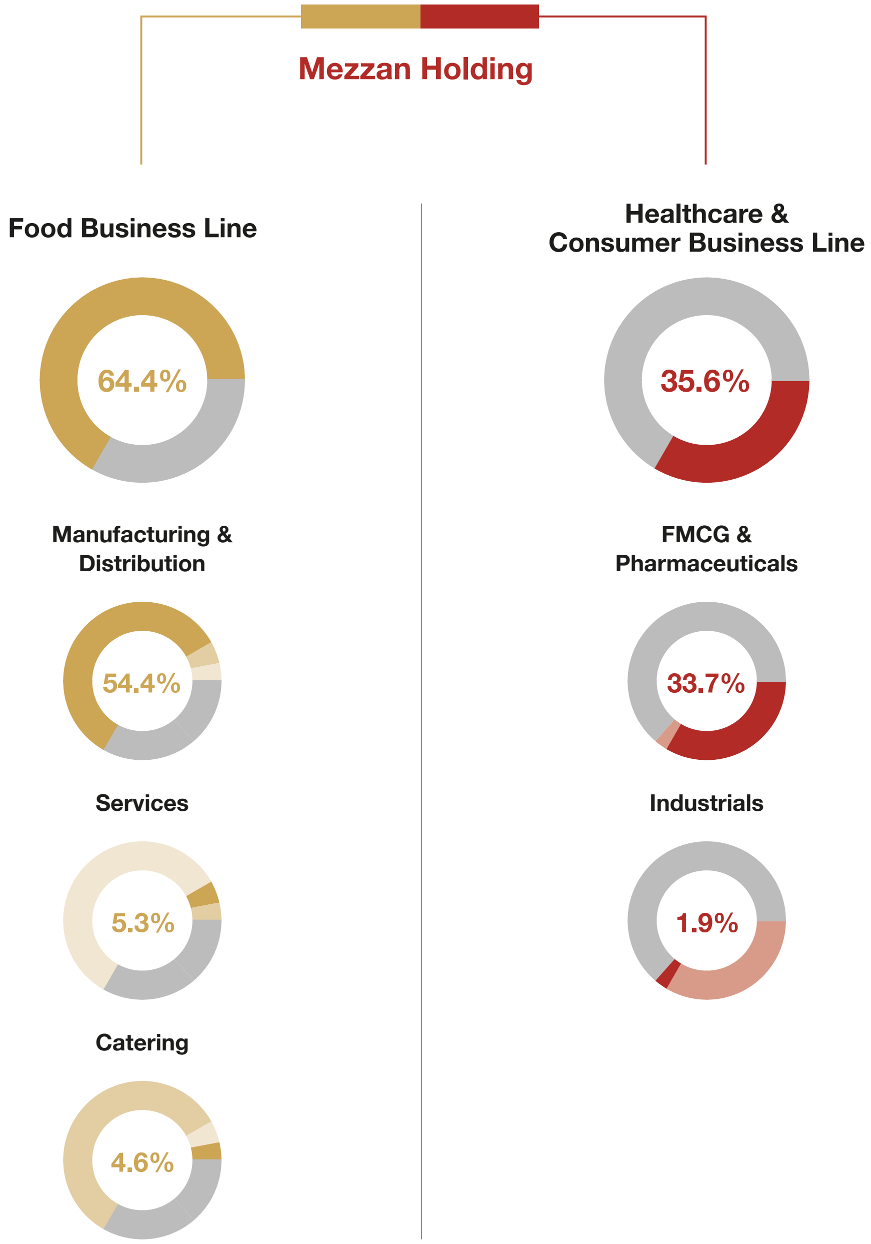
Regional Growth
Geographic diversification of Mezzan Group's revenue sources:



1.2 | Business Profile

Mezzan is an integrated business with commercial operations in manufacturing, distribution, retail, wholesale, and contract services. The Company's activities, which run through 34 subsidiaries, are grouped into two main business lines: Food Business Line and Healthcare and Consumer Business Line.

Each business line directly contributes to Mezzan's revenue and net profit. Below is an infographic of our business lines and divisions and their contribution to Mezzan's revenue based on Full Year 2025 audited earnings.



Food Business Line

Food Manufacturing | Food Distribution | Catering | Services

Manufacturing & Distribution
Revenue increased by
↑ 4.8%

In 2025, the Food Business Line generated total revenue of KD 191.2 million, reflecting an increase of 2.2% compared with 2024. The business line represented ~64.4% of Mezzan's total Group revenue, underscoring its position as the Group's largest source of revenue. Its performance was driven primarily by the Manufacturing and Distribution division, which contributed 54.4% of Group revenue, while Catering and Services contributed 4.6% and 5.3%, respectively.

Healthcare and Consumer Business Line

Pharma Manufacturing | Pharma Distribution | Consumer & Healthcare Distribution | Industrials

FMCG and Healthcare
Revenue increased by
7.7%

The Healthcare and Consumer Business Line generated KD 105.9 million in revenue in 2025, up 7.0% from 2024, and accounted for 35.6% of Group revenue. Within the business line, FMCG and Pharmaceuticals were the main contributors, representing 33.7% of Group revenue, while Industrials contributed 1.9%.

1.3 | Key Highlights

2,169.68 tCO_2e
GHG Emissions

35% Reduction
Reduction in Travel Distances through Route Optimization Systems

80%
Business Activities with Local Community Engagement, Impact Assessments, and Development Programs

15%
of Procurement is through Local Suppliers

81%
of the workforce has received reviews on their performance

≈ 80,000
Beneficiaries Served per Month from the cash-based transfer program

≈ 8,000 Metric Tons
Food Parcel Support for Displaced Families

0
Losses of Customer Data

Financial Highlights:

Revenue: up by
3.8% ↑
KD 297.1 million

Operating Profit: up by
18.0% ↑
KD 26.6 million

EBITDA: up by
11.8% ↑
KD 35.3 million

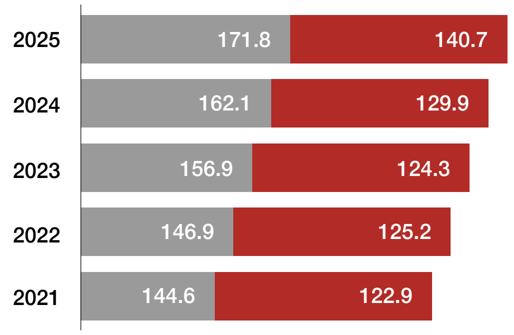
Net Profit Before Tax: up by
25% ↑
KD 20.5 million

Net Profit After Tax: up by
20% ↑
KD 18.6 million

Net Profit to Parent Company Shareholders: up by
19% ↑
KD 17.3 million

Total Assets

KWD Millions

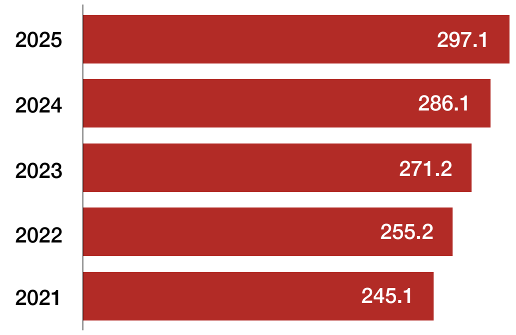


CAGR: 3.97%

Non-Current Assets
Current Assets

Total Revenue

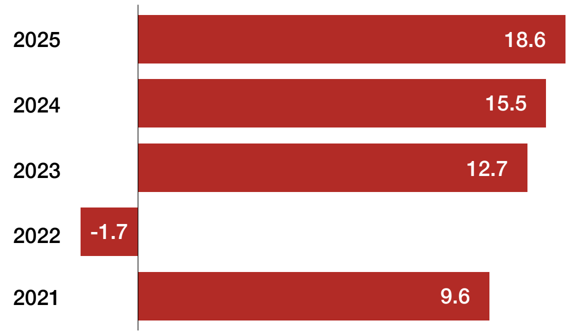
KWD Millions



CAGR: 4.93%

Net Profit

KWD Millions



2023 to 2025 **CAGR: 21%**

1.4 | Materiality and Stakeholder Engagement

We conducted our first materiality assessment to identify the ESG issues most relevant to our business, stakeholders, and long-term priorities. This process supports our sustainability approach by focusing attention on the issues most significant to our operations, regulatory environment, and market context. We will continue to review our materiality assessment process and update our material topics, where needed, through future Sustainability Reports.

Methodology

The assessment followed a structured approach aligned with the GRI Standards. An initial list of ESG topics was developed using GRI Standards, internal risk considerations, and a review of industry disclosures. This list was refined to reflect the Group's operating activities and regulatory context.

Stakeholder input was obtained through a targeted survey. Internal participants included employees across core functions, while external input was gathered from selected suppliers and business partners. The engagement focused on stakeholders with direct exposure to the Group's operations.

Each topic was evaluated across two dimensions:
- Its importance to stakeholders
- Its relevance to Mezzan's business operations and risk profile

Responses were consolidated using a numerical scoring scale ranging from 0 to 5. Scores were classified as follows:
- 0.00 – 0.99: Low priority
- 1.00 – 2.99: Moderate priority
- 3.00 – 5.00: High priority

The results were reviewed internally by management to confirm alignment with the Group's risk landscape, operational structure, and current reporting maturity. The validated outputs form the basis of the material disclosures presented in this report.

The table below presents Mezzan's material sustainability topics and their links to the relevant Sustainable Development Goals (SDGs) and GRI Standards. These topics inform the structure and focus of this report.

Material Topics

#	Material Topic	SDGs Mapping	GRI Standards	
1	**GHG Emissions**	**SDG 7:** Affordable and Clean Energy **SDG 11:** Sustainable Cities and Communities	GRI 305: Emissions 2016	Environmental
2	**Energy Management**	**SDG 7:** Affordable and Clean Energy **SDG 13:** Climate Action	GRI 302: Energy 2016	Environmental
3	**Water Management**	**SDG 6:** Clean Water and Sanitation	GRI 303: Water and Effluents 2018	Environmental
4	**Waste Management**	**SDG 12:** Responsible Consumption and Production **SDG 3:** Good Health and Well-being	GRI 306: Waste 2020	Environmental
5	**Responsible Sourcing**	**SDG 12:** Responsible Consumption and Production **SDG 15:** Life on Land	GRI 204: Procurement Practices 2016 GRI 301: Materials 2016 GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016	Environmental
6	**Product Quality and Safety**	**SDG 3:** Good Health and Well-being **SDG 12:** Responsible Consumption and Production	GRI 416: Customer Health and Safety 2016	Social
7	**Responsible Marketing**	**SDG 3:** Good Health and Well-being **SDG 12:** Responsible Consumption and Production	GRI 417: Marketing and Labeling 2016	Social
8	**Human Capital Management**	**SDG 8:** Decent Work and Economic Growth **SDG 10:** Reduced Inequalities	GRI 202: Market Presence 2016 GRI 401: Employment 2016 GRI 402: Labor/Management Relations 2016 GRI 404: Training and Education 2016	Social
9	**Occupational Health and Safety**	**SDG 3:** Good Health and Well-being **SDG 8:** Decent Work and Economic Growth	GRI 403: Occupational Health and Safety 2018	Social
10	**Community Impact**	**SDG 11:** Sustainable Cities and Communities **SDG 17:** Partnerships for the Goals	GRI 413: Local Communities 2016	Social
11	**Diversity and Inclusion**	**SDG 5:** Gender Equality **SDG 10:** Reduced Inequalities	GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-discrimination 2016 GRI 411: Rights of Indigenous Peoples 2016	Social
12	**Business Ethics**	**SDG 16:** Peace, Justice and Strong Institutions **SDG 12:** Responsible Consumption and Production	GRI 205: Anti-corruption 2016 GRI 206: Anti-competitive Behavior 2016 GRI 201: Economic Performance 2016 GRI 418: Customer Privacy 2016	Governance
13	**Compliance**	**SDG 16:** Peace, Justice and Strong Institutions **SDG 12:** Responsible Consumption and Production	GRI 2: General Disclosures 2021	Governance
14	**Risk Management**	**SDG 16:** Peace, Justice and Strong Institutions **SDG 12:** Responsible Consumption and Production	GRI 2: General Disclosures 2021	Governance

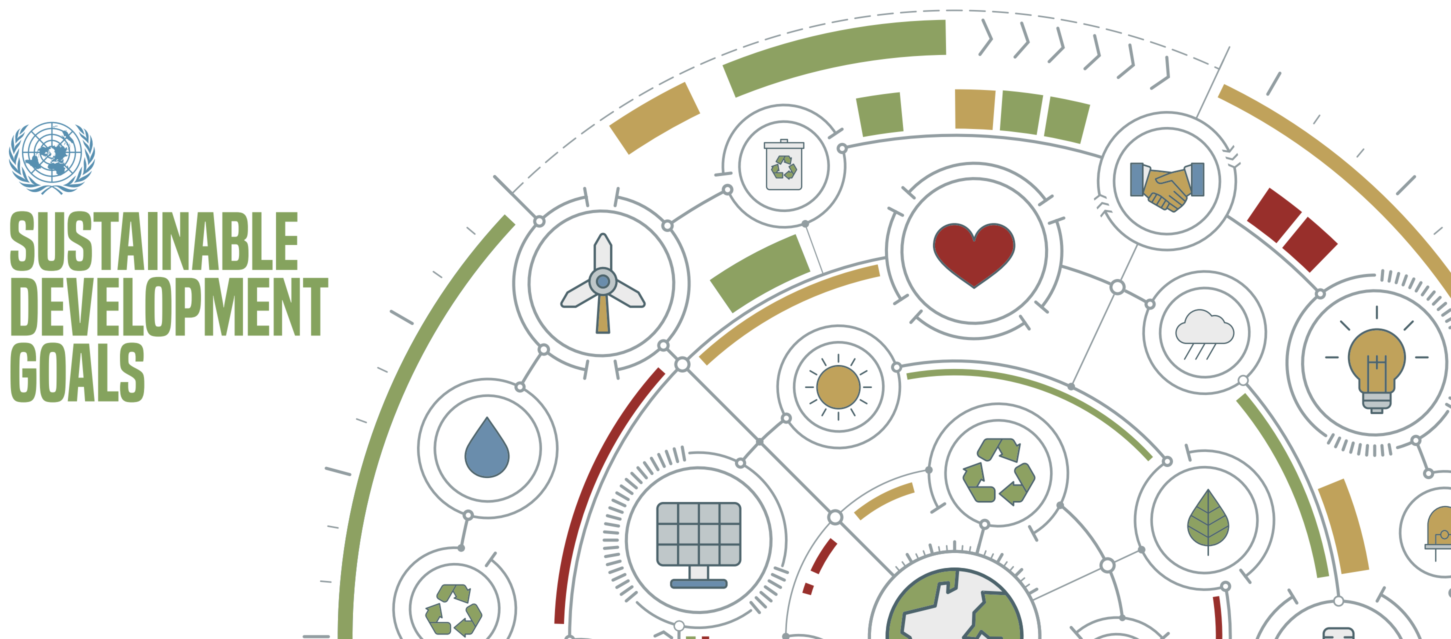
The materiality matrix illustrates the relative positioning of each topic based on stakeholder importance and business relevance.

Topics located in the upper-right quadrant represent the highest priority and are directly linked to governance, product responsibility, and regulatory exposure. These include Risk Management, Compliance, Product Quality and Safety, Business Ethics, and Responsible Marketing.

Workforce-related topics, including Human Capital Management and Occupational Health and Safety, also rank strongly, reflecting their importance to operational continuity and employee well-being.

Environmental topics, such as GHG Emissions, Energy Management, Water Management, and Waste Management, remain within the reporting scope. Their current positioning reflects the concentration of quantitative data at the head office level and the early stage of broader environmental data consolidation across the Group.

Materiality Matrix



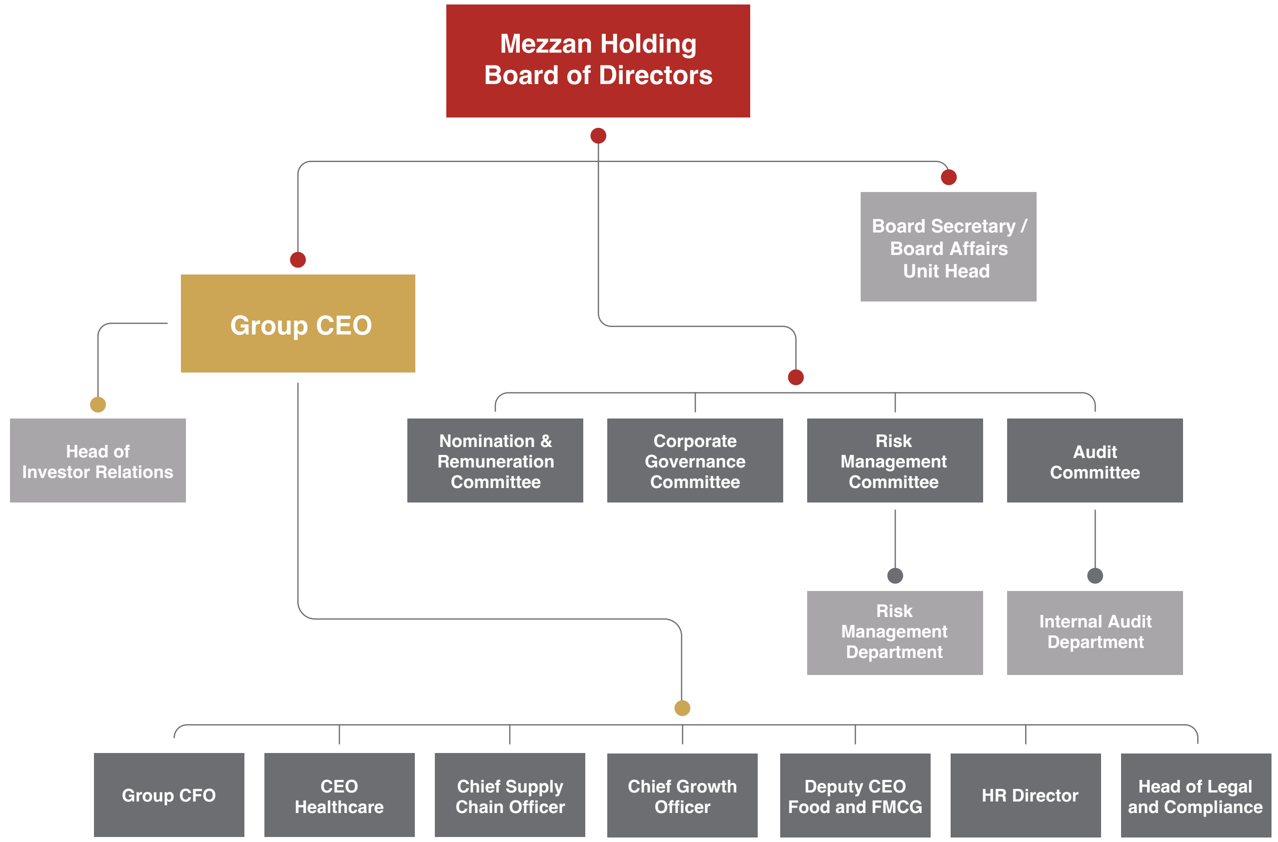
2 | Governance and Risk Oversight

2.1 | Governance Structure

Mezzan's governance structure is centered on a Board of Directors that provides oversight of the Company's strategic direction, key risks, and material impacts. The Board is supported by specialized committees including the Audit Committee, Nomination and Remuneration Committee, and Risk Committee, which oversee financial reporting, governance, remuneration, risk management, and broader impacts on the economy, environment, and people. The Board reviews the effectiveness of impact management through periodic management reports, committees oversight, and regular updates on key risks, performance indicators, and compliance matters and it also approves the organization's strategic direction, including sustainability priorities, while executive management is responsible for developing, implementing, and monitoring related initiatives and policies.

Mezzan Corporate Structure

To illustrate the framework, the chart below provides an overview of Mezzan's governance and management structure, including the Board of Directors, its committees, and key executive functions.



Disclaimer: The above chart is as of 31 December 2025, and for the updated data please refer to: Boursa Kuwait.

Board Oversight

The Board continues to oversee how material impacts are managed across the organization through executive management and functional leadership. Senior executives are appointed to oversee operational areas and related impacts, while relevant department heads and teams manage these matters within their respective functions and report upward through established management channels. The Board receives periodic reports and presentations covering key risks, performance indicators, compliance matters, and other material developments, allowing it to review the effectiveness of impact management processes through committee oversight and management reporting.

Governance oversight also extends to specific operational matters. Health and safety oversight is assigned to the Supply Chain function, with the Chief Executive Officer and senior executives holding explicit responsibility for health and safety strategy and performance. At Board level, these matters are monitored through the Audit and Risk Management Committee, reflecting continued governance attention to workforce health and safety performance

Risk Oversight

Risk oversight remains embedded in the Board's structure. The governance framework includes Board-level risk oversight through the Risk Management Committee, and the Board reviews due diligence outcomes, internal reviews, key performance indicators, stakeholder feedback, and compliance requirements as part of its oversight responsibilities.

Oversight of ESG considerations in financing and investment activities sits with the Board of Directors, supported by the Chief Executive Officer and Chief Financial Officer. While formal integration into investment processes is ongoing, Board and executive responsibilities in this area are clearly defined and supported by periodic briefings, management updates, and continued engagement with sustainability, governance, and regulatory developments.

Board Composition

Board members are elected by shareholders at the General Assembly in accordance with applicable regulations and the Company's Articles of Association, while Board committees are formed by the Board based on relevant expertise and governance requirements. Shareholder views are reflected through

the election process, and the selection of Board members considers diversity of skills, experience, and professional backgrounds, alongside expertise in governance, finance, risk management, and sustainability-related matters

On 22 April 2025, Mezzan's Annual General Assembly elected a new Board for the term (2025-2028). The Board resigned on 7th October 2025, and another Annual General Assembly was held on 7th December 2025, and a new Board was elected comprising of 5 non-executive board members and two independent members. The Annual General Assembly also approved the election of two substitute members to the Board. Consequently, the Board formed the Board Committees in accordance with Corporate Governance regulations. The current Board term is for three years.

The Board's oversight role is distinct from executive management. The Chair of the Board is separate from executive management and performs a non-executive role, supporting an appropriate division of responsibilities and balanced decision-making. The Board includes independent members, and 5 non-executive members of the board. Mezzan Board does not have any executive board members. The Company has not identified governance failures, concerns over board stewardship, or issues that could distract the Board from focusing on business operations and strategic matters during the reporting year. The composition and tenure of Board members do not indicate signs of Board entrenchment and are aligned with corporate governance practices.

The table below provides a snapshot of Mezzan's Board composition, including gender, independence, tenure, key competencies, and shareholder representation.

Mezzan Board of Directors

Muntaser Jassem Mohammad Al-Wazzan
Chairman
Non-Executive

Mr. Montaser Jassim Mohammad Al-Wazzan serves as Chairman of the Board and is one of the founders of Mezzan Holding. He is also the founder and Chairman of Al-Wazzan Foodstuff Industries Group, one of the region's leading food manufacturing and distribution groups. He brings over 35 years of experience in corporate governance, strategic leadership, and operational management.

Mr. Al-Wazzan held several executive roles. He began his career in the credit department at Burgan Bank before moving into the food sector. Among his notable roles, he served as General Manager of Conserved Foodstuff Distributing Company (Khazan), a Mezzan Holding subsidiary, where he oversaw the development of operations and the execution of expansion plans.

Mr. Al-Wazzan holds a bachelor's degree in business administration from United States International University, USA.

Sulaiman Khaled Jassim Al-Wazzan
Vice Chairman
Non-Executive

Mr. Sulaiman Khaled Jassim Al-Wazzan is Vice Chairman of Mezzan Holding and also serves as Managing Partner at K Holding Group, a prominent investment firm, where he oversees investment strategy and portfolio management.

He has more than 15 years of experience in banking, investment, and entrepreneurship, along with strong expertise in corporate governance and strategic planning.

He began his career in the banking sector, holding several roles including Relationship Manager at Kuwait International Bank and Corporate Banking Officer at Commercial Bank of Kuwait. He also pursued entrepreneurship as Managing Partner at Royal Food Service Company.

Mr. Al-Wazzan holds a bachelor's degree in business administration, majoring in Finance, from the American University in Dubai, UAE.

Khaled Taher Jassim Al-Wazzan
Non-Executive

Mr. Khaled Taher Jassim Al-Wazzan is an experienced investment professional with over 15 years of experience in corporate finance, real estate, and capital allocation across public and private markets. He has served as a Board Member of Mezzan Holding since 2025.

He currently serves as Executive Vice Chairman of Khaleda Holding and leads Khaleda Capital for Real Estate and Shares Company, where he oversees the group's investment strategy and portfolio across real estate and equity investments.

Mr. Al-Wazzan began his career in corporate banking at Kuwait International Bank before transitioning into investment and real estate, where he has held senior leadership roles across multiple businesses. He has previously served on the boards of Afkar Holding Company and Wadian Real Estate Company.

Mr. Al-Wazzan holds a bachelor's degree in business administration, majoring in Finance, from the American University of Kuwait. He has also completed executive education programs at Duke Corporate Education, Harvard Kennedy School and Harvard Business School, with a focus on leadership and strategy.

Ali Abdulrahman Jassim Al-Wazzan
Non-Executive

Mr. Ali Abdulrahman Jassim Al-Wazzan is a Member of the Board of Directors of Mezzan Holding. He has over 19 years of experience in investment management, consumer goods, and healthcare sectors.

He currently serves at Mezzan Holding as Chairman of the Risk Committee and serves as the Vice Chairman of Kuwait Saudi Pharmaceutical Company.

Al-Wazzan has played a vital role in the Mezzan restructuring during the IPO and focused on the expansion of the healthcare business.

Alongside his roles at Mezzan, Mr. Al-Wazzan serves on the boards of several companies in Kuwait, including as an Independent Board Member at KFIC Invest, Vice Chairman of Wedian Real Estate Services Company, and Managing Partner at AAW sons Real Estate. Previously, Alwazzan has served as Chairman of Plastic Industries Company, and Global Investment House and began his career in investment banking at NBK Capital and Merril Lynch in the UK.

Mr. Al-Wazzan holds a bachelor's degree in business administration, specializing in Finance, from the American University of Beirut.

Mohammed Khaled Jassim Al-Wazzan
Non-Executive

Mr. Mohammed Khaled Jassim Al-Wazzan is a Board Member of Mezzan Holding and has over 15 years of experience in investment management, corporate banking, and entrepreneurship, with a strong track record in portfolio development and strategic leadership.

He currently serves as Managing Partner at K Holding Company, where he is responsible for setting strategic direction and overseeing diversified investment portfolios, including venture capital and real estate. He also holds leadership roles in entrepreneurship as Managing Partner at Royal Food Service Company and Off Group for Wholesale and Retail Trade.

Mr. Al-Wazzan began his career in corporate banking at Ahli United Bank.

He holds a bachelor's degree in business administration, majoring in accounting, from the American University of Kuwait.

Thamer Ahmad Abdullah Al-Saleh
Independent

Mr. Thamer AlSaleh serves as an investment Director in the Diversified Projects Division at the Gulf Investment Corporation (GIC), where he leads and contributes to the development and management of strategic investments across the healthcare, food, and education sectors throughout the GCC region. He brings over twenty years of professional experience in direct investments, business development, and asset management, gained through his career at GIC, where he previously held the position of Vice President of Business Development.

Mr. AlSaleh also possesses extensive experience in corporate governance, having served on the boards of several regional companies across diverse sectors. His notable board roles include Emirates Rawabi Food Company and Tamkeen Healthcare Holding in the United Arab Emirates. He also served as Vice Chairman of Sudair Pharma in the Kingdom of Saudi Arabia, Vice Chairman of Gulf Stone Company in the Sultanate of Oman, and Board Member of KGL Logistics in the State of Kuwait.

He holds a bachelor's degree in business administration from the United States of America, in addition to executive education programs from the Harvard Kennedy School.

Mohammed Ahmad Al-Sayed Omar
Independent

Mr. Mohammed Ahmed Al-Sayed Omar is a Board Member of Mezzan Holding and brings extensive experience across the food, FMCG, industrial, and trading sectors.

He currently serves as Chief Executive Officer of Asbar General Trading and Contracting Company.

He previously held the role of General Manager at Kuwait Canned Foodstuff Distribution Company (Khazan), a leading food manufacturing company in the Middle East and a subsidiary of Mezzan Holding. He also managed Khazan Meat Company's operations in the United Arab Emirates.

Mr. Al-Sayed Omar has further experience in project management, business development, and quality control through his work at Kuwait Flour Mills and Bakeries Company.

He holds a bachelor's degree in chemistry from Kuwait University.

Board Committees*

To support the Board of Directors in carrying out its oversight responsibilities, several specialized committees were formed during the reporting period. These committees are responsible for strengthening governance practices, supporting effective decision-making, and enhancing oversight across key areas such as audit, risk management, nominations and remuneration, and governance. The tables below present the composition of the Board committees during the year, including the designation of each member.

Audit Committee	Mr. Mohammed Ahmad Al-Sayed Omar Mr. Khaled Taher Jassim Al-Wazzan Mr. Mohammed Khaled Jassim Al-Wazzan
Risk Management Committee	Mr. Sulaiman Khaled Jassim Al-Wazzan Mr. Mohammed Ahmad Al-Sayed Omar Mr. Khaled Taher Jassim Al-Wazzan
Nomination and Remuneration Committee	Mr. Muntaser Jassem Mohammad Al-Wazzan Mr. Sulaiman Khaled Jassim Al-Wazzan Mr. Thamer Ahmad Abdullah Al-Saleh
Governance Committee	Mr. Thamer Ahmad Abdullah Al-Saleh Mr. Mohammed Khaled Jassim Al-Wazzan Mr. Ali Abdulrahman Jassim Al-Wazzan

**As of 31 December 2025 and for the updated committees please refer to: Boursa Kuwait.*

Board Effectiveness and Governance Review Mechanisms

Mezzan also applies governance review mechanisms to support Board effectiveness. Board performance is assessed through periodic governance reviews, committee oversight, and annual self-assessments in line with corporate governance requirements, with resulting improvements directed toward governance practices, committee structures, and oversight processes. During the reporting year, Board members attended at least 75% of Board and committee meetings, and no critical concerns were communicated to the highest governance body through the Company's reporting and escalation channels.

2.2 | Business Ethics and Integrity

Policy Framework

The Company's policy framework sets out commitments that support environmental, social, and human rights due diligence across key areas of the business, including human resources, health and safety, governance, and social responsibility. Within this framework, human resources policies require due diligence on labor practices and human rights risks in line with applicable local labor regulations. The Code of Conduct further states our commitment to respecting internationally recognized human rights and national labor laws in each country where we operate. Collectively, these policies are described as aligned with the United Nations Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, ILO core conventions, and applicable local labor laws.

Our approach to business ethics and integrity is supported by:

Corporate governance, labor, and operational policies that address:

- **Conduct**
- **Employee welfare**
- **Stakeholder dealings**
- **Responsible business practices**

Our responsible business policy framework also references international guidelines, including:

- The Organization for Economic Co-operation and Development (OECD) Guidelines
- International Labor Organization (ILO) Conventions
- United Nations Global Compact principles, and applicable national labor laws across its markets of operation

Conflicts of Interest and Related Party Transparency

Conflicts of interest are managed through Mezzan's corporate governance framework, including conflict of interest policies, disclosure requirements, and oversight by the Board and its committees. Board members disclose other directorships and potential conflicts of interest in accordance with corporate governance requirements, and these disclosures are reflected in the Company's annual report. Potential conflicts linked to ownership relationships with suppliers or other stakeholders are also disclosed and managed under the Company's governance and regulatory requirements. The same applies to potential conflicts involving controlling shareholders.

This approach extends to related party relationships, transactions, and outstanding balances, which are disclosed in the Company's financial statements and annual report in accordance with applicable accounting standards and corporate governance requirements.

Anti-Corruption and Ethics Oversight

In parallel, oversight of business ethics and anti-corruption matters is conducted at Board level through the Audit Committee, with support from executive management and the Internal Audit function and other functions within the group for compliance and control monitoring. Mezzan's anti-bribery and anti-corruption expectations are embedded within its conflict of interest and gifts policy, and this scope extends to all employees and to dealings with customers, vendors, and other external parties across both the private and public sectors.

Anti-corruption policies, procedures, and related training were communicated to all seven members of Mezzan's governance body during the reporting year, representing full coverage of the governance body, all of whom were Kuwaiti nationals. These policies and procedures were also communicated to all employees as part of our Code of Conduct induction process, supported by regular training on ethics, conduct, and Human Resources policies.

The table below presents the breakdown of the relevant employees by nationality and employee level, showing the proportional distribution between local and foreign personnel as well as across entry and junior, middle management, and senior management categories.

Training on Anti-Corruption for Employees

Indicator	Number	Percentage
Employees who Received Induction Documents including company HR policies and Anti-Corruption	251	100%
Local	42	16.73%
Foreign	209	83.27%
Entry and Junior Level	140	55.78%
Middle Management Level	90	35.86%
Senior Management and Above	21	8.37%

Whistleblowing and Grievance Channels

To support accountability in practice, Mezzan maintains formal channels for raising concerns about misconduct or unethical behavior. A whistleblowing policy is available on our website, and complaints may be submitted through a dedicated whistleblowing email address. Concerns raised through this channel are routed to the Vice Chairman of the Board, Head of Legal, Head of Internal Audit, and Head of Human Resources for review and follow-up. The whistleblower policy provides protection from retaliation in line with labor and corporate governance regulations.

Employees may also raise grievances through Human Resources, management, or formal whistleblowing channels in accordance with local labor dispute resolution procedures. Feedback gathered through these channels, as well as through engagement discussions, surveys, and periodic reviews by Human Resources and management, is used to improve grievance procedures and support fairness, confidentiality, and accessibility. The effectiveness of grievance handling is monitored through grievance resolution timelines and compliance reporting required by labor authorities where applicable. Where concerns result in identified negative impacts, the Company commits to investigation, corrective action, and remediation in line with labor law and internal disciplinary procedures.

Policy Application and Implementation

We apply these policy commitments across our workforce in Kuwait, Saudi Arabia, Qatar, the United Arab Emirates and Jordan, and incorporate them into employment contracts and supplier agreements. The policies apply to employees across the business, with attention to expatriates, women and other workforce groups identified as vulnerable under applicable national labor frameworks. Oversight and approval sit with senior management and the Board of Directors, with the Board identified as the highest approving authority.

Implementation is supported through onboarding, internal portals and training sessions designed to communicate policy commitments in line with legal requirements. Human Resources leads implementation, with support from the Audit team, department heads, and line managers to monitor compliance with labor law and internal policies. These commitments are embedded in recruitment, disciplinary procedures, performance management, and employee relations processes. Supplier expectations are addressed through contractual requirements and audit processes that cover compliance with labor laws and ethical standards.

Training and Regulatory Compliance

In addition, employees receive regular training on ethics, conduct, and Human Resources policies to support the implementation of the Company's responsible business commitments.

2.3 | Risk Management and Compliance

Mezzan's approach to risk management and compliance is supported by coordinated oversight across the Risk Management, Internal Audit, Legal, and other control functions. The Risk Management department is responsible for establishing, maintaining, and continuously improving the Group's Enterprise Risk Management framework to ensure that risks are identified, assessed, managed, and monitored in line with the Company's strategic objectives and risk appetite. Internal Audit supports this structure by providing assurance and consulting services aimed at strengthening governance and internal controls. The Legal department complements these functions by advising the Board, executive management, and business units on legal, commercial, and corporate governance compliance matters, including contract review and support on corporate transactions and mergers and acquisitions.

ESG Integration into Risk and Control Processes

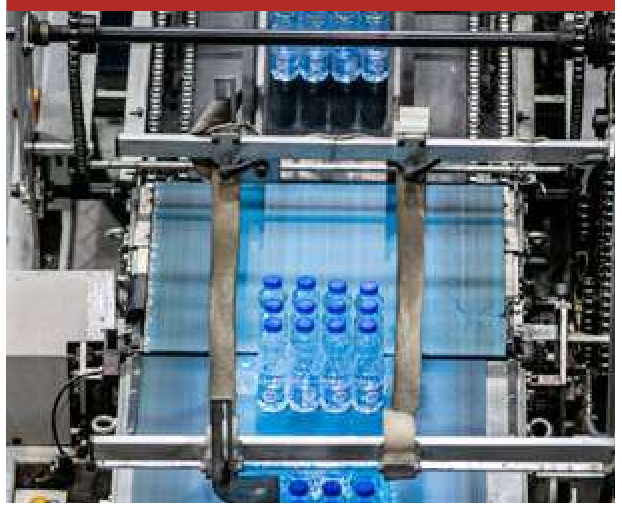
Risk and control functions also contribute to Mezzan's ESG objectives through their day-to-day oversight activities. Internal Audit embeds ESG-related objectives into audit programs to support compliance and value creation through assurance activities. The Risk Management function also considers environmental, social, and governance risks within enterprise risk assessment. From a legal and compliance perspective, ESG-related contributions include environmental safeguards in contracts, supplier due diligence, whistleblower oversight, labor law training, governance policy development, and regulatory reporting to relevant authorities.

Internal Audit and Compliance Oversight

Internal Audit supports Mezzan's governance and compliance framework through its review of internal controls and governance processes. This oversight is complemented by the Legal function, which supports compliance through regular internal and external reviews, including reviews related to regulatory requirements and internal controls.

Corruption Risk and Integrity Controls

Mezzan does not tolerate engagement in highly corrupted activities or geographies. Corruption-related controls are addressed through audit testing and compliance procedures, although the terminology used internally does not always refer directly to "corruption risk." Relevant testing is embedded in audit programs with reference to full coverage of entities within the audit plan. In addition, 6 key operations out of 21, or around 30%, were assessed for corruption risks during 2025.



Preventive and Precautionary Measures

Preventive measures form part of our approach to operational risk and compliance management. The Health, Safety, and Environment function contributes through safe and healthy workplace practices, accident prevention, emergency preparedness, training, environmental controls, internal audits, and action tracking. Human Resources also applies preventive measures to protect employee health and safety through risk assessments and controls. Based on the submitted data, the Company applies preventive practices in areas involving environmental and health-related risks, although the specific precautionary principle wording should be treated carefully until fully confirmed across functions.

Regulatory Compliance

Regulatory compliance remains an important part of Mezzan's governance framework, supporting legal adherence, operational discipline, and timely escalation of non-compliance matters where required. The following tables present our regulatory compliance data for the reporting year, including identified instances of non-compliance, related sanctions, and fines paid, where applicable.

Non-Compliance with Laws and Regulations

Indicator	Metric
Total Instances of Noncompliance with Laws and Regulations	2*
Instances Resulting in Fines	0
Noncompliance Instances Resulting in Non-Monetary Sanctions	1

**Mezzan received a warning on only one of the two cases reported on our Boursa disclosure.*

Fines Paid for Non-Compliance

Indicator	Metric
Total number of Fines Paid for Non-Compliance	0
Number of Fines Paid in the Current Reporting Year that Relate to Non-Compliance that Occurred in the Same Year	0
Monetary Value of the Current Period Non-Compliance Fines (KD)	0
Fines Paid in the Current Reporting Year that Relate to Non-Compliance that Occurred in 2025	0
Monetary Value of the Previous-Period Non-Compliance Fines (KD)	0

Significant instances of non-compliance are determined using defined materiality criteria that consider financial impact, regulatory action, reputational harm, governance breaches, and repeated or systemic violations. A case is treated as significant where it results in a financial impact based on a pre-determined threshold, involves action by regulators such as the Capital Markets Authority or Ministry of Commerce and Industry, creates reputational harm, reflects a governance breach such as disclosure failure or conflict of interest, or indicates a repeated or systemic issue.

Potential non-compliance cases are identified through internal audit activities, compliance monitoring, whistleblower reports, and external audits. These instances are reviewed by the Legal function and classified against the defined criteria. Where a case is determined to be significant, it is escalated to the Chief Executive Officer, the Audit Committee, and the Board for oversight and action.

All identified instances are recorded in the Legal Cases Register. Significant cases trigger corrective action plans that are tracked by Legal and Internal Audit until closure. Where required, material non-compliance matters are disclosed to the Capital Markets Authority and Boursa Kuwait and are reflected in the annual Corporate Governance Report and Audit Committee Report.

In parallel, during 2025 Mezzan began implementing a new transfer pricing policy in response to evolving tax regulations across the Gulf Cooperation Council region. The policy applies an arm's length approach to intercompany transactions and supports margin management across the product supply and distribution value chain. The policy is also aimed to better support the cost competitiveness of inter-company supply arrangements between manufacturing and distribution entities, through enhanced transparency of product and service price value chains across the Group.

Together, these risk and compliance processes support Mezzan's broader governance framework and help strengthen internal control, regulatory oversight, and preparedness across the Group.

Case Study

Integrated QHSE Governance and Safety Culture Enhancement

Mezzan strengthened its integrated Quality, Health, Safety, and Environment (QHSE) governance framework across all operational sites to enhance regulatory compliance, reduce incident rates, and improve overall safety culture. The initiative included structured risk assessments, standardized incident reporting protocols, periodic internal audits, safety walk-throughs, and targeted training programs focused on hazard identification, food safety, emergency preparedness, and environmental management. A proactive reporting culture was further reinforced through toolbox talks, corrective action tracking, and root cause analysis for all recordable incidents. Environmental controls, including energy monitoring, waste segregation, and water consumption tracking, were also integrated into operational performance reviews.

This initiative was designed to strengthen regulatory compliance and operational risk controls, reduce Lost Time Incidents (LTI) and overall incident rates, improve food safety and hygiene governance across facilities, embed environmental accountability into daily operations, and foster a proactive safety reporting culture. It addressed ESG risks related to operational non-compliance, workplace injuries, food safety breaches, and environmental inefficiencies that could result in legal exposure, financial penalties, reputational damage, or service disruption. Observed outcomes included stronger food safety assurance and audit readiness, more structured monitoring of energy, water, and waste, and improved documentation, compliance tracking, and corrective-action governance. Performance was monitored through LTIR and TRIR trend analysis, internal and external audit findings and closure rates, corrective and preventive action tracking, and training completion and competency assessment records.

2.4 | Internal Controls and Digitization

Mezzan's internal control environment supports reliable financial reporting, operational discipline, and oversight across the Group. The Finance function works with Internal Audit and Risk Management to embed controls within finance processes and mitigate financial risks.

Finance Governance and Control Support

The Finance division plays a broad governance role across financial planning and reporting, central finance operations, treasury, insurance, tax management, and finance business partnering. These responsibilities support budgeting, forecasting, management reporting, period-end closing, receivables, payables, credit control, bank relationships, insurance claims, tax compliance, and financial support for business decision-making. Through these activities, the finance function contributes to stewardship of financial policies and guidelines while supporting compliance with internal and external financial and tax requirements.

Finance also contributes to ESG-related decision-making through cost assessment, financial monitoring, and support for responsible spending and funding allocation. This includes supporting business stakeholders in assessing the cost impact of environmental initiatives and monitoring the funding of donations and aid-related activities. These responsibilities strengthen the link between financial governance, internal controls, and broader business accountability.

Steering Committees and Governance Mechanisms

Mezzan strengthened internal governance through formal steering mechanisms over key risk and investment areas. In 2025, the Company began implementing separate Credit and Information Technology governance steering committees to review Group credit exposure, monitor key IT projects, and assess spending against approved budgets and timelines on a quarterly basis. These committees bring together key business stakeholders to support organizational alignment, working capital discipline, and more structured oversight of Information Technology capital expenditure.

This governance approach is complemented by performance review structures within logistics operations. The logistics function introduced a standardized key performance indicator framework covering service level, inventory availability, logistics cost, and fleet utilization. Monthly performance reviews, tracking improvement actions, and benchmarking activities support visibility, accountability, cost control, and more data-driven decision-making across logistics operations.

Information Technology Controls, Privacy and Data Security Oversight

Privacy and data security oversight is shared across senior management and IT governance structures. Submitted responses identify the Chief Financial Officer and Head of Information Technology as oversight leads to privacy and data security strategy and performance. Additional input also notes oversight by the Executive team in coordination with the Risk Management and broader IT governance structures.

Mezzan maintains proactive data breach and incident response arrangements. We apply proactive monitoring through 24/7 oversight by third-party cybersecurity agencies to prevent breaches. Proactive and reactive incident response plans apply to suppliers that handle data or have system access rights. In addition, the data protection policy applies across all business lines and jurisdictions of operation.

The Information Technology function supports Group companies through software, infrastructure, and broader IT services. It also contributes to sustainability objectives by extending the usable life of IT equipment through upgrades, salvaging usable parts where possible, and disposing of unusable items safely. These activities support both operational efficiency and better asset management.

Case Study

SAP S/4HANA Group Rollout

Digitization remains an important part of Mezzan's internal control and process improvement agenda. The Group continues the rollout of the SAP S/4HANA platform as a group-wide enterprise resource planning solution, with the project running from November 2024 to the first quarter of 2028. The new platform is intended to improve process automation, support end-to-end process standardization, and promote best practices across the Group,

The expected control benefits of the SAP S/4HANA rollout include higher automation, reduced manual data entry, and stronger automation of internal controls. The project is also expected to reduce cybersecurity risks and hardware investment through cloud hosting, while creating a more flexible platform for future technology enhancements. This positions digitization as both an efficiency tool and a control-strengthening measure.

The table below presents the related privacy performance data for the reporting year.

Training on Anti-Corruption for Employees

Indicator	Metric
Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	0
Total Substantiated Complaints on Breaches of Customer Privacy from External Parties	0
Total Substantiated Complaints on Breaches of Customer Privacy from Regulatory Bodies	0
Total Identified Leaks of Customer Data	0
Total Identified Thefts of Customer Data	0
Total Number of Identified Losses of Customer Data	0

Privacy and data security training is also currently provided to select Information Technology staff rather than the full employee base. These points indicate that core controls are in place.

Reporting and Escalation Channels

Internal reporting and escalation procedures also support Mezzan's internal control environment. Grievance and escalation channels are formally established and aligned with labor law dispute resolution procedures. These channels complement broader governance, control, and compliance processes by providing formal pathways for issue escalation and follow-up.

Together, these measures support stronger internal control, structured oversight, and more integrated governance across the Group.

3 | Responsible Market Practices

Responsible market practices remain an important part of how Mezzan manages product responsibility, market conduct, and stakeholder engagement across its portfolio. This chapter outlines how the Company continues to safeguard product quality and consumer safety through quality systems, testing, monitoring, and supplier controls, while also maintaining clear and compliant labeling practices that support informed product use and transparency for customers, regulators, and other stakeholders.

The chapter also highlights how we support market development through engagement with healthcare professionals, pharmacists, and distribution channels, particularly in sectors where product knowledge, responsible communication, and professional collaboration play an important role in market access and customer confidence.

Together, these areas reflect Mezzan's ongoing focus on maintaining trust in its products, supporting responsible commercial practices, and contributing to more informed and reliable markets across its operating sectors.

3.1 | Product Safety

Product quality and consumer safety are considered a core part of how we manage operational responsibility across our manufacturing portfolio. Across food manufacturing, pharmaceuticals, plastics, and lube oil operations, product stewardship is supported through quality management systems, chemical controls, testing procedures, employee training, supplier oversight, and product monitoring practices that help maintain compliance, reliability, and consumer protection. This approach also reflects ongoing efforts to strengthen quality assurance processes and manage product-related risks through structured controls and continuous improvement mechanisms across different business lines.

Product Safety Performance

At Mezzan, we monitor product and service health and safety performance through category-level assessments and compliance indicators. The data below summarizes this performance for the reporting year.

64.11% of significant product and service categories were assessed for health and safety impacts for improvement.

Health and Safety Impacts of Products and Services

Indicator	Metric
Incidents of Non-Compliance with Health and Safety Regulations Resulting in a Fine or Penalty	1*
Incidents of Non-Compliance with Health and Safety Regulations Resulting in a Warning	0
Number of Incidents of Non-Compliance with Voluntary Codes Concerning Health and Safety of Products and Services	0

**There is one violation that is still pending to be transferred to court and be resolved either amicably or by payment of penalty.*

These results are supported by business-level systems that govern chemical safety, product design, quality assurance, and post-production controls.

Chemical Controls

We manage chemicals of concern through raw material screening, regulatory review, product reformulation, and safer substitution practices where applicable. In food manufacturing, the focus remains on phasing out or minimizing substances that may pose risks to human health, food safety, or the environment, including non-compliant food additives, hazardous cleaning and sanitation chemicals, and substances restricted under local regulations or international standards. Regulated or potentially regulated substances are identified through supplier specifications, raw material approvals, regulatory reviews, ingredient declarations, safety data sheets, and compliance certifications.

Within pharmaceutical operations, chemicals of concern are managed by avoiding substances restricted or banned by health authorities and by limiting the use of high-concern chemicals to those permitted under regulatory approvals. Regulatory monitoring is carried out through review of governmental and health authority guidance, including references such as MHRA, EDQM, and USP, alongside regulatory intelligence and impact assessments covering product development and lifecycle management. In plastics, regulated chemicals are identified through supplier documentation, including safety data sheets and compliance certificates, while suppliers are required to confirm compliance with applicable regulatory and food contact requirements. In lube oil operations, chemical identification includes testing for contaminants such as PCBs, chlorine, and sulphur, together with safety data sheet reviews for additives used in production.

Substitution efforts are applied where required. Food manufacturing operations identified ongoing reformulation to comply with regulatory thresholds, use approved food-grade ingredients, and transition toward safer cleaning and sanitation chemicals. Changes to materials are managed through formal change control processes, while reformulation may be undertaken in response to updates in preservative limits, impurity controls, or other regulatory safety requirements. In lube oil operations, high-impact virgin base oils have been replaced with re-refined stocks in lubricant products, supporting both product performance and more resource-efficient production practices.

Quality Systems and Product Assurance

We apply formal quality and product assurance systems across our manufacturing operations. In food manufacturing, environmental and health considerations are incorporated into product development through approval processes that review raw materials, safety requirements, and regulatory compliance before products are launched. Product design and approval processes apply regulatory, safety, and environmental requirements before submission and approval.

These controls are reinforced through recognized certifications and structured internal systems. In food manufacturing, BRCGS, ISO 22000, and FSSC 22000 are implemented in different parts of the organization, while Hazard Analysis and Critical Control Points are applied group-wide. Pharmaceutical operations continue to operate under Good Manufacturing Practice (GMP) requirements, including local, regional, and World Health Organization GMP regulations. Plastics operations hold ISO 9001 certification across all operations, while lube oil operations maintain certification to ISO 9001:2015.

In addition to external standards, several business lines maintain internal quality procedures to govern product safety and compliance. Pharmaceutical operations maintain internal standard operating procedures, quality manuals, pharmacovigilance system documentation, and risk management procedures aligned with regulatory requirements. Plastics identified internal audit-based controls as part of their internally developed quality oversight approach. Lube oil operations maintain internal procedures aligned with ISO 9001:2015, including raw material inspection, in-process quality control, laboratory testing, and product specification verification. Testing capacity also supports product quality assurance across the portfolio. Food manufacturing uses both in-house and third-party laboratory testing, with internal testing covering routine quality and food safety parameters and external laboratories supporting specialized or regulatory requirements. Pharmaceutical operations rely on in-house testing capacity, as do plastic operations. Lube oil operations maintain an in-house laboratory for key testing parameters related to used oil, lubricants, and greases, while third-party testing is used when customer requirements fall outside internal capabilities.

Together, these systems are supported by employee capability-building and operational readiness controls.

Training and Operational Readiness

At Mezzan, we maintain product quality and safety through employee training across relevant operational functions. In food manufacturing, employees across manufacturing, quality, and supply chain functions receive induction training, training on Hazard Analysis and Critical Control Points, hygiene practices, Good Manufacturing Practice (GMP) requirements, and role-specific refresher training to maintain compliance and awareness. Pharmaceutical operations apply extensive GMP and job-specific standard operating procedure training, including safety-related provisions linked to equipment and instruments. In plastics operations, employees receive on-the-job training on product quality and safety requirements. Similarly, in lube oil operations, employee training covers operational procedures, product specifications, and safe production, storage, and handling of lubricants and base oils.

Operational readiness measures are also in place to support product availability, reliability, and safety. Food manufacturing applies supply continuity planning, approved supplier management, inventory controls, crisis management arrangements, and recall procedures supported by food safety systems including HACCP, BRCGS, FSSC 22000, and ISO 22000. Pharmaceutical operations rely on Business Continuity Plans, pharmacovigilance continuity measures, stock management, supplier qualification, quality risk management systems, and product testing across shelf life to confirm that products remain safe and effective for use. Plastics apply safety stock for critical raw materials, alternative qualified suppliers, preventive maintenance programs, and quality control procedure. Lube oil operations follow controls including raw material sourcing contracts with local service centers and garages, SAP ERP-based stock monitoring, in-house laboratory testing, batch traceability, and documented safety data sheets for products.

Across these business lines, readiness measures support the Company's ability to manage product-related risk and sustain performance across different operating environments.

3.2 Product Monitoring and Consumer Communication

Product monitoring and consumer communication support safer product use, clearer decision-making, and stronger trust across Mezzan's portfolio. For a company operating across food, pharmaceuticals, fast-moving consumer goods, and industrial products, this area is important because it links product information, monitoring, recall management, and supplier quality oversight to customer protection and regulatory compliance. The following sub-sections outline how Mezzan manages product performance, consumer information, product safety records, and supplier quality controls across relevant businesses.

Monitoring and Product Performance

Monitoring practices at Mezzan support product quality, safety performance, and customer protection across our operations. In food manufacturing, product quality and customer protection indicators include customer complaints, product non-conformities, recall incidents, and customer feedback or satisfaction data, which are reviewed regularly as part of ongoing improvement efforts. Pharmaceutical operations monitor quality key performance indicators including deviation rates, CAPA closure timelines, complaint trends, audit findings, and pharmacovigilance reporting compliance, while product performance and safety for generic pharmaceutical products are also established before commercial marketing. Pharmaceutical operations also track product complaint trends, audit outcomes, inspection results, and other quality and safety indicators relevant to the sector.

In lube oil operations, customer feedback, complaint logs, and certificates of analysis form part of quality performance oversight. Additional sector-specific indicators include viscosity consistency, sulfur content, Total Acid Number, compliance with ASTM and ISO standards, batch traceability, packaging integrity, safe handling of hazardous materials, recovery efficiency, by-product quality, and emissions compliance. Taken together, these metrics reflect the business-specific ways in which product safety and quality are monitored and maintained across the Group.

In the pharmaceutical business, regulatory interactions also form part of the product safety oversight environment. Routine safety communications from regulatory authorities are received and assessed through established pharmacovigilance and quality procedures. Pharmaceutical operations also maintain inspections by the Kuwait Ministry of Health and the Saudi Food and Drug Authority, with any observations managed through formal CAPA processes to support continued compliance.

Through these monitoring practices, we maintain visibility over product quality and safety performance across our portfolio, forming the basis for our product safety and recall profile during the year.

Labeling and Consumer Information

At Mezzan, labeling and related communication channels help consumers understand product content and how products should be used safely. In food manufacturing, this includes product labels carrying ingredient lists, allergen declarations, and usage instructions, with additional information made available through customer service channels where required.

In pharmaceutical operations, consumers information is provided through approved labels, patient information leaflets in Arabic and English, pharmacovigilance contact details, product brochures, and direct communication channels for safety-related inquiries. Pharmaceutical products also disclose ingredients and undergo internal and local authority testing before market release. These requirements include active ingredients, excipients with known effects, preservatives, and hazardous substances where required. They also include approved safety instructions, contraindications, warnings, precautions, dosage instructions, and storage conditions to support safe and effective use. Additional required label information includes batch number, expiry date, barcode or Global Trade Item Number, pharmacovigilance contact details, storage conditions, and authority-specific statements such as allergen instructions or controlled substance warnings.

In FMCG operations, imported products are required to comply with global, European, and Gulf standards, and labels must be approved by local authorities before sale in Kuwait. Product registration documents submitted before import continue to include labels, manufacturing process information, and ingredients for authority review. FMCG labels include content information and safe-use instructions in line with Gulf Standardization Organization requirements and local and regional regulations.

Through these practices, Mezzan supports clearer product information and more consistent communication across categories.

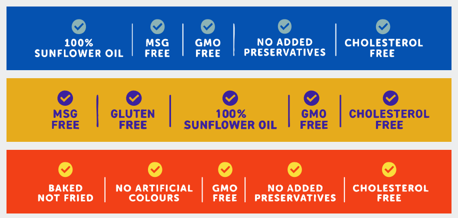
Case Study

Supporting Consumer Health Through Product Reformulation and Nutrition Transparency

Mezzan continued to strengthen its approach to consumer health and nutrition by developing products that respond to evolving consumer preferences for clearer information and improved product composition. Across selected KITCO and Bliss products, the Company introduced the use of 100% sunflower oil instead of palm oil, reflecting its focus on enhancing product quality while maintaining taste, safety, and consumer appeal.

This approach is visible across product ranges such as JUST Kettle Cooked, Bliss Veggie Chips, and Bliss Veggie Straws, where packaging highlights key product attributes including 100% sunflower oil, MSG-free, GMO-free, cholesterol-free, and no added preservatives or no artificial colors, depending on the product category. The Bliss Protein Puffs range also communicates nutritional value more directly by highlighting 10g of protein, while maintaining clear front-of-pack claims such as baked, not fried, cholesterol-free, GMO-free, and no added preservatives.

By making these attributes visible on packaging, Mezzan supports more informed consumer choices at the point of purchase. This initiative reflects how the Company integrates health and nutrition considerations into product development, reformulation, and consumer communication, while reinforcing its commitment to product responsibility, transparency, and consumer well-being.



Recalls and Product Safety Record

Product safety performance remained stable across our food manufacturing, pharmaceutical and lube oil operations during the reporting period. In pharmaceutical operations, any product safety or quality issues are managed through formal quality, pharmacovigilance, and risk management procedures. Lube oil operations did not identify any material product safety or quality issues during the year.

Recall activity differed across our manufacturing operations during the reporting period. Food manufacturing recorded no product recalls with severe, moderate or minor cases. In plastics operations, recalls were recorded in connection with product quality issues. These did not include any severe cases, but moderate and minor recalls occurred during the year.

At Group level, the reported absence of fines, warnings, and voluntary code non-compliance incidents related to the health and safety impacts of products and services provides an additional indicator of control effectiveness during the year. Supplier controls across the value chain also influence overall product quality and safety performance.

Supplier Quality Oversight

Mezzan manages supplier quality through approval, documentation, audit, and monitoring processes that support product safety and input quality. In food manufacturing, supplier quality controls go beyond general statements and are supported by defined approval requirements, documentation review, audits, and performance monitoring processes. Oversight of Tier 1 suppliers includes supplier approvals, certification reviews, third-party audit reports, and on-site assessments by internal teams where required.

For Tier 2 level, supplier oversight is primarily managed through Tier 1 suppliers, who are expected to ensure compliance by their own suppliers, with added review based on material risk and criticality. At Tier 3 level, raw material quality is managed through supplier approval and material qualification processes, including review of certifications, specifications, compliance documents, and added controls for high-risk materials. Food manufacturing also communicates quality and food safety requirements to suppliers during supplier approval and onboarding, with additional guidance provided for critical suppliers and materials where needed.

Pharmaceutical operations support supplier engagement through pre-scheduled audits carried out by the Quality Assurance team, with findings and observations addressed through corrective and preventive action processes. In plastics, Tier 1 supplier quality is monitored through internal controls, supplier evaluations, certifications, and relevant third-party audits. Beyond Tier 1, oversight of Tier 2 and Tier 3 suppliers in plastics remains more limited and is managed through Tier 1 supplier requirements rather than direct systematic monitoring. Plastics operations also provide suppliers with guidance and, where required, training on quality standards, specifications, and compliance requirements.

Through these processes, these controls help extend product quality expectations beyond internal operations and support consistency in the safety and quality of materials used across our businesses.

3.3 | Responsible Labeling

At Mezzan, responsible labeling supports informed product use and transparent communication across our portfolio. Across food manufacturing, pharmaceuticals, lube oil, and imported fast-moving consumer goods, labeling practices cover product contents, safe-use instructions, disposal information, packaging transparency, and authority-required disclosures, while supporting informed consumer use and regulatory compliance. This approach is supported by regulatory documentation, internal review processes, and communication channels that help maintain accuracy and reduce the risk of incomplete or misleading information.

Substance Disclosure

Mezzan discloses regulated substances in line with applicable legal and product registration requirements. In food manufacturing, this is supported through ingredient declarations, safety data sheets, and compliance certificates that are provided to authorities, customers, and other stakeholders where required. In pharmaceutical operations this information is reflected in registration files, import documentation, government-monitored records, regulatory dossiers, and approved labeling, including qualitative and quantitative composition details as required by health authorities. Safety-related excipients and controlled substances are also declared in accordance with applicable regulations. In lube oil operations, safety data sheets support transparency on chemical composition, hazards, and handling procedures for regulators, customers, and employees.

Disposal and Environmental Information

Where relevant, we include disposal - related information and environmental instructions within our product communication practices. In pharmaceutical operations, packaging may include storage and disposal instructions in line with regulatory requirements, while certain products also carry environmental warnings and safe disposal guidance, particularly for medical or controlled items. In lube oil operations, packaging includes a recycling logo and instructions for proper disposal of packaging materials. FMCG products also continue to include disposal-related information in line with applicable Gulf and local regulatory requirements where relevant. These practices help consumers and other users handle and dispose of products more safely, while extending the usefulness of product information beyond the point of sale.

Packaging Transparency

At Mezzan, packaging transparency helps ensure that information on materials, specifications, and compliance requirements is available where relevant across our product portfolio. In food manufacturing, information on packaging materials is maintained in line with regulatory requirements and product labeling standards, with relevant details made available to customers and authorities where required. In pharmaceutical operations, full transparency is maintained for primary and secondary packaging materials, including artworks, through registration files submitted to authorities. In plastics, packaging transparency is supported through product specifications that identify material type and relevant compliance information for customers where required. In lube oil operations, packaging materials such as metal drums, plastic cans, and bulk containers are selected based on safety, product compatibility, and regulatory compliance.

Through these practices, we support clearer visibility on packaging materials across different product categories and reinforce consistency in how packaging information is managed.

Marketing Integrity and Review Controls

At Mezzan, clear product communication is supported by review controls that help maintain accuracy and consistency across product-related materials. In pharmaceutical operations, auditing of responsible marketing practices and explicit responsible marketing policies are managed at Group level. In lube oil operations, internal review practices continue to assess compliance with responsible marketing and ethical product promotion requirements, while product information and technical datasheets are reviewed for accuracy and compliance before being communicated to customers.

3.4 | Market Collaboration and Development

Professional collaboration forms an important part of responsible market practice because it supports informed engagement, stronger product stewardship, and more effective interaction with professionals, channels, and stakeholders that shape market access and customer understanding. For a company like Mezzan, this is particularly important given the breadth of our portfolio and the range of sectors in which we operate, where building trusted professional relationships helps support responsible market presence, product awareness, and informed use.

At Mezzan, market collaboration supports how we build professional relationships, strengthen product understanding, and expand market presence across relevant sectors. In this section, the strongest examples relate to pharmaceutical engagement in Kuwait, where collaboration has focused on pharmacists, healthcare professionals, and targeted portfolio activation. In parallel, our FMCG business supports market presence through the distribution of multinational consumer goods and baby milk brands across local channels.

Mezzan's B2C channels represent the Group's direct consumer and beneficiary-facing access points, primarily through Tazweed Ventures and the Pharmaceuticals business line. Through Tazweed, Mezzan reaches vulnerable communities and refugee populations through controlled retail and distribution channels, including dark-store and camp-based retail models. In selected refugee-serving locations, beneficiaries access essential goods through biometric-enabled systems, where eye scanners verify each person's identity and allow them to use allocated program credit instead of cash. This supports secure, traceable, and accessible delivery of essential goods to beneficiaries.

In the Pharmaceuticals business line, Mezzan's B2C model reflects an integrated healthcare value chain that extends from pharmaceutical production to direct retail access. The Group manufactures and distributes pharmaceutical products and also sells its own medicines through its pharmacy network, enabling closer oversight of product quality, availability, and consumer access across the full value chain.

B2C Channels Coverage

B2C Channels

Mezzan's B2C channels connect the Group directly with consumers and beneficiaries through Tazweed Ventures and the Pharmaceuticals business line.

Tazweed – Dark Rooms

Through Tazweed, refugees and vulnerable communities access essential goods through controlled retail models, supported by biometric eye-scanning systems that allow beneficiaries to use allocated program credit instead of cash.

Beneficiaries: Refugees

KSPICO

In Pharmaceuticals, Mezzan covers the full value chain from production and distribution to direct sale of its own medicines through its pharmacy network.

Beneficiaries: Patients

Professional Engagement

Mezzan continues to use professional engagement as an important part of market development in its pharmaceutical business. One initiative focused on strengthening relationships with pharmacists through an annual collaboration program between KSPICO and the Kuwait Pharmaceutical Association, supported by educational and training programs for postgraduate and professional pharmacists. This program was designed to deepen engagement with the pharmacy community, improve pharmacists' product knowledge, and increase awareness and recommendation of KSPICO products across the pharmacy network.

The initiative also supported the wider professional role of community pharmacists by reinforcing best practices related to the safe and effective use of medications, continuous healthcare consultation, and effective communication and service quality in patient-facing settings. Through this approach, we supported knowledge sharing within the pharmacy ecosystem while strengthening engagement in a key healthcare channel.

Healthcare Partnerships

We also continued to strengthen market relationships through direct engagement with healthcare professionals. In the pharmaceutical business, an international standalone medical event was organized for selected healthcare professionals as part of a structured program intended to strengthen scientific engagement, deepen product knowledge, and reinforce relationships between the brand and key medical stakeholders. The event included the participation of 14 Key Opinion Leader physicians representing major healthcare institutions, including Al Hady Hospital, Al Salam Hospital, Dar Al Shifa Hospital, Al Seef Hospital, International Hospital, and Kuwait Oil Company. The impact of this initiative was described qualitatively rather than quantitatively, with the business highlighting stronger engagement with high-influence healthcare professionals, increased awareness and confidence in pharmaceutical products, and further progress in moving participating physicians along the brand-bonding ladder to support longer-term loyalty and advocacy. This external engagement model also extended into targeted category development through portfolio launches.

Case Study

Launching KSPICO's New Women's Health Portfolio

Mezzan's pharmaceutical business also expanded its market activity in Kuwait through the launch of a new women's health portfolio.

The initiative focused on introducing COTRAX and TRACTOBAN and establishing them as recognized products in the local market To support this objective, the business implemented a 360-degree integrated campaign that included recruitment of a dedicated women's health team, field force training on product knowledge, clinical evidence, competitive positioning, and communication with healthcare professionals, as well as structured visits and professional calls with gynecologists and obstetricians across Kuwait.

The launch was also supported by an event attended by more than 80 gynecologists, intended to formally introduce the products, present scientific data and therapeutic benefits, and strengthen market visibility in the women's health segment. Reported outcomes indicate that both products became established in the Kuwait market, engagement with gynecologists was strengthened through targeted professional interaction, and the business reinforced its position in the women's health segment. Although quantitative return on investment data was not disclosed, the initiative shows how structured engagement, training, and launch execution continue to contribute to category growth and market development.

Commercial Context

Beyond pharmaceuticals, Mezzan's market presence is also supported by its FMCG distribution activities. In this segment, the business distributes multinational consumer goods and baby milk brands, supporting market access and commercial reach across local channels.

The table below presents selected forms of financial support received across parts of the Group during the reporting period. These figures provide contextual financial information, but on their own do not evidence market collaboration mechanisms or partnership outcomes.

Country	Entity / Activity	Type of Support	Amount (KD)	Description
Jordan	Tazweed Venture	Tax relief	163,060	Exempted sales tax on revenue in refugee camps
Kuwait	JAWS Farm	Subsidy	628,297	Support related to newborn cows and milk production
Saudi Arabia	Saudization program	Subsidy support	42,542	Support linked to hiring young Saudis

4 | People, Well-Being and Community Impact

4.1 | Human Capital Management

Human capital management sits at the core of Mezzan's operational strategy. Across Kuwait, Saudi Arabia, Qatar, the United Arab Emirates, and Jordan, the Group manages the full employee lifecycle, from workforce planning and recruitment through to compensation, training, employee relations, and labor compliance. In catering operations, this extends to payroll compliance, documentation control, grievance handling, and welfare coordination, all of which are integrated into day-to-day contract execution.

Our approach to human capital also supports our broader ESG commitments by promoting fair labor practices, employee well-being, and ethical conduct in line with local legislation and internal governance requirements. In catering, workforce indicators including turnover, onboarding effectiveness, employee feedback, and overtime monitoring are reviewed quarterly, with a formal succession planning framework initiated in 2025 for critical roles.

Employee data is reflected using the total number of active employees on the Company's payroll regardless of working hours or employment status. Figures are reported as of the end of the reporting period and correspond to the total active employee base recorded in the Human Resources Information System (HRIS) on the final day of the reporting cycle.

Workforce Planning and Employment Stability

Workforce planning at Mezzan is managed through structured processes that support operational readiness across the Group. The Human Resources department oversees recruitment, compensation and benefits, employee relations, performance management, learning and development, and labor law compliance across all operating markets.

In catering, workforce planning is particularly critical given the project-based nature of the business. Manpower forecasting is aligned with tender mobilization and demobilization cycles and coordinated across Human Resources, Operations, and Finance to support timely staffing, cost discipline, and regulatory compliance.

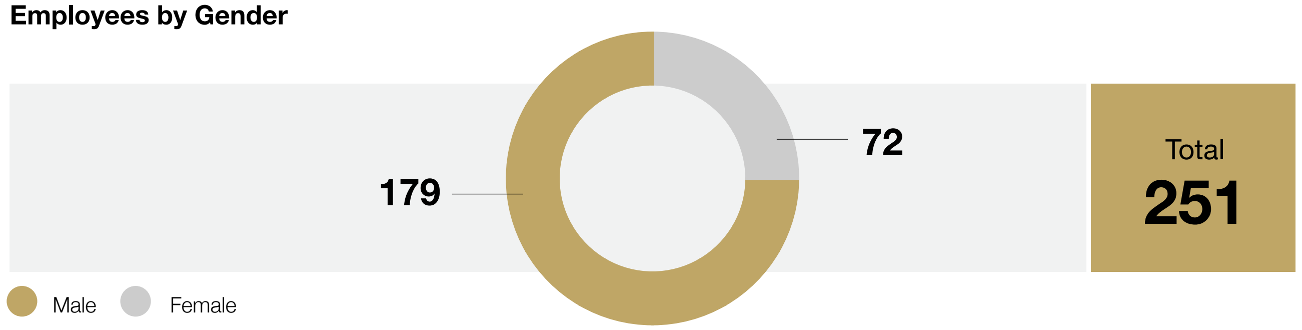
This emphasis on workforce stability is reflected in how Mezzan defines significant operating locations for workforce oversight.

These include countries or facilities with large employee populations, major operational activities, or key business functions, such as production sites, distribution centers, and regional offices where workforce scale and operational impact are material to the Group's performance and reporting.

Workforce Profile

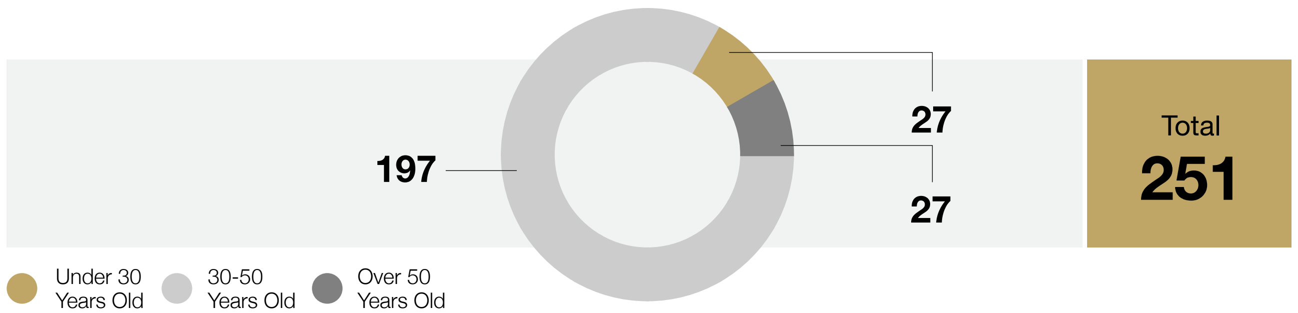
Our workforce profile provides an overview of employee composition across gender, age, region, employment type, hiring, turnover, and training. At the end of the reporting period, Mezzan employed a total of 251 Head Office employees. Male employees represented 71.3% of the workforce, while female employees accounted for 28.7%, reflecting the overall gender distribution of the Company's workforce.

Employees by Gender



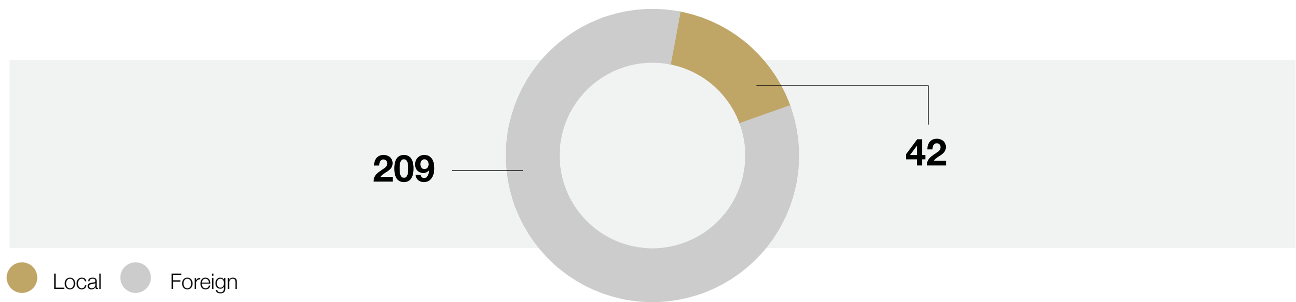
Employees by Age Group

Our age profile shows that our workforce is largely concentrated in the 30–50 years age group, which represents 78.5% of total employees. Employees under 30 years old accounted for 10.8% of the workforce, while those over 50 years old also represented 10.8%, indicating a workforce centered in the mid-career age bracket.



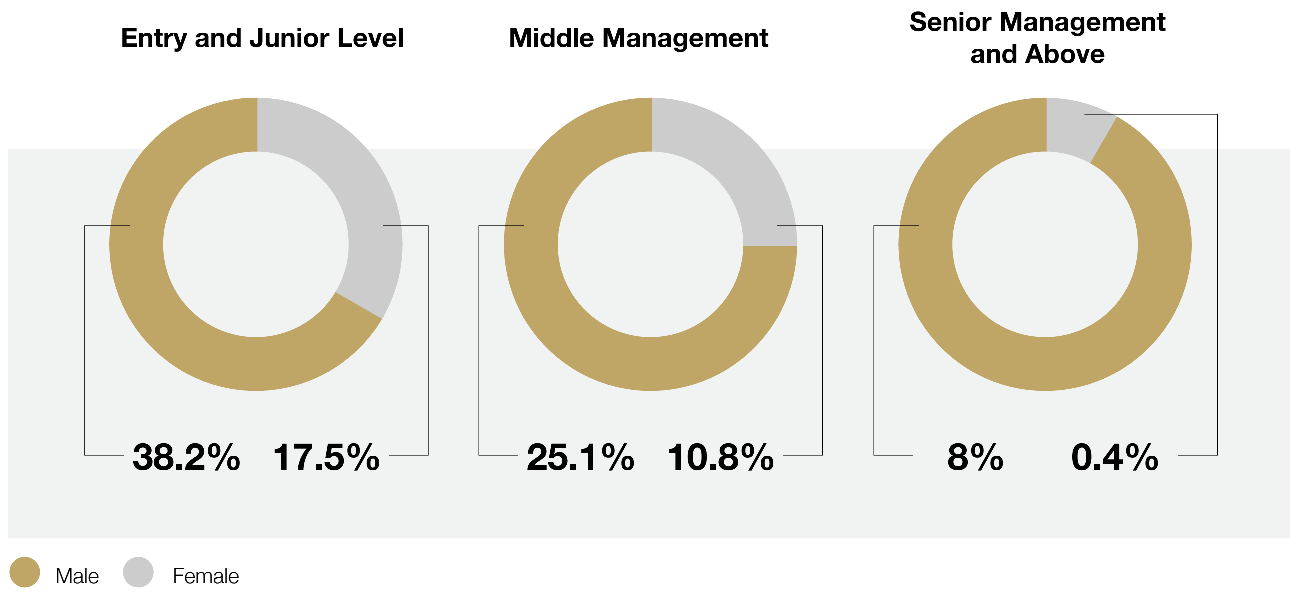
Employees by Nationality

By region, our employee base is primarily foreign, with foreign employees accounting for 83.3% of total headcount and local employees representing 16.7%.



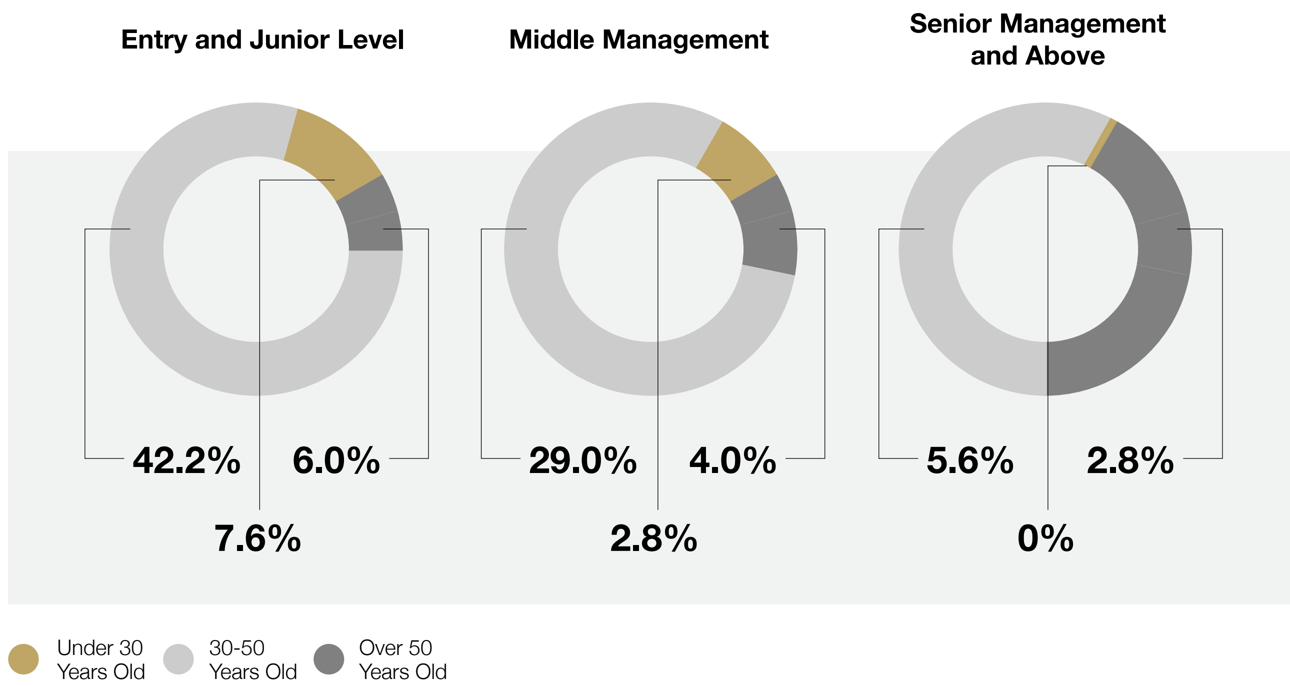
Employees by Gender and by Level

Gender distribution across the workforce shows that male employees represent the majority at all organizational levels. The workforce is primarily concentrated in entry, junior, and middle management roles, while senior management and above account for a smaller proportion. Female representation remains lower at senior levels.



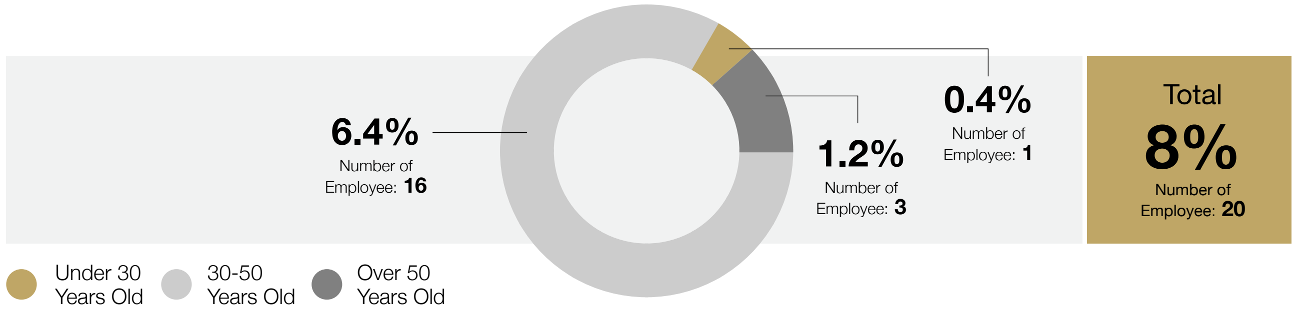
Employees by Age Group and by Level

Our workforce age profile indicates that employees aged 30–50 years represent the largest share across all organizational levels. This reflects a concentration of employees within the mid-career bracket across entry and junior, middle management, and senior management roles. Employees under 30 and over 50 account for smaller proportions of the workforce.



Employee Hires by Age

During the reporting period, we hired 20 employees, equivalent to 8% of the total workforce. Most new hires were within the 30–50 years age group, with 16 employees, compared with three hires over 50 years old and one hire under 30 years old, indicating that recruitment was primarily concentrated in the mid-career age category.



Note: The percentages presented in the table above are out of the total number of employees

Employee Hires by Gender and Region

Hiring during the reporting period was balanced by gender, with 10 male and 10 female employees recruited. Recruitment was predominantly concentrated among foreign nationals, who accounted for 19 of the new hires, while local recruitment was limited to one employee.

Indicator	Male	Female	Local	Foreign
Employee Hires by Gender	10	10	-	-
Employee Hires by Gender (%)	4%	4%	-	-
Employee Hires by Region	-	-	1	19
Employee Hires by Region (%)	-	-	0.4%	7.6%

Employee Turnover by Age

Employee turnover totaled 22 employees, equivalent to 9% of our workforce. As with hiring, turnover was concentrated in the 30–50 years age group.

Indicator	Under 30 Years Old	30-50 Years Old	Over 50 Years Old	Total
Employee Turnover by Age	2	16	4	22
Employee Turnover by Age (%)	1%	6%	2%	9%

Employee Turnover by Gender and Region

Turnover was distributed by gender, with 14 male and 8 female employees leaving during the reporting period. By region, most turnover was recorded among foreign employees, who accounted for 18 of the exits shown below.

Indicator	Male	Female	Local	Foreign
Employee Turnover by Gender	14	8	-	-
Employee Turnover by Gender (%)	6%	3%	-	-
Employee Turnover by Region	-	-	4	18
Employee Turnover by Region (%)	-	-	2%	7%

Training and Development

Training at Mezzan is focused on supporting employee capability, role readiness, and ongoing development. During the reporting period, a total of 117 training hours were recorded. The breakdown below shows the distribution of training hours by gender and employee category, indicating where training activity was concentrated during the year.

Employee Training Hours by Gender

Male
71

Female
46

Total
117

Employee Training Hours by Employee Category

Entry and Junior Level
50

Middle Management
60

Senior Management and Above
7

Total
117

Diversity and Inclusion

Mezzan's approach to diversity and inclusion is guided by a formal human rights policy aligned with international standards and applicable labor regulations across its operating markets. Remuneration is determined based on role and competence, and this approach is applied consistently across all employee levels and geographies. Human rights training is delivered through Human Resources and compliance programs. The effectiveness of related policies is monitored through internal audits and grievance review processes.

2

Special Needs Employees

Parental Leave

Parental leave entitlement during the reporting period applied to the 72 female employees in the Head Office workforce. Of those entitled, three employees took parental leave during the year. Two returned to work upon completion of their leave, with one employee still on maternity leave at the close of the reporting period

Employees Entitled to Parental Leave

Indicator	Male	Female	Total
Employees Entitled to Parental Leave	0	72	72
Employees who Took Parental Leave	0	3	3
Employees who Returned to Work after Parental Leave	0	2*	2*
Employees who Returned to Work after Parental Leave Ended who were Still Employed 12 Months after their Return to Work	0	0	0
Return to Work Rate of Employees who Took Parental Leave (%)	0	1.2%	1.2%
Retention Rates of Employees who Took Parental Leave (%)	0	100%	100%

* One employee is currently still on maternity leave.

Employee Benefits and Social Protection

Mezzan provides employee benefits in line with labor law requirements across its operating countries. End-of-service and retirement obligations are funded directly by the Company, while national employees are also covered by government social security systems where applicable. The Group continues to review its approach to employee support in line with regulatory and operational requirements.

Full-time employees receive healthcare coverage, statutory leave, and end-of-service benefits. Additional support includes training, allowances, and wellness initiatives. A Hardship Fund is available to support employees facing exceptional circumstances as part of the Group's broader employee support framework.

Health-related support is further reinforced in the pharmaceutical business through preventive care and awareness programs. In catering operations, employee welfare is managed through structured medical support and monitoring processes, alongside controls to prevent unethical recruitment practices, with ongoing attention to strengthening these controls.

Fair Pay, Employment Conditions, and Labor Compliance

Pay and employment conditions are managed in line with labor laws and internal controls, with continued alignment to regulatory developments across operating markets. Entry-level wages meet or exceed statutory requirements, or follow regulatory guidance and market benchmarks where no formal minimum wage applies. Remuneration is based on role and competency. The Group complies with national workforce localization requirements across its operating markets and continues to monitor alignment with regulatory thresholds. Labor compliance is supported through payroll controls, overtime monitoring, and grievance mechanisms. Employee documentation and contract management are governed through structured processes that support traceability and compliance across the employee lifecycle, with ongoing improvements focused on strengthening data consolidation and oversight.

Talent Development and Internal Mobility

Employee development is supported through training and internal mobility aligned with business needs, with continued focus on strengthening capability and leadership continuity. Internal mobility plays a more active role in maintaining continuity during project transitions. A formal succession planning framework for critical roles was introduced in 2025 to support leadership continuity and reduce transition risk, with further development expected as the framework matures. The Group is progressing toward a more structured, role-based framework for career development and compensation, aimed at improving consistency and internal equity.

Performance and Career Development Reviews

Regular performance and career development reviews form part of our human capital management approach during the reporting period. We conducted regular performance and career development reviews for 204 employees, representing 81% of our total workforce. Review coverage by gender reached 79% for male employees and 21% for female employees. By employee category, 54% of reviewed employees were at entry and junior level, 38% were in middle management, and 8% were in senior management and above. This reflects continued review coverage across different levels of the organization, with the highest share recorded among entry and junior-level employees.

Employee Support Through Change

Workforce changes, including restructuring and employee exits, are managed in line with applicable labor laws. Employees are provided with notice of major operational changes, and severance and end-of-service benefits are applied in accordance with statutory requirements.

These practices are particularly relevant in operational environments where contract transitions affect workforce planning. In catering operations, workforce planning and internal mobility support continuity during mobilization and demobilization cycles, helping reduce disruption and maintain operational stability. The Group continues to manage these transitions within a defined legal and operational framework.

Recognition and Workforce Governance

Human capital oversight is supported through internal monitoring and structured review processes. Workforce indicators such as turnover, recruitment outcomes, and employee feedback are tracked to support planning and stability, with ongoing refinement of internal monitoring practices.

The Group's approach remains focused on compliance, workforce continuity, and the continued strengthening of internal governance systems.

Case Study

Future Ready Leadership Conference

As part of our commitment to sustainable growth and responsible leadership, the Future Ready Leadership Conference was successfully conducted to align senior leaders across all subsidiaries under the "One Mezzan" vision. The conference focused on strengthening leadership capabilities, driving organizational integration, and embedding a forward-looking mindset that supports long-term business resilience. Key themes included ethical leadership, cross-functional collaboration, digital transformation, and accountability in delivering measurable outcomes. This initiative reinforces Mezzan's governance framework by promoting transparency, strategic alignment, and leadership accountability across all operating markets.

True leadership isn't defined by a title or position—it's about the ability to inspire, influence, and create a positive impact on those around us.

Case Study

Mezzan Olympic and Employee Engagement Day

In line with our commitment to employee well-being and social responsibility, Mezzan organized the Mezzan Olympic and Engagement Day, bringing together employees and their families in a collaborative and inclusive environment. The event aimed to strengthen employee engagement, promote physical and mental well-being, and foster a sense of community and belonging across the organization. Through team-based activities and family participation, the initiative supported a positive workplace culture, enhanced employee morale, and reinforced Mezzan's values of inclusivity, care, and employee-centricity—key pillars within our ESG and people strategy.

4.2 | Occupational Health and Safety

Safety Governance and Scope

Occupational health and safety is a core component of operational risk management, workforce protection, and site resilience across Mezzan's operations. The Health, Safety and Environment (HSE) function oversees the implementation and monitoring of systems designed to protect employees, contractors, visitors, and facilities.

HSE responsibilities include maintaining the corporate policy framework, implementing risk controls, conducting inspections, supporting emergency preparedness, investigating incidents, and monitoring compliance across sites.

An occupational health and safety management system is applied across the Group to support compliance with applicable legal and regulatory requirements. The system is aligned with ISO 45001 principles, although certification is not yet in place at Group level. Khazan Qatar operates with ISO 45001 certification, while other sites follow internal procedures and local regulatory requirements. At Head Office level, the system reflects Kuwait labor, safety, and environmental regulations.

Case Study

Group HSE Committee Governance Framework

Mezzan has strengthened occupational health, safety, and environmental governance through a Group HSE Committee framework that supports communication, consultation, and performance oversight across its operations. The framework formalizes how HSE risks are reviewed and how priorities are implemented consistently across sites.

The approach combines quarterly Group HSE Committee meetings led by senior leadership with monthly site-level committees involving management, employees, and contractors. These forums review incidents, inspections, and key performance indicators, and address operational risks, corrective actions, and improvement priorities. Communication is supported through regular meetings, reporting, training, and internal alerts.

This structure has improved visibility of HSE risks and strengthened follow-up on corrective and preventive actions. Site-level committees support worker participation through cross-functional representation, while Group-level reviews help align practices across business units.

The framework also supports compliance with regulatory requirements and alignment with international standards through structured consultation and communication processes applied across locations. It continues to support a more consistent and responsive HSE governance approach across Mezzan's operations.

The system is applied across all operations and covers all employees, contractors, and visitors across business units, manufacturing sites, and supply chain operations. Contractors are held to the same health and safety policy expectations as employees with no exceptions in relation to the occupational health and safety management system.

Management Systems and Performance Oversight

Mezzan manages health and safety through a formal policy framework and ongoing internal oversight. The HSE policy applies across all operations, and health and safety practices are audited internally as part of the management system. The HSE function also tracks performance through indicators such as incident rates, lost time injuries, environmental metrics, compliance audits, HSE Kaizens, safety and environment observations, restricted work cases, medical treatment cases, and day losses due to accidents.

Case Study

Strengthening Machine Safety Following an Operator Injury Incident

Mezzan implemented targeted corrective action following a serious operator injury incident to prevent recurrence and strengthen machine safety controls across operations. A full investigation was conducted to identify the underlying causes of the incident, and this review highlighted gaps related to lockout-tagout controls, supervision, and equipment access.

Based on the investigation findings, a series of corrective measures were implemented to address the identified risks. These actions included adding interlocks to rotating equipment, developing cleaning standard operating procedures, retraining supervisors, and reinforcing emergency response steps. Investigation records, risk assessment updates, and corrective action tracking were also maintained to support follow-up and control improvement.

The initiative contributed to stronger machine safety controls and increased operator awareness across affected operations. Corrective actions were also applied across multiple sites, helping extend the lessons learned beyond the original incident location. This response reflects our focus on learning from incidents and translating findings into broader preventive action.

Hazard Identification and Risk Control

Hazard identification and risk assessment form the basis of Mezzan's occupational health and safety approach. Work-related hazards are identified through structured processes covering both routine and non-routine activities, supported by site inspections, incident investigations, near-miss reporting, and periodic safety reviews. Control measures are applied using the hierarchy of controls, progressing from elimination and substitution to engineering and administrative measures, and personal protective equipment where required. Assessments are carried out by trained HSE personnel and site management, with outcomes used to strengthen controls, update procedures, address training needs, and track corrective actions at site level.

Case Study

Group-Wide Hazard Identification and Risk Assessment Implementation

Mezzan has strengthened its preventive safety approach through the Group-wide implementation of Hazard Identification and Risk Assessment, or HIRA, across its operations. This initiative supports systematic identification, assessment, and control of workplace hazards across facilities, with the objective of strengthening proactive risk management and reducing the likelihood of incidents.

HIRA studies are conducted across all facilities and cover both routine and non-routine activities. The process is integrated into daily operations and is reviewed regularly to support ongoing effectiveness and continuous improvement. Findings from these assessments are used to implement control measures based on the hierarchy of controls, update standard operating procedures, and guide targeted training and improvement actions.

This approach has contributed to improved identification and mitigation of high-risk activities across sites. It has also supported a more standardized risk assessment approach across manufacturing and supply chain operations. Through preventive controls and stronger operational follow-up, the initiative has helped reduce incidents and near-misses while reinforcing safety awareness and engagement across different levels of the organization.

By embedding HIRA into routine operations, Mezzan supports a more structured and preventive health and safety culture across the Group.

The main work-related hazards with potential for high-consequence injury include fire, hot oil exposure, electrocution, material handling equipment, maintenance activities, and rotating machinery. These hazards are identified through risk assessments, site inspections, and routine operational reviews.

During the reporting period, rotating machinery was identified as the hazard contributing to the reported high-consequence injury. Corrective and preventive actions are managed through structured action plans and tracked through site-level monitoring processes.

Injury rates are calculated based on 200,000 working hours, with the reporting scope covering all workers. Data is consolidated through the Group's KPI framework, supported by HSE reporting, site inspections, and ongoing monitoring of corrective actions.

Incident Reporting, Investigation, and Worker Protection

Workers can report hazards and unsafe conditions through supervisors, HSE representatives, and formal reporting channels. The HSE framework promotes a no-blame approach and protects workers from retaliation, encouraging timely reporting. Employees are also authorized to stop work and remove themselves from unsafe situations in line with safety policies.
All work-related incidents and near misses are investigated by HSE teams and site leadership using structured root cause analysis. Investigations lead to corrective and preventive actions, which are tracked through to closure to strengthen controls and reduce recurrence.

Worker health information is treated as confidential and is accessible only to authorized personnel. Records are maintained in secure systems and shared on a need-to-know basis for legal purposes. Health-related information is not used in employment decisions, and policies are in place to prevent discrimination.

Work-Related Injuries

Indicator	Metric
Number of Work-Related Injuries	4
Fatalities as a Result of Work-Related Injury	0
High-Consequence Work-Related Injuries Excluding Fatalities	1
Number of Recordable Work-Related Injuries	3

For workers who were not employees, but whose work and workplace were controlled by Mezzan, there were no work-related injuries (fatalities, or high-consequence work-related injuries excluding fatalities) recorded during 2025.

Occupational Health Services

Occupational health support is provided through preventive and response-based measures designed to identify and reduce workplace hazards. The program includes:

- Medical surveillance
- Health assessments
- Workplace monitoring
- First-aid provision at production sites
- Certified first aiders
- Access to external emergency medical support
- Routine safety briefings
- Checks on the availability of first-aid resources

Periodic reviews, leadership oversight, and follow-up from incident learnings support the quality and effectiveness of these services. The table below is based on data compiled through Mezzan's KPI Management System, HR SAP System, and HSE Systems, which provide the underlying methodology and context for interpreting the disclosed occupational health and safety information.

Occupational Health and Safety Management System Metrics

Indicator	Metric
Employees and Workers not Employed but Controlled by the Organization covered by the OHS System (Monthly Average)	244
Employees and Workers Not Employed but Controlled by the Organization Covered by the OHS System (%)	3.60%
Employees and Workers Not Employed but Controlled by the Organization Covered by an Internally Audited OHS Management System (Monthly Average)	244
Employees and Workers Not Employed but Controlled by the Organization Covered by an Internally Audited OHS System (%)	3.60%
Employees and Workers Not Employed but Controlled by the Organization Covered by an Externally Audited/Certified OHS Management System (Monthly Average)	1
Employees and Workers Not Employed but Controlled by the Organization Covered by an Externally Audited/Certified OHS Management System (%)	0.20%

Work-Related Ill Health

At Mezzan, we monitor work-related ill health risks as part of our broader occupational health and safety framework. The main types of work-related ill health identified across operations include:

- Respiratory issues
- Skin burns and irritations
- Cold stress
- Musculoskeletal disorders
- Hearing loss

No work-related ill health cases, fatalities resulting from work-related ill health, or recordable work-related ill health cases were recorded during 2025 for either employees or workers who were not employees, but whose work or workplace was controlled by Mezzan. The main hazards that pose a risk of ill health include:

- Flour dust
- Spices
- Cold environments
- Repetitive work
- Heated plastics
- Acid vapors

These hazards are identified through Hazard Identification and Risk Assessment studies, site audits, inspections, and daily shopfloor tours. The hazards identified as causing or contributing to ill health risks include

- Occupational respiratory illness
- Chemical burns
- Cold stress
- Noise-induced hearing loss

Corrective and preventive actions are implemented and tracked to reduce identified risks, with measures applied in line with the hierarchy of controls across sites. Performance data is consolidated through the Group's KPI framework, supported by HSE reporting and site-level monitoring processes.

Health and safety performance is tracked through key indicators covering incident rates and management system coverage. During 2025, 3.4% of operations operated under certified health and safety management systems (OHSAS 18001, ISO 45001, or GB/T28001). The lost time incident rate was 3.45, and no employee or contractor fatalities were recorded during the year.

These measures support a continued focus on prevention, preparedness, and operational accountability across the Group.

Worker Participation and Training

Worker participation is integrated into the development and review of the health and safety system. Across operational sites, workers are involved through HSE committees, participation in risk assessments, and the reporting of hazards and incidents. Formal HSE committees, comprising both management and worker representatives, meet regularly to review incidents, monitor performance, and address risks and corrective actions.

At Head Office, participation is supported through safety meetings, emergency discussions, and procedure reviews rather than a formal committee structure. Health and safety information is communicated through internal channels including training sessions, awareness activities, and workplace communications, reflecting differences in operational context.

Health and safety training is provided through induction programs, refresher sessions, and role-specific training. Topics focus on key workplace risks, emergency preparedness, and safe work practices relevant to each site. At Head Office, training also covers workplace safety procedures, emergency response, and information-related risks.

Case Study

Emergency Response Readiness Across All Facilities

Mezzan strengthened emergency preparedness across its operations through a coordinated effort to improve Emergency Response team readiness at all facilities, including non-traditional crisis scenarios. The initiative aimed to prepare all sites for emergency situations by reinforcing response roles, accountability, and operational readiness.

As part of this effort, all sites conducted Emergency Response team briefings, identified Incident Controllers, updated headcount protocols, and verified 24/7 readiness arrangements. Offices and smaller sites were also instructed to establish Emergency Response team coverage for the first time, expanding preparedness expectations beyond larger operational locations. Supporting materials for the initiative included Emergency Response team charts, drill plans, readiness status sheets, and meeting briefings.

This work contributed to improved leadership readiness, faster response capacity, clearer accountability, and stronger employee confidence in emergency preparedness arrangements. By extending readiness measures across facilities and formalizing response structures, Mezzan continued to reinforce a more consistent and responsive emergency preparedness framework across the Group.

Contractor, Supplier, and Operational Risk Controls

Serious health and safety risks across operations and the value chain are managed through risk assessments, preventive controls, and defined safety requirements. Suppliers, contractors, and partners are required to comply with HSE standards through pre-qualification, audits, and ongoing performance monitoring.

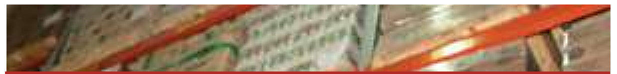
Key controls focus on high-risk activities, including equipment isolation, machinery safeguarding, emergency preparedness, contractor compliance with site requirements, and the safe handling of hazardous materials. These controls are supported by site-level procedures and oversight mechanisms.
Across business units, HSE governance is integrated with broader operational controls. In QSS, this includes product quality, food safety, workplace safety, internal audits, compliance inspections, incident reporting, and corrective action processes. Monitoring activities such as risk-based audits, incident trend analysis, and management reviews support ongoing oversight. In the Lube Oil business, safety practices are reinforced through audits and alignment with ISO 9001 and ISO 14001 management systems, supporting the management of operational and product-related risks.

4.3 | Community Engagement and Social Contribution

Our approach to community engagement reflects our long-standing commitment to the markets and communities we serve. Through our social responsibility approach, we link our broader social contribution to the trust placed in our products by households across the region and to our responsibility toward partners, families, and future generations. This approach is communicated through a focus on product safety, consumer care, human development, and community-oriented initiatives, alongside efforts to maintain strong relationships across our value chain.

This commitment is reflected through two key focus areas which are supporting partners and serving families.

Our Commitment



Our Partners

We support our partners through efficient distribution and logistical infrastructure, supported by warehousing and storage facilities that follow established safety and quality procedures across our markets. We also provide agile marketing support, consumer insights, market research, pricing recommendations, and strong retailer relationships to help enhance shelf presence, brand visibility, and market penetration for partner brands.

To Families

We support families through a strong focus on product safety, quality, and reliability. We apply strict food safety standards, invest in modern manufacturing, warehousing, and distribution facilities, and conduct regular spot checks to help maintain product integrity from factory to shelf. Beyond our products, we engage with consumers through feedback channels and market research, while also contributing to communities through employee development, blood donation campaigns, philanthropic initiatives, internship and training opportunities, and humanitarian cooperation with the United Nations World Food Programme through our subsidiary Tazweed Ventures.

Case Study

Building Market Access Through Digital Consumer Channels

Market access for our consumer products was strengthened during 2025 through a focused digital commerce initiative aimed at increasing the presence of the KSPICO Consumer Line on e-commerce platforms. The objective of the initiative was to expand digital visibility and improve product accessibility for end users through structured online channel development.

As part of this effort, we established an annual partnership arrangement with Talabat's online wholesale store to support broader product reach through the platform. This approach was designed to strengthen the visibility of the consumer line within digital retail channels while making products more accessible through an established e-commerce interface.

The initiative was intended to contribute to in-market sales growth for the consumer cluster during 2025. The target was to achieve more than 10% incremental sales growth over the period. Supporting quantitative results are maintained in a confidential sales report linked to the Talabat online application, while qualitative supporting materials include application feature visuals referenced by the business.

Community Engagement, Impact Assessment, and Development Program Coverage

The table below summarizes the extent to which our business activities incorporated local community engagement, impact assessment, stakeholder consultation, and community development practices during 2025.

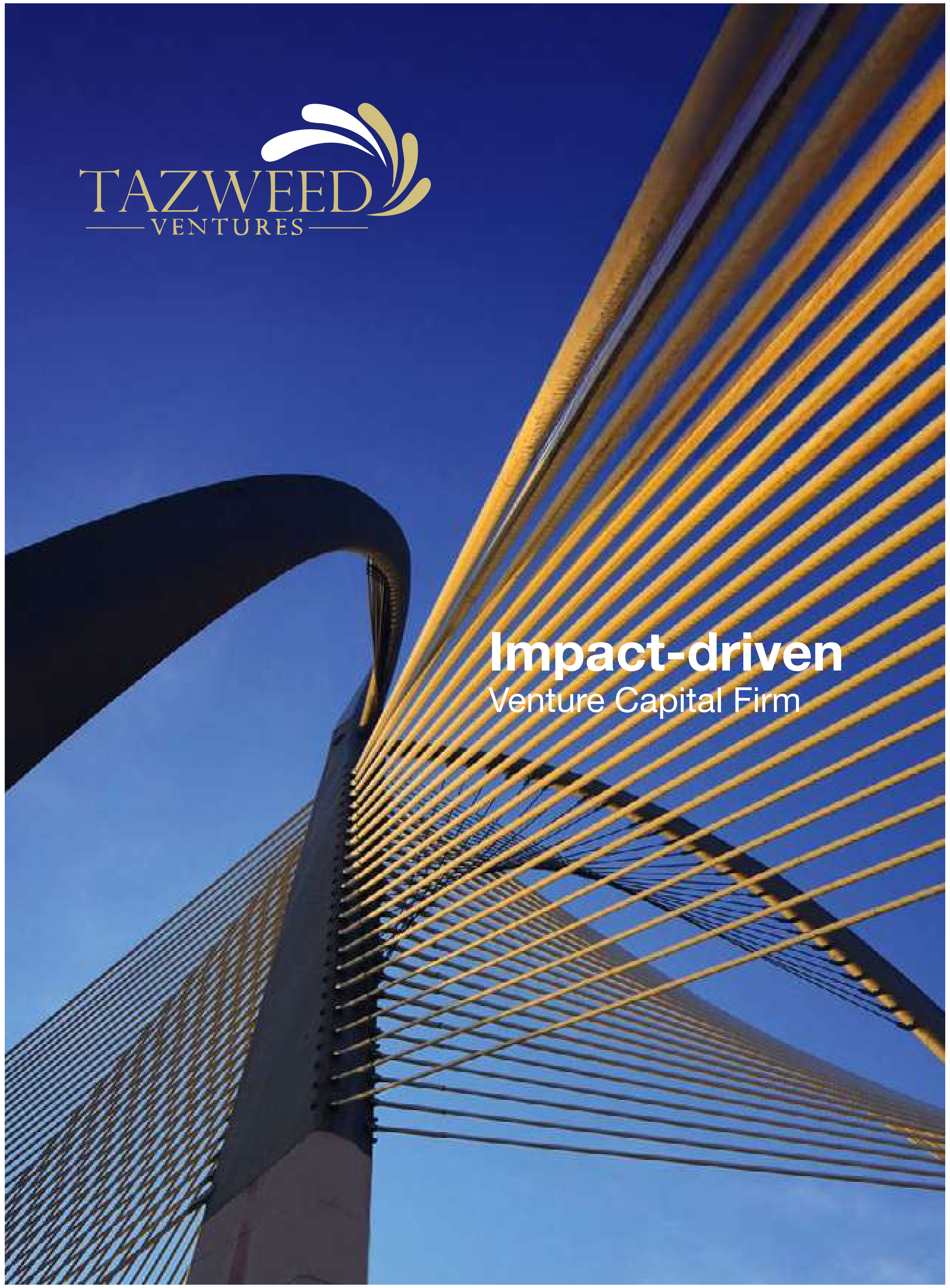
Indicator	Metric
Business Activities with Local Community Engagement, Impact Assessments, and Development Programs	80%
Business Activities with Implemented Local Community Engagement, Impact Assessments, and Development Programs	75%
Business Activities Using Social Impact Assessments, Including Gender Impact Assessments, Based on Participatory Processes	85%
Business Activities Conducting Environmental Impact Assessments and Ongoing Monitoring	70%
Business Activities Running Local Community Development Programs Based on Community Needs	80%
Business Activities Implementing Stakeholder Engagement Plans Based on Stakeholder Mapping	85%
Business Activities with Broad-Based Community Consultation Committees or Processes That Include Vulnerable Groups	70%
Business Activities Engaging Works Councils, Occupational Health and Safety Committees, and Other Worker Representation Bodies to Deal with Impacts	75%
Business Activities with Formal Local Community Grievance Processes	90%

Case Study

"New Mothers" Initiative

As part of our contribution to social sustainability and consumer well-being, the FMCG function continues to support initiatives that promote health awareness and responsible product use. The "New Mothers" initiative is a targeted campaign in Kuwait designed to engage new mothers and encourage healthier lifestyles for both mothers and infants. Through this initiative, product samples are distributed to raise awareness on personal hygiene and the importance of maintaining healthy skin, particularly during early stages of motherhood.

The initiative reflects an approach that combines consumer engagement with health-focused messaging, contributing to improved awareness and informed product use among families. By directly reaching new mothers, the campaign supports early-stage education on hygiene practices and reinforces the role of consumer products in promoting well-being. This also aligns with ongoing efforts to enhance customer engagement and incorporate consumer-focused considerations into product promotion and outreach activities. These initiatives also help strengthen consumer feedback channels and enable us to better understand evolving needs and preferences. This supports ongoing refinement of product offerings and communication approaches, ensuring alignment with consumer expectations and broader social sustainability objectives.



4.4 | Tazweed Ventures - Over the Years

As a Mezzan subsidiary, Tazweed benefits from the Group's wider infrastructure and capabilities across food manufacturing, distribution, and services, supporting its ability to operate effectively across its markets.

This section presents Tazweed Ventures' activities as a cumulative journey rather than a single reporting year. The initiatives and partnerships described below reflect work conducted across multiple years leading up to and including FY2025, illustrating the sustained and ongoing nature of Tazweed's commitment to impact investing and community development. Where activities remain active, they continue to form part of the Group's broader sustainability contribution today.

About Tazweed Ventures

Tazweed Ventures is a Jordan-based impact investment company and a subsidiary of Mezzan. It operates through several platforms, including Support Services, Distribution, Fresh Fruits and Vegetables, and Bustan, across sectors such as consumer services, food-tech, agriculture, and logistics.
The business applies ESG considerations across its portfolio, with a focus on combining commercial performance with local impact. Activities include supporting job creation, skills development, and engagement with micro and small businesses within its value chain.

Since 2016, it has been a member of the global steering committee of the SMEs for Humanity initiative, part of the Agenda for Humanity led by the United Nations Office for the Coordination of Humanitarian Affairs. This reflects its involvement in private sector engagement within humanitarian contexts. Its work has been referenced in international publications, including the 2019 report by the International Finance Corporation and The Bridgespan Group, as well as coverage by MIT Technology Review.

Business Divisions

Tazweed operates through three principal divisions, each contributing directly to its broader impact, investing mandate and community development objectives.

Tazweed Support Services

Since 2013, Tazweed Support Services has delivered customized and integrated support services in remote, demanding, and challenging environments across Jordan and Iraq, including Iraq's Kurdistan Region. Working alongside UN agencies, international humanitarian aid organizations, international government agencies, relief groups, peacekeeping missions, and international companies, Tazweed provides a comprehensive range of services including retail services, food and non-food supplies in bulk and individual or family parcel formats, ready-to-eat meals, catering services, camp infrastructure and support, and logistics services.

The division has demonstrated the capability to manage turnkey operations under complex and challenging conditions, serving a broad client base across Jordan and Iraq with consistent quality, reliable supply, and responsive service delivery. Clients have included WFP, UNHCR, UNICEF, UN Women, the Norwegian Refugee Council, OXFAM, MercyCorps, CARE, Save the Children, More Than Shelters, the International Rescue Committee, Relief International, ACTED, INTERSOS, World Vision, the Islamic Relief, International Relief and Development, Tkiyet Um Ali, and the International Medical Corps.

Tazweed Fresh Fruits and Vegetables

Tazweed's Fresh Fruits and Vegetables division sources produce directly from farmers and growers in the Jordan Valley, operating on the principle that quality is best assured through direct farm-to-client supply chains. Produce is received at purpose-built facilities where it is sorted, cleaned, and packaged before distribution. The division supplies fresh produce on a B2B basis to clients in Jordan — including restaurants, cafes, and wholesalers — as well as to markets in the Middle East and Europe, and directly to UN agencies, international NGOs, and US Prime Vendors operating in the region.

Tazweed maintains long-standing partnerships with smallholder farms and growers from local Jordanian communities, prioritizing quality, ethical trade, and environmental care as core operating standards. The division seeks to return economic value directly to the communities that produce its goods, combining competitive commercial performance with a positive social and environmental footprint.

Tazweed Distribution

The division holds a range of international accreditations supporting its operations and export activities, including Food Safety System Certification 22000 (FSSC 22000), GlobalG.A.P. Associate Membership, Hazard Analysis and Critical Control Points (HACCP) certification, and Defence Logistics Agency (DLA) approval. These credentials enable Tazweed to export goods of Jordanian origin to the UK and Europe under the Euro One Movement Certificate (EUR.1) and the UK-Jordan Association Agreement, providing full exemption from custom duties under the applicable preferential trade policy.

Tazweed Distribution manages the distribution network in Jordan for food products manufactured by Mezzan, including KITCO salty snacks. As part of the broader Mezzan Group, Tazweed benefits from the Group's wider infrastructure and capabilities across food manufacturing, distribution, and services, enabling it to provide consistent, reliable, and quality food distribution services within its operating markets.

Impact Investing and Community Development

Tazweed Ventures supports Mezzan's community impact agenda through humanitarian supply chain and service delivery activities across Jordan and Iraq. Its operations include procurement, packing, warehousing, and distribution of food commodities and fresh produce, as well as biometric-enabled cash-based retail services in refugee camps such as Zaatari, Azraq, and Ramtha. Activities also include supplier onboarding, compliance oversight, and maintaining food safety and operational continuity.

From a social perspective, these operations contribute to access to essential goods for refugees in Jordan and internally displaced populations in Gaza. The model also supports local economic activity, with most products sourced from local manufacturers and farms. Workforce participation reflects this local integration, with approximately 90% of employees being Jordanian and at least half recruited from communities in Mafraq, Irbid, and Azraq.

Operational practices incorporate food safety, supplier governance, environmental management, and employee safety. A dedicated Food Safety and Quality function operates under FSSC 22000 and ISO 22000:2018 systems, supported by audits and standard procedures. Supplier requirements include a code of conduct and compliance with World Food Programme assessment standards. Environmental measures include recycling of packaging materials in coordination with ACTED and the donation of surplus produce to charitable organizations.

Community engagement is integrated into operations through coordination with stakeholders and structured feedback channels. Needs assessments are conducted in collaboration with organizations such as United Nations High Commissioner for Refugees, World Food Programme, and national authorities. Additional operational assessments address site readiness, logistics, and access. Feedback and grievance mechanisms are available through direct and partner-managed channels.

Community support activities include targeted projects and in-kind contributions. In 2025, this included providing land in Zaatari camp for a women's handicrafts initiative supported by UN Women, supplying electricity to schools operated by UNICEF, and supporting bread distribution facilities in Azraq in coordination with the World Food Programme. Additional support included food parcel distributions within Jordan and coordination of food donations to Gaza.

Ongoing initiatives include a cash-based transfer program serving approximately 80,000 beneficiaries per month in partnership with the United Nations High Commissioner for Refugees and the World Food Programme, as well as food supply support for Gaza, with more than 8,000 metric tons delivered since the escalation of the conflict. Public awareness activities have also been conducted in collaboration with King Hussein Cancer Center. Surplus produce continues to be redistributed to underprivileged communities through local initiatives.

These activities connect operational capabilities with humanitarian response and community support, contributing to broader social value across the Group's areas of operation.

Retail Services in Partnership with WFP Jordan and Iraq's Kurdistan Region

Tazweed's Case Studies Across Years

As this is Mezzan's first Sustainability Report, this section looks at Tazweed Ventures through the full arc of its development rather than limiting the narrative to one reporting year. It brings together initiatives and partnerships built over time, up to and including FY2025, to show how Tazweed has advanced impact investing and community development on a sustained basis. Ongoing activities continue to contribute to the Group's wider sustainability priorities.

In partnership with the World Food Programme (WFP), which received the 2020 Nobel Peace Prize, Tazweed developed and operated retail outlets across five refugee camps in Jordan and Iraq's Kurdistan Region. The project utilized a state-of-the-art eye-pay and blockchain payment solution, recognized by the MIT Technology Review in April 2018 as one of the first applications of blockchain technology for humanitarian aid. The initiative was referred to in the 2019 IFC and Bridgespan Group Report on private sector engagement with refugees and host communities, and was visited by senior UK, US, and European government officials. The project has served as a model for technology-enabled humanitarian retail operations globally.

Land Cross-Border Operations Syria and Iraq, including Iraq's Kurdistan Region

Under the UN Security Council Resolution, Tazweed supplied significant quantities of food parcels and bulk food to internally displaced people inside Syria and Iraq, as well as to Syrian refugees in Iraq, via land cross-border operations conducted from Jordan, Kuwait, and Turkey. These operations demonstrated the division's capacity to manage complex, multi-country humanitarian logistics under challenging conditions.

Air Drop Operations Syria

Tazweed implemented air drop operations in Syria to deliver food aid to beneficiaries trapped in besieged areas, representing one of the first such humanitarian air drops operations conducted in the country. The initiative was covered by international media including the BBC and The Guardian and demonstrated the organization's operational capability in severely constrained humanitarian environments.

Shelter, Essential Supplies and Bread Provision - Jordan, Syria, Iraq, and Iraq's Kurdistan Region

Tazweed provided shelter kits and winterization supplies to Syrian refugees across Jordan, Iraq, and Iraq's Kurdistan Region, as well as to internally displaced people in Syria and Iraq. In addition, the division supplied vital bread to Syrian refugees in Za'atri and Azraq refugee camps in Jordan, and in Domiz I, Domiz II, and Kawergosk refugee camps in Iraq's Kurdistan Region. Tazweed also distributed liquefied petroleum gas cylinders to Syrian refugees across the same camp network in both Jordan and Iraq's Kurdistan Region, addressing critical energy and heating needs within refugee communities.

Smallholder Farmer Partnerships - Jordan Valley

Tazweed has developed long-standing partnerships with smallholder farms and growers from local communities across the Jordan Valley, sourcing fresh fruit and vegetables directly at farm level. This model returns economic value to local agricultural communities, supports ethical trade practices, and maintains direct oversight of produce quality from harvest through to client delivery. The approach reflects Tazweed's broader impact investing ethos of creating sustainable social and environmental value alongside commercial performance.

Case Study

Cash-based Transfer Program (WFP/UNHCR)

Bustan supports humanitarian access through a cash-based transfer program operated in partnership with the World Food Programme and the United Nations High Commissioner for Refugees, alongside relevant camp authorities. The program provides biometric-enabled retail and cash-out services in Zaatari, Azraq, and Ramtha refugee camps in Jordan, supporting access to food and essential goods for vulnerable communities. The program operates as a long-term service platform and remained active throughout 2025, serving approximately 80,000 beneficiaries on a monthly basis. It reflects the use of operational infrastructure to support humanitarian delivery, linking assistance programs with day-to-day access to essential commodities.

World
Food
Programme

Case Study

Food Parcel Support for Internally Displaced People in Gaza

Bustan continued to support emergency humanitarian relief for internally displaced people in Gaza through end-to-end sourcing, procurement, packing, transport, and logistics support for food parcels. The initiative was delivered through humanitarian partners, including coordination with WFP where applicable, and was supplied through Jordan operations and logistics corridors.

The support was designed to provide urgent food assistance during a period of ongoing humanitarian need. Since the escalation, the initiative has contributed to cumulative food parcel support exceeding 8,000 metric tons. During the reported donation component, support reached 500 families and included a donation valued at USD 50,000, alongside 48 metric tons donated in coordination with WFP.

This initiative highlights Bustan’s continued contribution to humanitarian response efforts through its supply chain and logistics capabilities. It also reflects the role that operational coordination can continue to play in extending emergency support to affected communities during crisis situations.

Case Study

Bustan x KHCC Awareness and Donation Campaign

Bustan supported a public awareness and donation campaign in collaboration with King Hussein Cancer Center (KHCC) during 2025. The campaign was designed to raise awareness and contribute to cancer prevention and treatment efforts through Bustan sales channels, using awareness stickers placed on Bustan price tags and linking campaign contribution to product sales.

The campaign was implemented in Jordan through Bustan channels and reached more than 300,000 customers during the campaign period. The contribution generated through the campaign was approximately JOD 9,000, representing 3% of JOD 300,000 in campaign sales.

This initiative combines customer engagement with social contribution by linking day-to-day consumer activity to a wider health-related purpose. It also shows how awareness-building and donation support can continue to be integrated into commercial channels in a way that broadens reach and supports community-focused partnerships.

Case Study

Fresh Fruits and Vegetables Surplus Donations with Al Khair Initiative

Bustan continued to support vulnerable communities through periodic donations of surplus fresh fruits and vegetables in partnership with the Al Khair Initiative. The effort focuses on grading, packing, and distributing surplus produce to underprivileged communities, while also reducing avoidable food waste.

The collaboration was implemented across Amman and other locations in Jordan throughout 2025. The reported in-kind contribution was approximately USD 70,000. The total number of beneficiaries was not centrally tracked due to the distribution of support across multiple communities and households. This approach links surplus management with community support, allowing food waste reduction and humanitarian assistance to be addressed through ongoing donation partnerships.

The table below outlines charitable contributions during the reporting period, including beneficiaries, types of support, contribution values, and estimated reach.

Donations:

Name of Beneficiary or Recipient	Underprivileged Communities across	People in Gaza WFP Coordination	Al Khair Initiative Underprivileged Communities
Country	Jordan	Gaza	Amman
Type of Donation	Approximately 2,000 Food Parcels	48 Metric Tons for Gaza Families	In-kind Fresh Fruits and Vegetables Donations
Amount Contributed (USD)	30,000	50,000	70,000
Number of Beneficiaries	-	Approximately 1000 Families	Multiple Communities and Families

Tazweed's community contributions also include sponsorships. The table below presents Tazweed's sponsorship contribution during the reporting period, including the beneficiary, type of sponsorship, contribution amount, and estimated outreach achieved.

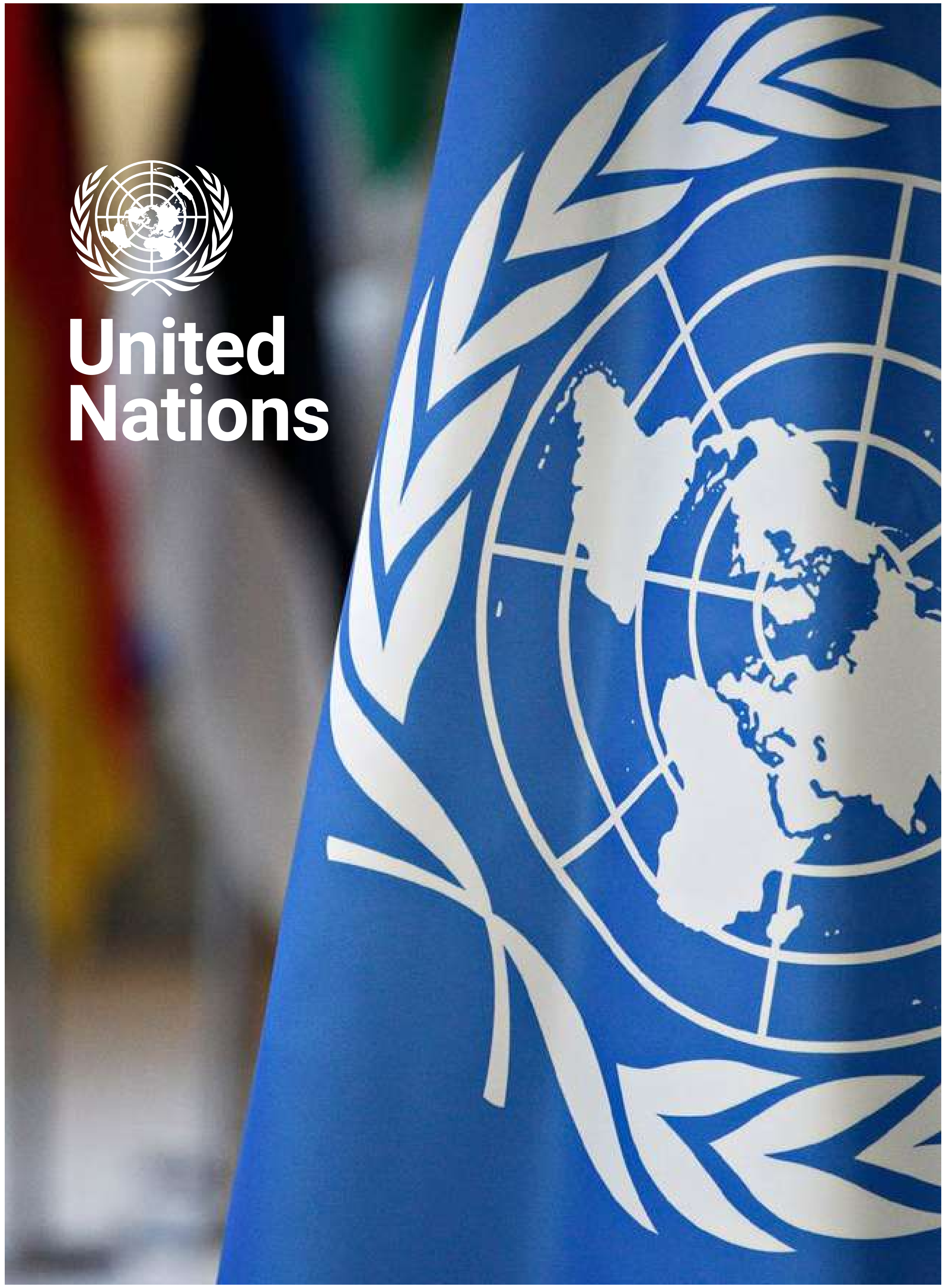
Sponsorships:

Name of Beneficiary
King Hussein Cancer Center (KHCC)

Type of Sponsorship
Health Awareness and Support Campaign via Bustan Sales-linked Contribution

Amount Contributed (JOD)
JOD 9,000 which is 3% Worth of JOD 300,000 Sales

Number of Beneficiaries
Awareness Reach of 300,000+ customers



5 | Responsible Operations

5.1 | Climate, Energy and Emissions

Mezzan's environmental commitment is reflected through its Think Green initiative, launched in 2019 to support sustainable practices across its operations. Through this approach, we seek to reduce the environmental impact of our transport and distribution activities by improving delivery efficiency and lowering emissions. It also advances circularity through the recycling of used oil at Kuwait Lube Oil Company, where hazardous waste is converted into environmentally friendly materials.

Mezzan also adopts sustainable energy alternatives, including the installation of solar panels at its Umm Ramool facility in the UAE, alongside broader regional efforts to reduce daily energy consumption across offices, distribution, and manufacturing sites.

Climate-Related Risks and Governance

Climate-related factors influence Mezzan's operating environment through regulatory, physical, and market considerations. Key risks include changes in environmental regulations that may increase compliance costs, as well as extreme weather events that could disrupt supply chains, logistics, and manufacturing operations. At the same time, evolving demand for more sustainable products presents a potential market opportunity.

These factors may affect the business through higher operating costs, supply chain disruptions, and shifting customer demand. Management responses include supply chain monitoring, operational efficiency measures, compliance with environmental regulations, and ongoing efforts to improve resource efficiency and responsible sourcing. Costs associated with these actions are not separately tracked, as they are integrated into broader operational initiatives.

Climate-related risks are considered within the Group's broader risk management and ESG framework under Board oversight. Governance in this area remains at an early stage, without a dedicated climate-specific structure. Risk identification is supported through HSE and operational risk assessments, which incorporate climate-related considerations where relevant.

Environmental Management and Operational Controls

While a Group-level environmental policy has not yet been formally established, several subsidiaries have implemented environmental management practices tailored to the nature of their operations. These include alignment with recognized standards and, in some cases, certification under ISO 14001 and ISO 9001. This approach reflects a decentralized but operationally grounded model of environmental management. At the same time, the Group is in the process of developing a more consolidated framework to strengthen consistency, oversight, and alignment of environmental practices across its businesses.

Supplier-related controls also form part of the approach. In Plastics, supplier selection and evaluation processes incorporate environmental compliance requirements to manage risks associated with raw materials and production inputs. In Lube Oil, emissions generated during recycling are treated within the process, alongside efforts to improve energy efficiency and reduce environmental impact. Ongoing initiatives aim to further reduce emissions through process improvements and increased recovery from used oil.

Efficiency and Emissions Reduction Initiatives

Operational and project-led initiatives continue to support lower resource use, lower emissions, and improved process efficiency across parts of the Group. The Projects function serve as the central group team for the implementation of capital expenditure projects. Its contribution to ESG and sustainability objectives includes initiatives such as a condensate recovery system, solar panels for accommodation, wastewater recycling for irrigation, and the use of liquefied petroleum gas instead of diesel.

Case Study

Logistics Efficiency and Fleet Performance Improvement

Mezzan continues to strengthen logistics efficiency through an operational program designed to reduce fuel consumption, emissions, and distribution-related costs while improving service performance. The initiative focuses on improving fleet and route management across distribution activities as part of a broader effort to support both operational efficiency and environmental impact reduction.

From an implementation perspective, the program includes route planning and optimization to reduce travel distance and idle time. It also includes monitoring of fleet key performance indicators such as fuel usage, vehicle utilization, and maintenance compliance, together with preventive maintenance programs that support vehicle efficiency and safety. Ongoing reviews of fleet performance are used to identify additional opportunities for improvement over time.

As a result, the initiative has contributed to reduced fuel consumption through route optimization and better vehicle utilization. It has also supported improved delivery efficiency and service levels, enhanced visibility and control of fleet performance, and stronger driver safety and compliance. Together, these actions reflect a practical approach to reducing environmental impact while maintaining operational effectiveness across logistics activities.

Product Energy Performance and Circular Solutions

Energy-related performance is most clearly evidenced in the Lube Oil business, where re-refined base oil continues to provide a lower-energy alternative to virgin base oil production. Average energy required for virgin base oil production is around 7 GJ per metric ton, compared with around 3.5 GJ per metric ton for recycled base oil production. Based on 6,750 metric tons of base oil production in 2025, reported energy savings reached 23,625 GJ during the year.

The baseline year used for calculating these energy reductions is 2023, selected as the first full reporting cycle with consolidated operational data, verified production volumes, energy consumption records, and utility monitoring systems. In this context, the calculation method compares the energy required to produce virgin base oil with the energy consumed in re-refining used oil, with industry references indicating that re-refining typically consumes 50% to 85% less energy.

A detailed quantitative assessment of downstream carbon emissions from the use of Lube Oil products is not currently conducted. However, the production of re-refined base oil continues to support circular economy practices and lower lifecycle environmental impact compared with virgin oil production. In addition, the business also notes that it produces other energy-efficient products that substitute crude-based products, including fuel oil, lubricants, and grease produced from recycled base oil.

Energy Consumptions

Across Mezzan's head offices, energy use is mainly driven by electricity consumption and fuel use. Electricity supports daily office operations, including lighting, cooling, equipment, and other administrative activities. Fuel is also used where required to support operational needs. This energy profile reflects the nature of Mezzan's head office activities and supports continued efforts to manage consumption more effectively.

Energy Use	2025
Fuel Usage - Mobile combustion (Litres)	203,363.29
Energy Consumption (GJ)	7,957.60
Electricity usage (kWh)	2,037,652.00
Energy Consumption (GJ)	7,335.54
Total Energy Consumption (GJ)	15,293.15
Total Energy Intensity (GJ/ FTE)	60.92

GHG Emissions

This year, the Head Office at Mezzan is monitoring and disclosing its greenhouse gas emissions as part of its broader environmental management and ongoing development of climate-related reporting, with the aim of expanding its reporting boundaries in the upcoming years. As 2025 marks our first year of reporting greenhouse gas emissions, the disclosures establish an initial baseline across Scope 1, Scope 2, and Scope 3 emissions in reference to the GHG Protocol, together with intensity indicators, to support more consistent tracking of the Group's operational footprint over time.

The following section presents Mezzan's total greenhouse gas emissions, including Scope 1, Scope 2, and Scope 3 emissions, together with a breakdown by scope to highlight the main sources of emissions.

Total GHG Emissions and Emissions Intensity

Total GHG Emissions	2025
Scope 1	524.20
Scope 2	1,644.00
Scope 3	1.48
Total	2,169.68 tCO2e

Total GHG Intensity	2025
Scope 1	2.09
Scope 2	6.55
Scope 3	0.01
Total	8.65 tCO2e/employee

Scope 1

A total of 582 vehicles, comprising a mix of petrol and diesel engines, were included in the reporting boundary for 2025. Together, these vehicles travelled 2,414,767 km during the year, resulting in total emissions of 524.2 tCO2e. This scope constitutes mobile combustion only.

		2025
Total Consumption	Litres	203,363.29
Total Emissions	tCO2e	524.2
Total Emissions Intensity	tCO2e/employee	2.09

Scope 2

Scope 2 emissions for 2025 relate solely to purchased electricity consumption across three buildings at Mezzan's Head Office. Total electricity consumption reached 2,037,652 kWh during the year, resulting in 1,644 tCO2e.

		2025
Total Consumption	kWh	2,037,652
Total Emissions	tCO2e	1,644
Total Emissions Intensity	tCO2e/employee	6.55

Scope 3

Scope 3 emissions for 2025 were calculated based on selected indirect emission sources linked to our Head Office operations. For this reporting year, the reported categories comprise water consumption and employee commuting, providing an initial view of indirect emissions associated with day-to-day operational activities outside direct fuel use and purchased electricity.

Water Related Emissions

Water-related Scope 3 emissions were calculated based on recorded water consumption across the three Head Offices buildings during 2025. Total water consumption reached 4,262 m^3, resulting in 0.81 tCO2e.

		2025
Total Consumption	m3	4,262
Total Emissions	tCO2e	0.81
Total Emissions Intensity	tCO2e/employee	0.0032

Employee Commute

Employee commuting emissions were estimated using survey data collected from a sample of 121 employees, with the results then extrapolated to reflect the full Head Office workforce of 251 employees. Based on this approach, total employee commute emissions for 2025 were estimated at 0.66 tCO2e.

		2025
Total Emissions	tCO2e	0.66
Total Emissions Intensity	tCO2e/employee	0.0026

5.2 | Water Management and Conservation

Water management is relevant across several of Mezzan's operations, particularly where water is used in manufacturing, cooling, and related process applications. This operating context indicates that water use supplied by the municipality varies by business activity, with applications ranging from production support to cooling and product-related use. During 2025, Mezzan's 3 Head Office buildings recorded a 4,262 m3 consumption based on municipality readings. It also shows that water management is closely linked to operational continuity and environmental control across these businesses.

Monitoring and Management of Water-Related Impacts

We identify and monitor water-related impacts through operational controls and routine quality checks. In Pharma, daily water samples are taken across all treatment stages, and results are trended annually. In Lube Oil, the quality of water used in the process and disposed through the proper channel is also monitored. Water efficiency measures are incorporated where they are operationally relevant.

Wastewater Standards and Discharge Control

Wastewater and effluent management are governed through compliance with local regulatory standards. Wastewater discharge quality follows local Environmental Protection Authority standards. These standards are also used as the basis for discharge requirements, internal practice, and consideration of industry and receiving environment conditions.

These efforts follow Kuwait Environment Public Authority (KEPA) wastewater disposal limits. They include pretreatment at the facility before disposal through KEPA-authorized treatment plants for further treatment. Internal discharge quality standards are also applied based on the acceptance limits of the authorized treatment plant.

5.3 | Waste Management

In parallel, we seek to reduce plastic use and operational waste across our facilities and product lines. Internal measures have included encouraging reusable bottles and installing water stations, while external efforts have included reducing cling wrap use across selected products.

Waste Streams and Operational Context

Waste management is relevant across several of Mezzan's operations, particularly where manufacturing, packaging, and processing activities generate material waste streams. In Pharma, the main waste streams include plastic waste, paper and carton waste, and pharmaceutical materials, all of which are managed in accordance with local regulations. In Plastics, production activities may generate waste plastic material if it is not recycled. In Lube Oil, the main waste streams include plastic packaging waste, recyclable wooden pallets, and damaged cartons.

In addition, the source of waste varies by business activity. In Pharma, most waste is generated on site from manufacturing scrap, while downstream waste also arises from product packaging disposed of by customers. In Plastics, all waste is generated internally from operations. In Lube Oil, most waste also originates on site from manufacturing scrap.

Case Study

Raw Material Yield Improvement in Meat Processing

Production efficiency at Khazan Meat Factory has been improved through an initiative focused on improving raw material utilization and reducing processing waste. The initiative is intended to improve yield performance while lowering waste generation across meat processing operations.

The work includes analysis and monitoring of yield across key processing stages, identification of loss points, and implementation of corrective actions to address those areas. It also includes process optimization and standardization of cutting and handling practices, together with operator training to improve efficiency and reduce variability.

As a result, this initiative has contributed to lower raw material losses and reduced production waste, while also improving yield and cost efficiency. It has supported lower environmental impact through reduced waste generation and stronger process consistency and operational control. Performance continues to be tracked through yield and waste key performance indicators, with continuous improvement actions used to sustain results over time.

Waste Reduction and Circular Practices

Waste reduction is supported through a combination of operational controls, recycling practices, and process improvement initiatives. In Pharma, plastic waste is offered for recycling. In Plastics, the business continues to improve its recycling capabilities. In Lube Oil, waste is segregated within operations; recycled packaging materials are preferred, and customers are encouraged to return used oil for recycling.

Across the Group, product and material recovery practices are also present in different forms. For instance, In Food Manufacturing, formal product recovery programmes are not currently in place, although product waste is reduced through production planning, quality management, and inventory control. In Plastics, 98% of wasted material is recycled. In Lube Oil, used oil recovery continues to support conversion of waste into valuable resources through recycling.

Case Study

Production Efficiency and Waste Reduction in Cake Manufacturing

Production performance in Sara Cake Manufacturing has improved through an initiative focused on reducing material waste and strengthening efficiency across cake manufacturing processes. The objective is to improve resource use and line performance while reducing waste generated during production.

The initiative includes monitoring production losses and identifying the main points where waste occurs across mixing, baking, and packaging stages. It also includes process optimization, standardization of operating parameters and procedures, and operator training to improve consistency and reduce variability.

Together, this work has contributed to lower product and raw material waste during production, improved line efficiency and output consistency, and better utilization of ingredients and resources. It has also supported stronger overall operational performance. Waste and efficiency key performance indicators continue to be used to track progress, with continuous improvement actions helping sustain results.

Case Study

Packaging Optimization for Material Efficiency

Packaging efficiency progressed through a program focused on reducing packaging material usage while maintaining product protection, quality, and compliance. The initiative is designed to lower environmental impact by improving how packaging materials are selected, specified, and used across relevant product lines.

In practice, the program focuses on redesigning packaging formats to optimize material usage and on down-gauging cases and packaging components where this can be achieved without affecting product integrity. Monthly tracking of scrap and waste key performance indicators also supports ongoing monitoring of results, while collaboration with suppliers helps identify more efficient packaging solutions. The program has contributed to lower packaging material consumption through down-gauging initiatives and improved packaging efficiency across selected product ranges. It has also supported a reduction in material waste and scrap through ongoing monitoring, while contributing to cost optimization and resource efficiency. The program also provides opportunities for further enhancement.

Packaging Efficiency and Material Use

Packaging management is an important part of waste reduction in Food Manufacturing. Current measures include down-gauging to reduce material use without compromising product integrity, redesigning packaging formats to improve efficiency and reduce waste, and engagement with suppliers and customers to support more sustainable packaging and material selection. These measures support lower material consumption and a reduced environmental footprint.

Food Manufacturing also tracks packaging waste and material efficiency through monthly key performance indicators covering scrap and waste levels. Formal long-term circularity targets are not yet established, but these indicators continue to support reduction efforts and continuous improvement. Achievements to date include reductions in packaging material usage through redesigning selected product ranges and down-gauging of cases and packaging materials without affecting product protection.

In parallel, packaging-related practices in Plastics and Lube Oil also support material efficiency. In Plastics, the strategy focuses on minimizing waste and recycling waste material. The business has also set a target of 98% recycling for packaging-related material recovery through waste as mentioned above, although no specific time-bound circularity or waste elimination target is in place. In Lube Oil, packaging strategy includes packaging quality, package size optimization, return and reuse of drums where possible, and customer guidance on proper handling and recycling. The business promotes drum reuse and recyclable plastics as part of continuous improvement, and all metal drum packaging is described as reused refurbished drums.

By contrast, packaging-related activity in Pharma is more limited. The business manages reduced waste by design in line with Good Manufacturing Practice recommendations. Recycling is accepted for shipping cartons, while recycling of primary and secondary packaging is not accepted. No specific packaging circularity or waste elimination targets have been established.

Case Study

Preform Optimization in Water Bottle Manufacturing

Packaging efficiency in water manufacturing has improved through a thickness optimization initiative aimed at reducing plastic material usage without compromising product integrity or quality. The initiative focuses on improving material efficiency at unit level while maintaining bottle strength, stability, and compliance requirements.

Implementation included technical evaluation and redesign of preform thickness specifications, followed by trials and validation to confirm bottle performance. The work also involved collaboration with suppliers and production teams to support implementation, together with monitoring of quality parameters and production performance after the change was introduced.

The initiative has contributed to lower plastic consumption per unit produced and lower packaging material cost. It has also supported lower environmental impact through reduced resin usage, while maintaining product performance and bottle strength. Progress continues to be tracked through material consumption key performance indicators as part of broader packaging sustainability efforts.

Waste Tracking, Third-Party Handling, and Compliance

Waste management controls include tracking systems and oversight of third-party waste service providers. In Pharma, waste is managed through contracts with waste management providers authorized by the local environmental authority. Waste data is collected through third-party waste contractor reports.

In Plastics, waste is tracked through internal reporting systems at each facility. In Lube Oil, only waste contractors authorized and licensed by the Kuwait Environment Public Authority are engaged. Official waste manifests and receiving documents are obtained for every waste transfer to support traceability and regulatory compliance, and these records are maintained. Waste in Lube Oil is also tracked through internal reporting systems, monthly weighbridge logs, and third-party waste contractor reports.

Electronic Waste Management

Electronic waste is managed through life extension, reuse, centralized collection, and vendor-supported disposal practices. New policies were enacted to extend the life of older laptops and desktops through memory and storage upgrades, increasing useful life from three years to five years and reducing both waste and replacement spending. Additional policies also allow transfer of ownership of laptops and desktops to interested staff after five years of use, extending device life and reducing electronic waste.

In addition, shared use arrangements are also applied to large printers and copiers to avoid unnecessary purchases and reduce electronic waste. These devices are leased based on need, while used toner consumables are collected and disposed of by the vendor under contract. Where possible, parts from damaged laptops and desktops are salvaged and reused, helping reduce additional investment and electronic waste generation.

Electronic waste is disposed of through local recycling and disposal companies. The geographic scope of the program covers Kuwait, the United Arab Emirates, Qatar, and Saudi Arabia. Included product categories cover computers, printers, and other electronic waste. End-of-life equipment is collected either through local recycling and disposal companies or returned to Central IT for evaluation and safe disposal. The Group relies on local vendors rather than operating its own e-waste recycling facilities.

Consumer Awareness and Recovery Practices

Consumer-facing recycling and recovery practices are uneven across businesses. In Food Manufacturing, formal consumer education programmes specifically focused on recycling packaging waste have not yet been implemented. The business also does not currently operate formal initiatives for recycling or recovery of packaging materials where this is not required by law, although compliance with local regulatory requirements is maintained and future opportunities have been identified.

In contrast, Lube Oil promotes responsible handling and recycling of used oil containers by providing customers with guidance on safe storage, return, and proper disposal practices. The business also encourages return and proper recycling of drums and containers where possible, supporting environmentally responsible disposal and recovery through customer guidance.

This waste management approach reflects progress through operational control, recycling, packaging optimization, and asset life extension, while some areas such as formal consumer education, broader product recovery systems, and time-bound circularity targets remain at an earlier stage of development.

5.4 | Responsible Sourcing and Supply Chain

Responsible sourcing and supply chain management remain important to Mezzan's operating model, supporting continuity of supply, procurement governance, supplier accountability, and risk management across the value chain. During 2025, we continued to strengthen this area through local sourcing practices where feasible, supplier standards covering environmental and labor expectations, risk-based screening and oversight, and ongoing efforts to improve resilience, transparency, and procurement effectiveness across our businesses.

Procurement Governance and Supply Chain Role

Responsible sourcing continues to form part of how Mezzan manages supplier relationships, supply continuity, and value chain oversight. Procurement is responsible for sourcing goods and services that support our manufacturing, logistics, commercial, and administrative operations. Its scope includes supplier identification, evaluation, negotiation, contracting, performance monitoring, and ongoing governance. The function also works to ensure that suppliers meet commercial, quality, operational, legal, and ESG requirements while maintaining compliance with internal Delegation of Authority rules and cost-effectiveness expectations.

Procurement contributes to ESG integration by embedding environmental, social, and governance requirements into supplier onboarding, contract terms, and ongoing performance management. This includes risk-based environmental and social screening, supplier adherence to the Supplier Code of Conduct, monitoring of high-risk suppliers through audits, and the application of remediation or termination where required. The function also supports local sourcing, responsible purchasing, anti-corruption standards, and data protection obligations across the supply base.

The logistics function also supports this broader supply chain model through planning, warehousing, transportation, and distribution across business units and markets. Its ESG contribution includes improving fleet efficiency, optimizing routes, reducing fuel consumption and emissions, supporting driver safety, and monitoring logistics key performance indicators linked to service levels, cost, fleet compliance, and safety.

Case Study

Central Procurement Transformation and Governance Modernization

Mezzan continues to modernize procurement through the development of a Central Procurement department designed to strengthen governance, improve value delivery, and reduce costs across the Group. The initiative was intended to move procurement toward a more strategic operating model with stronger controls and more consistent processes. The transformation included the creation of the Central Procurement department, introduction of standardized processes, strategic sourcing, annual supplier reviews, savings tracking, and enterprise resource planning improvements. Transactional tasks such as purchase order creation and stock ordering were shifted to planning teams, allowing Procurement to focus more on strategic work. The initiative also included renegotiation of improved payment terms with 20 suppliers.

This work delivered net savings of KD 2 million in 2023 compared with 2022 and KD 0.5 million in 2024 compared with 2023. It also improved cash flow through credit term renegotiations covering KD 7 million of spend, reduced manual work, strengthened compliance, and improved procurement governance. The function now manages around KD 50 million per year in support of multiple business units across the GCC.

Local Sourcing and Supplier Prioritization

Local sourcing is part of our procurement approach, although the level of local procurement varies across businesses and material categories. At Group level, local sourcing is assessed based on suppliers that are legally registered and operating in the same country as the relevant Mezzan business unit, with this approach applied consistently across Kuwait, Saudi Arabia, the United Arab Emirates, and Qatar. Using this basis, local supplier spends accounted for around 15% of total annual purchase spend in 2025.

In Pharma, local sourcing remains limited, with procurement spending described as roughly not exceeding 5%. For this business, local suppliers are approached as those legally registered and operating in Kuwait. Significant locations of operation are considered in relation to the type and quality of the material or service provided rather than employee count. In purchasing decisions, local suppliers are given an advantage, while quality, availability, delivery, and price remain key evaluation factors before a purchase order is placed.

Meanwhile, in our Plastics business, a local procurement percentage is not specified. The business approaches local sourcing through vendors legally registered and operating in the same country as the reporting entity or operating location. Significant locations of operation are understood as countries or business units with substantial operational presence and meaningful contribution to procurement activity and broader business operations. Although a formal policy is not in place, local sourcing is prioritized where feasible as part of procurement practice.

In Lube Oil, local sourcing is stronger for selected raw materials. Used oil, which is the core raw material, is sourced entirely (100%) from Kuwait. while the sourcing of additives and other chemicals is split across Kuwait, the GCC, India, and the rest of the world. In this business, local suppliers are those registered and operating in Kuwait, and the main significant location of operation is the industrial recycling and blending facility in Kuwait. The business also has a policy to support local suppliers or prioritize purchases that benefit local communities.

At Group level, procurement promotes a practice of promoting local sourcing where feasible. This creates a common direction across the supply base, even where formal policy structures differ between business units.

From Farming to Consumers

Mezzan has taken an important step toward advancing farming practices by piloting sustainable potato farming for KITCO production through its own farming operations. This initiative strengthens responsible sourcing practices and aims to strengthen strategic resource management and long-term goals by reducing supply chain impact, enhancing traceability, and improving alignment between agricultural production and manufacturing needs.

Building a Sustainable Legacy, Together.

Our Impact. Our Commitment.

Sourcing more potatoes locally is a strategic choice that strengthens Kuwait's food ecosystem while delivering medical and economic benefits.

Lower Carbon Footprint

Reduced logistics and transportation emissions

Fresher and Better Quality

Shorter time from harvest to production ensures wesniness anetaste

Supporting Kuwaiti Farmers

Strengthening local agriculture and rural economic growth

Food Security & Resilience

Building a more resilient and secure local supply chain

Growing Local. Creating Impact.

Our target is to increase the use of locally farmed Kuwaiti potatoes from

~10% Today → **~40%** By 2030

Our ESG Pillars

Aligned with Kuwait Vision 2035 and the Capital Markets Authority ESG guidance we are embedding sustainability across our operations and value chain.

Environmental
- Reduced GHG emissions through lower transportation and logistics requirements
- Optimized resource use and energy efficiency in our manufacturing operations
- Supporting sustainable agriculture practices among local farmers

Social
- Creating economic value to Kuwaiti farmers and communities
- Promoting local employment and skills development
- Delivering safe, quality products that families trust

Governance
- Responsible sourcing and supplier partnerships
- Strong quality, food safety and traceability systems
- Transparent reporting and continuous improvment

NICE

Our Flagship Brand. Our Local Promise.

In a crowded market of imported brands, **NICE** stands out as the only major brand that champions Kuwaiti potatoes

Made Local. Always Fresh.

From Kuwaiti farms to your hands.

Trusted Quality.

Full traceability and the highest food safety standards.

Loved by Generations.

A legacy of taste, quality and trust since 1962.

Local is our USP. Local is our Strength.

Our Journey
From Farm to Mouth

Sourcing more potatoes locally is a strategic choice that strengthens Kuwait's food ecosystem while delivering medical and economic benefits.

1. **Grown in Kuwait**
   Nourished by our soil and our farmers.
2. **Carefully Sourced**
   Handpicked for quality and freshness.
3. **Locally Transported**
   Shorter distance. Lower emissions.
4. **Proudly Made in Kuwait**
   Crafted in our local facility since 1962.
5. **Packed with Pride**
   The same great taste, now even closer to home.
6. **Enjoyed by All**
   Loved by generations Made for Kuwait.

Our Commitment to the Future

We will continue to invest in local partnerships, innovate responsibly, and operate sustainably-creating long-term value for our shareholders, our communities, and the next generations.

Reporting with Transparency

We are committed to transparent ESG disclosure in line with CMA ESG Guidance and inerational best practice frameworks.

From Kuwaiti Farms To Kuwaiti Homes.
Together, We Grow A Better Tomorrow.

Aligned with National & Regulatory Priorities

2035 رؤية الكويت KUWAIT VISION

هيئة أسواق المال
Capital Markets Authority
State Of Kuwait دولة الكويت

Sustainable Sourcing Strategy

Cultivating Kuwait's Future Local Potato Initiative

"Our journey from local soil to local hands, building national food security.' A Mezzan ESG Priority."

10% Current Local Potatoes → **40%** Target By 2030 Growth

Environmental (E) **Lower Carbon Footprint**	**Reduced Logistics:** Sourcing from local Kuwaiti farms drastically cuts food miles and related logistics emissions, supporting Scope 3 goals. **Farm-to-Mouth:** Guarantees unmatched product freshness directly from local soil.
Social (S) **Boost National Pride**	**Supporting Local Farmers:** Directly invests in the Kuwaiti agricultural economy, creating local jobs and community trust. **Generational Love:** A 60-year brand legacy (since1962) connecting older generations to modern consumers.
Social / Trust **Build Trust & Loyalty**	**Local Transparency:** Local sourcing ensures transparent supply chains that build immense brand love and consumer loyalty. **A Trusted Kuwaiti Brand Standard:** We own the entire process from 'seed to pack'. driving superior quality.
Quality & Trust **Owning The Process From Local Soil To Pack**	Our initiative ensures a direct, transparent link between local farmers and our state-of-the-art production. This level of control provides a definitive **Freshness and Quality USP** against international competition that ships products across borders.

Supplier Standards and Labor Expectations

Supplier expectations are formalized through Mezzan's Supplier Code of Conduct and related procurement controls. The Code explicitly forbids discrimination by suppliers on the basis of race, gender, religion, ethnicity, age, disability, or other protected attributes. It also requires suppliers to certify that they do not employ underage labor and that they comply with applicable national labor laws. In addition, suppliers must commit to eliminating all forms of forced, bonded, or involuntary labor as a condition of contracting with Mezzan.

The Code also addresses freedom of association, health and safety, wages, overtime, and working hours. Suppliers are expected to respect workers' rights to freedom of association and collective bargaining in line with applicable laws. They have to maintain safe working environments that comply with national health and safety regulations and good industry practice. Supplier contracts also require compliance with minimum wage regulations, payment of overtime in accordance with national labor laws, transparent timekeeping, and adherence to statutory limits on working hours.

As part of this approach, targeted training may be offered to high-risk or strategic suppliers on labor standards, ESG expectations, or contractual requirements. Supplier performance on ESG criteria also influences contract awards, renewals, and purchase allocation decisions. Procurement continues to conduct internal or external social and environmental audits for higher-risk suppliers and categories. Where non-compliance is identified, suppliers are required to implement remediation plans with defined corrective actions and timelines.

Case Study

Supplier ESG Requirements in Contracts and Purchase Orders

Supplier governance has been strengthened through the introduction of mandatory ESG requirements into supplier contracts and purchase orders. The initiative was designed to establish minimum environmental, social, and labor standards across the supply base through contract-level controls. The work included drafting ESG clauses covering child labor, forced labor, environmental compliance, worker safety, and ethical conduct, followed by review and validation through Group Procurement. These requirements were then integrated into purchase order terms and supplier onboarding materials.

As a result, this initiative has provided a Group-wide baseline for supplier ESG compliance and allowed Procurement to apply minimum environmental and social standards across supplier relationships without relying solely on audits. It has also supported a rapid improvement in supplier governance with limited cost and minimal operational burden. The initiative reflects a practical step toward stronger contract-level control over responsible sourcing expectations.

Supplier Screening and Risk Oversight

Supplier screening supports Mezzan's responsible sourcing approach. During 2025, the Procurement department screened 80% of new suppliers against both environmental and social criteria. In parallel, eight suppliers were assessed for environmental impacts, and none were identified as having significant actual or potential negative environmental impacts.

From an environmental perspective, the most relevant environmental impacts identified in the supply chain relate to downstream logistics and upstream sourcing, particularly in the food and fast-moving consumer goods sectors. As part of mitigation efforts, route optimization systems are used to reduce travel distances by up to 35%, lowering fuel consumption and emissions across GCC operations. Suppliers requiring agreed improvement actions were not identified, and supplier relationships were not terminated because of environmental assessment outcomes.

On the social side, suppliers with significant actual or potential negative social impacts were not identified. The main social impact areas considered in supply chain assessment are workforce, safety, consumers, and community. Accordingly, improvement actions and supplier terminations were not recorded in connection with significant actual or potential social impact findings.

This oversight is further supported by broader governance and internal coordination. Group Risk Management runs risk mitigation programmes across the Group. Our Audit and Risk Committees oversee the effectiveness of internal controls and identify potential supply chain risks. Procurement also collaborates with Legal, Risk, HSE, and Finance on supplier transparency and responsible sourcing practices.

Case Study

ESG Risk Screening for High-Spend Suppliers

Visibility over supplier risk has been strengthened through an ESG screening initiative focused on suppliers representing most of the procurement spend. The objective of the initiative was to capture environmental and social risk information more efficiently across the most material part of the supply base.

Implementation included developing an ESG questionnaire using generative artificial intelligence, with the content tailored to labor practices, child labor risk, bonded labor, environmental practices, and compliance topics. Deployment was targeted at the top 20 high-spend suppliers to maximize coverage with focused effort.

As a result, the initiative has increased visibility over supply chain risk hotspots and extended screening coverage across a large share of procurement value. It has also supported risk-based prioritization of remediation and monitoring. This approach reflects a practical example of more targeted ESG risk management within the supplier base.

Raw Material Traceability and Commodity Sourcing

Raw material sourcing is characterized by supplier-level traceability, while deeper traceability and certified sustainable sourcing remain limited. Currently, for the Food Manufacturing business, beef and dairy are not sourced under certified sustainability standards such as the Rainforest Alliance. However, sourcing complies with applicable regulatory and quality requirements, while future opportunities for sustainable sourcing remain under consideration.

In practice, beef materials are traceable through approved suppliers and supply chain documentation, although traceability is currently maintained at supplier level with limited visibility to farm-level origin. Palm oil is also traceable through approved suppliers and supporting documentation, with traceability currently maintained at supplier level rather than plantation level. In addition, seafood products are traceable through approved suppliers and supporting documentation, with additional assurance provided through certification programmes such as the Dolphin Safe International Monitoring Program for key tuna suppliers. Together, these measures support supplier-level visibility and recognized marine life protection practices, while further extension to specific fishing locations, vessels, or aquaculture sources remains an area for future improvement.

Supply Chain Resilience and Continuity

Supply chain resilience is supported through diversification, alternative sourcing, and cross-functional coordination. In this context, a Group-level initiative is focused on strengthening supply chain resilience by diversifying sourcing options, monitoring geopolitical and logistics risks, and maintaining operational continuity across manufacturing and distribution activities. This includes ongoing monitoring of geopolitical developments, evaluation of alternative suppliers and shipping routes, and coordination across procurement, supply chain, and risk management functions to maintain stable supply flows. As a result, the initiative is intended to support stronger continuity of product availability, lower disruption risk in procurement and logistics, and improved operational stability across key markets.

Mezzan reduces supply chain risk and cost volatility through a supplier diversification initiative focused on increasing the number of sourcing options within key categories. The objective is to reduce dependency on single-source vendors while improving resilience and commercial flexibility.

This work has reduced reliance on single-source suppliers, increased resilience during regional disruption and shipping constraints, and improved pricing leverage through stronger supplier competition. It provides a practical example of how multi-sourcing can support both operational resilience and procurement performance.

Overall, this responsible sourcing and supply chain approach supports Mezzan's broader operating model through procurement governance, supplier standards, local sourcing practices, risk-based screening, and continued efforts to strengthen resilience and traceability across the value chain.

Case Study

Inventory Optimization and Demand Planning Enhancement

Supply chain performance has been strengthened through an inventory optimization and demand planning initiative focused on improving product availability while reducing excess inventory and waste. The initiative is intended to support better demand planning and inventory management across markets so that stock levels remain more closely aligned with operational and customer requirements.

From an implementation perspective, the initiative includes structured demand forecasting and replenishment processes, regular review of forecast accuracy, and monitoring of inventory indicators such as stock availability, inventory turnover, and obsolete stock. It also relies on cross-functional coordination between planning, manufacturing, and logistics, together with continuous monitoring and adjustment based on demand trends.

This work has contributed to improved product availability and service levels across markets. It has also supported lower levels of obsolete and slow-moving inventory, better alignment between demand, production, and distribution, and more efficient use of working capital and storage capacity. Together, these actions support both operational efficiency and waste reduction across the supply chain.

Case Study

Warehouse Efficiency and Space Optimization

Warehouse operations have been improved through an initiative focused on warehouse efficiency, space utilization, and reduced operational waste across storage and handling activities. The initiative is designed to improve productivity and resource use while supporting smoother movement of products through the supply chain. In practice, the work includes warehouse layout redesign, slotting optimization, improved storage practices, and material flow enhancements. Performance is monitored through indicators such as storage utilization, picking efficiency, and product damage levels, while continuous improvement is supported through regular reviews and operational adjustments.

The initiative has contributed to increased storage capacity through better layout and space utilization. It has also reduced handling time and operational inefficiencies, lowered the risk of product damage and losses, and improved overall warehouse productivity and cost efficiency. In addition, these measures also support indirect environmental benefits through better use of available space and operating resources.

6 | Appendix

6.1 | GRI Content Index

For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the English version of the report.

GRI CONTENT INDEX ESSENTIALS SERVICE 2026

Statement of use	Mezzan Holding Company K.S.C.P has reported in accordance with the GRI Standards for the period 1 January 2025 - 31 December 2025
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not Applicable

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	a-d) 1.1 About Mezzan (p.10)	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2 Entities included in the organization's sustainability reporting	a) 1.1 About Mezzan (p.10) b-c) About the Report (p.5)				
	2-3 Reporting period, frequency and contact point	a-d) About the Report (p.5)				
	2-4 Restatements of information	a) This will be the organization's first Sustainability Report				
	2-5 External assurance	a-b) No external assurance is applied				
	2-6 Activities, value chain and other business relationships	a-d) 1.1 About Mezzan (p.10)				
	2-7 Employees	a-e) 4.1 Human Capital Management (p.50)				
	2-8 Workers who are not employees		a b c	Not applicable	Mezzan's Head Office does not have workers that are not employees.	
	2-9 Governance structure and composition	a-c) 2.1 Governance Structure (p.24)				
	2-10 Nomination and selection of the highest governance body	a-b) 2.1 Governance Structure (p.24)				
	2-11 Chair of the highest governance body			Not applicable	Not applicable. The Chair of the Board is not part of executive management.	
	2-12 Role of the highest governance body in overseeing the management of impacts	a-c) 2.1 Governance Structure (p.24)				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 2: General Disclo-sures 2021	2-13 Delegation of responsibility for managing impacts	a-b) 2.1 Governance Structure (p.24)				
	2-14 Role of the highest gov-ernance body in sustainability reporting	a) 2.1 Governance Structure (p.24)	b	Not applicable	The highest governance body review and ap-proved reported information.	
	2-15 Conflicts of interest	a-b) 2.2 Business Ethics and Integrity (p.29)				
	2-16 Communication of critical concerns	a-b) 2.1 Governance Structure (p.24)				
	2-17 Collective knowledge of the highest governance body	a) 2.1 Governance Structure (p.24)				
	2-18 Evaluation of the perfor-mance of the highest governance body	a-c) 2.1 Governance Structure (p.24)				
	2-19 Remuneration policies	a-b) 2.1 Governance Structure (p.24)				
	2-20 Process to determine remuneration	a-b) 2.1 Governance Structure (p.24)				
	2-21 Annual total compensa-tion ratio		a b c	Confidentiality constraints	The annual total compensation ratio has not been disclosed due to confidentiality constraints associated with executive remuneration and employee compensation data. Mezzan considers this information commercially sensitive and subject to internal confidentiality and privacy requirements.	
	2-22 Statement on sustainable development strategy	a) 1.1 About the Report (p.10)				
	2-23 Policy commitments	a(i),(ii),(iv) 2.2 Business Ethics and Integrity (p.29) a(iii) 2.3 Risk Management and Compliance (p.31) b-f) 2.2 Business Ethics and Integrity (p.29)				
	2-24 Embedding policy com-mitments	a) 2.2 Business Ethics and Integrity (p.29)				
	2-25 Processes to remediate negative impacts	a,b,d,e) 2.2 Business Ethics and Integrity (p.29)	c	Not applicable	No formal frame-work for external cooperation in remediation cur-rently in place	
	2-26 Mechanisms for seeking advice and raising concerns	a) 2.2 Business Ethics and Integrity (p.29)				
	2-27 Compliance with laws and regulations	a-b) 2.3 Risk Management and Compliance (p.31) d) 2.3 Risk Management and Compliance (p.31)	c	Not applicable	No significant instances of non-compliance were recorded.	

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 2: General Disclo-sures 2021	2-28 Membership associations	a) 1.4 Materiality and Stakeholder Engagement				
	2-29 Approach to stakeholder engagement	a) 1.4 Materiality and Stakeholder Engagement (p.20)				
	2-30 Collective bargaining agree-ments		a b	Not applicable	Collective bargaining agree-ments are not applicable and illegal in Kuwait.	
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine mate-rial topics	1.4 Materiality and Stakeholder Engagement (p.20)	A gray cell indicates that reasons for omission are not permitted for the disclo-sure or that a GRI Sector Standard reference number is not available.			
	3-2 List of material topics	1.4 Materiality and Stakeholder Engagement (p.20)				
GHG Emissions						
GRI 3: Material Topics 2021	3-3 Management of material topics	5.1 Climate, Energy and Emissions (p.86)				
GRI 305: Emis-sions 2016	305-1 Direct (Scope 1) GHG emissions	a,b,d,e,f,g) 5.1 Climate, Energy and Emissions (p.86)	c	Not applicable	Biogenic CO_2 emissions are not generated from Mezzan's operations; therefore, this disclosure is not applicable.	
	305-2 Energy indirect (Scope 2) GHG emissions	a,c,d,e,f,g) 5.1 Climate, Energy and Emissions (p.86)	b	Not applicable	The market-based method is not applicable because Mezzan does not procure electricity through contractual instruments.	
	305-3 Other indirect (Scope 3) GHG emissions	a,b,d,e) 5.1 Climate, Energy and Emissions (p.86)	c	Not applicable	Biogenic CO_2 emissions were not identified within Mezzan's Scope 3 emissions inventory.	
	305-4 GHG emissions intensity	5.1 Climate, Energy and Emissions (p.86)				
	305-5 Reduction of GHG emis-sions	5.1 Climate, Energy and Emissions (p.86)	a b c d e	Not applicable	This is Mezzan's first Sustainability Report.	
	305-6 Emissions of ozone-depleting substances (ODS)		a b c d	Information unavailable/incom-plete	Information on emissions of ozone-depleting substances (ODS) is unavailable.	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		a b c	Information unavailable/incom-plete	Information on Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions is unavailable.	

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Energy Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	5.1 Climate, Energy and Emissions (p.86)				
GRI 302: Energy 2016	302-1 Energy consumption within the organization		a b c d e f g	Information unavailable/incom-plete	Information on heating, cool-ing and steam consumption and sold amounts is unavailable	
	302-2 Energy consumption outside of the organization		a b c	Information unavailable/incom-plete	Information on energy consump-tion outside of the organization is unavailable	
	302-3 Energy intensity	a-d) 5.1 Climate, Energy and Emissions (p.86)				
	302-4 Reduction of energy consumption		a b c d	Not applicable	This is Mezzan's first Sustainability Report	
	302-5 Reductions in energy requirements of products and services	a-c) 5.1 Climate, Energy and Emissions (p.86)				
Water Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	5.2 Water Management and Conservation (p.91)				
GRI 303: Water and Ef-fluents 2018	303-1 Interactions with water as a shared resource	a-d) 5.2 Water Management and Conservation (p.91)				
	303-2 Management of water discharge-related impacts	a) 5.2 Water Management and Conservation (p.91)				
Waste Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	5.3 Waste Management (p.91)				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	a) 5.3 Waste Management (p.91)				
	306-2 Management of significant waste-related impacts	a-c) 5.3 Waste Management (p.91)				
	306-3 Waste generated		a b	Information unavailable/incom-plete	Quantitative waste data by weight is not yet available for the full report-ing boundary. Waste quantities are currently tracked incon-sistently across sites and waste contractors.	
	306-4 Waste diverted from disposal		a b c d e	Information unavailable/incom-plete	Information on waste diverted from disposal is unavailable	
GRI 306: Waste 2020	306-5 Waste directed to disposal		a b c d e	Information unavailable/incom-plete	Quantitative waste data by weight is not yet available for the full reporting boundary. Waste quantities are currently tracked inconsistently across sites and waste contrac-tors.	
Responsible Sourcing						
GRI 3: Material Topics 2021	3-3 Management of material topics	5.4 Responsible Sourcing and Supply Chain (p.97)				
GRI 301: Materials 2016	301-1 Materials used by weight or volume		a	Not applicable	Information on materials used by weight or volume is not applicable.	
	301-2 Recycled input materials used		a	Not applicable	Information on recycled input materials used is not applicable.	
	301-3 Reclaimed products and their packaging materials		a b	Not applicable	Information on re-claimed products and their packaging materials is not applicable.	
GRI 204: Procure-ment Practices 2016	204-1 Proportion of spending on local suppliers	a-c) 5.4 Responsible Sourcing and Supply Chain (p.97)				
GRI 414: Supplier Social Assess-ment 2016	414-1 New suppliers that were screened using social criteria	a) 5.4 Responsible Sourcing and Supply Chain (p.97)				
	414-2 Negative social impacts in the supply chain and actions taken	b-d) 5.4 Responsible Sourcing and Supply Chain (p.97)	a e	Information unavailable/incom-plete	The number of suppliers as-sessed for social impacts is not available.	
GRI 308: Supplier Environ-mental Assess-ment 2016	308-1 New suppliers that were screened using environmental criteria	a) 5.4 Responsible Sourcing and Supply Chain (p.97)				
	308-2 Negative environmental impacts in the supply chain and actions taken	a-e) 5.4 Responsible Sourcing and Supply Chain (p.97)				
Product Quality and Safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	2.3 Risk Management and Compliance (p.31) 3.1 Product Quality and Consumer Safety (p.38)				
GRI 416: Custom-er Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	a) 3.1 Product Quality and Consumer Safety (p.38)				
	416-2 Incidents of non-compli-ance concerning the health and safety impacts of products and services	a) 3.1 Product Quality and Consumer Safety b) 2.3 Risk Management and Compliance (p.31)				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Responsible Marketing						
GRI 3: Material Topics 2021	3-3 Management of material topics	3.2 Responsible Labeling (p.41) 4.1 Human Capital Management (p.50)				
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	a) 3.2 Responsible Labeling (p.41)				
	417-2 Incidents of non-compliance concerning product and service information and labeling		a b	Not applicable	There were no Incidents of non-compliance concerning product and service information and labeling	
	417-3 Incidents of non-compliance concerning marketing communications		a b	Not applicable	There were no incidents of non-compliance concerning marketing communications	
Human Capital Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	4.1 Human Capital Management (p.50)				
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	a-d) 4.1 Human Capital Management (p.50)				
	202-2 Proportion of senior management hired from the local community	a-d) 4.1 Human Capital Management (p.50)				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	a-b) 4.1 Human Capital Management (p.50)				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	a(i),(iii),(iv),(v),(vi),(vii) 4.1 Human Capital Management (p.50)	a(ii)	Not applicable	Health care benefits are provided under a unified benefits structure applicable to all eligible employees, and there is no distinction in health care coverage based on employment type (i.e., full-time, temporary, or part-time status).	
	401-3 Parental leave	a-e) 4.1 Human Capital Management (p.50)				
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	a) 4.1 Human Capital Management (p.50)	b	Not applicable	The organization does not have collective bargaining agreements.	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	a) 4.1 Human Capital Management (p.50)				
	404-2 Programs for upgrading employee skills and transition assistance programs	a-b) 4.1 Human Capital Management (p.50)				
	404-3 Percentage of employees receiving regular performance and career development reviews	a) 4.1 Human Capital Management (p.50)				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Occupational Health and Safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	4.2 Occupational Health and Safety (p.59) 4.4 Community Engagement and Social Contribution (p.72)				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	a-b) 4.2 Occupational Health and Safety (p.59)				
	403-2 Hazard identification, risk assessment, and incident investigation	a-d) 4.2 Occupational Health and Safety (p.59)				
	403-3 Occupational health services	a) 4.2 Occupational Health and Safety (p.59)				
	403-4 Worker participation, consultation, and communication on occupational health and safety	a-b) 4.2 Occupational Health and Safety (p.59)				
	403-5 Worker training on occupational health and safety	a) 4.2 Occupational Health and Safety (p.59)				
	403-6 Promotion of worker health	a-b) 4.1 Human Capital Management (p.50)				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	a) 4.2 Occupational Health and Safety (p.59)				
	403-8 Workers covered by an occupational health and safety management system	a) 4.2 Occupational Health and Safety (p.59) b) No exceptions (p.59) c) 4.2 Occupational Health and Safety (p.59)				
	403-9 Work-related injuries	a) 4.2 Occupational Health and Safety (p.59) b (i),(ii),(iii) 4.2 Occupational Health and Safety (p.59) c) 4.2 Occupational Health and Safety (p.59) d) 4.2 Occupational Health and Safety (p.59) e) 4.2 Occupational Health and Safety (p.59) f) 4.2 Occupational Health and Safety (p.59) g) 4.2 Occupational Health and Safety (p.59)	b(iv) b(v)	Information unavailable/incomplete	Information on the main types of work-related injury, and the number of hours worked.is unavailable.	
	403-10 Work-related ill health	a-e) 4.2 Occupational Health and Safety (P.59)				
Community Impact						
GRI 3: Material Topics 2021	3-3 Management of material topics	4.4 Community Engagement and Social Contribution (p.72)				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	a) 4.4 Community Engagement and Social Contribution (p.72)	a(iii)	Not applicable	Environmental and social impact assessments requiring public disclosure of results are not conducted by Mezzan.	

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Diversity & Inclusion						
GRI 3: Material Topics 2021	3-3 Management of material topics	4.1 Human Capital Management (p.50)				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	a-b) 4.1 Human Capital Management (p.50)				
	405-2 Ratio of basic salary and remuneration of women to men	a-b) 4.1 Human Capital Management (p.50)				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		a b	Not applicable	No incidents of discrimination were recorded	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples		a b	Not applicable	This disclosure is not applicable because Mezzan does not operate in areas where indigenous peoples are affected by its activities.	
Business Ethics						
GRI 3: Material Topics 2021	3-3 Management of material topics	1.3 Key Highlights (p.18) 2.2 Business Ethics and Integrity (p.29) 2.3 Risk Management and Compliance (p.31) 2.4 Internal Controls and Digitization (p.34) 3.3 Market Collaboration and Development (p.45) 4.1 Human Capital Management (p.50) 5.1 Climate, Energy and Emission (p.86)				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	a) 2.3 Risk Management and Compliance (p.31)	b	Not applicable	No major corruption risks were identified by Mezzan during the assessments	
	205-2 Communication and training about anti-corruption policies and procedures	a) 2.2 Business Ethics and Integrity (p.29) d) 2.2 Business Ethics and Integrity (p.29) e) 2.2 Business Ethics and Integrity (p.29)	b c	Information unavailable/incomplete	Information on total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region is unavailable although all employees have received the Anti-Corruption policy and procedures as part of the Code of Conduct induction.	
	205-3 Confirmed incidents of corruption and actions taken	a-d) 2.3 Risk Management and Compliance (p.31)				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	a-b) 2.3 Risk Management and Compliance (p.31)				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	a) 1.2 Key Highlights b) https://www.mezzan.com/investor-relations/investor-overview/				
	201-2 Financial implications and other risks and opportunities due to climate change	a) 5.1 Climate, Energy and Emissions (p.86)				
	201-3 Defined benefit plan obligations and other retirement plans	d,e) 4.1 Human Capital Management (p.50)	a b c	Not applicable	Retirement benefits are based on Kuwaiti labor law.	
	201-4 Financial assistance received from government	a(i),(ii) 3.3 Market Collaboration and Development (p.45)	a(iii) a(iv) a(v) a(vi) a(vii) a(viii) c	Not applicable	Mezzan did not receive any investment grants, awards, royalty holidays, financial assistance from Export Credit Agencies, financial incentives, or other financial benefits from government entities during the reporting period. Additionally, no government entity is present in the Company's shareholding structure.	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	a-c) 2.4 Internal Controls and Digitization (p.34)				
Compliance						
GRI 3: Material Topics 2021	3-3 Management of material topics	2.3 Risk Management and Compliance (p.31)				
Risk Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	2.3 Risk Management and Compliance (p.31)				

6.2 | Boursa Index

Metric	Description	Section
Environmental		
Greenhouse Gas (GHG) Emissions (Scope 1 & 2)	Total direct (Scope 1) and energy indirect (Scope 2) GHG emissions, in tones of CO_2 equivalent. A core climate metric indicating the company's carbon footprint.	5.1 Climate, Energy and Emissions
GHG Emissions – Scope 3	Total indirect GHG emissions from the value chain (Scope 3), if significant (e.g., supply chain, product use). Indicates broader climate impact beyond operations.	5.1 Climate, Energy and Emissions
Emissions Intensity	GHG emissions intensity, e.g., tones CO_2 per output unit (product, revenue, or BOE for oil/gas). Normalizes emissions relative to business size or activity.	5.1 Climate, Energy and Emissions
Energy Consumption	Total energy used: direct energy (fuels) and indirect energy (electricity/steam) consumed (in MWh or GJ). Indicates the company's overall energy footprint.	5.1 Climate, Energy and Emissions
Energy Intensity	Energy intensity, e.g., energy consumed per unit output or revenue. Measures energy efficiency of operations.	5.1 Climate, Energy and Emissions
Energy Mix (Renewables %)	The breakdown of energy sources used (e.g., % from renewable sources vs. fossil fuels). Shows transition to cleaner energy.	5.1 Climate, Energy and Emissions
Water Usage	Total water withdrawn/consumed and water recycled or reclaimed (in cubic meters). Reflects the company's water footprint and conservation efforts.	5.2 Water Management and Conservation
Environmental Policy & Management	Existence of formal environmental management policies and systems. For example: Does the company have an environmental policy? Are there specific policies on waste, water, energy, and recycling? Is an energy management system (e.g., ISO 50001) in place? (Yes/No for each).	5.1 Climate, Energy and Emissions
Climate Governance and Risk Mitigation	Whether the Board or executive management explicitly oversees climate-related risks and opportunities (Yes/No). Indicates if climate change is integrated into governance structures.	5.1 Climate, Energy and Emissions
Climate Risk Mitigation Investments	Climate Risk Mitigation Investments Annual investment (CAPEX or R&D spend) in climate change mitigation or adaptation projects – e.g. renewable energy, energy efficiency, climate-resilient infrastructure, low-carbon product development (in KD).	Not Available
Social		
Employee Turnover	Annual employee turnover rate – e.g., percentage of workforce leaving the company over the year, typically broken out by employee type: S2.1 Full-time, S2.2 Part-time, S2.3 Contractors. Indicates retention and stability of the workforce.	4.1 Human Capital Management
Gender Diversity (Workforce Composition)	Gender breakdown of employees at different levels – e.g., S3.1 % of total workforce that is female vs male; S3.2 % of entry/mid-level positions held by women; S3.3 % of senior/executive positions held by women. Shows representation of women across the organization.	4.1 Human Capital Management
Training and Learning	Average training hours per employee (by gender and employee category). Total investment in training and development. Percentage of employees receiving regular performance and career development reviews. Qualitative summary of key programs.	4.1 Human Capital Management
Temporary & Contract Workers	Proportion of workforce on non-permanent contracts – e.g., % of total employees who are part-time; % who are contractors/seasonal. Indicates reliance on contingent labor.	4.1 Human Capital Management
Non-Discrimination Policy	Whether the company has a formal policy against discrimination and sexual harassment (Yes/No). Reflects commitment to equal opportunity and a safe workplace.	4.2 Occupational Health and Safety
Injury Rate (Health & Safety)	Work-related injury rate, e.g., Lost Time Injury Frequency Rate (LTIFR) – number of injuries per million hours worked (or similar). Indicates workforce health and safety performance.	4.2 Occupational Health and Safety
Occupational Health & Safety Policy	Whether the company has a formal occupational health and/or global safety policy in place (Yes/No). Shows if the company systematically manages employee health and safety.	4.2 Occupational Health and Safety
Human Rights Policy	Whether the company has a formal human rights policy (Yes/No) and if it extends to suppliers/vendors (Yes/No). Broadly covers commitments to respect human rights (fair labor practices, community impact, etc.).	2.2 Business Ethics and Integrity
Nationalization (Kuwaitization)	Percentage of the company's workforce that are Kuwaiti nationals, and qualitative information on local hiring initiatives. E.g., S10.1 % of total employees who are Kuwaiti; S10.2 contribution to direct and indirect local job creation (e.g., via training, outsourcing to local firms).	4.1 Human Capital Management
Community Investment	Total investment in community programs and initiatives that contribute to social, environmental, or economic development, expressed as a percentage of company revenues.	4.3 Community Engagement and Social Contribution
Governance		
Board Diversity	Gender composition of the Board of Directors – e.g., % of board seats occupied by women vs men; % of board committee chairs held by women vs men. Indicates gender diversity at the highest governance level.	2.1 Governance Structure
Board Independence & CEO/Chair Separation	Independence of the Board: Does the company prohibit the CEO from also being Board Chair? (Yes/No). Percentage of board seats that are independent (per CMA definition). Reflects checks and balances in governance.	2.1 Governance Structure
Supplier Code of Conduct	Whether the company requires its suppliers/vendors to adhere to a Code of Conduct (covering ethics, labor, environmental standards) (Yes/No), and if yes, what percentage of key suppliers have formally certified compliance. Shows how the company manages ESG risks in its supply chain.	5.4 Responsible Sourcing and Supply Chain
Ethics & Anti-Corruption	Whether the company has a formal Ethics and/or Anti-Corruption policy (Yes/No), and if yes, what percentage of employees have formally certified compliance with it (e.g., via training or annual sign-off).	2.2 Business Ethics and Integrity
Data Privacy	Policies and procedures in place to comply with GDPR or similar global data protection and information security awareness standards (e.g., data security, user consent mechanisms, breach response plans).	2.4 Internal Controls and Digitization
External Assurance of ESG Data	Whether the company's sustainability disclosures are assured or verified by an independent third party (Yes/No). Assurance can apply to certain metrics (e.g., GHG emissions) or the whole report. (This is the recommended best practice.)	No external assurance was conducted on sustainability disclosures in 2025

6.3 | List of Abbreviations

Abbreviation	Full Term
ACTED	Agency for Technical Cooperation and Development
AI	Artificial Intelligence
ASTM	ASTM International
B2B	Business-to-Business
BRCGS	Brand Reputation through Compliance Global Standards
CAPA	Corrective and Preventive Action
CEO	Chief Executive Officer
CPD	Central Procurement Department
DLA	Defence Logistics Agency
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EDQM	European Directorate for the Quality of Medicines and HealthCare
ERP	Enterprise Resource Planning
FMCG	Fast Moving Consumer Goods
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GRI	Global Reporting Initiative
HACCP	Hazard Analysis and Critical Control Points
HIRA	Hazard Identification and Risk Assessment
HR	Human Resources
HRIS	Human Resources Information System
HSE	Health, Safety, and Environment

Abbreviation	Full Term
IFC	International Finance Corporation
ILO	International Labor Organization
IMS	Integrated Management System
KEPA	Kuwait Environment Public Authority
LTI	Lost Time Incident
LTIR	Lost Time Incident Rate
MHRA	Medicines and Healthcare products Regulatory Agency
MIT	Massachusetts Institute of Technology
OECD	Organization for Economic Co-operation and Development
PCB	Polychlorinated Biphenyl
PO	Purchase Order
QHSE	Quality, Health, Safety, and Environment
QSS	Qatar Star Services
SAP	Systems, Applications, and Products
SKU	Stock Keeping Unit
SOP	Standard Operating Procedure
TRIR	Total Recordable Injury Rate
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
USP	United States Pharmacopeia
WFP	World Food Programme

Leveraging Our Heritage Towards Sustainable Health and Nutrition

شركة ميزان القابضة
MEZZAN HOLDING CO.