



شركة علي عبدالوهاب المطوع
التجارية ش.م.ك.م.
ALI ABDULWAHAB AL MUTAWA
COMMERCIAL CO. K.S.C.C.

2023 SUSTAINABILITY REPORT



**WE BUILD
THE FUTURE**

  181-3131

 Live Chat

    aawalmutawa

REPORT OVERVIEW

Standards and Principles

Ali Abdulwahab Al Mutawa (AAW) asserts its commitment to sustainable business practices by reporting on its Environmental, Social, and Governance (ESG) performance for the first year.

This inaugural report provides an overview of the organization's sustainability performance for the reporting period of January 1, 2023 to December 31, 2023.

Developed in accordance with the principles of the Global Reporting Initiative (GRI) Standards 2021 (among a selection of others), the report aims to provide a comprehensive understanding of AAW's most significant impacts on the economy, environment, and society, including its human rights implications, and how it manages these impacts.

Adhering to national and international sustainability drivers, AAW has aligned its reported ESG performance with the United Nations Sustainable Development Goals (SDGs), New Kuwait Vision, and the Kuwait Boursa Index.

Reporting Boundary

The sustainability report has been prepared by AAW. The report boundary encompasses operational facilities, including the operations of the following subsidiaries Ensure Me, Al Mutawa Travel and Tourism (MTT), and AAW for Light Food (Food and Beverage); the Head Office located in Kuwait. This reporting boundary excludes reporting for CuraHealth.

Note

In this document, Ali Abdulwahab Al Mutawa may be referred to as "AAW", "we", "our", and "company" for the report content.

Contact Details

If you have any queries about the content of this report, contact our helpful team via: sustainability@aaw.com

CEO MESSAGE

Dear valued stakeholders,

It is with great pride that we welcome you to Ali Abdulwahab Al Mutawa's inaugural AAW Sustainability Report for the year 2023. This year has been marked by remarkable progress, which is a testament to the collective dedication and strategic direction that have shaped our journey over the years.

In this report, we underscore our unwavering commitment to transparency, recognizing the importance of communicating our non-financial performance to all our stakeholders, both in and outside of Kuwait. As a family-owned business, the company recognizes its responsibility to our stakeholders and the Kuwaiti community. We aim to uphold our legacy, strengthen our brand reputation, and positively contribute to our valued community and environment.

As AAW expanded its reachability, market presence, and operations this year, our team of professionals remained steadfast in their commitment towards strengthening brand value and serving their community and customers. One of the many noteworthy achievements for this year is the expansion of our E-Commerce Department, which has grown significantly, highlighting our vision to adapt to evolving customer and market trends, and directly contributing to the reduction of our carbon footprint.

I invite you to examine our sustainability report and explore our 2023 sustainability performance as we share our successes with you. On behalf of the AAW community, we would like to extend our heartfelt gratitude and appreciation to all our valued stakeholders who have contributed to or supported our achievements during this impactful year. Your support fuels our vision as we embark on a new chapter for AAW.

As we move forward, we reaffirm our commitment to enhancing our partnerships with international brands. We remain dedicated to serving and providing for our community here in Kuwait. Together, we hope to build a more sustainable future.

Thank you for joining us on this sustainability journey. Sincerely,

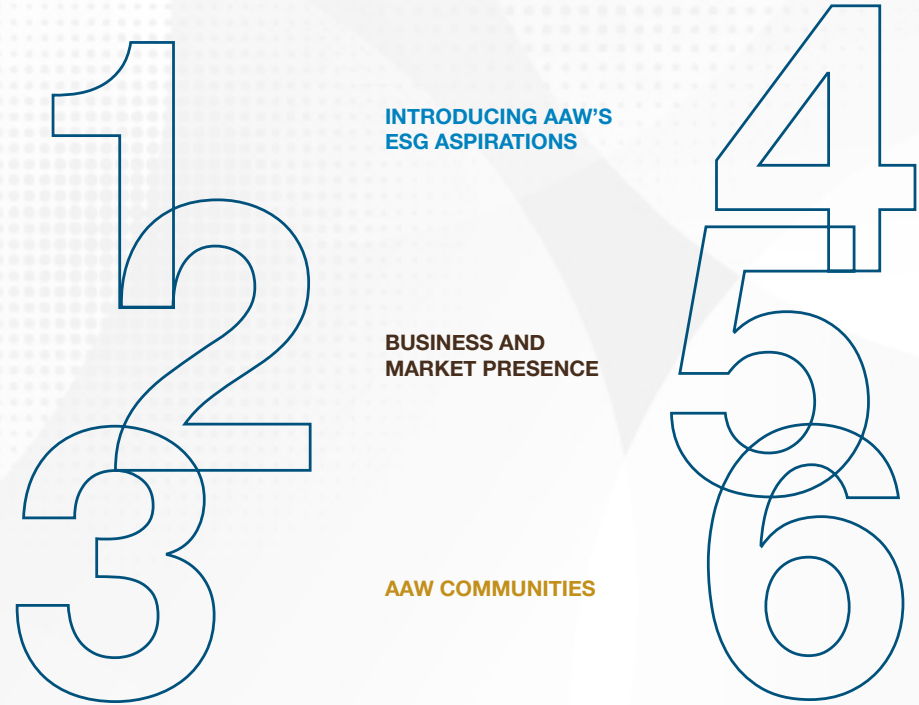
Faisal A. Al-Mutawa



Faisal A. Al-Mutawa

Chairman and CEO of Ali Abdulwahab
Al Mutawa Company

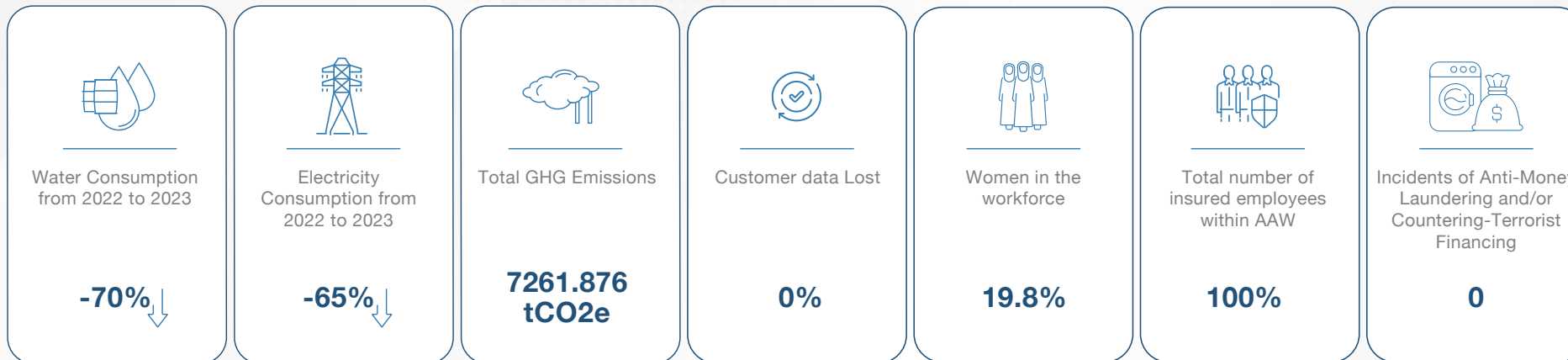
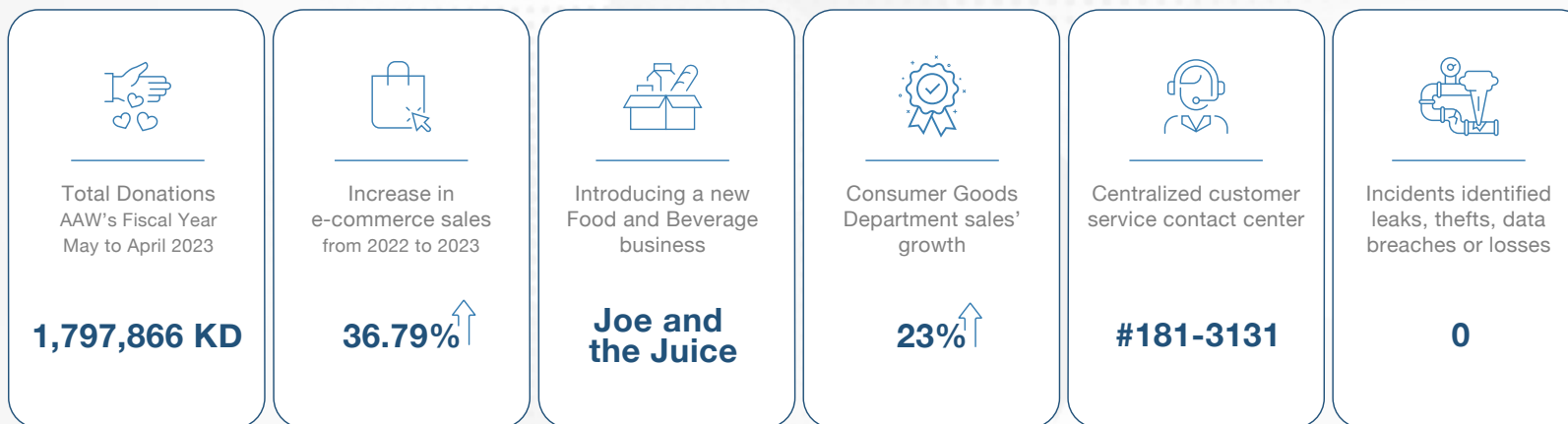
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2023 PERFORMANCE

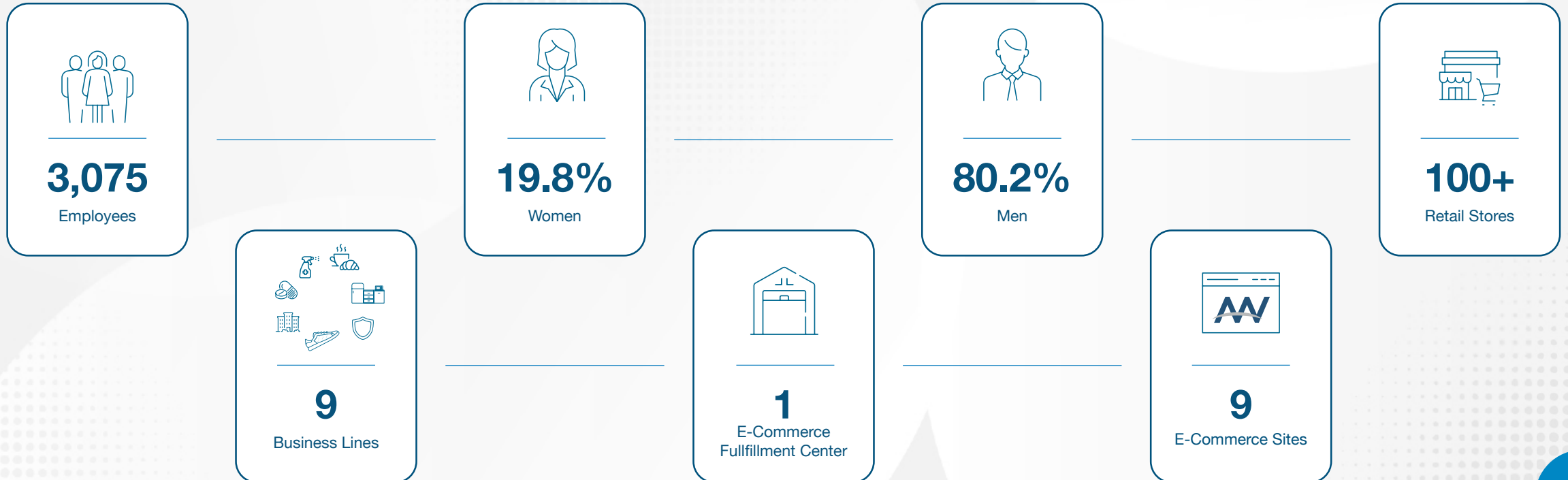


OVERVIEW

AAW is a family-owned business that has been operating for 100 years in Kuwait and is one of the largest and most successful conglomerates in the country. As a premier retail and wholesale company in the country, we represent over 200 leading global brands. With over 9 business lines, 100+ retail stores, and 9 e-commerce sites, our AAW market share continues to grow. This is a testament to the dedication of AAW employees to the communities we serve.

Our vision is to be the business partner of choice, as we deliver exceptional customer experiences that uphold high standards and brand value. We achieve this by extending our commitment beyond profits, to the professional and personal development of our employees, encouraging their well-being and recognizing their diverse talents and skills, and by contributing to our community.

AAW in Numbers



INTRODUCING AAW'S ESG ASPIRATIONS



In 2022, AAW developed a Sustainability Strategy in alignment with global frameworks and local frameworks to highlight our commitment to responsible business behaviors and ensure that our impact is based on 4 key sustainability pillars: marketplace, workplace, community, and environment. To embed these into our core business model, we identified 66 sustainability targets strategically assigned for 8 different departments based on these pillars to be achieved by 2026. The latter was conducted in line with the Sustainable Development Goals (SDGs), the New Kuwait Vision, and AAW's strategic direction.

Since then, our departments and business lines have been working diligently to meet the 2026 commitments set out in the Sustainability Strategy and have been addressing means to effectively move forward. Below is a high-level overview of our long-term strategic vision that will guide our day-to-day operations, Key Performance Indicators (KPIs), and annual vision for AAW's sustainability goals.

STRATEGIC PILLARS



Diversity and Inclusion: Nurture a workplace culture that promotes diversity of people, values, and ideas, and ensures equal and fair opportunities.

Talent Management: Promote professional and personal development establishing strong performance management plans in line with AAW's strategic direction.

Internship Program: Provide opportunities for the next generation of leaders entering the workforce and offer opportunities for business development.

Learning and Development: Develop skills and competencies for AAW's employees and provide resources to meet the current and future requirements of the dynamic market trends of the retail industry.

Employee Welfare: Foster a sustainable workplace environment through strong employee engagement mechanisms to improve overall retention levels, well-being, workplace culture, reputation, and performance.

Diversified Business: Uphold brand value and expand diversified business portfolio of 9 business lines and empower stakeholders as market trends change.

Customer Focus: Elevate customer experience and expand access to our products and services via stores and e-commerce platforms. Ensure a high level of customer satisfaction and prompt turnaround time.

Digitalization and Transformation: Transform digital and automated processes by leveraging technology to improve stakeholder experience, optimize performance, and improve efficiency.

Business Ethics and Compliance: Conduct ethical business and uphold a culture of compliance across leadership and lower management and employees, and for this to be reflected in business with vendors, partners, and customers.

Social Impact and Well-being: Focus on social impact in alignment with business partnerships, effective engagement collaborations and donations in support of customer needs, and medical needs concerning specialty products.

Health and Safety: Risk management strategy focused on maintaining AAW interests, safeguarding AAW premises, employees, and customers through frequent pre-risk practices to evaluate risk-exposure tolerance. Also, ensuring that all relevant safety procedures and security precautions are implemented and followed.

Supply Chain Sustainability: Focus on transforming AAW's supply chain and internal operations to enhance efficiency and reduce waste generation.

Materials, Resources, and Waste Management: Emphasis on waste reduction techniques to minimize direct landfill disposal, as per local Environment Public Authority (EPA) regulations and practices.

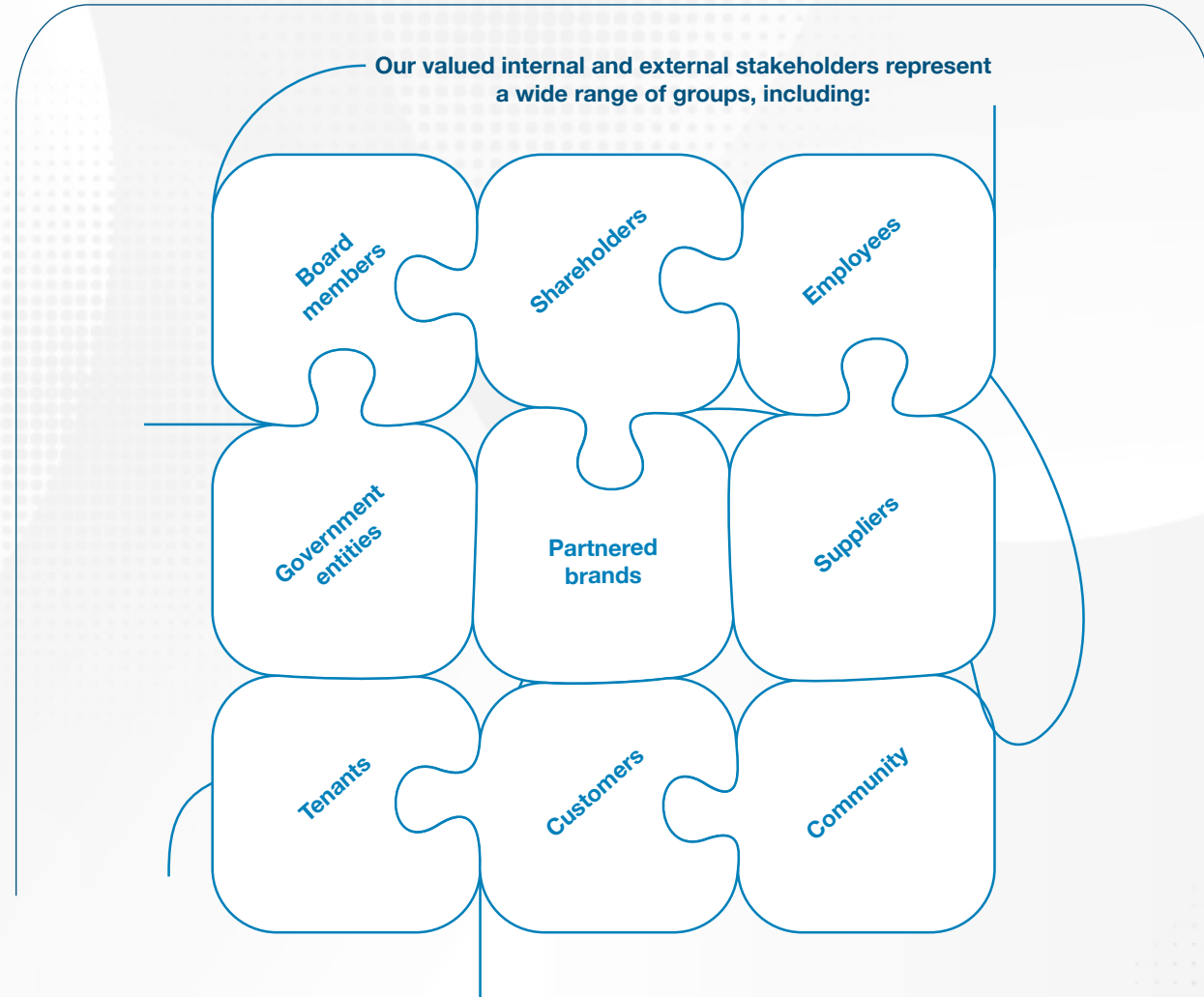
Recycling Programs: Recycling partnerships with local vendors that divert waste from landfill to reduce negative environmental impacts while improving AAW's waste practices and minimizing fuel consumption and Greenhouse Gas (GHG) emissions.

Energy Management and GHG Emissions: Monitoring and managing the negative impacts of AAW operations on our surrounding environment through responsible corporate citizenship.

AAW STAKEHOLDERS

AAW's brand value and market presence rests on our continuous improvement and understanding of our stakeholders' needs. By utilizing diverse stakeholder engagement mechanisms, we actively solicit feedback and drive enhancements across different aspects. These include endeavors like acquiring brands and fortifying management structures, elevating public engagement, and refining daily operations.

AAW is committed to fostering enhanced stakeholder engagement, thereby nurturing enduring relationships pivotal for sustainable performance across the workplace, marketplace, and community alike.



We engage with stakeholders via different methods and at different levels of frequency depending on the stakeholder group. The frequency of engagement ranges from daily and weekly to monthly and quarterly engagements depending on the stakeholder group and communication needs.

We ensure that our stakeholder engagements are consistent and uphold high standards of transparency and accountability. Methods of engagement are selected and provided per stakeholder group as shown in the following:



Board Members

- SELECTED METHODS OF ENGAGEMENT:
- Meetings • Phone • Email • Letters



Shareholders

- SELECTED METHODS OF ENGAGEMENT:
- Meetings • Phone • Email • Letters



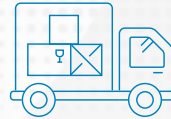
Governmental Entities

- SELECTED METHODS OF ENGAGEMENT:
- Financial statement reports • Email
 - Phone • Meetings • Public announcements



Employees

- SELECTED METHODS OF ENGAGEMENT:
- AAW employee portal • Viva Engage
 - AAW digital screens • AAWPUB (email group)
 - AAW newsletter • Short Message Service (SMS)
 - Phone • Meetings



Suppliers

- SELECTED METHODS OF ENGAGEMENT:
- Contractual agreements
 - Meetings • Phone • Email



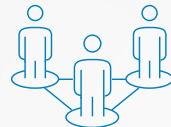
Partnered Brands

- SELECTED METHODS OF ENGAGEMENT:
- Contractual agreements • Letter of Appointment (LoA)
 - Annual planning meetings • Demand reviews meetings
 - Business reviews meetings • Real time distributor connect
 - Reporting, including online real time reporting
 - Email • Phone conferencing • Physical and E-visits



Customers

- SELECTED METHODS OF ENGAGEMENT:
- All AAW websites • WhatsApp • Social media • Google Ads
 - Email • SMS • Calls • AAW applications • In-stores • Live chats
 - Location management • Push notifications



Community

- SELECTED METHODS OF ENGAGEMENT:
- Social media • Press releases • Events • Advertisement ads and banners • Charities • Collaborative partnerships



Tenants

- SELECTED METHODS OF ENGAGEMENT:
- Contractual agreements • Meetings • Phone

EMPHASIZING MATERIALITY

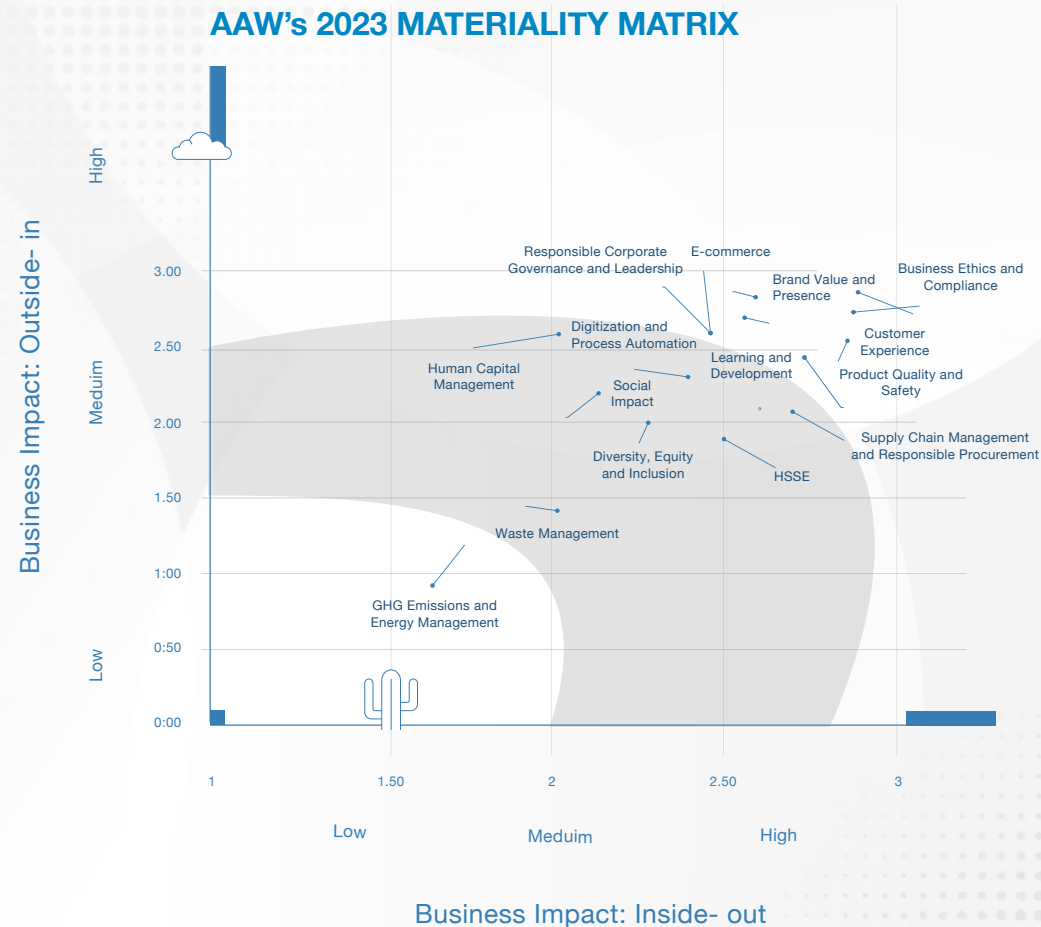
This year, to further enhance our stakeholder engagement process, AAW conducted a double-materiality assessment to measure the impact of the most significant topics for stakeholders on AAW's operations, non-financial performance, and impact on cash flows. The identified material topics spanned across the four main pillars adopted in our Sustainability Strategy.

As we embarked on the materiality survey, we benchmarked AAW's material issues against industry best practices, national trends, and international frameworks. We then set out to identify AAW's contribution to sustainable development during the process of developing this report.

For 2023, 15 material topics were identified during the materiality assessment based on stakeholder engagements and strategic benchmarking practices. Our stakeholders participated in a survey where they determined the level of impact and significance of each identified topic across AAW's operations. The survey results were assessed and visualized through the Materiality Matrix, as shown in the following illustration. The Materiality Matrix offers insight into the most impactful topics of concern for this reporting year and further enables us to look ahead as we seek to advance our journey in managing AAW's sustainable performance.

Materiality Topics	Rating x	Rating y	Rating (x.y)
Customer Experience	High	High	High-High
Product Quality and Safety	High	High	High-High
Social Impact	High	High	High-High
GHG Emissions and Energy Management	Medium	Low	Medium-Low
Waste Management	High	Medium	High-Medium
Business Ethics and Compliance	High	High	High-High
Learning and Development	High	High	High-High
Responsible Corporate Governance and Leadership	High	High	High-High
Brand Value and Presence	High	High	High-High
E-Commerce	High	High	High-High
Supply Chain Management and Responsible Procurement	High	High	High-High
Health, Safety, Security & Environment (HSSE)	High	Medium	High-Medium
Human Capital Management	High	High	High-High
Diversity, Equity and Inclusion	High	High	High-High
Digitization and Process Automation	High	High	High-High

AAW's 2023 MATERIALITY MATRIX





BUSINESS AND MARKET PRESENCE

BUSINESS DIVERSITY AS OUR IDENTITY

Profile and History

AAW is among the oldest, largest, and most diverse trading and commercial companies in Kuwait. With 9 diverse business lines, we distribute over 100 different global world-class brands in the retail and consumer market.

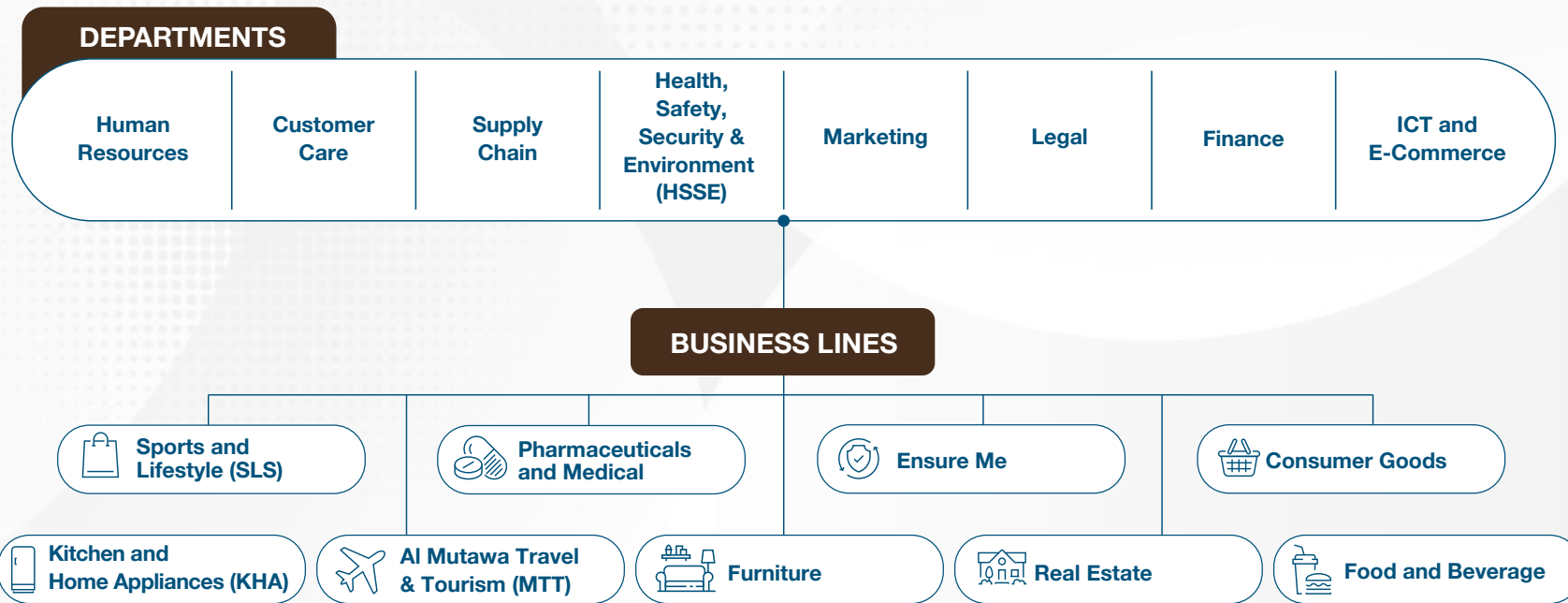
AAW was founded in 1918 by Mr. Ali Abdulwahab Al Mutawa, as a small company importing and trading household goods and products. It slowly expanded its market presence, and the company officially registered with the Ministry of Commerce and Industry (MOCI) under the name AAW.

EXPLORING AAW BUSINESS LINES

With a diverse business portfolio spanning 9 distinct lines, AAW stands at the forefront of retail and distribution. Our expertise encompasses Consumer Goods, Kitchens and Home Appliances, Sports and Lifestyle, Real Estate, Pharma and Medical, Insurance Brokerage, Food and Beverage, Al Mutawa Travel & Tourism and Furniture.

From everyday items lining supermarket shelves to specialized stores, AAW delivers excellence in every aspect of our operations. Whether it is our stores, applications, or websites, we provide our customers with a wide range of products and services that cater to their needs.

We recognize that we are more than just a retail and distribution company; we are a trusted partner providing our community with quality products and services. In the following section, we will provide more detail on each of our business lines and offerings.

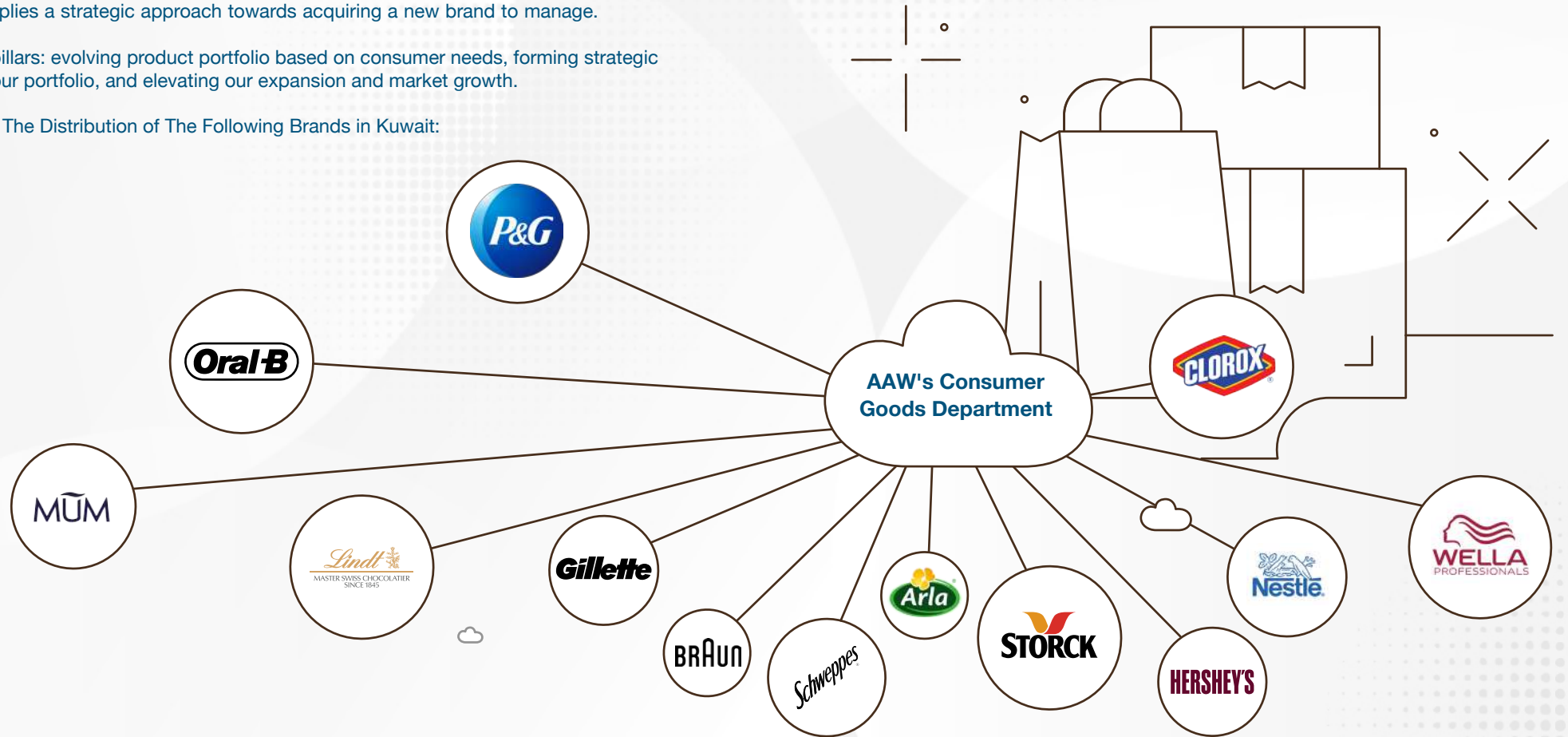


CONSUMER GOODS

The Consumer Goods Department (CGD) is a cornerstone of AAW, driven by an ambitious vision to become the number one distributor in our region. We are dedicated to enriching people's lives through providing the best-in-class products and services, while being the leading preferred partner in the business. To achieve this vision, our CGD Department applies a strategic approach towards acquiring a new brand to manage.

The strategy focuses on 3 key pillars: evolving product portfolio based on consumer needs, forming strategic partnerships that complement our portfolio, and elevating our expansion and market growth.

Our CGD Department Manages The Distribution of The Following Brands in Kuwait:





This year, we successfully expanded our CGD operations by consolidating P&G's full portfolio in Kuwait, adding Gillette, Oral B, and Braun to our distribution operations. We expanded into new channels like Horeca and Food Service and explored new businesses to complement our portfolio. Above all, we focused on widening our distribution network across existing and e-commerce channels.

Through competitive reports, retail audit data, trade inventory count, and market visits, our team of experts conducts comprehensive market studies to evaluate market needs and trends and ensure we meet evolving consumer needs. We diligently comply with guidelines and requirements of our managed brands' marketing criteria through performance documentation, planogram compliance, and execution reports.

CGD ACHIEVEMENTS FOR 2023



Warehouse Management System Implementation: Signed up for Warehouse Management System (WMS) implementation to optimize operations and improve efficiency



Sales Growth: Achieved remarkable sales growth of 23% compared to the previous year



Capacity Building: Invested in capability building for systems and processes, and revamped compensation and benefits plans to retain our top talent



Operational Success: Achieved a Case Fill Rate (CFR) by 96%



Training and Development: Conducted 154 training courses to improve employees' professional skills and development

« CGD's approach towards identifying responsible suppliers & products

- Leading multinational brands
- Good reputation in the market
- Offering brands that addvalue to consumers
- Growth mindset
- Compatible with AAW'S portfolio

RETAIL SPORTS AND LIFESTYLE

AAW's SLS retail business line plays a vital role in managing over 70 physical stores and multiple online platforms in Kuwait. The SLS business line strives to deliver high-quality products and services, while also providing our customers with optimal customer service and experience. We seek to empower customers to embrace active and healthy lifestyles. The execution of this successful vision is reflected in our expanding reach across the country and increased profitability.

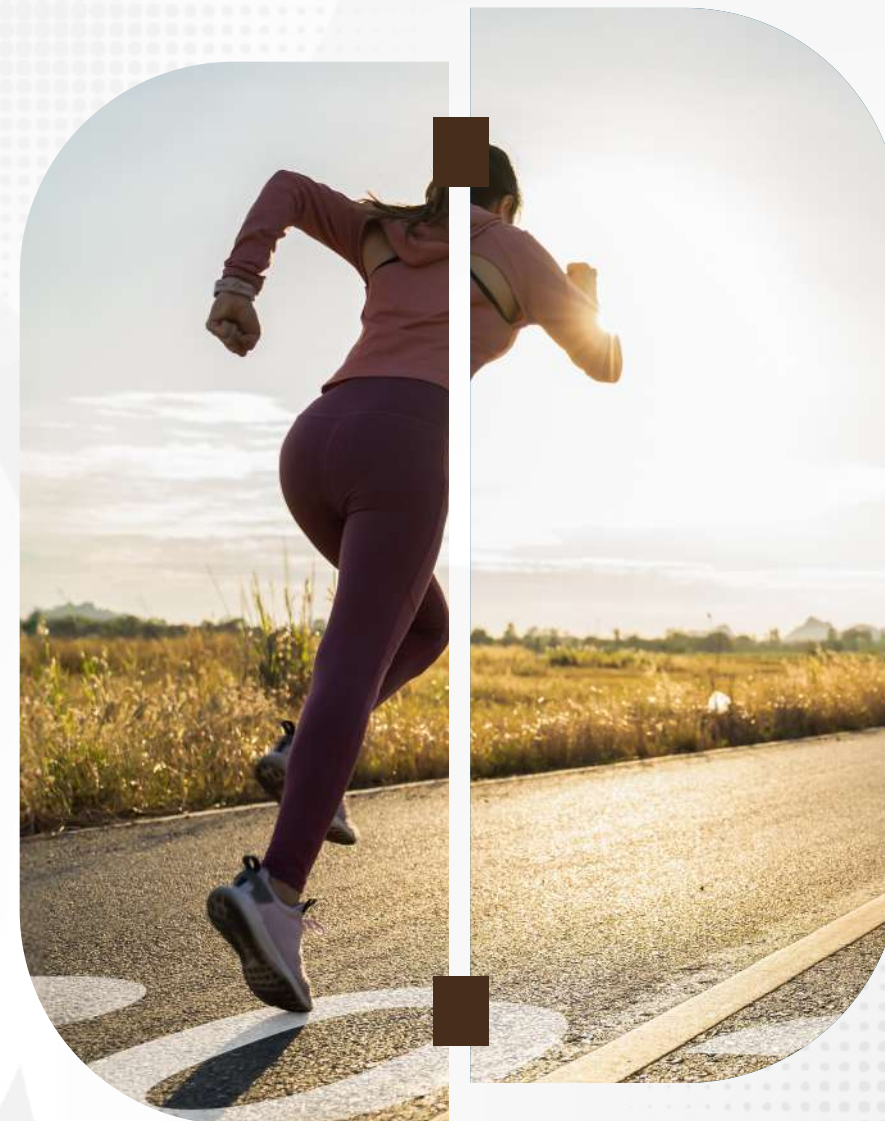
The SLS Department continuously assesses its managed brands' performance and their respective locations as part of its strategic approach towards retaining our current brands. This evaluation is crucial in determining whether they are meeting the company's predefined business Key Performance Indicators (KPIs). Based on these evaluations, decisions are made to ensure alignment with company goals, thus establishing the groundwork for a sustainable business capable of achieving year-on-year growth.

The SLS Department frequently conducts consistent market comparative shopping exercises to stay updated with market trends and add value to our customers' experience. We assess and tackle 3 key aspects: our prices, assortment, and product offering relative to our competitors in the market. The results of these shopping exercises have been relatively consistent over the past few years and have indicated AAW's position in maintaining our competitive advantage.

To uphold commitments to our sports and lifestyle stakeholders and to ensure compliance with AAW's managed brands' marketing criteria, SLS strictly adheres and implements its managed brands guidelines and ensures their alignment across SLS's work streams. This is further emphasized via weekly compliance assessments, checklists, and log sheets.

We aim to become more sustainable on several fronts. Looking ahead, we seek to improve employee retention, enhance customer experience, and increase sustainability practices and eco-friendly products, all while contributing to health and active lifestyles in Kuwait. To maintain our brand value and market presence, the department utilizes several metrics, 2 of them being financial growth and customer growth.

Our business line conducts outreach to community organizations involved in health and fitness, such as gyms to collaborate with or sponsor events like marathons that promote this lifestyle.



RETAIL

SPORTS AND LIFESTYLE

FACTS AND ACHIEVEMENTS FOR 2023

Managed Brands



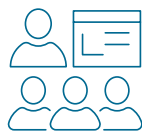
75

Managed stores



493

Total employees managed



100%

Total trained employees



Digitization Achievements



Sports & Lifestyle

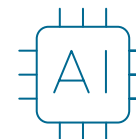
6.60%

of total sales were online in 2023



Launched our latest

SNKR app



Integrated **Shoe AI** into our store experiences at **SNKR, Athletes Foot, and Intersport.**

This is a tool that allows customers to enter in size information and it will recommend size of footwear based on brand and model. This personalized experience for customers aims to reduce the number of refunds and exchanges.



Became a seamless business through a complete and full implementation of an omnichannel business model across the portfolio.

RETAIL FOOD AND BEVERAGE

AAW is excited to welcome the new Food and Beverage (F&B) business line to our family. We successfully launched the opening of “Joe and The Juice” brand in Kuwait and are eager to expand our portfolio in this business line in the upcoming years. Our strategic vision is focused on market leadership, brand legacy, sustainable growth, and employee development. We achieve these through successful market expansion and reachability; prioritizing acquiring brands with responsible practices; and investing in comprehensive training programs for employees, including brand introduction and history, product manuals and prep-training, and certified food safety training.

The first on-boarded brand, “Joe and the Juice” is centered around a lifestyle brand concept that offers a variety of light foods, fresh juices, coffees, sandwiches, etc., and that targets a young audience. Our brand supply chain is mainly divided between 80% under a 5PL (Fifth party logistics) service provider, and 20% directly managed by the AAW Procurement Department. Like all other business lines at AAW, F&B also focuses on ensuring our products are approved by both local and international brand management.

Each product has a specification sheet provided by the brand (i.e., quality, ingredients, weight, etc.), which is used to ensure product approval. We especially focus on the quality of products and services we provide when it comes to selecting our suppliers and vendors. Other factors are taken into consideration within the supplier screening process, including details of the supplier’s supply chain, product continuity, supplier’s reputation, certifications, and legal and commercial terms.

We further conduct physical visits to their premises to evaluate their storing and production processes and standards.



CASE STUDY



Joe and the Juice

Last year, our new Food and Beverage business line established a market presence for “Joe and the Juice” in Kuwait. This has been achieved by setting up a full-fledged supply chain for food and non-food items. The successful launch of 10 stores within 10 months is a testament to the effective introduction of “Joe and the Juice” to the Kuwaiti market.

We believe that the successful establishment of “Joe and the Juice” in Kuwait can be attributed to the high quality of the products and services we are offering our customers. The primary focus on superior quality is not only reflective of the high standards of the international brand but also resonates with our local identity at AAW. To ensure we uphold these high standards, each product is accompanied by a detailed specification sheet provided by the brand, which outlines the quality of ingredients, weight, brands, and other key aspects. Our team ensures transparency through adhering to requirements for product and service information and labeling. We achieve this through ensuring Arabic translation, municipality clearance, Halal certificate, clear reporting on production and expiry dates, and upholding local regulations. Furthermore, all our products undergo a rigorous approval process by both our local and international brand management. This diligence underscores our commitment to upholding the highest quality and service to ensure customer satisfaction.



This case study aligns to the following 2023 material topics:



Product Quality and Safety

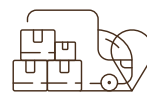


Waste Management



Marketplace Presence and Reachability

Highlights:



9

Local suppliers



4

Foreign suppliers



11

Total stores



294

Total employees managed

AAW HOME KITCHEN AND HOME APPLIANCES AND FURNITURE

The Kitchen, Home Appliances, and Workshop (KHA) business line provides carefully selected, high-quality products for our customers and their homes. We offer customers a catered experience through our professional product management, sales, and aftersales services of appliances, kitchens, and products. KHA's diverse portfolio of brands caters to both Business-to-Business (B2B) and Business-to-Consumer (B2C) clients, where the B2B is handled directly via the Wholesale Department or the Brand Buyer. Meanwhile, the B2C are our walk-in clients in AAW's showrooms, or clients who accessed our distribution channel. At KHA, our mission and guiding principles are focused on carefully identifying impactful products that enrich customers' lives while ensuring products' affordability, safety, integrity, sustainability, and performance.

Through our guiding principles, KHA strives to increase brand visibility, market share, and sales. To achieve such targets, we frequently run competitive analysis to understand current and anticipated market trends. Our Workshop team complements this vision with customer-focused services. The Workshop has 2 key roles at AAW. The first is to repair electronic and furniture products for customers. The second is to install and repair kitchen products. We aim to respond quickly to customer requirements and needs. We also ensure that we engage frequently with the managed brands via communication channels and, for ordering parts, via automated systems.

KHA's Business Line Facts and Achievements for this Year:

Managed Brands:



GAGGENAU



FAEMA

LA CORNUE



MEPAL



MAGMA

UCHIDA

SIEMENS



WESTMARK



RÖSHULTS

LA BOY



Total stores

3



Total % of retail in shops' sales

62%



Total employees managed

30+



Total in-store employees trained

100%



CASE STUDY



Brand Value and Market Presence – KHA (Kitchen and Home Appliances)

We recognize that part of our impact is providing sustainable products and services to our customers. For example, one of our successful collaborations for the Hessa District project, has involved providing them with sustainable kitchen solutions tailored to meet their needs while minimizing environmental impact.

Whether customers seek to reduce usage time, minimize waste, or reduce water consumption, our KHA team can suggest the most efficient products for their needs. We have supplied 38 kitchens for the Hessa and Beyout Hessa projects, working with our German brand, Express, which is part of the renowned Nolte Group. We provided sustainable Express kitchens for the projects, as these combine functionality, design, and eco-friendly products in one.

Additionally, we supplied Bosch Appliances for the projects, given the appliances' high quality and sustainability standards. Choosing Bosch as our product for our customers underscores our commitment to responsible consumption and resource efficiency. By choosing these products, customers can make environmentally conscious decisions by equipping their kitchens with A+++ energy-efficient washing machines and refrigerators.

To ensure our customers are well informed, we also provided them with a comprehensive brochure detailing the energy and environmental consumption of the appliances. This educational resource emphasizes the importance of reducing electricity and water usage, promoting sustainability-conscious consumers to partake in eco-friendly practices.

By sharing this case study, we hope to inspire others in the industry to prioritize sustainability in both business partnerships and consumer practices.



This case study aligns to the following 2023 material topics:



Brand Value and Market Presence



Product Quality and Safety

PHARMACEUTICALS AND MEDICAL

The Pharma Department is a trusted agent and distributor of global manufacturers of pharmaceuticals, medical equipment, skincare, and aesthetics lines. We manage a total of 34 Al Mutawa Pharmacies, strategically located across Kuwait. In addition to the main B2B and B2C arms of the Department, the pharma team provides support to AAW's warehousing, storage, and distribution units. The team ensures compliance with regulatory entities, and efficiency across the importing, logistics and tendering processes. The Department stays updated on industry trends and evaluates supplier performance to optimize future quotations and improve purchasing efficiency. The AAW Pharma business line houses the Ministry of Health (MOH) Tender Department, responsible for overseeing the quotation process of MOH tenders while ensuring full compliance with regulatory standards. The duties encompass analyzing tender specifications, proactive monitoring of opportunities, contract negotiation, and ensuring strict adherence to purchasing policies. The Department further manages the tenders issued from the Kuwait Oil Company (KOC), Ministry of Defense (MOD) and Dahman.

Our goal is to be the preferred partner of choice in Kuwait through offering unique and tailored support to both business and customers within the healthcare sector. Our strategic approach is to address unmet medical needs, particularly in specialty products and rare diseases, while continuing to grow the MNCs portfolio. We are committed to providing accessible healthcare solutions by bridging gaps within the industry and improving patient care.



PHARMACEUTICALS AND MEDICAL

Al Mutawa Pharmacies

Strategically dispersed across Kuwait, our network boasts 34 pharmacies geographically spread across the country, offering maximum reachability and accessibility to patients. Patients and customers can expect easy access to a store nearby and prompt delivery when placing an order online.

Through the Al Mutawa Pharmacy App, customers can now place orders through their phone and view all products across all branches. The App's features are easy to navigate, and the App provides our customers with distinct categories' selection of AAW's pharma and medical business line offerings. All of our pharmacies are listed within the insurance network, and all our pharmacists are trained to assist our customers as needed.

As part of our online growth strategy, we have partnered with third-party platforms to enhance our trade channels and make it easier for customers to find and purchase our products online. These collaborations help us expand our reach and ensure a seamless shopping experience for our customers.

In addition to our focus on digital expansion, we are committed to social responsibility. We actively support the Patients Helping Fund Society, demonstrating our dedication to positively impacting the community and aiding those in need. This partnership highlights our values of compassion and service, reinforcing our commitment to giving back and supporting vulnerable individuals.



Commitment to Quality and Compliance

The Pharma Department upholds strict policies and procedures established to ensure compliance, along with a zero-tolerance policy for expired goods. The pharma team diligently follows Kuwait Ministry of Health Guidelines along with the guidelines set by our commercial partners and the Standard Operating Procedures (SOPs). Moreover, monitoring activities and regular audits are conducted as crucial checkpoints in our compliance journey, supplemented by sharing the results with our business partners for their feedback and recommendations.

The Pharma Department remains abreast of relevant laws and regulations, ensuring alignment with both global and local guidelines. Such commitment to compliance is further reflected in our comprehensive annual training program, which encompasses both inhouse and business partner initiatives - and is validated through conducting quizzes, coaching visits to customers, and surveys, to ensure that a dynamic and responsive approach exists in terms of meeting regulatory standards.



PHARMACEUTICAL AND MEDICAL BUSINESS LINE FACTS & ACHIEVEMENTS FOR 2023



Registered products in 2023

120 New Products



All AI Mutawa pharmacies now listed in insurance networks

100%



Total forms filled and approved for chronic diseases and medical conditions: from 15,312 to 19,538

27.5% ↑



Successfully introduced new products to MOH, tailored to fulfill the needs of patients with rare diseases.

20 New Products



Total percentage of online sales up to 23% from 16%

7% ↑



3 new pharmacies in our retail chain

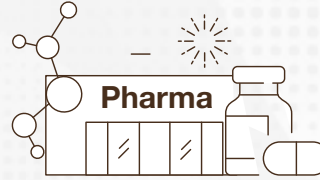
34 Total Pharmacies



Total medical supplies donated for baby milk

KD 10,000

MANAGED BRANDS



Roche AMGEN Takeda sanofi AstraZeneca CSL Vifor NestléHealthScience IPSEN YOWA KIRIN om Biologix APOTEX

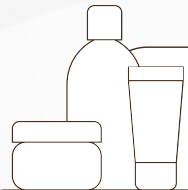
cinfa hikma. INDIVIOR AMRYT BAUSCH Health ADVANZ VIATRIS EMMAUSDEFI ALFASIGMA Ethypharm WALTER RITTER

tabuk PHARMALYS LABORATORIES PrestigeBrands Care Dr. Scheffler ZANON VITAMEC lunatus TR-PHARM CHEPLA PHARM ATNAHS GRUPPO MENARINI



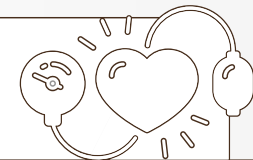
Skin Care

Bio-Oil Mustela eva PROFESSIONAL NUXE BIODERMA LYSASKIN LABORATOIRES



Aesthetics

Botulax® Restylane Dysport



Medical Equipment

Roche Diabetes Care beurer INMODE MERZ BIOTRONIK BI BRAUN schülke +


REAL ESTATE

The Real Estate Department at AAW is responsible for implementing all related projects owned by AAW, including renovations and daily maintenance services, in line with technical, governmental, and environmental guidelines. The Department covers a range of properties and projects, including showrooms, stores, office buildings, and residential buildings.

While complying with national regulations, we exercise cost-saving practices throughout our projects. For example, in one of our most recent projects on the Fourth Ring Road, we assigned our own trained staff to support the project. Additionally, we work towards environmental saving practices on active sites where we utilize environmentally friendly materials that aim to help reduce heat emissions and reduce consumption. Separately, we focus on our partnership with the Pharma Department, where we assist them in executing Al Mutawa pharmacies-related projects in compliance with MOH regulations, specifications, and standards.

REAL ESTATE BUSINESS LINE **FACTS & ACHIEVEMENTS FOR 2023**

Managed properties and projects include:



8
Showrooms



4
Administration buildings



3
Stores



20
Residential buildings

New showroom established in Shuwaikh plot 256, with a building area of 14,000 m2

Supporting Tenants in Residential Buildings

As a Real Estate Department, we offer support to our tenants through various means. This includes providing them with safe and secure premises in line with regulatory laws and conducting maintenance upon request and as needed. We can also support tenants through difficult times. When there are exceptional circumstances, we grant tenants grace periods for rent collection after verifying their cases. We also address complaints and maintenance requests promptly and avoid delays, aiming for tenant satisfaction.



ENSURE ME

As AAW's main insurance broker, Ensure Me covers all insurance services for the conglomerate, starting from evaluating the need for insurance through coverage and aftersales services. Our insurance business line offers both life and non-life insurance plans. For non-AAW clients, Ensure Me services encompass Group Life and Group Medical, Property and Casualty, Fidelity Guarantee, Auto, Travel, and Commercial Crime insurance, among others. This year, the total number of Ensure Me clients increased by 12%.

This business line focuses on improved healthcare access on various fronts. Occupation injury related to insurance is tackled within our Workmen Compensation (WC) policy, with coverage applicable during working hours. AAW employees, however, have a Group Life (GL) policy covering their insurance 24/7 with coverage beyond AAW's premises and working hours. One of 2023 highlights was increasing accessibility for Ensure Me customers. We successfully enrolled all AAW pharmacies within Third Party Administrator (TPA) networks such as Afia, GIG, Globe Med, and NAS. More notably, this year we provided financial support to around 14 employees unable to cover their exceptional medical expenses. Furthermore, we successfully upheld the same rate for insurance renewal for both life and non-life insurance and managed to get assorted claims paid.



EXPLORING AAW BRANDS



E-COMMERCE

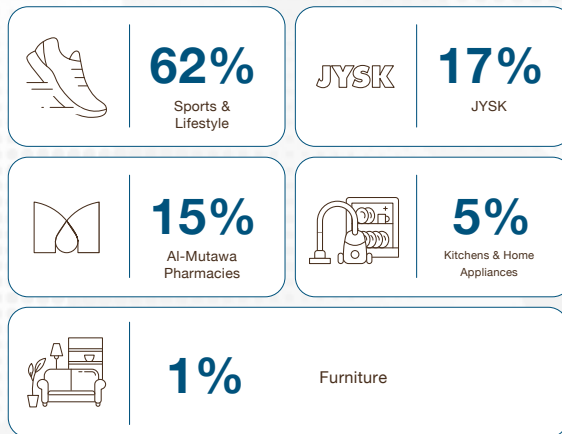
E-commerce expansion has been a focal point of the AAW strategy in recent years. This has materialized on several fronts. During 2023, in collaboration with ICT, Pharma, and Customer Service, the entire inventory and order fulfillment was transformed on www.almutawapharmacies.com. The system was revamped to enable real-time inventory visibility across all locations in Kuwait, allowing customers to view and select from a wider product range. As a result, there was a **100%** sales uplift.

Additionally, **Tabby/Tamara's** “buy now, pay later” service was implemented across all e-commerce websites. This service for customers resulted in higher Average Transaction Value (ATV) and conversion rates, with sales increases ranging between 20-40% depending on the brand. Along with the expansion of e-commerce channels, we aimed to reduce delivery packaging and minimize operational transfers. As a result, we developed sustainable material packaging for online orders and launched the “Click and Collect” service. Customers are now offered the option to purchase online and pick their items at their convenience.

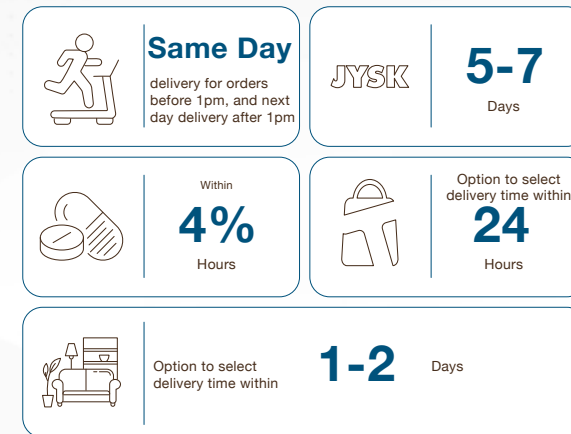
Our E-Commerce Department manages 9 brands for the e-commerce channel, offering customers a diverse shopping experience, including home delivery, and in-store pick-up services. The department is emphasizing the further enhancement of the online shopping experience, while also improving on the development of customer chatbots. Most recently, we have launched several apps, including the SNKR App.

We have automated processes such as stock sync, price sync, and order sync, all of which have streamlined operations. In brief, the e-commerce team remains focused on prioritizing a seamless omni-channel experience to customers throughout its pursuit of digital transformation.

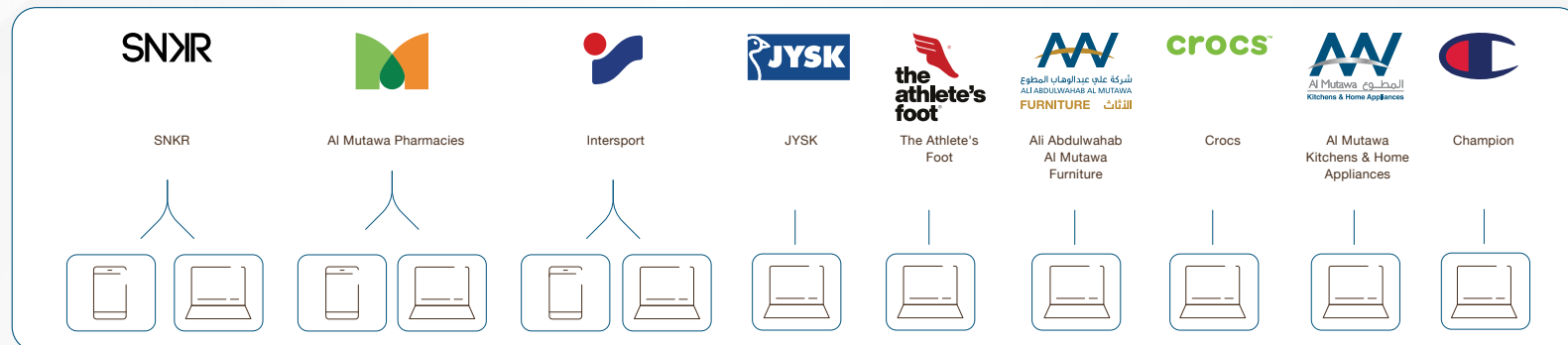
Breakdown of e-commerce sales % per department and/or business line



Turnaround time for delivering online orders



Selected E-Commerce Channels



CASE STUDY



E-Commerce Fulfillment Center

We believe that cross-team collaboration is a cornerstone of success. At AAW, this strategy helped revamp our fulfillment center by aligning our efforts to streamline processes and elevate customer experience. Our cross-team collaboration involved key players from various departments. The driving force behind our online presence, the e-commerce team, laid the groundwork for this successful achievement by collaborating with the ICT, marketing, and supply chain departments.

Cross-team Collaboration:

- ICT:** Ensured seamless integration and efficiency of stock management systems.
- E-Commerce:** Provided insight into customer behavior and requirements for the fulfillment center.
- Supply Chain:** Orchestrated the operations and logistics of the movement of goods within AAW and across our external partners.

Together, the departments finalized the initial list of SKUs to be transferred to our fulfillment center. A proactive strategy was developed that involves the continuous monitoring of site performance and consumer behavior across the e-commerce channels. As a result of the assessments, replenishments of stocks would occur based on demand to ensure optimal stock levels. This proactive approach extends to peak seasons, where our fulfillment team now prioritizes specific SKUs to ensure customer satisfaction remains high.

Moving forward, ICT will continue to play a crucial role in setting up business units and integrating systems that ensure stock is picked up from the right location. Through this monitoring system, a smooth and streamlined flow of goods will follow. The supply chain team will also continue to contribute to the management and handling of the fulfillment center operations through collaboration with third parties. This has resulted, and will continue to result, in efficient preparation and prompt delivery of products.

The fulfillment center exemplifies our dedication to offering customers the best experience as we adapt to market trends. Currently, average uplift in performance ranges from 30-40% depending on the brand. Due to the streamlined processes focused on stock and delivery, we have also seen a reduction in cancellations and higher customer satisfaction. As we continue to expand e-commerce operations, we project that these streamlined processes will be rewarded through even higher customer satisfaction rates next year.



This case study aligns to the following 2023 material topics:



Customer Experience

SUPPLY CHAIN MANAGEMENT

At AAW, we recognize the critical role responsible supply chain management plays in ensuring efficient and ethical operations. We are committed to implementing practices that benefit our business, the community, and the environment while upholding our high ethical standards.

In 2023, our Supply Chain Department has focused on optimizing our operations through streamlined warehousing and storage processes across multiple brands in our warehouse storage; established dedicated e-commerce fulfillment centers in our operations; and enhanced transportation and logistics services to customers using multiple last mile service providers including our inhouse delivery services.

To ensure responsible supply chain management, our team has rigorous due diligence processes in place for new suppliers and vendors. We regularly review suppliers' contracts and service level agreements, fostering a mutually beneficial process that helps both service providers and established entities uphold similar standards of due diligence. Our team is also developing a comprehensive suppliers' code of conduct for the purpose of governing AAW's responsible supply chain practices.

Part of AAW's supply chain management process is the safety induction training conducted for all new employees, covering mandatory safety practices. Warehouse safety practices are essential for ensuring responsible supply chain management practices, and due to that, new training covering warehouse safety will be introduced in 2024 for all employees in our Sulaibiya premises.

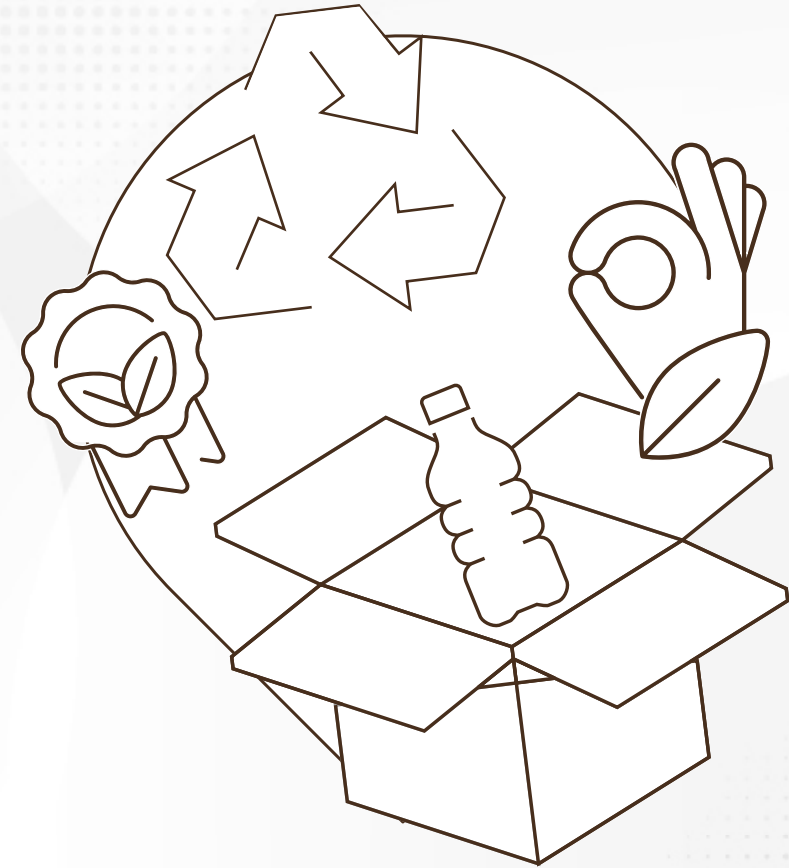


Responsible Procurement

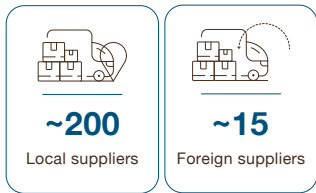
In line with meeting our goal to optimize our processes, we exercise responsible procurement. We have focused on efficiency through expanding digitization across operations, reducing regular waste and paper usage.

Our procurement team, for example, has expanded its reliance on using the digital document signatory system as much as possible. Additionally, we have ensured that all types of paper purchased, such as bags, paper cups, and A4 paper, are recyclable and environmentally friendly. We actively avoided the purchase of any plastic materials as much as possible. These initial changes have contributed directly to our sustainability goals and practices.

Within the KHA Department, responsible procurement is ensured by working directly with our logistics team, tracking and monitoring whether there are any updates regarding the stock arrival and planned stock in transit or not. Like other business lines at AAW, we use inventory management systems and integrated websites for these processes. The warehouse team regularly shares the storage conditions and capacity to insure well-maintained safe practices.



AAW's Supply Chain Facts and Achievements for 2023



Criteria for selecting suppliers:

- Quality and reliability
- Value and price
- Speed and flexibility
- Strong service and clear communication
- Financial security

Product Quality and Safety

We prioritize product quality and safety throughout our entire supply chain process by implementing stringent practices and controls to ensure the quality of products is maintained.

We ensure the safe handling of products through shipping, storage, and transfer of products. First, upon receiving products from business partners we thoroughly inspect packaging, stacking pattern, and pallet condition. Then, we ensure all products are sealed and packed securely for shipping. Finally, our quality assurance team manages and oversees the storage, shipping, and handling processes, ensuring compliance with both the supplier's quality standards and governmental regulations.

Our team thoroughly scraps expired and damaged products through an approved contractor of the Public Authority of Industry (PAI).

We maintain a detailed archive of all disposal records and activities for complete transparency and accountability, —thus ensuring responsible disposal of potentially harmful products.



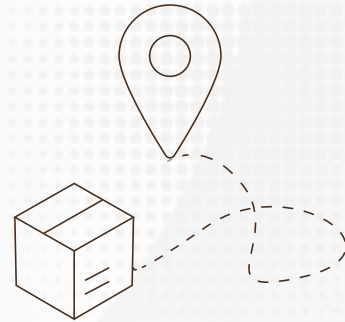
Food Quality and Safety

At “Joe and the Juice”, part of our Food and Beverage (F&B) business line, we have implemented high standards of practice for product quality and safety, as summarized in the following:



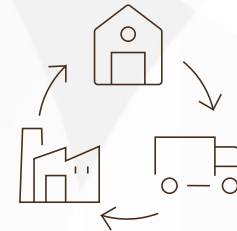
Forecast products:

We oversee products and forecast consumption for both foreign and local products based on our weekly orders that are sold or wasted. We provide forecasts to STI “5PL service,” to manage orders, increase accuracy, and minimize waste.



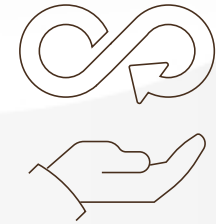
Transparent ordering and tracking:

All purchases are processed through a centralized system through automated processes for validation, and control.



Managing products:

Fresh products ordered through our stores are directly delivered through an optional daily service, aiming to maximize time and efficiency, as well as product freshness.



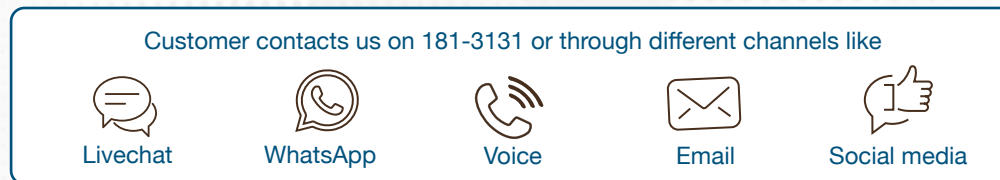
Responsible disposal:

The monitoring of products through monthly expiry reports generated by STI is used to identify and address potential waste issues, and thus reducing product spoilage.

Customer Experience

At the heart of our business model are our customers. Our Customer Service Department is committed to enhancing customer satisfaction and improving customer interactions. We prioritize customer engagement on various channels, including Live chat, voice WhatsApp, email, and social media. To reflect this priority, in 2023, we centralized our customer contact center for AAW business lines and departments. This process has enabled us to prioritize customer experience at the center of our operations, increase response time for customers, and promptly address complaints. More importantly, the contact center transformation has enabled us to monitor and track our progress and service to our customers. Moving forward, this will help us identify our strengths and areas of improvement as we look for ways to improve our operations to better service our customers.

AAW's Customer Journey



Scenario (A):

1. The customer inquires about the availability of an item/product.
2. The customer service agent asks for all the needed information (specific dose/brand).
3. The customer service agent confirms the availability/unavailability of the item/product/service and:
 - If available, the customer service agent provides the customer with the online link for the product, to make a purchase.
 - If unavailable, the customer service agent suggests transferring the customer to the nearest pharmacy to assist with an alternative.

Scenario (B):

1. The customer requests after-sale service.
2. The customer service agent asks for the brand:
 - If the brand is related to AAW: the agent proceeds with creating a job card.
 - If the brand is not related to AAW: the agent apologizes and advises the customer to contact the concerned customer service department for further assistance if needed.
3. Job card creation: The customer service agent asks for all the necessary information:
 - Name, Contact number, Address, Brand, Appliance type, Issue
4. The customer service agent creates a job card for the service center using the JDE system, for them to action the request within a set SLA.

Scenario (C):

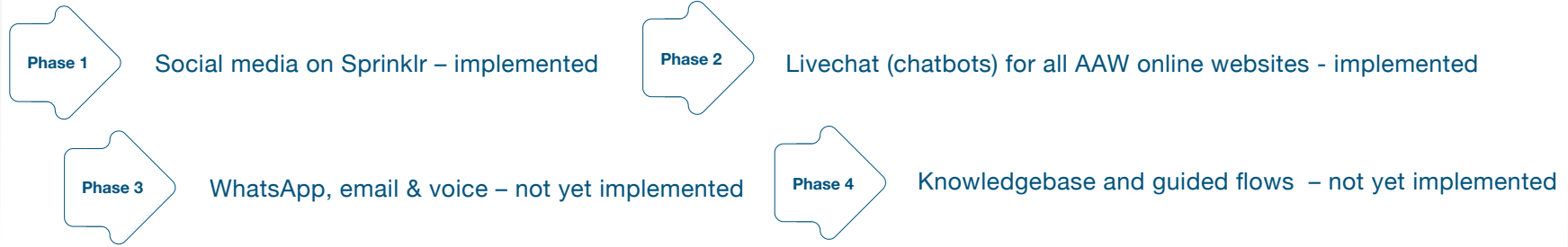
1. The customer files a complaint about an employee's behavior.
2. The customer service agent asks for more details regarding the incident:
 - Name, Contact information, Brand, The branch where the incident happened, Date and time of the incident, Employee name
3. The customer service agent apologizes to the customer for the bad experience that the customer had and ensures the customer that the details will be sent to the higher management to do the necessary.
4. The customer service agent escalates all the details to the higher management via email.



Customer Care Channels

Website live chats, phone calls, WhatsApp, emails, social media

We implemented our new contact center system “Sprinklr” through phases



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[/https://www.intersport.com.kw](https://www.intersport.com.kw)

[/https://www.theathletesfoot.com.kw](https://www.theathletesfoot.com.kw)
[/https://www.almutawapharmacies.com.kw](https://www.almutawapharmacies.com.kw)

AAW's Customer Care Service Lines



Handling inquiries and escalating complaints



Liaising and coordinating with concerned departments regarding customers



Assisting on refunds, exchanges, and after-sales services that may involve maintenance, installation, delivery, etc.

AAW's Customer Support Live Chat Features



General Information



My Order



After service & Repair Queries



Feedback



Product Information



Speak to a Live Agent

Across our business lines, we mainly practice a customer-centric and results-oriented approach. We aim to achieve and improve satisfied customer ratings, especially in our after-sales services. We target high customer satisfaction, for example, through the availability of tech assistance upon request, and by informing the customer center of the business lines' repair status via AAW's communication channels. We believe that this has resulted in a relatively high response rate and reduced visits to stores in the KHA business line, in particular (L/T 72hrs to 24hrs).

Customer and Patient Experience

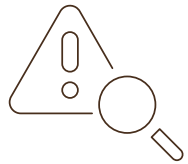
Within the Pharma Department, we also focus on enhancing our patients' and customers' experience through the availability of insurance forms and medical covers, and promptly obtaining the required authorizations from insurance providers for prescription renewals. We proactively monitor pharmacy inventory to ensure a steady product supply, specifically in relation to the supply of chronic medication. The pharma team also oversees the approvals obtained from health authorities and complies with regulatory requirements to carry out different patient health programs. In this way, the Pharma Department prioritizes its customer and patient experience.

Customer Privacy

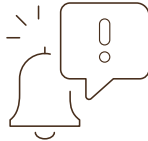
AAW emphasizes data protection and privacy of customers' data. The ICT Department ensures alignment with the latest data protection regulations. We strictly adhere to legal requirements to safeguard sensitive information. Our team of professionals incorporate advanced cybersecurity measures to strengthen existing information security protocols, mitigate evolving threats, and protect against unauthorized access. We also implement robust data encryption standards to secure information during transmission and storage, to maintain the overall resilience of the organization's data protection infrastructure.

Furthermore, we prioritize employee training through ongoing training programs to educate employees on updated security policies, fostering a culture of awareness and responsibility in handling confidential information. We also have an incident response plan where we focus on enhancing the incident response plan to ensure a swift and effective response to potential security breaches, minimizing the impact of any data incidents on the organization. All these measures are to ensure customer privacy.


Incident Response Plan




Incident Identification:
Promptly detecting and identifying potential data breaches or security incidents within the ICT infrastructure.



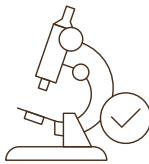
Notification Protocols:
Robust communication channels and notification processes inform relevant stakeholders, including internal teams, regulatory bodies, and affected parties.



Containment:
Immediate steps defined for containing the incident, preventing further unauthorized access, and minimizing the potential impact on data integrity.



Forensic Analysis:
Provisions for conducting thorough forensic analysis to understand the scope, origin, and methods of the data breach, aiding in future prevention measures.



Communication and Recovery:
Strategy for transparent communication with impacted parties and the public, along with a recovery plan to restore normal ICT operations while implementing lessons learned for continuous improvement.

CASE STUDY



Centralized Customer Service Department

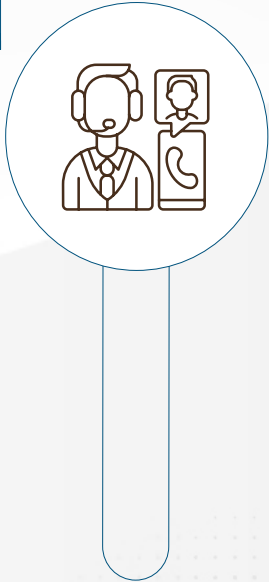
AAW has embarked on a transformative journey to enhance customer experience by introducing a unified customer service center for all our business lines. This centralized approach serves as a single point of contact for all B2C interactions across a diverse range of sectors, including pharmacies, retail, food and beverage, furniture, Tasawoq, service centers, and delivery services. Launched in 2023, this strategic move aimed to streamline communication between our business lines and customer engagements to provide seamless customer service.

We have established a robust system for handling customer complaints, which are received through many channels such as live chat, WhatsApp, calls, social media, and emails. Each complaint, upon receipt, is documented and escalated to the appropriate brand or department for further action. The Customer Service Department then diligently follows up on these cases, ensuring they are resolved to the customer's satisfaction. Whether a complaint or inquiry, we are committed to maintaining a prompt response rate of 24 hours for resolving or initiating escalation processes.

In 2023, we successfully managed a substantial volume of approximately 175K interactions.

Internally, our team is guided by a comprehensive set of productivity metrics, performance assessments, KPIs, and contact center SLA (Service Level Agreements) response rates. We also maintain detailed workflow documentation. These measures provide valuable insights for enhancing our existing working models, while simultaneously ensuring that our customers receive the highest quality of service.

As we look ahead, we are excited about expanding our customer-facing training programs in an effort to optimize customer engagement, increase optimal efficiency, and continue to elevate the standard of customer service in the Kuwaiti industry. This commitment to continuous improvement underscores our dedication and pursuit to our customers. We hope that these digitization processes will be reflected in the upcoming years.



This case study aligns to the following 2023 material topics:



Customer Experience



Digitization and Process Automation



AAW COMMUNITIES

AAW Workforce

Our workforce is our greatest asset. They are the driving force of AAW's successful growth and market expansion. Spearheaded by our Human Resources (HR) Department, we have invested our efforts on several fronts concerning our workforce, including:



Human Capital Management



Diversity and Inclusion



Learning and Development



Compensation and Benefits



Employee Engagements
and Well-Being



Digital Transformation



Robust Code of Conduct

AAW COMMUNITIES

AAW Workforce

Through these areas we are committed to continuously improving our human resources practices to achieve sustainable growth in the workplace. The following section provides more details on AAW's workforce profile in terms of headcount, gender and age breakdown, retention, and turnover performance, among other information.

We are committed to equal opportunities regardless of demographics, as instructed in AAW's Code of Conduct. Our Code of Conduct, specifically article 5, also includes clauses related to bullying, violence, and harassment and provides a formal grievance reporting or escalation procedure to report on such instances. Our employees are given access to relevant platforms to report on any potential discrimination incidents or for seeking advice regarding any ethical or suspected lawful behavior and/or organizational integrity-related incidents. Such platforms include AAW's Employee Engagement email, Employee Engagement hotline, SOS Hotline, and walk-ins. Investigations and disciplinary actions are initiated for any breach to promptly address any negative impacts associated with such behaviors. As a testament to our commitment to inclusion, only one confirmed incident of discrimination occurred during the reporting period, and the incident was closed due to inaccurate allegations.

AAW's commitment to diversity is further demonstrated in the following sections, where we provide detailed insights into our performance based on gender, age, and nationality breakdowns.

AAW's Workforce Gender Breakdown

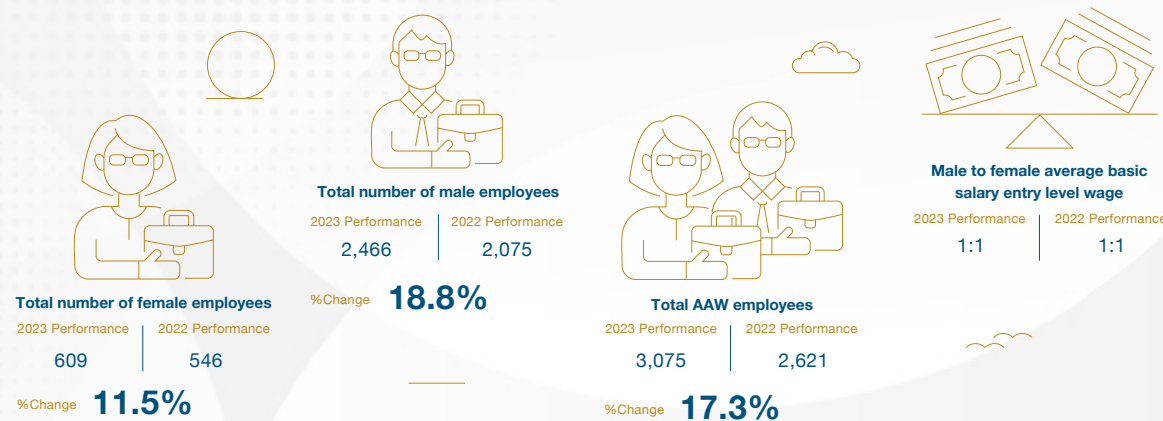
Looking at AAW's performance for the year 2023 in relation to gender representation, several significant trends are worth highlighting in comparison with our 2022 figures. The total number of female employees has seen a notable increase, rising from 546 in 2022 to 609 in 2023, marking a 11% growth. This surge indicates a positive shift towards greater gender diversity within our workforce.

Similarly, the total number of male employees has also seen a substantial increase, representing an 18.8% rise. When considering the percentage of female employees in relation to the total number of AAW employees, we observe a steady upward trajectory.

In 2023, female employees constitute 19.8% of the total workforce, a slight decrease from 20.8% in the previous year.

AAW fosters a fair gender representation across its occupied managerial positions as well. In 2023, the number of managerial positions and above held by males has increased by 11.8% in comparison with 2022 performance. Concurrently, the number of female managers and above has seen a significant increase, rising from 65 female managers to 80 in 2023, marking a notable 23.1% growth. This surge underscores AAW's commitment to promoting gender diversity within leadership roles, reflecting our dedication to fostering a more representative and inclusive organizational hierarchy.

Selected Diversity Figures



Diversity in Management

Diversity in Management	Unit	2023 Performance	2022 Performance	%Change
Number of managers and above (males)	#	199	178	11.8%
Number of managers and above (females)	#	80	65	23.1%

AAW's Workforce Representation per Age

The AAW workforce spans across multiple generations. The workforce is predominantly represented by employees within the age group 30-50 years, representing just over 79.8% of the AAW workforce (2,456 employees in this age group out of 3,075 total employees). The most significant increase reported for this year is an increase of over 168% in employees under 30. This highlights our growing emphasis on attracting younger talents as we focus on further diversifying our workforce.

Age Diversity	Unit	2023 Performance	2022 Performance	%Change
Number of employees under 30	#	328	122	168.8%
Number of employees between 30-50	#	2,456	2189	12.2%
Number of employees over 50	#	291	310	-6.1%
Total number of employees	#	3,075	2,621	17.3%

AAW's Workforce Representation per Nationality

Furthermore, in line with the New Kuwait Vision, a program was developed and approved in December 2023 for hiring nationals to increase the percentage of Kuwaiti employees. In 2023, the Kuwaitization rate was 0.75%, with a total of 23 employees out of 3,075. We have a slight increase in local managers compared to last year. To strengthen and expand Kuwaitization, the program will encompass various offerings and incentives such as onboarding fresh graduates across business lines and providing career progression opportunities. We hope that the program will have an impact on AAW's workplace performance by 2024.

Nationality Breakdown of all Employees

Unit	2023 Performance			2022 Performance			%Change		
	Local	Foreign	Total	Local	Foreign	Total	Local	Foreign	
Number of employees per nationality	#	23	3,052	3,075	27	2,594	2,621	-14.8%	17.6%
Rate	%	0.75%	99.25%	100%	1.03%	98.97%	100%	-	-

Nationality Breakdown in Management

Unit	2023 Performance		2022 Performance		%Change		
	Local	Foreign	Local	Foreign	Local	Foreign	
Number of managers per nationality	#	13	266	16	233	-18.7%	14.2%
Rate	%	4.66%	95.34%	6.43%	93.57%	-	-

YOUTH EMPOWERMENT

Ambitions to empower youth have taken on many forms at AAW. Our HR Department has focused on recruiting fresh graduates and targets the under-30 age group for employment opportunities. We believe that the younger generation holds the key to innovation. This year, 11 new fresh graduates joined our AAW family, bringing a fresh perspective and energy to the workforce. This number is composed of both male and female fresh graduates. Moreover, our internship program continues to thrive, with 50 promising students interning throughout the year 2023.

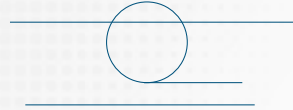
We believe that these investments nurturing young talents contribute to building community and empowering youth.



Total number of fresh graduates within AAW's workforce

2023 Performance			2022 Performance		
Male	Female	Total	Male	Female	Total
14	1	15	4	0	4

%Change of Total
275%



Number of fresh graduates employed in the reporting year

2023 Performance			2022 Performance		
Male	Female	Total	Male	Female	Total
10	1	11	4	0	4

%Change of Total
175%

EMPLOYEE RETENTION AND TURNOVER

We foster a positive and engaging work environment for our AAW workforce. In this section we delve into our employee retention and turnover data for 2023, highlighting our efforts to create a thriving workforce. We strive to continuously improve this work environment to retain AAW talents. This year we witnessed a lower turnover rate among our female employees compared to our male employees. We believe that this highlights our commitment to fostering a gender-inclusive workspace.

Despite the turnover rate, our AAW workforce significantly grew from 2022 to 2023, increasing 17% from 2,621 to 3,075 employees. Evidently, our strategic recruitment efforts have been successful, and we hope to continue attracting and retaining fresh talent.

EMPLOYEE RETENTION

Employee Retention	Units	2023 Performance	2022 Performance	%Change
Newly hired employees	#	747	514	45%
Turnover employees	#	359	293	23%
Net Change	#	388	221	-
Retention Rate	%	86%	-	-



HUMAN CAPITAL MANAGEMENT

Human capital management is a critical facet of AAW's organizational success, serving as the cornerstone for fostering a productive and engaged workforce. In this section, we explore 2 areas: labor management incidents, and performance management and appraisals. Through comprehensive analysis and strategic initiatives in each of these areas, we aim to cultivate a workplace environment that nurtures talent, maximizes employee potential, and drives sustainable business growth.

LABOR MANAGEMENT INCIDENTS

Our HR Department ensures fair labor management through safeguarding the well-being and safety of AAW's workplace community. We are proud to highlight that we had very few labor management controversy and incident discrimination incidents in 2023, and that is a testament of our efforts to uphold standards of employee satisfaction and prompt response rate for resolving such issues. We transparently report on one incident of discrimination for 2023 that, upon prompt investigation, was closed due to inaccurate allegations. Our labor management controversies were 5 in total, regarding entitlements and or increments, which underwent the formal review processes to determine points of action. Moreover, regarding employee complaints, the HR Department only received 4 complaints, for the 2023 reporting period through grievance processes, which were adequately addressed by the HR Department.

Along with the HR Department's quick response rate to address incidents, AAW also provides access to the AAW Save Our Souls (SOS) Hotline. The SOS Service aids with many potential cases that may endanger employees. Confidentially, employees can call to report on incidents of theft, violence, accidents, medical situations, external threats, and many others. Upon reporting such incidents, the respective team investigates the incident, and the necessary measures are taken.



Selected Policies on Safeguarding our Workforce

Selected Policies on Safeguarding our Workforce:

Bullying, Violence & Harassment Prevention Policy

Objective: Prevent work-related bullying, harassment, and violence within AAW premises.

Scope: All AAW employees.

Substance Abuse Prevention Policy

Objective: Set guidelines for AAW employees to ensure a productive and safe environment.

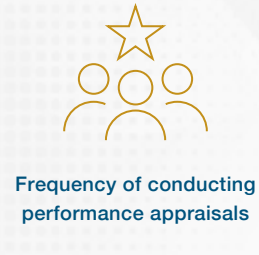
Scope: All AAW employees, contractors, and visitors.

Performance Management and Appraisals

Our proactive performance management system encompasses prevention and mitigation practices to address negative impacts. This includes frequent revision of existing policies and practices, identifying challenges, implementing actions to address such challenges and mitigate any negative impact, and most importantly formalizing these processes through a Performance Management Policy. We also frequently assess the effectiveness of existing performance management systems and the team's capacity to offer helpful feedback to establish relevant objectives and identify exceptional performance. Employees would remain motivated and involved in continual performance improvement. The HR Department provides AAW's employees with clear guidance and support throughout the performance appraisals processes, through providing them with AAW's Performance Manual guide and sending them frequent reminders, and instructions on how to utilize the Assessment Center-Total Assessment system.



24%



2
Times a year minimum except for CGD conducts a quarterly assessment



719



39



680

TRAINING HIGHLIGHTS

LEARNING AND DEVELOPMENT

Upon completing the performance evaluation process, AAW employees actively identify their training needs, and communicate them and them to their managers for approval. A Training Needs Analysis (TNA) is then created, indicating the expected or average training cost per course selected from AAW'S pool of vendors and training providers. These include the Australian University, Inspire, and Rentokil Boecker. Each department head will then review the issued TNA and sign it. Based on this process, HR then engages the AAW's employees and informs them that professional skills need to be improved or expanded.



40 | **926**

Training courses | Employees in attendance

Successfully conducted over 40 training courses, with 926 employees in attendance.



Feedback and Evaluation:

This year we received feedback & evaluation from those who participated in the training courses, allowing employees to provide feedback on the training received.



Technical Medical Training:

Our Pharma business line offers employees technical medical training through Coursera and coaching practice to advance their knowledge and professional profile skillset.



7 | **23** | **2** | **6**

Sessions

Attendances average number

Hours per session

Hours per person

Monthly Product Training Course: For the KHA Department, a monthly product training course was held for sales and customer-facing staff; while our partners' sales staff received a bi-monthly training course to improve their product knowledge and know-how skills. This included training for the warehouse, where the total planned training for service center technicians was 7 sessions and the total number of attendances per training session was 23 on average. Each training session required 2 hours, which totaled 6 hours of training per person.



135 | **250**

LMS Users registered

Courses

E-Learning Platform:

The HR Department effectively launched an e-learning platform that offers a wide range of skills. Coursera functioned as our e-learning platform's Learning Management System (LMS). We had 135 users registered during this time, with access to 250 courses.



AAW Trainee Development Program:

Conducted a 6-month long program focused on professional development for Kuwaitis. The goal of the program is to attract Kuwaiti talent and encourage career development.

BRIEF HIGHLIGHT - AAW CATRED COURSES



Anti-Corruption, Business and Financial Ethics Standards:

Providing training courses on recognizing the implications of accepting bribes. Such courses are provided to employees during their ongoing orientation or during sales employee training and are provided to employees who may be exposed to bribery risks in their line of work (i.e., sales employees). In the Pharma business line, the department provides Compliance Awareness Session focused on financial ethics to also raise awareness among employees. This year, for the compliance sessions, we had 88 attendees and 8 training hours.



Consumer Behavior Training:

Given that AAW is heavily focused on consumers, we hold ongoing training courses on consumer behavior. With over 178 employees in this area, the training courses encompass product storytelling, educating customers, and suggestive selling, among others.



Leadership and Talent Management

Our effective Leadership Development Program is a collection of Highfield International-Certified programs aimed at a certain set of leadership qualities. Courses are assigned through Coursera for career development, and we collaborate with KFAS as well. This provides employees with access to a range of opportunities that equip our leaders with the necessary skills.

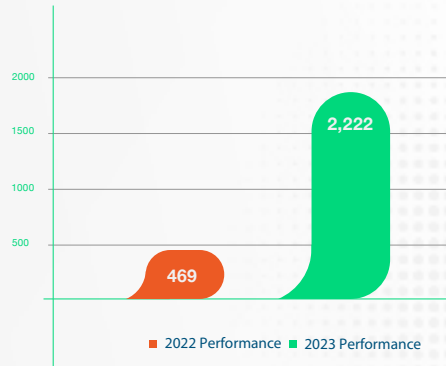


Customer-facing Sales Training:

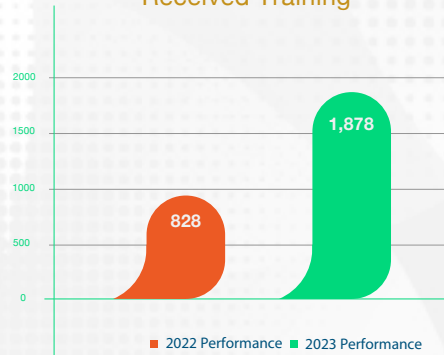
The SLS Department, like KHA and other departments, uses an e-learning platform called Atobi, which is used for all training needs and requirements for store-based staff. All the materials necessary for their training and advancement are channeled through this platform. All staff have it downloaded on their phones. Through this learning platform, we roll out programs that provide sustainable customer service approaches, sustainable leadership programs such as "lead your game", as well as the "90 days (about 3 months) induction programs" for new joiners that train them on AAW service standards. We apply training methods that ensure consistent customer service levels, efficient staff performance, and responsible leadership within the store management.

EMPLOYEE TRAINING STATISTICS

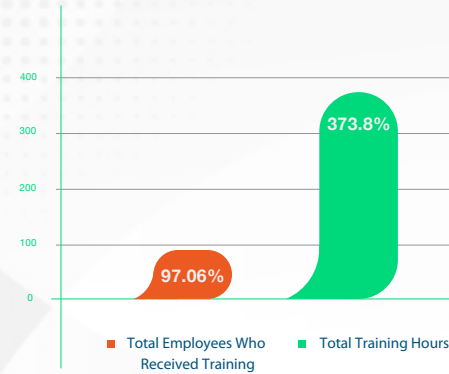
Total Training Hours



Total Employees Who Received Training



%Change from 2022



Total hours of training

1,989

Employees participated in training courses in participated in 2023

953

Employees participated in training courses in participated in 2022

2,222

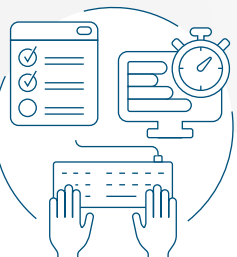
Total training hours in 2023

469

Total training hours in 2022

Employee Engagement and Well-being

We are committed to fostering a work environment that promotes employee engagement. In this section we delve into our HR's achievements through prioritizing frequent communication, providing feedback channels, and facilitating meaningful activities. We also discuss how our HR Department has prioritized employee well-being through compensation and benefits, and employee assistance, among other aspects.



Yammer Platform for Employee Engagement

The Yammer Platform is AAW's HR platform, utilized by the Department to engage with employees through posting news and updates for all events, awareness campaigns, among others. With over 1,500 users, AAW employees also utilize the platform and interact through the platform.

Employee Engagement

Employee engagement takes on many forms at AAW. We prioritize ongoing communication with our employees through many channels, including email, hotlines, designated extension numbers, AAW Portal, AAW Yammer, SMS, AAW Times, AAW Screens, and AAW SOS (Save Our Souls) Emergency Service. Additionally, we actively solicit feedback through pulse and employee engagement surveys conducted post each event and/or activity. For the upcoming years, AAW's HR team is in the final stages of forming an agreement with a third party who will be responsible for conducting all future company-wide employee-related surveys aiming to facilitate higher participation rates moving forward.

Upon survey completion, our HR team follows a structured approach in terms of communicating the results in a clear, transparent manner that addresses actionable insights. Firstly, we embark on the process of preparing a comprehensive report, meticulously compiling all relevant data and findings extracted from the shared surveys. This report serves as a comprehensive snapshot of AAW's current state of employee engagement, offering valuable insights into areas of strength and improvement. Next, the information contained within the report is segmented into distinct sections, allowing for a more comprehensive understanding of the findings. This segmentation typically includes overarching engagement scores, department-specific results, and specific focus areas that require attention or further exploration. By organizing the data in this manner, we aim to provide our employees with a clear and

structured overview of the survey outcomes. Finally, an action plan is then developed based on the insights derived from the survey results. This plan outlines specific steps and initiatives that will be undertaken to address the identified issues and capitalize on AAW's employee engagement areas of strength. Whether it involves implementing new programs, refining existing processes, or fostering a culture of continuous improvement, our action plan is designed to translate survey results and insights into tangible outcomes that drive positive change throughout AAW's workforce.

The employee engagement team plays a pivotal role within AAW, with a range of responsibilities essential in fostering a supportive workplace culture. One of its key tasks involves ensuring the timely development and consolidation of Key Performance Indicators (KPIs) for the fiscal year, as well as crafting the Employee Engagement (EE) budget in close alignment with AAW's overarching business plan. By meticulously tracking these metrics, the team helps steer the company towards its strategic objectives while also prioritizing initiatives aimed at enhancing employee satisfaction and well-being. Also, the team oversees the implementation of the HR services automation plan, a transformative initiative designed to streamline processes and enhance operational efficiency across various facets.

Another core responsibility entails maintaining the timeline and execution of AAW's sustainability plan, reflecting the company's commitment to environmental stewardship and social responsibility.

Furthermore, the team is dedicated to developing and upholding Service Level Agreements (SLAs) for HR services, setting clear expectations and standards to ensure consistent and high-quality support for employees across AAW's departments. This commitment to excellence in service delivery forms the foundation of AAW's reputation as an Employer of Choice, a distinction achieved through initiatives aimed at attracting, retaining, and empowering top talent.

Lastly, the team is focused on regularly assessing and improving the employee engagement score and overall employee experience. Through proactive measures, feedback mechanisms, and targeted interventions, our team can help cultivate a workplace environment that fosters satisfaction, morale, and productivity.

The following presents a summary of AAW's 2023 conducted employee engagements, ranging from health awareness campaigns and fitness events to charities and environmental cleanups. This year we organized over 14 events in total as illustrated in the following table with a high-level overview of the goals and target areas.

EMPLOYEE ENGAGEMENT EVENTS

Event Title	Event Description	Total Number of Employees Attended	Event category
Yoga Event (Ladies only)	In collaboration with Elite Fitness gym, we arranged Yoga classes for our female employees to promote overall well-being by enhancing physical and mental health. These sessions aim to reduce stress, support work-life balance, and foster team building among our female colleagues. Additionally, the initiative seeks to empower women, creating an inclusive workplace culture that prioritizes health and resilience. The goal is to boost morale and job satisfaction through the incorporation of preventive health measures associated with yoga.	30	Health awareness and well-being
Desert Cleanup	This cleanup contributed to preserving the environment, engaging communities, and promoting practices that contribute to the long-term health and vitality of the local ecosystem.	150	Well-being, environment and corporate social responsibility
AAW Football Tournament	We ran a Football Tournament to promote health awareness and build team spirit between AAW's management and employees from all departments.	200	Sports, hobbies, and well-being events
Asics Women's Day Run	We promoted health awareness and strengthened community building and team spirit through a women's run.	20	Sports, hobbies, and well-being events
AAW Ghabga 2023	We conducted an employee engagement event as a get-together for community building.	400	Local events
World No Tobacco Day (Tobacco-free is the way to be)	We promoted health awareness by encouraging employees to get rid of cigarettes by allocating a box in AAW's offices.	50	Health awareness

EMPLOYEE ENGAGEMENT EVENTS

Event Title	Event Description	Total Number of Employees Attended	Event category
World Photography Day	This employee photography day contest is part of our World Photography Day celebration. Our employees were encouraged to display their photography talent by capturing pictures of our various brands, products, or AAW-related subjects. We wanted this artwork to encourage employees to unleash their photographic creativity that revolves around the official theme for World Photography Day, which is "Understanding Clouds."	82	International events
World Environment Day	We launched a recycling program, collecting as many plastic bottles as we could from all AAW premises and sending them to a recycling company, Omniya.	All employees	Environment and corporate social responsibility
International Day of Charity	Our International Day of Charity event focused on donating office items, clothes, shoes, or toys to a local charity: "Hebati Charity" donations.	All employees	Well-being & corporate social responsibility
Breast Cancer Awareness Month	We conducted an awareness campaign throughout the month through our internal communication channels (weekly). We also allocated 2 branded stands in collaboration with Al Mutawa Pharmacies with a mirror in the middle of the stand as a reminder of the importance of regular checkups and added an iPad with a headset playing an inspirational video about breast cancer survival.	All employees	Health awareness
November Month (Men's health)	We conducted an awareness campaign broadcast throughout the whole month, on a weekly basis, through our internal communication channels.	All employees	Health awareness

EMPLOYEE ENGAGEMENT EVENTS

Event Title	Event Description	Total Number of Employees Attended	Event category
Run Kuwait 2023	In coordination between Fawzia Sultan Healthcare Network (FSHN) & Intersport, AAW employees participated in a yearly charity fundraiser aimed at collecting funds for children with special needs who lack access to adequate healthcare.	20	Health awareness and corporate social responsibility
World Diabetes Day	We launched an awareness campaign for a whole month and conducted free blood pressure and sugar tests for all AAW employees in the Sharq head office, Shuwaikh head office, and AAW warehouses.	1,000	Health awareness
AAW Sports Day	Our Sports day aimed to promote physical health, foster team building and camaraderie, reduce stress, boost morale and engagement, enhance productivity, foster a healthy workplace culture, and celebrate diversity within the workforce. It also contributed to engaging communities and promoting practices that contribute to the long-term health and vitality of the desert ecosystem.	200	Sports, health awareness and corporate social responsibility

Benefits and Compensation

We offer competitive compensation packages, provided in the form of medical and life insurance, safety equipment, commission, staff discount and installments on AAW products, car fuel cards, annual tickets, company transportation, annual appraisals, parental leave, and schooling, among others. We also provide third-party benefits through partnerships, and offer travel benefits including annual tickets, family travel options, and travel insurance. AAW has various policies that address employee compensation, including a few of the aforementioned benefits (i.e., schooling, commission, annual bonus, staff discount, installments on AAW products purchased, medical insurance, etc.). We follow the recommendations of a third-party consultant concerning our employee compensation schemes and we further seek its assistance regarding AAW's offered allowances and benefits.

Further details on AAW's employee benefits are expanded on in the following table.

Employee Compensation and Benefits Facts and 2023 Performance Highlights

<p>Total compensation provided to AAW's employees</p>	<p>1,730,976,93 KD, representing a 9.3% increase compared with last year's performance.</p>
<p>Basic salary and remuneration of women to men</p>	<ul style="list-style-type: none"> • The average basic salary is 462.304 KD. • Average basic salary for women is 531.033 KD. • Average basic salary for men is 445.331 KD.
<p>Median compensation per person across all AAW employees *</p>	<p>275 KD (per month)</p>
<p>Parental leave</p>	<p>Parental leave for both males and females had a 100% return rate for 2023, with 7 men, and 14 women taking parental leave.</p>
<p>Total amount spent on employee flight tickets as part of employee benefits and compensation</p>	<p>11,322 KD</p>

* Excluding the highest-paid individual in AAW for 2023.



AAW's Third-party Employee Benefits:

AAW X Sultan Discount, KANZEE Loyalty Program, Al Hamra Hotel, the Palms Beach Hotel & Spa, Al Borg Diagnostics, Argan Al Bida'a Hotel and Resort, Argan Al Bida'a Gym, Venue 56 & House of X, Deliveroo Plus, Core healthy meal plans, Numou healthy meal plans, UFC Gym Kuwait, KFIC Finance, Boubyan Takaful, GIG, Hilton Kuwait Resort, Saudi Airlines, Al Mutawa Travel & Tourism, Ensure Me, F45 GYM, Omniya Kuwait, Elite Fitness, Dhaman Hospitals, Gulf Bank, Burgan Bank, Ahli Bank of Kuwait, FSHN, AISHamel Lab, GlobeMed Kuwait, and City bus.

CASE STUDY



MTT and Travel Benefits

The MTT team at AAW arranges business and leisure travel tickets, hotel car transfers, car rentals, event bookings, meeting rooms, group travel, and much more for AAW employees. In 2023, we provided annual tickets to 78 employees as part of their benefits.

MTT offers flight benefits for AAW's foreign employees (non-local nationality holders) by providing annual tickets to their home country destinations. We add the lowest possible commission and admin fee and provide employees with the opportunity to pay via installments for 10 months. This option is also available to all their family members and friends based on each employee's salary limit.

In addition to travel benefits for families, we also offer travel insurance for leisure travel, available upon request, via our Ensure Me Department. We also ensure that travelers are informed if there are any risks in advance prior to travel.

This past year, we expanded our geographic coverage compared with previous years in terms of the travel offers and packages provided to AAW's employees who wish to travel for vacation via MTT. MTT now arranges offers and packages for trips to Europe, the Middle East, and the Far East.



CASE STUDY



Human Resources

In 2023, the HR Department continued making progress transitioning towards digitized operations. Employee engagement, probation, and exit interviews were moved online. The SAP Success Factors has contributed to a reduction in paper consumption and enabled the Department to go paperless. Additionally, as of November 2023, AAW's HR recruitment is being automated and is undergoing digital transformation. The HR Department has also focused on e-learning platforms, such as Coursera, where employees have access to degrees, certificate programs, and tutorials in a wide range of subjects, with over 300 leading universities and companies. Courses covered range from data analytics, graphic design, cloud computing, and accounting, to interpersonal skills, and business communication. These opportunities continue to encourage a culture of continuous development by expanding existing resources for AAW workplace community capitalizing on their needs and demands for professional and personal development.

HR has also expanded its digital awareness campaigns in collaboration with other departments. For example, the HR team recognizes that as digitization processes continue to expand within and across AAW operations, the Information and Communication Technology (ICT) will increasingly play a crucial role in such processes. As a result, in 2023, the Information Technology (IT) Security Awareness Campaign was conducted as a collaboration between HR and ICT Departments. Titled "Shield Your Data: Beat Phishing Threats," this campaign focused on raising awareness among employees on phishing attacks and acted as a lead-up to security awareness training.



This case study aligns to the following 2023 material topics:



Digitization and Process Automation

AAW LOCAL COMMUNITY

Community Engagements – AAW's Marketing Campaigns

Corporate Social Responsibility (CSR) has become a key building block in enabling ESG advancements and constitutes a pillar within AAW's Sustainability Strategy. Within this framework, marketing has a pivotal role, acting as a potent channel for amplifying the impact of CSR initiatives and articulating AAW's steadfast commitment to social and sustainability endeavors. At AAW, we utilize our marketing strategies as a catalyst that drives AAW's responsible image. Through a multifaceted array of initiatives spanning across diverse categories (such as health, donations, and community support), we are deeply immersed in addressing pressing social challenges and fostering community empowerment. From initiatives in environmental sustainability to endeavors in community development, education, and beyond, our CSR pursuits are underpinned by an unwavering dedication towards creating meaningful and sustained social impacts. Further details on AAW's marketing role in CSR and the company's conducted social initiatives and community investments are presented in the following sections.

The AAW corporate marketing team, which includes both digital marketing and brand marketing, is at the center of all AAW business lines. It is responsible for all internal and external engagements between AAW and the public, making sure all customers are informed. This includes marketing on social media platforms to interact with our audience, responding to inquiries, and sharing updates on events AAW is sponsoring or participating in.

AAW's marketing team's main role is to act as enablers for the business brands. We maintain CEO business communications, corporate social responsibility, corporate and brand event management, internal and external communications, corporate partnerships and contracts, budget management, press releases, and produce media campaigns. We monitor comments and feedback we receive through our social media channels with support from our PR agency. We also collaborate with our customer care team to address calls and complaints.

Within the Marketing Department, we adopted an egalitarian approach when it comes to our brands. For each brand, the respective marketing manager would prepare a yearly marketing plan and budget for their initiatives, main campaigns, events, social media, strategy, sponsorships, among others. We then offer support through digital marketing officers or corporate marketing officers. Through this collaborative approach our department tackles customer engagement from all angles.

Most importantly, our strategic approach to marketing is to act as enablers for AAW's business brands. This is conducted by instituting a new marketing structure in place covering 5 main areas, namely Creative and Content creation, Press Releases (PR) & Communication, Media and Promotion, Digital Marketing, and Production. We work closely with AAW business lines to offer short- to long-term strategies and opportunities, as indicated in our shared competitive studies and insight for the purpose of supporting them in establishing their marketing strategies driven by factual data and marketing trends. The marketing team works to clear guidelines aligned with brand promotion guidelines, and uses technological tools for monitoring and enforcing compliance, especially on e-platforms.

Throughout the year, our digital marketing and e-commerce channels, in collaboration with AAW's departments, run various campaigns including promotional events, awareness campaigns, offers, and holiday announcements. This further solidifies AAW's brand presence and promotes our community engagements.

Marketing Campaigns for 2023

Corporate: **11** Retail: **14**
 CSR events: **4** Volunteer events: **8**



Social Media Corporate Marketing Campaigns:

- National Day
- Liberation Day
- Eid Al Fitir
- Eid Al Adha
- Ramadan
- Father's Day
- World Environment Day
- Mother's Day
- Global Earth Day
- World Blood Donor Day
- Breast Cancer Awareness Month
- Movember Prostate Cancer Awareness Month
- World Diabetes Day

Social Media Retail Campaign:

- National Day
- Liberation Day
- Father's Day
- Mother's Day
- Eid Al Fitir
- Eid Al Adha
- Breast Cancer Awareness
- Prostate Cancer Awareness
- Black Friday
- Cyber Monday
- End of Season Sale
- Mid-Season Sale
- Singles Day
- Gifting Season

Advocating for Women's Well-being

Beyond celebrating significant occasions like International Women's Day, AAW actively promotes its female workforce with special attention directed towards their well-being. In October 2023, we launched a month-long Breast Cancer awareness campaign with the theme "Empowering a sisterhood, healing by fostering hope, encourage to cope and survive to thrive." The campaign included educational materials, internal communication shared on a weekly basis throughout the whole month and was published on all the internal screens, including the AAW Portal & Yammer. The month included a "Wear Pink to Work" day to encourage solidarity and awareness. Additionally, recognizing the importance of early detection, we strategically allocated in both head offices informational materials to raise awareness on female health issues and the significance of early breast cancer detection.

We also recognize the importance of supporting women during significant life events, such as maternity. Our policies include maternity leave provisions, granting 70 calendar days of leave to pregnant employees, as well as breastfeeding hours, allowing female employees to take 2 hours during working hours for breastfeeding for up to 2 years after returning from maternity leave. Through these comprehensive efforts, we are dedicated to fostering an inclusive and supportive environment where women can thrive personally and professionally.

At AAW, our commitment to women's empowerment and well-being is evident through various initiatives tailored to support female employees at every stage of their career.

Through targeted training programs such as "Grow Your Business with Goldman Sachs 10,000 Women" and "Women in Leadership: Inspiring Positive Change," we aim to equip women with the skills and confidence needed to thrive in leadership roles.

Additionally, courses like "Fundamentals of Operations, with Goldman Sachs 10,000 Women" provide valuable knowledge and insights to further enhance their professional capabilities.

Such leadership empowerment efforts have yielded tangible results, with the number of females in management positions increasing from 65 in 2022 to 80 in 2023.

AAW Community Investment

Here at AAW, our work is intricately linked with the communities we serve. Whether it is through business interactions or through community participation, we seek to foster a sense of shared responsibility through positively impacting our environment. To highlight our community investments, we provide more details in the following section of our diverse community initiatives, where we have partnered with various organizations like Injaz and Loyac. In our efforts to make a positive impact, we have empowered youth, collaborated with academic institutions for talent development, participated in local health and lifestyle events, and led environmental initiatives. We hope our efforts in prioritizing social responsibility, collaborating with local partners, will foster a stronger community that recognizes such impacts and sustained efforts.

Community Investment Beyond the Workforce: Local Community Initiatives

This year, AAW made a positive impact beyond our workforce through direct engagement with the local community. With over 10 local community events held, in collaboration with third-party partners and non-profit organizations, - AAW employees actively engaged with the youth, advocated for environmental sustainability, contributed to charity and much more. Thanks to the support of our partners and AAW's workforce, we proudly mentored students, offered internship opportunities, and provided career guidance for the younger generations. We enrolled 50 students in AAW's internship program, educating them on our operations and providing them with opportunities to explore their passions and learn from our leaders.

Three CSR focus areas are highlighted in our 2023 events, which are youth empowerment, local partnerships, and environmental responsibility. As such, we are proud to share in the following our community engagements with the public and showcase how we made an impact through our dedicated volunteers and partnerships.



AAW'S PARTNERS FOR COMMUNITY INITIATIVES



SELECTED COMMUNITY EVENTS

Event Title	Event Description	Third-party Partner or NGO	Total Number of Employees Attended	Event category
Innovation, Junior Camp	Volunteered to mentor a class of students at their schools to find innovative solutions to a real business challenge using creativity, analysis and teamwork.	INJAZ	5	Youth empowerment
Mock Interview	Volunteered to mentor university students to practice for a mock interview, mirroring the dynamics of an actual job interview, simulating the interaction between them and the hiring manager.	INJAZ	3	Youth empowerment
Job Shadow Day	Volunteered to mentor university/High School students by allowing them to visit our professional work environment and introduce them to various career paths within AAW's diverse industry.	INJAZ	2	Youth empowerment
Darb Internship Program	Provided a special opportunity for young people from the age group 16 – 30 years to help them develop their personalities and explore their capabilities to become leaders.	LOYAC	26	Youth empowerment

SELECTED COMMUNITY EVENTS

Event Title	Event Description	Third-party Partner or NGO	Total Number of Employees Attended	Event category
Internship Program	Provided a special opportunity for young people from the age group 16 – 30 years to help them develop their personalities and explore their capabilities to become leaders.	Public Authority of Manpower	4	Youth empowerment
Internship Program	Provided a special opportunity for young people from the age group 19 - 30 years to help them develop their personalities and explore their capabilities to become leaders.	The Faculty of Pharmacy at Kuwait University	5	Youth empowerment
Desert Cleanup	Contributed to preserving the environment, engaged communities, and promoted practices that contribute to the long-term health and vitality of Kuwait's desert ecosystem.	N/A	150	Environmental responsibility and corporate social responsibility
International Day of Charity	Contributed to humanitarian causes and local community organizations while fostering a culture of giving, enhancing teamwork, and boosting employee morale through donating office items, clothes, shoes, or toys to a local charity.	Hebati Charity donations	All employees	Corporate social responsibility

SELECTED COMMUNITY EVENTS

Event Title	Event Description	Third-party Partner or NGO	Total Number of Employees Attended	Event category
Career Fairs	Participated in 7 career fairs across prestigious universities in Kuwait. Including Kuwait Technical College, GUST University, American University of Kuwait, and Kuwait College of Science and Technology, American International University and American University of the Middle East. AAW also participated in the Watheefti Career Fair, the biggest national career fair in Kuwait. All of which focused on targeting and attracting the younger generations.	N/A	0	Youth empowerment
World environment Day	Implemented a recycling program that was not only addressing environmental concerns, but also aligning with broader corporate sustainability goals, positively impacting the company's reputation, and contributing to a more sustainable future. Launched a recycling program by collecting as many plastic bottles as we can from all AAW premises and sending them to a recycling company.	Omniya Recycling center	3	Sustainability, well-being awareness, environmental responsibility and corporate social responsibility
Desert Clean-up within AAW Sports Day	Contributed to preserving the environment, engaging communities, and promoting practices that contribute to the long-term health and vitality of the desert ecosystem. We focused on promoting physical health, fostering team building and camaraderie, reducing stress, boosting morale and engagement, enhancing productivity, fostering a healthy workplace culture, and celebrating diversity within the workforce.	Suffix	200	Sustainability, health and well-being awareness, and corporate social responsibility

AAW Donations

As part of our responsibility towards our community at AAW, donations for this year amounted to 1,797,866 KD.

Some of the organizations we have worked with:



Baheya Foundation For Early Detection & Treatment Of Breast Cancer – Egypt



Kuwait Red Crescent Society



INJAZ – Kuwait



SANAD - The Home Hospice Organization of Lebanon



Women's Cultural and Social Society - Kuwait



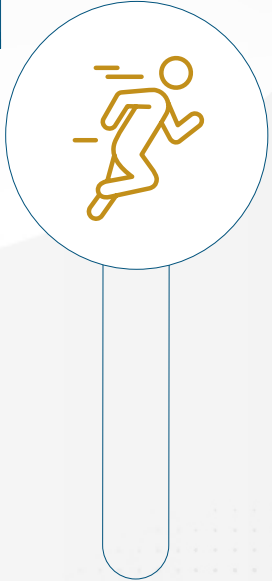
Children's Cancer Center of Lebanon (CCCL)

CASE STUDY



Our Commitment to the Community

Intersport has successfully established a vibrant community of runners through a weekly running club in Kuwait. The club convenes every week for a social run and has become a popular gathering point for its runners. Their starting point is one of Intersport's prominent stores in Souq Sharq where they embark on their run. The club has fostered a sense of belonging among the local runners. This is one of many larger contributions Intersport has made in Kuwait. The company has proudly sponsored and contributed to numerous marathons and annual sports events, highlighting its commitment to integrating the healthy sports culture within the local community.



This case study aligns to the following 2023 material topics:



Community Investment

CASE STUDY



Compassionate Commitment to Patients in Need: AAW Exception Pool and the Patient Helping Fund Society (PHFS)

Our unwavering dedication to humanitarian causes extends beyond our organizational boundaries. Our employees and customers are at the heart of our mission, and their well-being is a priority. In this spirit, our team established 2 avenues of support for those facing uncovered medical expenses due to unforeseen circumstances, especially those who may require financial assistance. Another avenue of support we offer is through the Patients Helping Fund through our Pharma business line.

When our employees encounter uncovered medical expenses, the first line of support is through our HR team. We direct them to external resources like the Patient Helping Fund Society (PHFS), which provides financial aid subject to the individual case needs. This collaboration with PHFS ensures that our employees receive the necessary support during medical hardship.

If, despite our best efforts, assistance cannot be provided through this route then our Exception Pool is the second avenue of support. The Exception Pool is tailored for employees, particularly those in need, facing challenging medical expenses. Through the Pool, we made a tangible difference in the lives of many employees in need. We have covered costs ranging from surgery expenses to expensive medications. Our avenues of support and commitment to our community are a safety net for those in need.

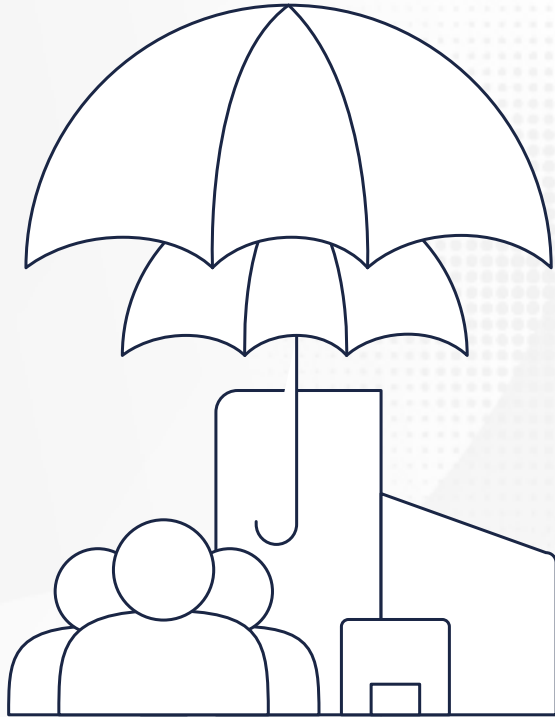
In addition to our two main avenues of support, the Pharma business line established a Patients Helping Fund to facilitate the accessibility of eligible, non-insured patients for unaffordable treatments. This is a socially responsible act to improve patient lives, mainly for cancer patients and patients with rare diseases. It offers patients who are not only struggling financially but also medically, the support they are looking for to persevere.



This case study aligns to the following 2023 material topics:



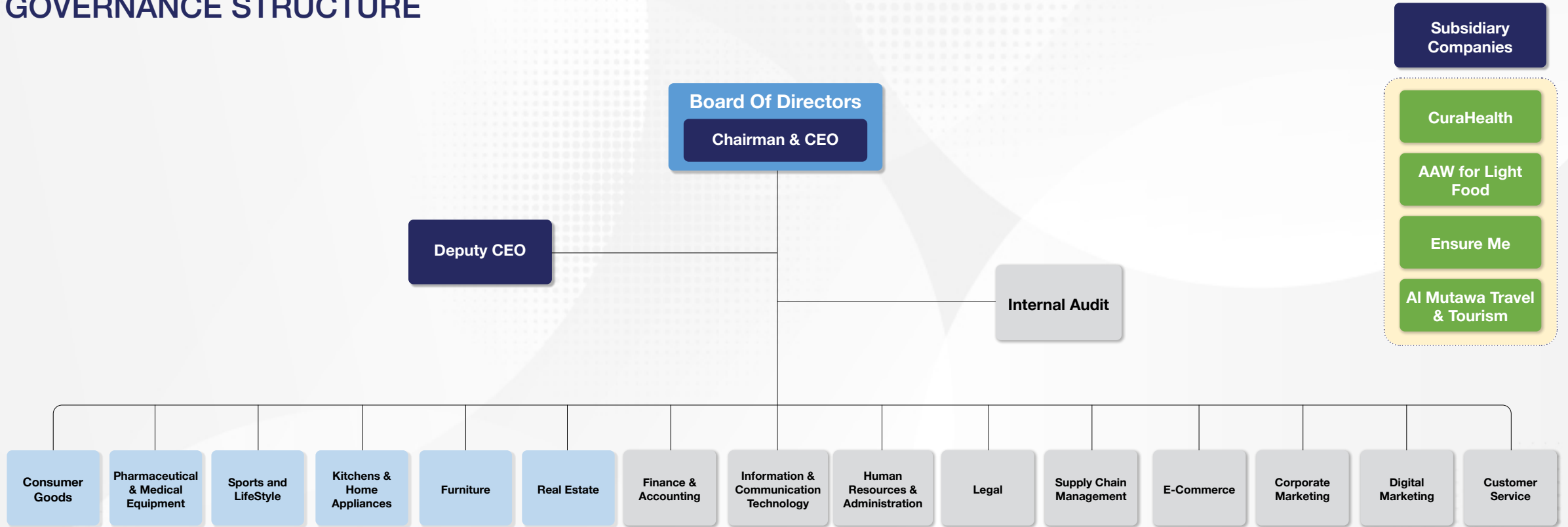
Community Investment



RESPONSIBLE GOVERNANCE

CORPORATE GOVERNANCE LEADERSHIP

GOVERNANCE STRUCTURE



Governance and Oversight

As a family-owned business, our AAW leadership has been faithful to its commitment to responsible governance. Year on year we have improved upon our internal structures, consistently adhered to local regulations, and upheld our core values. We continue to adhere to all laws and regulations applicable to AAW within the State of Kuwait as per our business activities. We recognize that a crucial aspect of sound corporate governance is higher management's oversight and transparency. This includes engaging in transparent communications with internal and external stakeholders and ensuring compliance where needed.

When assessing the efficacy of governance systems within companies, sustainability not only implies ethical environmental practices, but it also encompasses governance oversight, decision-making processes, risk management, ethics and compliance, health and safety, and sustainable development among other areas.

We believe that our commitment to transparency, improved oversight, and constant governance leadership to strive towards a sustainability journey, underscore our core vision to exercise sound robust governance.

AAW's Board of Directors (BOD) solely consists of AAW family members, operating family-owned business.

Board of Directors (BOD)

The BOD plays a central role in maintaining responsible corporate governance practices. The BOD's core responsibility is leading AAW towards achieving its objectives and upholding high ethical standards. This includes actively preventing and avoiding conflicts of interest, protecting shareholders and company interests, and establishing policies and procedures for all employment levels across AAW.

Beyond these essential duties, the BOD actively oversees and manages corporate governance practices, ensuring transparency and accountability throughout the execution of day-to-day activities. BOD leadership extends to identifying and mitigating risks, making informed strategic business decisions, and overseeing the recruitment, evaluation, and compensation of AAW's senior management.

Furthermore, the BOD prioritizes Corporate Social Responsibility (CSR), and recognizes the importance of contributing to positive social and environmental impact. In doing so, they are crucial in preparing the company for sustainability-related projects and sustainable transformation. Furthermore, any CSR-related reports requested by governmental authorities are adequately prepared, which the BOD oversees.

AAW's Board Members

Name of Board Member	Independence Status	Gender	Attendance Rate	Board Tenure
Faisal Al Mutawa	Elected	Male	100%	2021-2024
Shafiqah Al Mutawa	Elected	Female	100%	2021-2024
Najeeba Al Mutawa	Elected	Female	100%	2021-2024
Naema Al Mutawa	Elected	Female	100%	2021-2024
Wasmiya Al Mutawa	Elected	Female	100%	2021-2024
Khalid F. Al Mutawa	Elected	Male	100%	2017-2024
Ali F. Al Mutawa	Elected	Male	100%	2018-2024
Ali A. Al Mutawa	Elected	Male	100%	2012-2024
Wael Abed Al Jader	Elected	Male	100%	2021-2024

The Chairman

Central to AAW governance is the Chairman, who has a pivotal role in setting the company's tone and directions, and in providing leadership support to AAW's Board. Their responsibility extends beyond chairing Board meetings and managing agendas, as it encompasses critical leadership tasks that drive commitment and responsibility.

The Chairman serves as a guiding force of legal and ethical principles and is responsible for upholding third parties legally and commercially. The Chairman is also responsible for fostering active participation for all members of the BOD, planning, and conducting Board meetings efficiently, and delegating authorities among the BOD.

Furthermore, the Chairman monitors the company's overall growth and profitability. They also shape the company's leadership and are responsible for hiring and dismissing higher management personnel, including the CEO, directors, managers, and executives.

The Chairman's leadership and commitment is an essential driving force for positive change and long-term success for AAW and the communities we serve.

AAW Board Highlights

We firmly believe that strong governance is essential for a successful sustainability journey. In 2023, we prioritized transparency, accountability, and gender diversity in our leadership.

Our BOD, with over 44.4% female representation, reflected our commitment to gender diversity that trickles down from top leadership of the organization. Our members serve limited terms to ensure fresh perspectives. In this section we will delve into the 2023 performance highlights of the Board, where we cover the BOD composition, remuneration, and legal compliance measures among other issues.

While currently AAW does not have a policy that addresses Board remuneration nor Board size, it applies the provisions of the company's law 1/2016 and AAW's Articles of Association (AOA) and Memorandum of Agreement (MoA). Board performance evaluations are addressed by the General Assembly, which evaluates the performance of the highest governance bodies. This is conducted at least once per year.

Details	Unit	2023 Performance
Composition of the Board of Directors	#	9 Board members
BOD independence	%	11.1%
Female representation at the BOD	#	4 female members
Percentage of female BOD members out of total BOD	%	44.4%
Maximum number of years a Board member can be on the Board as stipulated by AAW	#	3 years
Frequency of conducting BOD meetings	#	At least 6 times annually. However, met 3 times – during AAW's fiscal year – which runs from May 1, 2023 to April 30, 2024

Executive Management

AAW executive managers are responsible for managing business lines and departments within their respective roles. These leaders set targets and goals, oversee operations, ensure compliance with internal and external policies and regulations, while also managing their employees. Core business operations are managed through them.

Executive Management Member	Title	Department
Faisal Al Mutawa	Chairman and Chief Executive Officer (CEO)	General Administration
Khalid F. Al Mutawa	Deputy CEO	General Administration
Ahmad A. Al-Ghaeb	Chief Financial Officer (CFO)	Finance and Accounting
Adib A. Deeb	Chief Legal Officer (CLO)	Legal
Wafi Mohtaseb	Chief Information and Communication Technology Officer (CIO)	Information and Communication Technology
Ahmad K. Bourisli	Chief Human Resources and Administration Officer (CHRO)	Human Resources and Administration
Ahmed M. Eldeeb	General Manager (GM)	Pharmaceutical and Medical Equipment
Mubarak H. Al-Ali	General Manager (GM)	Consumer Goods Department
Tamer M. Eid	General Manager (GM)	Consumer Goods Department
Nader H. Al-Essa	General Manager (GM)	Real Estate Department
Mouna J. Zaidan	General Manager (GM)	Ensure Me Al Mutawa Travel & Tourism

Risk Management

Our company has undergone several changes over the past few years in the aim of improving our workplace environment for all employees and strengthening our position in terms of providing the high-quality products and services for our partners and customers. One of the ongoing improvements is the development of a Health, Safety, Security and Environment (HSSE) management system.

Ensure Me conducts a semi-annual survey to minimize any risks that may affect AAW's operations and ensure we comply with safety standards. Through this process we inspect any losses that occurred and take preventative measures to avoid their occurrence in the future. As for risk awareness among employees, we have an annual list of recommendations and instructions to be followed for risk mitigation and we also conduct training programs in collaboration with our HR department, when and as needed. We also conduct pre-risk surveys on each contract renewal for AAW's assets to ensure the adequate safety procedures are followed and implemented.

The frequency of these pre-risk surveys is dependent on the insured facilities and premises, as stipulated within their respective contracts. We also conduct a monthly examination for our warehouses, and showrooms, and update related policies and procedures accordingly.

CORPORATE STEWARDSHIP CULTURE

Ethics and Compliance

As a business partner to other departments within AAW, the Legal Department undertakes the legal review of all AAW's signed contracts and ensures that all agreements comply with applicable laws and regulations. International standards are also reviewed to understand and comply with the guidelines in which business partners may operate. This strategy adopted by the Legal Department helps protect the rights of AAW and the business partners. The main objectives of the legal review of contracts include but are not limited to compliance with relevant laws, protection of mutual rights, protecting and maintaining shareholder rights, highlighting, and mitigating risks, and ensuring ethical business practices and anti-bribery, anti-corruption, and trade sanction compliance. In this context, the Legal Department serves as custodian and guardian of business ethics and compliance at AAW.

We maintain a zero-tolerance approach to unethical behavior and financial misconduct. In 2023, we had 5 incidents in which employees were dismissed or disciplined for corruption or any incidents linked to financial ethics non-compliance. We actively analyze such incidents to identify potential communication gaps, or areas of improvement, and address them through training and awareness programs. Additionally, policies are reviewed upon any regulatory or organizational updates that may impact these changes.

Our HR Department strictly enforces the Kuwait Labour Law and exercises the Disciplinary Actions Policy if employees do not comply with the standards or violate legal terms. Furthermore, in accordance with government regulations, all our departments and business lines adhere to compliance standards according to their respective industry. For example, our CGD adheres to policies on product handling that require tracking and controlling the shelf life of products, and physical inspection of products.

To ensure that all employees are aware of internal policies and procedures, all relevant policies are shared through emails, AAW Portal and Yammer. Monitoring is conducted through regular follow-up communications and site visits. This is to make sure that the information is effectively reaching our stakeholders.

Anti-Money Laundering (AML) & Combatting of Terrorist Financing (CTF)

In accordance with international and national best practices, including law no 106/2013, the Legal Department developed an AML and CTF manual that encompasses policies and procedures, which address AML & CTF training and awareness, know your customer (KYC), record keeping and updating, reviewing, and reporting, and compliance review procedures. The manual covers the legal requirements, procedures, and processes for AML and CTF prevention, and the identification of transactions and other indications of such illegal practices.

Ensuring Compliance

To prevent anti-competitive behavior, anti-trust, and monopoly practices, AAW's Legal Department has filed a legal case against Union Coops and submitted a complaint with the CPA. This underscores our dedication to fostering a fair and competitive business environment.

To also ensure all departments with AAW are aware of legal requirements, we implemented a robust communication process. Through internal memos and frequently circulated emails, relevant departments are promptly informed of any legal updates and requirements that may impact business operations or the company interests.

Year on year we continue to conduct updates and improvements to AAW's policies, standards, procedures, and memos. We committed to these improvements throughout 2023 to reflect our ongoing efforts in maintaining high standards of ethical conduct.

If there is any non-compliance with AAW policies or standards from business partners such as suppliers and vendors, AAW's supply chain management protocols enforce that actions are to be taken in response. Work is halted with the suspected business partner once the level of service agreement is reviewed; complaints are raised and if warranted the partner is put on probation or permanently blacklisted.

COMPLIANCE IN THE PHARMA BUSINESS LINE

The Pharmaceutical business line is responsible for adhering to regulatory frameworks for their products and services in terms of public health and safety. We are committed to upholding this high standard of quality and ethical practices across all our operations.

Adherence to local standards and guidelines

Our comprehensive compliance framework adheres to local regulations set by the Ministry of Health (MoH) of Kuwait, Ministry of Commerce, and Industry (MoCI), and Municipality. We are accredited by internationally recognized standards like ISO 9001:2015 and strictly follow international Good Distribution Practices (GDP) for products. Additionally, we strictly follow international Good Manufacturing Practices (GMP) for product quality, established ethical tendering procedures, and data protection and health & safety regulations.

Ethical behavior with doctors and medical reps

We have developed an annual refresher pharmacovigilance training course to confirm the adherence by medical reps to safety practices. Medical reps receive training in soft skills, and customer-facing communication skills as soon as they are onboarded to AAW. Our department also carries out frequent accompanying visits from respective managers to ensure a compliant approach is implemented. Finally, we hold refresher training courses twice per year for all medical reps.

Compliance with MoH tender requirements

We meticulously review and adhere to all MOH tender documentation requirements, ensuring that all necessary documentation is prepared accurately and in accordance with the specified format and content - such as tender booklet, tender form, AAW quotation, supporting documentation product registration certificate, MOCI, LOA and manpower certificate. We maintain strict adherence to MoH standards for the storage of goods, including temperature control to ensure the quality and integrity of AAW's products is maintained.

Culture of compliance

We exercise corrective actions in the event of a deviation, and as needed. We document the deviation along with the actions taken and seek guidance or approval if necessary. This way we prioritize ethical behavior across our department. We also ensure other aspects comply with guidelines, such as registering and renewing the product licenses for tender business promptly.



Compliance with managed brands' marketing criteria

- Run an annual compliance training program (both inhouse and business partners)
- Develop clear guidelines for the tender process (SOP)
- Provide regular training on regulations and procedures
- Implement the approval process
- Monitor activities and conduct audits
- Encourage feedback for continuous improvement
- Stay updated with relevant laws and regulations
- Maintain detailed documentation for transparency and accountability
- Compliance aligned and validated with our global partners' and local guidelines
- Conduct quizzes, coaching visits to customers and surveys

CODE OF CONDUCT

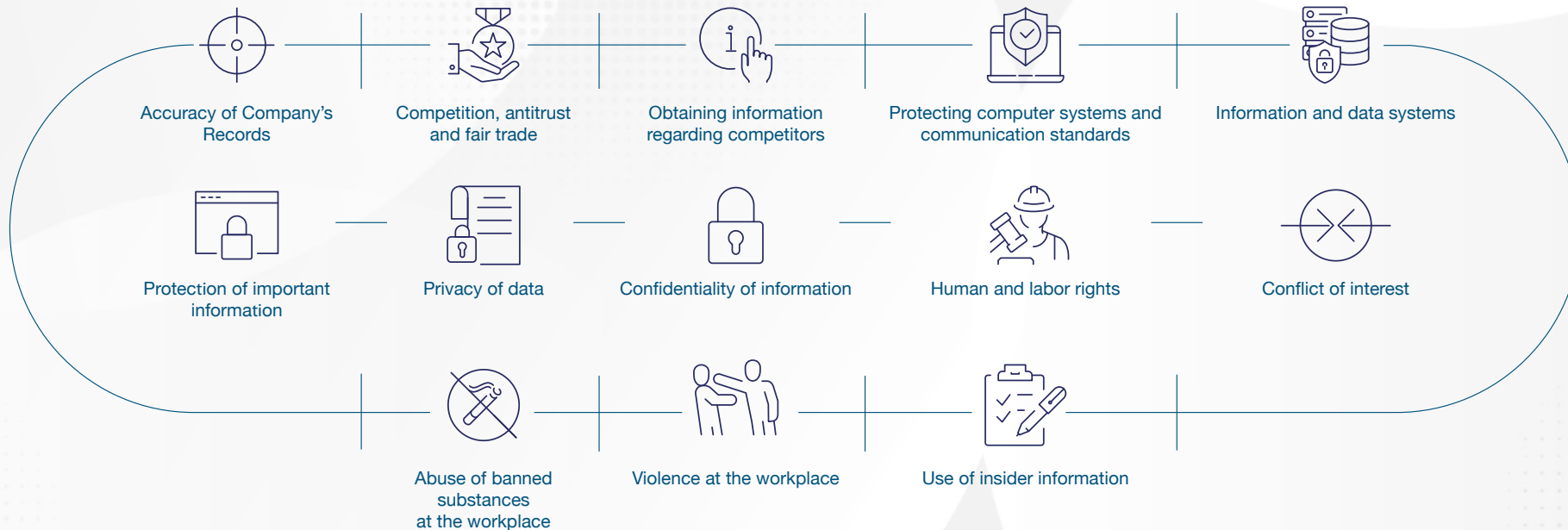
AAW management has exercised responsible governance in many aspects of its operations over the years. In recent years, management has carried out significant improvements to its policies and ensured that existing policies are up to date.

One of our principal documents is our Code of Conduct. It reflects a wide scope of topics that highlight AAW's commitment to practicing a Code of Conduct in all work-related activities.

All our employees adhere to the Code, enabling them to reflect on our core company values. Among the key elements of our Code is corporate integrity, where all employees are responsible for conducting business operations and activities with a high degree of accountability.

Our Code also reflects high standards of practice. Through the Code we ensure that all AAW employees are aware of, and engage in, practices to uphold the policies and procedures. As we seek to continuously improve, we also aim to even further review and update our Code of Conduct to align with our strategic goals and KPIs for the coming years.

The following represents a selection of AAW's Code of Conduct clauses.



OUR VALUES



Social Responsibility

We are committed to the improvement of our community through contributing its development.



Customer Focus

We deliver the highest quality of products and services, as customer satisfaction is the cornerstone of our business.



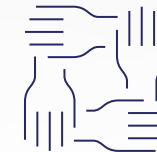
Trust

Leadership is a core value to us as we lead by example to overcome obstacles, inspire, and motivate our employees.



Integrity

Business ethics and integrity are at the core of our organization, and they are reflected in all our dealings.



Collaboration

We nurture an environment where everyone works together for the interest of our organization.



Accountability

We hold ourselves accountable to a solid code of business ethics.



Leadership

Leadership is a core value to us as we lead by example to overcome obstacles, inspire, and motivate our employees.



Diversity

We embrace and nurture an environment that promotes the diversity of people and ideas.



Loyalty

We are driven by the loyalty of our employees, partners, customers, and stakeholders for the growth of our business.

HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

We aim to foster a safe and healthy work environment for all our stakeholders. This commitment is reflected in our increased financial investment on occupational health and safety of 22,968 KD in 2022 to 47,358 KD in 2023. This highlights the consistent prioritization of health and safety across AAW's premises and operations.

Beyond financial investments, our HSSE Department spearheads a comprehensive Health, Safety, Security and Environment (HSSE) plan, which includes risk assessments, control measures, training, policies, and procedures, among others. These measures are for prevention and mitigation and raise awareness of hazards. Our efforts are slowly materializing as we are working towards an ISO 45011 certification.

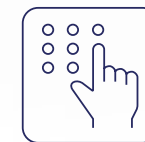
We currently have standards, guidelines, and practices in place for specific operations like warehouse safety conditions. These include general safety practices such as Safe Movement, MHE Operation Monitoring First Aid, and Safe Storage Methods. We also focus on Health and Safety through a comprehensive set of policies that apply to all our operations. Such policies address first aid, incident reporting, hazard identification, health and safety, access control, and other significant topics – with further details as illustrated in the following.



First Aid & Medical Emergency Procedure



Incident Reporting Procedure



Access Control Policy



CCTV Policy



Hazard Identification Procedure



Health & Safety Policy

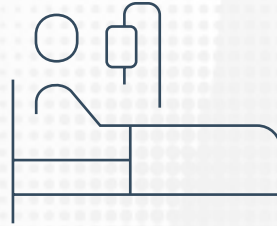
TOTAL INCIDENT STATISTICS



Total incidents in the workplace:

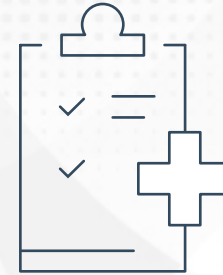
11 incidents

(warehouse and stockroom)



Total incidents of ill-health in the workplace:

3 incidents



Total incidents of Occupational Health and Safety:

13 incidents



Total number of employees insured for all AAW:

100%

UPHOLDING HEALTH AND SAFETY

AAW has established clear policies and procedures to uphold its commitment to the national regulations for health and safety. This includes policies that ensure all AAW employees have access to medical insurance through the company, enabling them to receive the care needed at private hospitals. Our offices and warehouse are equipped with all the necessary features including but not limited to fire safety equipment, emergency exits, and alarm systems. Employees also receive on-the-job training. Daily and monthly checklists for cleaning and inspection are kept and monitored through formal processes. As for security, offices and AAW workspaces are under constant surveillance to ensure protocols are being followed. As for security, security guards are on duty around-the-clock, especially at entry and exit points. Across all our business lines there are various health and safety measures our teams uphold, some of which are listed below:



Construction Sites

At present, on our 2 active construction sites, all on-site workers and employees follow strict security and safety instructions. Supervisors and site engineers ensure compliance with these standards.



Workshop

Climate-control measures are applied in our warehouse, with 6,881 items at 38° C.



Supply Chain Management

Adopted criteria for storing AAW's products:

Medicines

Pharmaceutical products are stored in temperature-controlled environments

Regular medicines are stored at a temperature range between 15°C-25°C

Cold room medicines are stored at a temperature range between 2°C-8°C

Restricted medicines are stored in a secured area with only authorized personnel access at a temperature range of 15°C-25°C

Appliances

Home appliances are stored on pallet racking with heavy and larger items on the ground floor and small-sized items on the upper-level racks

Apparels, Footwear & other Sports & Lifestyle items

Apparel, footwear and accessories are stored in shelving units in a temperature range of 18°C-25°C for easy picking and efficient replenishment operation

Bulky and outdoor sports items are stored on the ground level

Furniture

Furniture and irregular-sized large appliances are stored in bin styled racking



Pharma & Medical Department

The department has integrated biometric access control systems, door locks and entry checklists to monitor and protect AAW Pharma premises.

CASE STUDY



Building a Safer AAW Community Through Prioritizing Incident Management

A main challenge for businesses is a robust Health, Safety, Security and Environment (HSSE) infrastructure that ensures proper reporting, investigative, and preventative protocols for incidents that may be harmful, unsafe, or risky. At AAW, our HSSE team recognized this challenge and created a comprehensive incident management system (IMS) for reporting all occupation incidents.

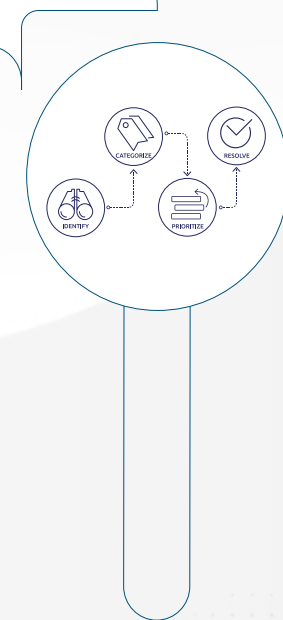
Our incident management system goes through 5 main stages of reporting, investigation, root cause analysis, corrective/preventive actions, and lessons learned. We encourage reporting of all incidents, near misses, and unsafe conditions to identify all existing and potential hazards and trends. The process ensures a thorough investigation is conducted to understand root causes and preventative measures for future occurrences. This new infrastructure in place allows us to implement corrective and preventive actions once issues are identified. The HSSE team's proactive approach, particularly through a "lessons learned" strategy, is shared across the organization to enhance overall HSSE awareness. We ensure that mandatory control measures are in place to avoid recurrence and improve future practices.

Key policies across the company cover the HSSE's standards for Health, Safety, Security and Environment. The range of policies include standard HSSE Policy and Procedure, Hazard Identification and Job Safety Analysis, Risk Assessment and Evaluation, Health and Safety Training and Competency Management, Health and Safety Performance, Control and Prevention of Workplace Violence and Harassment, and Incidents and Accidents Reporting, among many other essential policies. All these policies, along with the comprehensive risk assessment conducted, are to ensure the safety, security, and well-being for employees, vendors, and customers associated with AAW.

We aim that the IMS will help increase report of incidents, leading to improved identification and mitigation of potential hazards. The IMS will also reduce the number of actual incidents and accidents, as effective preventative measures are taken. HSSE awareness will increase through training initiatives and employee engagement. These results, along with improved compliance with relevant regulations, will reinforce our commitment to our work community's safety, security, and health.

Incident Management System

- a) Reporting all occupational incidents, near misses, and unhealthy, unsafe conditions or acts.
 - b) All persons working for AAW can report through their line managers and the public can report through customer service.
 - c) It is anonymous, as Health & Safety is everyone's responsibility. The reporter's identity and investigation details will be kept confidential.
- All incidents are reported to HR in case further investigation with employees needs to be conducted, also for compensation and insurance purposes plus to maintain employees' morale.



This case study aligns to the following 2023 material topics:



Health, Safety, Security and Environment



Responsible Corporate Governance

CERTIFICATIONS AND POLICIES

At AAW we ensure our stores, including our working premises, are fully equipped with the necessary HSSE measures through licenses. For example, firefighting licenses, first aid licenses, and health licenses for our Pharma department and “Joe and the Juice.”

Additional certifications include ISO/IEC 27001:2013, certified in December 2022, with coverage of information security management system applied to digital transformation, IT operations and support, IT technologies and IT project management. Through this certification the company maintains compliance with internationally recognized standard for information security management systems, ensuring a systematic approach to data security. We also attained ISO 9001: 2015: Quality Management System certification for the distribution of Pharma products during the same time. Additionally, the license ISO 45001 was approved and is planned for 2024.

Essential health and safety policies and procedures that are part of this certification have been approved, and encompass:

- HSE Policy
- Bullying, Violence & Harassment Prevention Policy
- Substance Abuse Prevention Policy
- CCTV Policy
- Access Control Policy
- First Aid & Medical Emergency Procedure
- Incident Reporting Procedure
- Hazard Identification Procedure



DIGITAL TRANSFORMATION

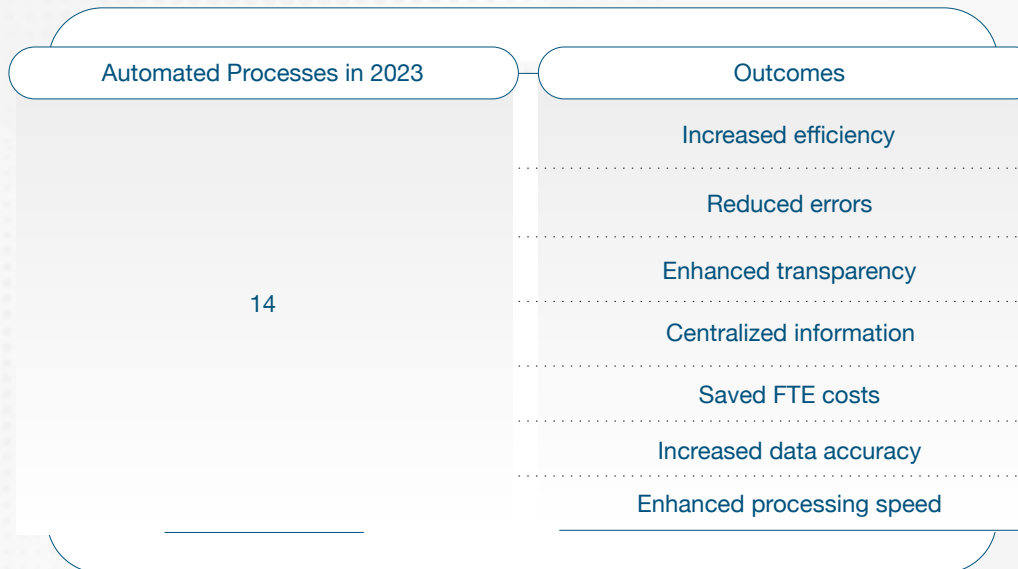
Digitization and process automation has become a core principle for advancement at AAW to improve efficiency and experience for our customers, employees, and suppliers among other users. Our Information and Communications Technology (ICT) Department's strategic direction has been to enhance process automation and increase digital savings across AAW. AAW's strategic approach to digital automation involves streamlining internal processes through operational efficiency. This strategy has encompassed digitizing operations from invoice delivery and order fulfillment to streamlining communication, leveraging automation to improve customer interactions, and from personalized shopping recommendations to seamless online transaction.

It also includes utilizing automated analytics tools to gather and analyze customer data, enabling the company to make informed decisions, optimize inventory levels, and tailor marketing strategies. There have been over 14 active automated processes in 2023 under the supervision of the ICT. All these processes have a tangible impact that we hope will contribute to efficiency for both employees and customers in the long term.

The ICT Department drives digital transformation through aligning technological initiatives with business goals at AAW. The team identifies and integrates innovative technologies to enhance operational efficiency and competitions. Through focusing on effective data utilization, the ICT department leverages analytics and insights for informed decision-making. We implement flexible and scalable IT infrastructure to adapt quickly to the evolving needs of our business. This process is not complete without the crucial step of facilitating data literacy and ensuring user adopting of these new technologies. We do so through offering training and support to our employees.

The Information and Communication Technology (ICT) Department has spearheaded this transformation through infrastructural changes, and via conducting the needed training.

AUTOMATED PROCESSES



TECHNICAL COMPLAINTS

	Details	2023 Performance	% Change
Employee related	Number of complaints and/or technical issues	2,436	11.4% decrease from 2022
	Average turnaround time for resolving issue	2 hours	-
Customer related	Number of complaints and/or technical issues	5,000	-
	Average turnaround time for resolving issue	24 hours	-



A LIST OF ALL ACCESSIBLE BRANDS ON OUR E-COMMERCE CHANNELS:



SELECTED TECHNOLOGIES

The ICT and E-Commerce Department has managed, through inter-departmental coordination, to engage with technical, merchandise, and the marketing team to enhance its digital transformation. Through traffic monitoring systems and performance maintenance, the department can monitor website traffic, particularly during high-traffic periods, and ensure site performance is maintained through proactive monitoring and response measures. Site optimization has been crucial to increase speed, merchandising, and customer retention, while improving e-sales.

INFORMATION SECURITY AND INTERNAL AUDITS

AAW conducts annual comprehensive audits of information security policies and system, ensuring a systematic and regular assessment of the overall systems security. Through a combination of internal and external auditors, independent evaluations of data protection, access controls, and compliance standards, among others, are frequently conducted. Beyond annual audits, continuous monitoring mechanisms and automated tools are utilized to detect and address vulnerabilities in real-time.

Ad-hoc audits are conducted to assess the impact and effectiveness of existing security measures in response to security incidents and the changing threat landscape. Executive leadership is consistently kept informed on audits to ensure accountability and alignment with evolving industry practices.



CASE STUDY



Consumer Goods Department – Digital Transformation

In the evolving landscape of digital transformation, consumer and supplier behaviors have significantly changed. In today's landscape, business partners are more technologically savvy, increasingly relying on digital platforms to conduct business, and preferring instant access to product data on tech devices over face-to-face interactions.

At AAW, we understand the profound impact of this digitization and process automation. Not only has it opened our eyes to the impact on business partners, but it has also enlightened us in the way it equips companies with necessary information to understand their customers' needs and segmentation. This new business era also drives more effective marketing campaigns, enhances efficiency, and empowers businesses to make data-driven decisions.

Digital transformation has played a pivotal role in equipping our employees with the necessary tools and information they need to serve our clients more effectively. Like many businesses, it has enabled us to measure achievements, track progress, and offer incentives to motivate employees, all while reducing waste consumption within our department like paper usage.

The Consumer Goods Department (CGD) is one example of AAW's transition towards digitization and automation. CGD has adopted a digital-first strategy for 2 main reasons. First, in response to the increasing digitization of B2B companies. Second, in anticipation of a similar digital transition among suppliers in Kuwait as is occurring around the world.

The CGD's digital transformation journey is structured around 4 main pillars: Mobility, Automation, Business Intelligence (BI), and Initiatives. In 2024, we plan to introduce a 5th pillar: Strategic Ecosystems (e.g., Warehouse Management Systems or WMS). The following list outlines the major digital transformation ecosystems that the CGD has implemented over the past year to reduce manual interventions and boost operational efficiency.

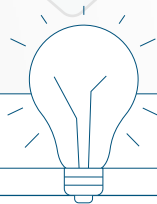




Solution	Summary
SFA (M Suite) - Revisit / Revamp	Fully paperless solution implemented and showing the VSR their overall performance and performance by account in terms of distribution, and target achieved plus their daily routes.
KW - G2X - POPs – Shelfr	Capturing and analyzing the POPs (Proof of Performance) according to monthly targets and integrating it to the auditors for support releases.
KW - G2X - IR Expansion - Shelfr	Expanding the IR (Image Recognition) solution to other customers to capture and analyze our Sales fundamentals (OSA, SOS, SOD, etc.) through an automated solution instead of manual tracking.
TIC (Trade Inventory Count)	This application is used to show the full visibility of our products for our customers (Stock, Near to Expire, Display Type, etc.)
Incentives Calculation	Automating the calculation of the Qualified Employees Monthly / Quarterly monetary Incentives depends on their (1) Sales / Targets achievements and (2) Distribution instead of manual calculation.



Solution	Summary
NAs LPO Automated Ordering (RPA)	Auto Creating Sales Orders through RPA from LPOs (documents)
Dinar Tracking Tool (DTR) (Targets vs Sales)	TDR is used to automate and calculate targets of each customer (account) per brand per item type depending on the customer WOB of last year and other KPIs.
DGP (Vendors - DGP)	Distribution Golden Points (DGP) is used to automate and calculate the Distribution pointing of our CSKUs (SKUs grouping) within accounts (Trades), resulting in the final achievements.
Hershey's DMS	Integrating Hershey's major Sales, Customers, SKUs, and Stock measures for the vendor for daily visibility.
TPR - Final Claim Calculation (CBDF)	Total Price Reduction (TPR) is used to automate and calculate our Claims from P&G that depend on the actual sales against predefined factsheets (agreements).



Solution	Summary
Dashboard(s)	BI Dashboard includes multiple views and summarization for the major measures and KPIs (Sales, Targets, Distribution, Fundamentals, etc.) per division, department, vendor, category, trade channels, accounts, etc.
Shave / Oral – Care / Braun - Introduction	Smoothly introducing and automating 3 new P&G Brands (Gillette, Oral B, and Braun) to all the standard / customized solutions / reports etc.
Hypothetical - Excluding Dates	Expanding the Automated Hypothetical Order cuts to be controlled on specific predefined dates (days without hypothetical orders cuts).
Introducing New Customers Channels	Smoothly Introducing and automating new customer channels (i.e., HORECA, Convenient Stores, Laundromat, Electro Stores) to all the standard / customized solutions / reports etc.

This case study aligns to the following 2023 material topics:



Digitization and Process Automation

CASE STUDY



Digital Privacy and Security Measures

To ensure data privacy and security across the conglomerate, AAW has significantly strengthened its infrastructure. We have implemented multiple security controls, including server access control, data loss prevention (DLP), endpoint encryption, and web access protection. Our Information and Communication Technology (ICT) Department's objective has been to prevent data leakage and provide authorized access to the data. This is achieved through data classification and the application of robust policies on leakage prevention.

Our DLP system is instrumental in safeguarding our digital documents from loss or theft, while endpoint encryption also ensures all exit channels are inaccessible for unauthorized users. Data accessibility is restricted and based on user needs, with necessary authorization controls in place. Our ICT team has also implemented access controls on our firewall.

Furthermore, our data is frequently backed up and encrypted while at rest. Physical protection measures are in place with biometrics for access to Data centers. AAW is currently conducting a POC (Proof of Concept) to install privileged access to management, which will enable us to track, monitor and control the admin related activities on our systems more effectively.

Beyond these technical developments, we have launched targeted information security campaigns for our customers by providing resources and guidance on protecting personal information and recognizing potential threats. All our communication mediums with customers are encrypted and secure, to foster a sense of trust across the larger AAW community. At AAW, we have reinforced the importance of security and enhanced protection through promoting the adoption of multi-factor authentication for customer accounts. Our customer support team is well-trained to effectively communicate and assist in account security, further strengthening our commitment to data privacy and security.

2024 Ambitions on data security and privacy:

1. Minimum 20 hours per year
2. All AAW employees
3. 10 courses per year

Our ICT team exercises responsible governance when it comes to data privacy and security. Senior management oversees the overall strategy and implementation of security initiatives, and ensures compliance with data protection laws, while providing guidance on privacy matters. A dedicated team is responsible for assessing and addressing potential privacy and security risks across the organization. Our Chief Information Officer (CIO) plays a supervisory role in ensuring that privacy and data security are integral components of the company's overall governance and strategic decision-making.

0 Incidents
Identified leaks, thefts, data breaches or losses

0% Loss
Of customer data

13 Employees
Trained on privacy and data security in 2023

21 Courses
courses on data security and privacy

170.1 Hours
Total training hours on data security and privacy

CASE STUDY



Extending Data Privacy to Our Business Partners

Our data protection and privacy program extend to cover our business partners, including our suppliers. The program includes due diligence procedures to these external stakeholders, ensuring they meet established privacy and security standards.

Privacy and data protection clauses are integrated into contracts, outlining responsibilities in safeguarding sensitive information. Like internal audits conducted for AAW, regular audits are conducted for compliance with standards and regulations.

Collaborative training initiatives are implemented to enhance the awareness of data protection practices among suppliers and business partners, fostering a shared commitment to privacy. We also collaborate on incident response, through established protocols and communication channels in a data security incident.



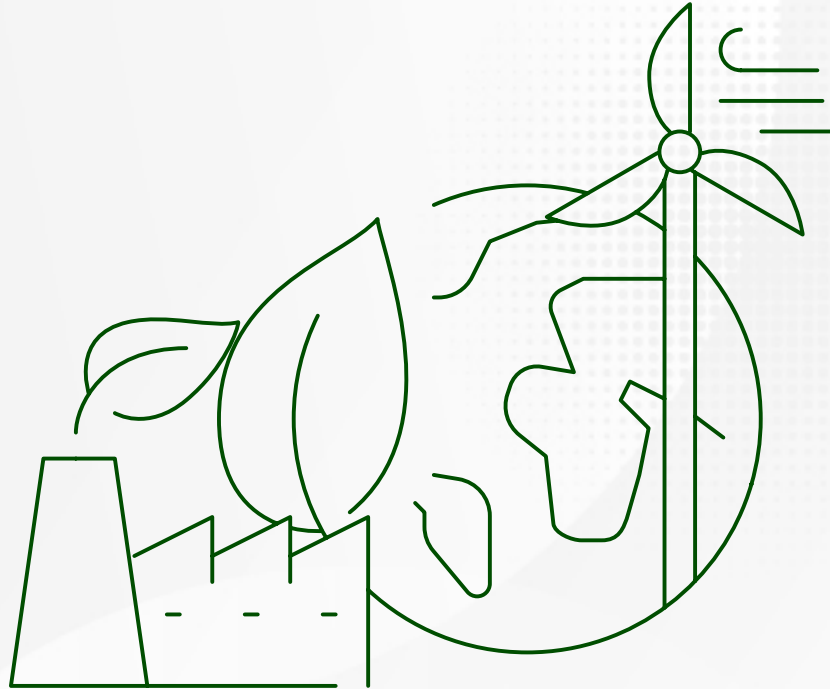
This case study aligns to the following 2023 material topics:



Digitization and Process Automation



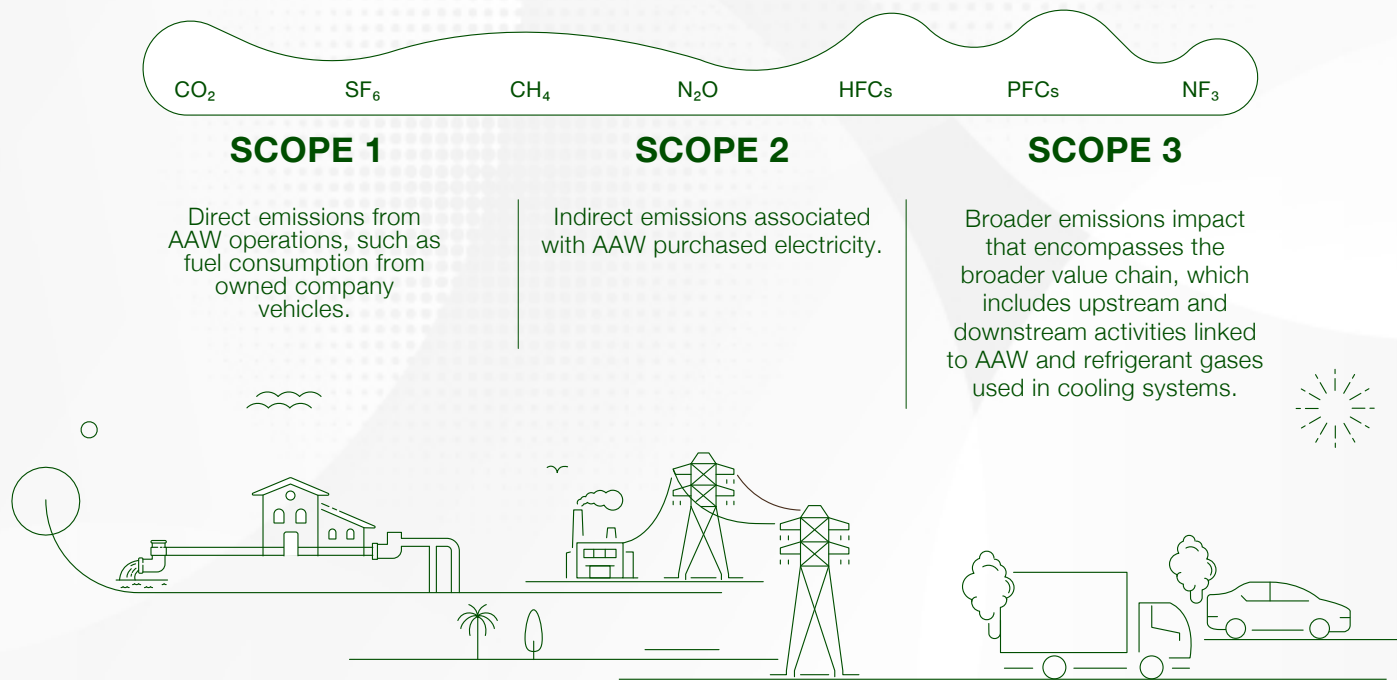
Responsible Corporate Governance



ENVIRONMENTAL FOOTPRINT

ENVIRONMENTAL FOOTPRINT

We recognize climate change is one of the defining challenges of our time. We are committed to transparently report on our environmental footprint and reduce our environmental impact. This report marks as a first step towards transparency and accountability in terms of reporting on AAW's GHG emissions across Scope 1 (S1), Scope 2 (S2) and Scope 3 (S3).



Transparent reporting on AAW's environmental footprint also includes reporting on utilities management such as energy and water consumption. In this chapter we highlight AAW's energy and water management systems, consumption habits, and practices to reduce negative impacts. We then delve into our S1, S2, S3 environmental footprint. This initial data forms a crucial baseline for measuring our AAW progress in the future. We are positive that this data will help shape the future implementation of effective reduction strategies across the company.

UTILITIES MANAGEMENT

Energy and Water

AAW focuses on minimizing environmental impact through embracing conscious energy efficient and responsible resources' consumption practices. Across our departments various initiatives promote energy efficiency, waste reduction, and resource conservation.

Our efforts in optimizing energy consumption include transitioning away from conventional lighting systems and utilizing LED lighting as an alternative to reduce energy consumption. More importantly, we have recently started using environmentally friendly gas in our new air conditioning (AC) machines. We pause AC heating systems in certain temperatures, adjust AC temperatures on 24° Celsius auto mode after working hours and turn off mini split units after working hours. Additionally, our team ensures monthly check-ups and maintenance are conducted for all generators to prevent and anticipate any negative impacts.

Implementing energy efficient lighting, heating, and cooling systems in stores and warehouses extends into the KHA's operations as well relating to environmental stewardship. The business line also promotes sustainable practices through clearly displaying energy efficiency ratings for electronic products to help customers make informed choices. Additionally, KHA also minimizes packaging waste by promoting eco-friendly practices. We constantly inform employees and customers about the environmental impacts associated with AAW's electronic products and the importance of responsible energy, water consumption and waste management.

AAW Electricity and Water Consumption:

Total spending on AAW's electricity and water consumption accounted for 69,358 KD for the fiscal year ending April 2023 and 143,638 KD for the fiscal year ending April 2022.

	2023 Performance	2022 Performance	Units	%Change
Electricity Consumption*	3,948,131	11,441,784	kWh	-65%
Water Consumption*	3,810,070	12,688,034	Gallons	-70%

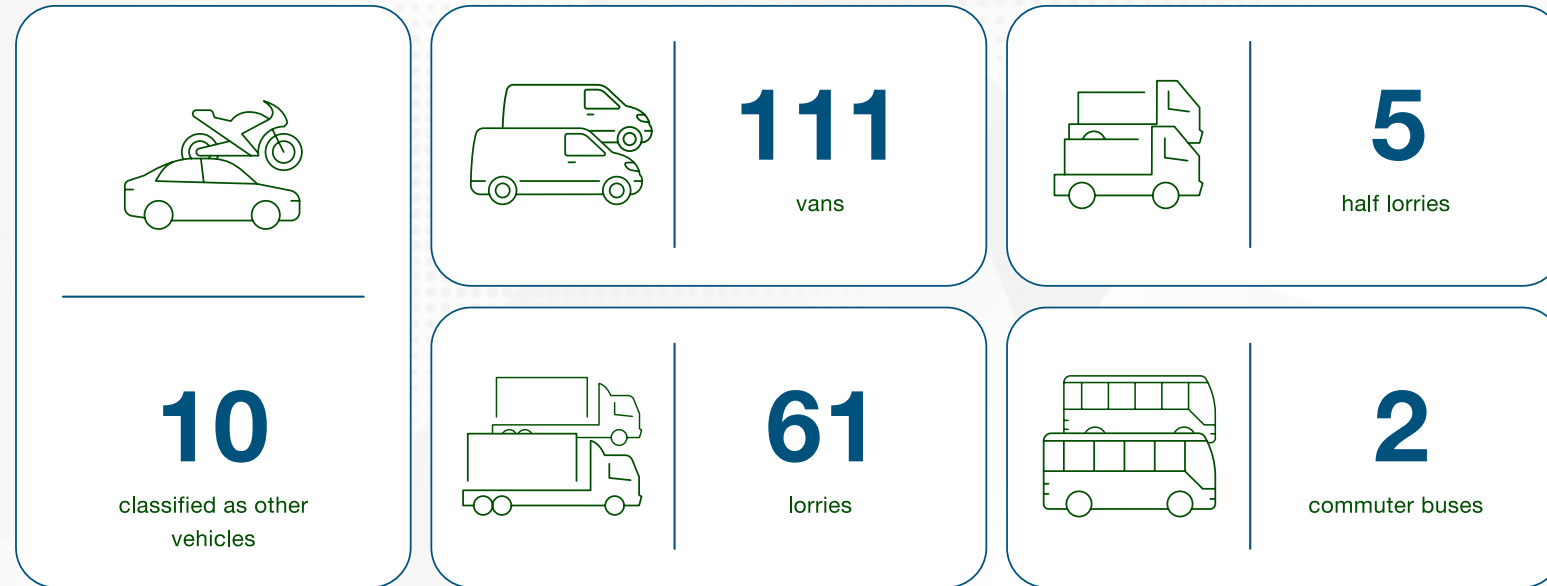
* Note: Electricity and Water for 2022 performance was based on 17 buildings, as reported by the Real Estate Department and 8 buildings for 2023 performance.

We recognize that a larger responsibility across our business is water conservation. We have implemented water conservation measures across the AAW administration buildings in Sharq and Shuwaikh. We will utilize sensor mixers as a starting point once it is approved. We also prioritize frequent maintenance and conduct consistent follow-ups for sanitation and facilities management to address and prevent any leakages in the building, thus minimizing future water wastage.

These initiatives highlight our ongoing commitment to environmental responsibility. By continuously seeking innovative solutions and promoting sustainable practices, we strive to minimize our environmental footprint.

Scope 1

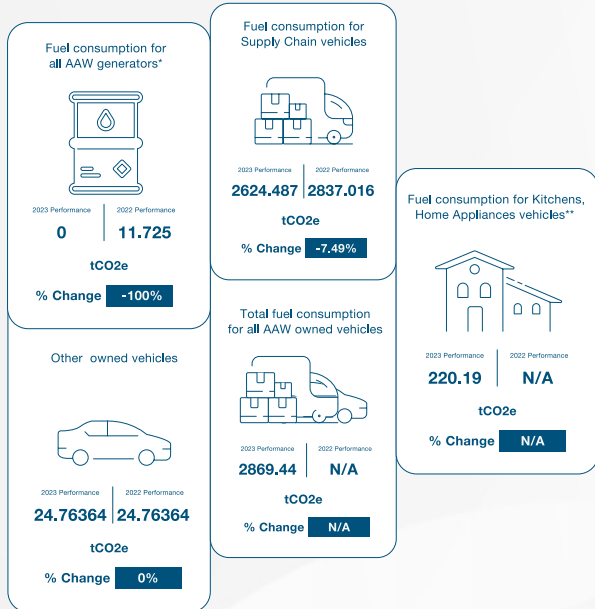
This year the data available and extracted for Scope 1 Greenhouse Gas (GHG) emissions internal operations encompasses fuel consumption from all AAW's owned cars and vehicles, and generators. The total reported fuel consumption for all AAW's owned cars and vehicles was based on the following disclosed data from the Supply Chain Department:



The following provides more details on AAW's Scope 1 GHG emissions categorized per emission source.

GHG EMISSIONS

Scope 1



Although reporting is limited for this year on GHG emissions, we would like to highlight the Supply Chain Department's approach towards lowering AAW carbon footprint. The department's approach includes:

1. Regular vehicle preventive maintenance practices to minimize fuel consumption and hence reduce overall emissions.
2. The warehouse and storage A/C and cooling units were converted to eco-friendly refrigerant-coolant gas and are equipped with inverter technology to lower power consumption.
3. Energy saver LEDs for lighting requirements were installed in all locations where applicable.

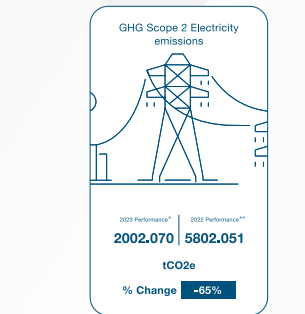
*Note: Fuel consumption for all AAW generators is assumed to be directly derived from the fuel. For 2023 fuel consumption for generators was only because they run specifications for maintenance.

AAW has 4 main fuel generators that provide coverage to all AAW premises, but we were unable to provide granular data on fuel and emissions related to them. However, in the future we will strive to attain and maintain this important data as we now recognize its significance in reporting on our environmental footprint.

**Note: All mainly use premium fuel except lorries which use diesel fuel. Only overall yearly expenditure was provided along with the number of cars and model types. Based on this data, the number of cars available and the yearly expenditure assumptions estimations were calculated to determine the GHG tCO2e/liters.

Scope 2

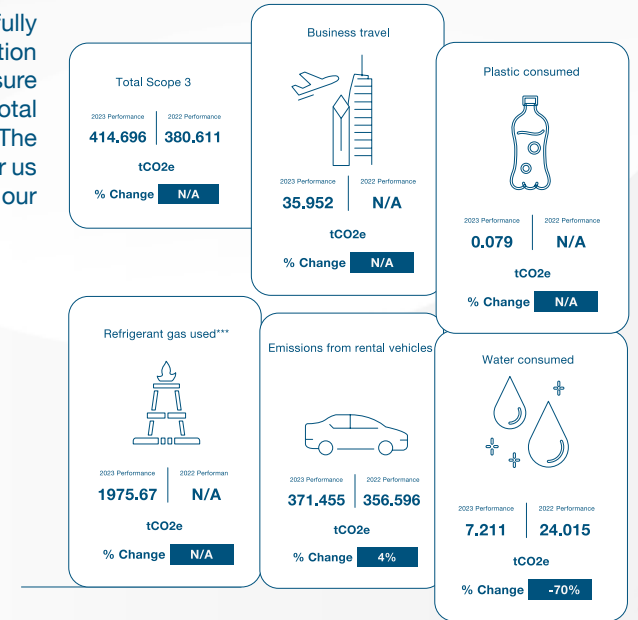
The AAW Real Estate Department successfully provided total emissions for electricity consumption for 8 buildings this year. This successful disclosure allows us to produce a rough estimation of the total consumption of electricity across AAW buildings. The 2023 performance will function as a benchmark for us moving forward as we look to proactively reduce our consumption of electricity.



*Note: Data provided for 2023 performance on Scope 2 GHG Emissions was calculated based on 8 buildings reported by the Real Estate Department.

**Note: Data provided for 2022 performance on Scope 2 GHG Emissions was calculated based on 17 buildings reported by the Real Estate Department.

Scope 3

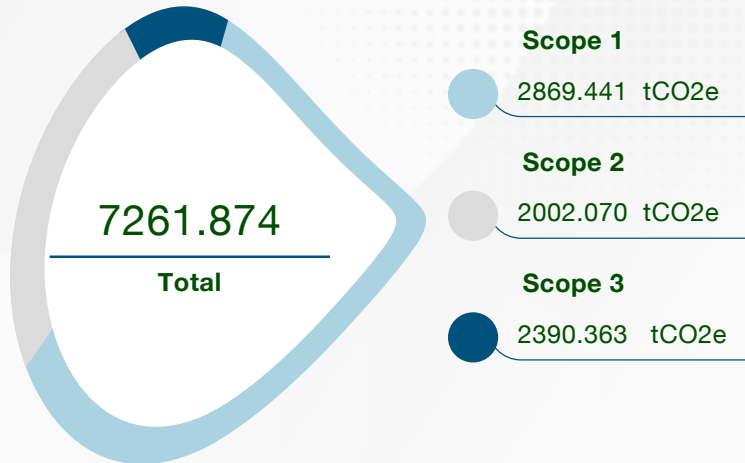


*** Note: Data on the refrigerant gas type used for 1 out of the 3 warehouses was assumed. The type was reported as R407, and calculations were based on R407-A for more accuracy.

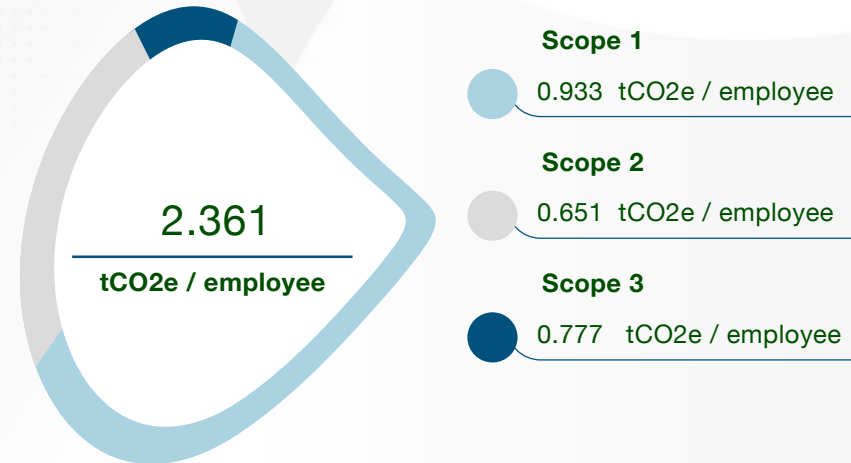
Total GHG Emissions Intensity

Based on the data provided during this reporting year. We managed to collect Scope 1 data on AAW’s fuel consumption from generators, emissions from AAW owned cars and owned vehicles. Scope 2 data reflected electricity consumption across 8 buildings. Scope 3 reflected water consumption across 8 buildings, roundtrip business travel, emissions from AAW rented cars, and plastic consumed, along with total refrigerant gas used. Based on this reporting data, we calculated GHG emissions intensity per employee, the most contributing scope for AAW’s GHG emissions intensity was scope 1 which encompassed total fuel consumption from generators and owned vehicles.

Total GHG Emissions | 2023



GHG Intensity | 2023



Waste Management

This year, we witnessed significant progress in reducing and recycling paper waste in carton and plastic waste recycling in shrink wrap. This highlights our efforts in reducing our carbon footprint not only through direct emission reduction but also through offsetting practices. Our 2023 performance saw a 56% increase in recycled cartons compared with our 2022 performance. More significantly, our 2023 performance witnessed a 98% increase in recycled plastic. The following showcases our performance in offsetting emissions.

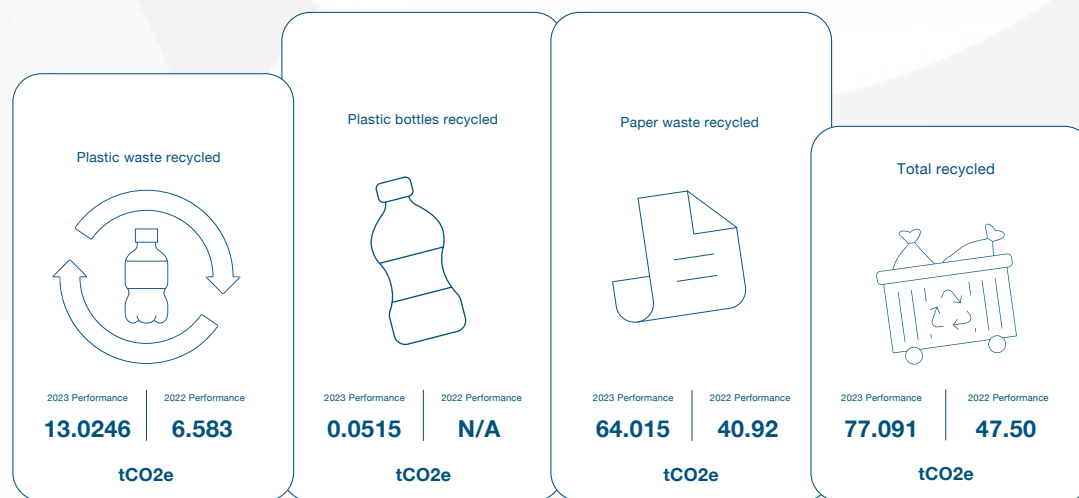
Revenue from selling used plastic and wooden pallets, and cardboard boxes was

13,867.000 KD in the fiscal year ending April 2023	8,761.750 KD in the fiscal year ending April 2022
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Total Recycled in Weight (KG)



Total Recycled



*Most of the plastic recycled in the Supply Chain Department was shrink wrap for both 2023 and 2022 performance

**Total bottles recycled for 2023 performance were in the KHA Department

*** Paper waste recycled for 2023 and 2022 performance were for cartons

Waste Management

We have initiated various practices that extend across all our departments that contribute to waste management, resource management, and responsible practices throughout our operations.

Our HR Department leads the way in digitizing talent acquisition and employee evaluation processes to greatly reduce paper consumption. Across the company, environmentally friendly materials and digital systems are common trends for streamlining operations, while simultaneously reducing reliance on paper.

For instance, the Pharma Department adheres to the Ministry of Health's (MoH's) authorized waste management system for both its medicinal and cosmetic, restricted, and non-restricted products to ensure their safe and adequate disposal. For example, for non-restricted items, the Pharma personnel's separate processes include waste manifest forms, and safe disposal of the products. While for restricted items the processes in place are robust and require careful reporting, inspection, and approval. The MoH's current waste management system entails the adequate and careful disposal of restricted products, which are closely monitored and require approval from the ministry.

Similarly, the SLS and KHA business lines prioritize environmentally friendly products and promote sustainable practices. SLS utilizes environmentally friendly products such as paper bags, and recycled materials. This has proved to be a huge success, and practices like these have become mandatory in our business. Along with its daily sustainability practices, in 2023 KHA arranged regular sustainability events and incorporated plastic and paper saving practices within the offices and stores. As a result, we minimized paper usage in administrative tasks by adopting digital systems for documentation and communication. We also aim to continue prospects of digital transformation to further minimize our negative environmental impact.

The Consumer Goods Department, in alignment with other business lines and departments' responsible waste management, has also implemented a waste reduction strategy through the transition to automated processes throughout its operations. The CGD reduces paper utilization through anticipating paper waste by automating planning, inbound receiving, inventory, picking and shipping through WMS and handled devices. The CGD also addresses waste reduction by selling paper and plastic wastes to recycling contractors monthly.

Within the Supply Chain, and Health, Safety, Security and Environment Department, sustainability practices are exercised through waste segregation. Separate bins for plastic, paper, wood, and organic waste are distributed, thus raising awareness among staff. The SC Department, like CGD, collaborates with recycling contractors to recycle various materials such as plastic, empty cartons, and metal. Additionally, broken wooden pallets are sold to pallet contractors for refurbishment. Good quality wooden pallets are sold for reuse. Through these practices we aim to develop sustainable habits within our operations and look to expand responsible waste management through more efficient processes.

Our newest business line, Food and Beverage (F&B) has utilized automated processes from its foundation. All services such as ordering and receiving, monitoring, and tracking, and reporting, are through digital channels. Daily tracking ensures optimal stock levels, adherence to food safety regulations, and the reduction of future waste through data accuracy. In addition to daily reports, end-of-week delivery reports are communicated with management to assess supplies' efficiency. This highlights our commitment to consistent and responsible consumption habits.

Across AAW, a commitment to responsible management practices is part of every department's daily practices. From adherence to waste management processes to initiatives like paperless and recycling programs, we consistently seek ways to minimize our environmental footprint and ensure a sustainable future for our operations and communities.



APPENDIX

APPENDIX

Global Reporting Initiative (GRI) index

Statement of use	AAW has reported in accordance with the GRI Standards for the period January 1 st 2023 to December 31 st 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-1 Organizational details	a. Legal name: Ali Abdulwahab Al-Mutawa Commercial Co. K.S.C.C. b. Nature of ownership and organization structure is located in section 4, subsections Governance Structure, and Governance and Oversight. c. AAW is headquartered and located in Kuwait. d. AAW countries of operation are located in Kuwait.	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. Entities included in sustainability reporting are listed in section 2, subsection Exploring AAW Brands, with details of all related entities company-related entities per business line. b. There are no differences between the list of entities included in its financial reporting and the list included in its sustainability reporting c. Approach for information consolidation is provided in section: Report Overview.				
	2-3 Reporting period, frequency and contact point	a. Reporting period and frequency is located in section Report Overview. b. Reporting period has not been determined moving forward, since this is the first report. c. The publication of the report is during the month of July 2024 d. The contact point for questions about the report or reported information is located in Report Overview.				
	2-4 Restatements of information	a. There are no restatements of information in this report. This is the first reporting year for the organization.				
	2-5 External assurance	a., b. No external assurance was made for this report.				

GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	<p>a. All sectors in which AAW is active are located in section 2, Business and Market Presence; and section 2, subsection Market Presence and Impact.</p> <p>b. All AAW products and services are located in section 1, Business and Market Presence, where a detailed description of all offered products and services per business line are included.</p> <p>c. Other relevant business relationships are located in section 1, subsection Exploring AAW Business Lines.</p> <p>d. No significant changes on the above, this is the first reporting year.</p>				
	2-7 Employees	<p>a. Total number of employees, and a breakdown of this total by gender, age, and nationality (local vs. foreign) is located in section 3, subsection AAW Workforce, under Employee Profile where details of the breakdown per reported category are included.</p> <p>b. The breakdown of number of employees per number of:</p> <p>i. permanent employees, and a breakdown by gender and by region are provided in section 3, subsection AAW Workforce. All employees at AAW are full-time as reported in the section above..</p> <p>d. All the employment details are feeded in the HR employee FTE, Employee Masterlist, which is the source of data that was provided for this report</p> <p>e. There were no significant fluctuations in the number of employees during the reporting period and between reporting periods are provided in as reported in section 3, subsection AAW Workforce.</p>				

GRI 2: General Disclosures 2021	2-8 Workers who are not employees	<p>a. There are no reported workers who are not employees at AAW.</p> <p>b. All employees per employment time are full-time employees (FTE). significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods are not applicable.</p>	c. Describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.	Not applicable	All employees per employment time are full-time employees (FTE).significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods are not applicable.
	2-9 Governance structure and composition	<p>a. Governance structure, including committees of the highest governance body is located in section 4, subsection Corporate Governance Leadership, under Governance Structure.</p> <p>b. The committees of the highest governance body that are responsible for decision making on and overseeing the management of the organization's impacts on the economy, environment, and people is located in section 4, subsection Governance and Oversight.</p> <p>c. The composition of the highest governance body and its committees is located in section 4, subsections Governance and Oversight, under Board of Directors, AAW's Board Members; and subsection The Chairman, under Board Highlights, and Executive Managements.</p>			

GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	<p>a. The nomination and selection processes for the highest governance body is located in section 4, subsection Governance and Oversight, Board of Directors. This is a family owned business, and therefore highest governance body is made up of family members.</p> <p>b. AAW's BoD solely consists of AAW family members, as a family-owned operating business. Information is located in section listed above.</p>			
	2-11 Chair of the highest governance body	<p>a. The Chairman of the Board is also the CEO.</p> <p>b. Information on the role of the Chairman is located in section 4, subsection The Chairman. This is a family-owned business which is why the chairman of the Board is also the CEO, and the highest governance body is also made up family members.</p>			
	2-12 Role of the highest governance body in overseeing the management of impacts	Not applicable	<p>a. Describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development;</p> <p>b. Describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including:</p> <ul style="list-style-type: none"> i. whether and how the highest governance body engages with stakeholders to support these processes; ii. how the highest governance body considers the outcomes of these processes; <p>c. Describe the role of the highest governance body in reviewing the effectiveness of the organization's processes as described in 2-12-b, and report the frequency of this review</p>	Not applicable	Due to the nature of operations and governance structure as a company owned business, information on the role of highest governance body in overseeing the management of impacts is not available.

<p>GRI 2: General Disclosures 2021</p>	<p>2-13 Delegation of responsibility for managing impacts</p>	<p>Not applicable</p>	<p>a. Describe how the highest governance body delegates responsibility for managing the organization’s impacts on the economy, environment, and people, including: i. whether it has appointed any senior executives with responsibility for the management of impacts; ii. whether it has delegated responsibility for the management of impacts to other employees; b. Describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization’s impacts on the economy, environment, and people.</p>	<p>Not applicable</p>	<p>Details on the delegation of responsibility for managing impacts, including involved and process for senior executives is not available for this reporting year</p>
	<p>2-14 Role of the highest governance body in sustainability reporting</p>	<p>a. The highest governance body is responsible for reviewing and approving the reported information</p>			
	<p>2-15 Conflicts of interest</p>	<p>a. The highest governance body, the BoD, is responsible for preventing and avoiding conflict of interest. Section 4: Responsible Governance, Board of Directors.</p>	<p>b. report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: i. cross-board membership; ii. cross-shareholding with suppliers and other stakeholders; iii. existence of controlling shareholders; iv. related parties, their relationships, transactions, and outstanding balances.</p>	<p>Not applicable</p>	<p>Information on conflicts of interest disclosure to stakeholders is not available, due to the fact that this is a family owned business</p>
	<p>2-16 Communication of critical concerns</p>	<p>a. Critical concerns communication more generally is located in section 3: AAW Communities, AAW Workforce;</p>	<p>b. report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.</p>	<p>Information unavailable/incomplete</p>	<p>Information on concerns communicated to the highest governance body during reporting period is unavailable</p>
	<p>2-17 Collective knowledge of the highest governance body</p>	<p>Not applicable</p>	<p>a. report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development</p>	<p>Information unavailable/incomplete</p>	<p>No information is available on measures taken to advance the collective knowledge of the highest governance body.</p>

<p>GRI 2: General Disclosures 2021</p>	<p>2-18 Evaluation of the performance of the highest governance body</p>	<p>a. Board performance evaluations are addressed by the General Assembly, located in section 4, subsection AAW Board Highlights.</p> <p>b. Evaluations are conducted at least once per year. Located in section 4, subsection AAW Board Highlights.</p>	<p>c. Describe actions' taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices</p>	<p>Information unavailable/incomplete</p>	<p>Details on the actions taken in response to evaluations was not provided by the organization.</p>
	<p>2-19 Remuneration policies</p>	<p>a. While currently AAW does not have a policy that addresses Board remuneration nor Board size, it applies the provisions of the company's law 1/2016 and AAW's Articles of Association (AOA) and Memorandum of Agreement (MoA). Section 4, subsection AAW Board Highlights. Details on the remuneration policies for the rest of the organization are not available.</p> <p>b. AAW reported on total Board remuneration, which is the highest governance body, as 6,000 KD. Located in section 4, subsection AAW Board Highlights. However data on senior executive remuneration is not available</p>	<p>a. describe the remuneration policies for members of the highest governance body and senior executives, including:</p> <ul style="list-style-type: none"> i. fixed pay and variable pay; ii. sign-on bonuses or recruitment incentive payments; iii. termination payments; iv. clawbacks; v. retirement benefits; <p>b. describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people.</p>	<p>Information unavailable/incomplete</p>	<p>Only partial information is available on remuneration. Remuneration information provided in relation to the board, however not for the organization as a whole.</p>
	<p>2-20 Process to determine remuneration</p>	<p>Not applicable</p>	<p>a. describe the process for designing its remuneration policies and for determining remuneration, including:</p> <ul style="list-style-type: none"> i. whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration; ii. how the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration; iii. whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives; <p>b. report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable.</p>	<p>Information unavailable/incomplete</p>	<p>Information on the process to determine remuneration, and its details was not disclosed, and therefore information is unavailable</p>

GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	<p>a. The ratio of the annual total compensation for the organization’s highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) is reported as 275 KD per month, located in section 3: AAW Workforce, Benefits and Compensation;</p> <p>c. The data was mainly compiled through mainly Excel data collection templates from AAW data owners, which is the contextual information necessary to understand the data and how the data has been compiled.</p>	b. Ratio of the percentage increase in annual total compensation for the organization’s highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)	Confidentiality constraints	Information on percentage increase in annual total compensation for the organization’s highest paid individual is confidential and therefore information related is not disclosed
	2-22 Statement on sustainable development strategy	a. Reporting on sustainability strategy, section 1: Introducing AAW’s ESG Aspirations, ESG Roadmap.			
	2-23 Policy commitments	<p>b. No policy commitments on human rights. However, AAW has addressed some of the human rights concerns in the Code of conduct and it is bound by the international standards that our principal companies include in their agreements concluded with AAW.</p> <p>c. No publicly disclosed policies.</p> <p>d. No details on policy commitments that were approved by the Board.</p> <p>e. Any policy commitments apply to all the employees at AAW.</p> <p>f. Policy commitments with employees are shared and accessible via communication channels with all employees.</p>	<p>a. Describe your policy commitments for responsible business conduct including:</p> <ul style="list-style-type: none"> i. the authoritative intergovernmental instruments that the commitments reference; ii. whether the commitments stipulate conducting due diligence; iii. whether the commitments stipulate applying the precautionary principle; iv. whether the commitments stipulate respecting human rights. 	Not applicable	Not applicable. However, AAW has addressed some of these concerns in the Code of Conduct, and it is bound by the international standards that are our principal companies include in their agreements concluded with AAW.

GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	Not applicable	a. Describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: i. how it allocates responsibility to implement the commitments across different levels within the organization; ii. how it integrates the commitments into organizational strategies, operational policies, and operational procedures; iii. how it implements its commitments with and through its business relationships; iv. training that the organization provides on implementing the commitments.	Not applicable	Information on how AAW embeds each of its policy commitments for responsible business conduct was not provided
	2-25 Processes to remediate negative impacts	b. Grievances are located in section 3, subsections AAW Workforce; and Labor Management Incidents. d. Information on how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, is located in section 3, subsection Labor Management Incidents.	a. describe its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to; c. describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to; e. describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback.	Information unavailable/incomplete	This is the first sustainability report for the organization, and therefore it has not had enough knowledge or experience to develop mechanisms for remediation of negative impacts that the organization identifies it has caused or contributed to.
	2-26 Mechanisms for seeking advice and raising concerns	a. Mechanisms for seeking advice and raising concerns are instituted in our Code of Conduct, Article 5. Also through employee engagement emails, employee engagement hotline, SOS hotline, walk-in Information on this is in section 3, subsections AAW Workforce; Labor Management Incidents; and Employee Engagement.			

GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	a. AAW ensures compliance with all local laws and regulations. Information on the incidents is located in section 4, subsection Ethics and Compliance	b. Report the total number and the monetary value of fines for instances of non-compliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period; ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods; c. Describe the significant instances of non-compliance; d. Describe how it has determined significant instances of non-compliance.	Not applicable	Details on the instances of non-compliance that have occurred are not applicable due to the nature of the organization.
	2-28 Membership associations	Not applicable	a. AAW considers its industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role as confidential.	Not applicable	a. AAW considers its industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role as confidential.
	2-29 Approach to stakeholder engagement	a. Approach to stakeholder engagement is located in the section 1, subsection AAW Stakeholders			

<p>GRI 2: General Disclosures 2021</p>	<p>2-30 Collective bargaining agreements</p>	<p>Not applicable</p>	<p>a. report the percentage of total employees covered by collective bargaining agreements; b. for employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.</p>	<p>Not applicable</p>	<p>The nature of operations does not require employee collective bargaining agreements</p>	
<p>Material topics</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-1 Process to determine material topics</p>	<p>Processes that determine material topics are located in the section 1, subsection Emphasizing Materiality.</p>	<p>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.</p>			
	<p>3-2 List of material topics</p>	<p>List of material topics is located in section 1, subsection Emphasizing Materiality.</p>				
<p>Economic performance</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>Section 6, GRI 3-3 Material Topics: Brand Value and Presence, and E-Commerce</p>				

<p>GRI 201: Economic Performance 2016</p>	<p>201-1 Direct economic value generated and distributed</p>	<p>No information available on direct economic value generated and distributed</p>	<p>a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:</p> <ul style="list-style-type: none"> i. Direct economic value generated: revenues; ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments; iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'. <p>b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.</p>	<p>Information unavailable/incomplete</p>	<p>No information was provided on financial revenue, operating cost, and total employee wages and benefits, among other reporting information requested here. Only element of data is selected community investments. Therefore, direct economic value generated and distributed for AAW cannot be calculated</p>	
	<p>201-2 Financial implications and other risks and opportunities due to climate change</p>	<p>Not applicable</p>	<p>a. Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including:</p> <ul style="list-style-type: none"> i. a description of the risk or opportunity and its classification as either physical, regulatory, or other; ii. a description of the impact associated with the risk or opportunity; iii. the financial implications of the risk or opportunity before action is taken; iv. the methods used to manage the risk or opportunity; v. the costs of actions taken to manage the risk or opportunity. 	<p>Information unavailable/incomplete</p>	<p>No information available on financial implications and other risks and opportunities due to climate change, therefore not applicable</p>	

<p>GRI 201: Economic Performance 2016</p>	<p>201-3 Defined benefit plan obligations and other retirement plans</p>	<p>Not applicable</p>	<p>a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities. b. If a separate fund exists to pay the plan's pension liabilities: i. the extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them; ii. the basis on which that estimate has been arrived at; iii. when that estimate was made. c. If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage. d. Percentage of salary contributed by employee or employer. e. Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional, or country-based schemes, or those with financial impact.</p>	<p>Information unavailable/incomplete</p>	<p>Information on the defined benefit plan obligations and other retirement plans are not available</p>	
	<p>201-4 Financial assistance received from government</p>	<p>Not applicable</p>	<p>a. Total monetary value of financial assistance received by the organization from any government during the reporting period, including: i. tax relief and tax credits; ii. subsidies; iii. investment grants, research and development grants, and other relevant types of grant; iv. awards; v. royalty holidays; vi. financial assistance from Export Credit Agencies (ECAs); vii. financial incentives; viii. other financial benefits received or receivable from any government for any operation. b. The information in 201-4-a by country. c. Whether, and the extent to which, any government is present in the shareholding structure.</p>	<p>Not applicable</p>	<p>Financial assistance received from government is not applicable</p>	

Market presence						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Brand Value and Market Presence				
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Ratios of standard entry level wage by gender compared to local minimum wage was provided as 170 KD average entry level salary for both male and female (1:1) at AAW, compared with 75 KD local minimum wage for both male and female. Section 3, subsection AAW Workforce, under Selected Diversity Figures.				
	202-2 Proportion of senior management hired from the local community	Proportion of senior management and above hired from the local community was disclosed at 4.65 for 2023. Section 3, subsection AAW's Workforce Representation per Nationality, Nationality Breakdown in Management.				
Indirect economic impacts						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Not applicable	a. Extent of development of significant infrastructure investments and services supported. b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant. c. Whether these investments and services are commercial, in-kind, or pro bono engagements.	Not applicable	AAW has not yet measured or identified the infrastructure investments and services supported	
	203-2 Significant indirect economic impacts	Not applicable	a. Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts. b. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agendas.	Not applicable	AAW has not yet measured the significant indirect economic impacts of its operations	

Procurement practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Responsible Corporate Governance and Leadership				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Not disclosed	Proportion of spending on local suppliers	Confidentiality constraints	Proportion of spending on local suppliers is confidential	
Anti-corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Responsible Corporate Governance and Leadership				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Not applicable	a. Total number and percentage of operations assessed for risks related to corruption b. Significant risks related to corruption identified through the risk assessment"	Information unavailable/incomplete	AAW has not yet identified information on operations assessed for risks related to corruption due to the complexities of operations and diverse business lines. Therefore, information on this matter is not available yet.	
	205-2 Communication and training about anti-corruption policies and procedures	a. Information on communication and training related to anti-corruption policies and procedures is located in section 3: AAW Communities, Learning and Development, Brief Highlight - AAW Catered Courses.				
	205-3 Confirmed incidents of corruption and actions taken	a. Confirmed incidents of corruption are Zero. Located in section 1, subsection Highlights 2023 Performance.	b. Significant risks related to corruption identified through the risk assessment.	Not applicable	No related risks were identified, so not applicable.	

Anti-competitive behavior						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Business Ethics and Compliance				
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	a., b. Section 4, subsections Ensuring Compliance; and Ethics and Compliance, under Compliance in the Pharma Business Line cover any legal actions for anti-competitive behavior, if any				
Tax						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 207: Tax 2019	207-1 Approach to tax	Not applicable	a. A description of the approach to tax, including: i. whether the organization has a tax strategy and, if so, a link to this strategy if publicly available; ii. the governance body or executive-level position within the organization that formally reviews and approves the tax strategy, and the frequency of this review; iii. the approach to regulatory compliance; iv. how the approach to tax is linked to the business and sustainable development strategies of the organization.	Not applicable	Not applicable to the organization's jurisdiction	

GRI 207: Tax 2019	207-2 Tax governance, control, and risk management	Not applicable	<p>a. A description of the tax governance and control framework, including:</p> <ul style="list-style-type: none"> i. the governance body or executive-level position within the organization accountable for compliance with the tax strategy; ii. how the approach to tax is embedded within the organization; iii. the approach to tax risks, including how risks are identified, and; iv. how compliance with the tax governance and control framework is evaluated. <p>b. A description of the mechanisms to raise concerns about the organization's business conduct and the organization's integrity in relation to tax.</p> <p>c. A description of the assurance process for disclosures on tax including, if applicable, a link or reference to the external assurance report(s) or assurance statement(s).</p>	Not applicable	Not applicable to the organization's jurisdiction	
	207-3 Stakeholder engagement and management of concerns related to tax	Not applicable	<p>a. A description of the approach to stakeholder engagement and management of stakeholder concerns related to tax, including:</p> <ul style="list-style-type: none"> i. the approach to engagement with tax authorities; ii. the approach to public policy advocacy on tax; iii. the processes for collecting and considering the views and concerns of stakeholders, including external stakeholders. 	Not applicable	Not applicable to the organization's jurisdiction	

<p>GRI 207: Tax 2019</p>	<p>207-4 Country-by-country reporting</p>	<p>Not applicable</p>	<p>a. All tax jurisdictions where the entities included in the organization's audited consolidated financial statements, or in the financial information filed on public record, are resident for tax purposes. b. For each tax jurisdiction reported in Disclosure 207-4-a: i. Names of the resident entities; ii. Primary activities of the organization; iii. Number of employees, and the basis of calculation of this number; iv. Revenues from third-party sales; v. Revenues from intra-group transactions with other tax jurisdictions; vi. Profit/loss before tax; vii. Tangible assets other than cash and cash equivalents; viii. Corporate income tax paid on a cash basis; ix. Corporate income tax accrued on profit/loss; x. Reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax. c. The time period covered by the information reported in Disclosure 207-4</p>	<p>Not applicable</p>	<p>Not applicable to the organization's jurisdiction</p>	
<p>Materials</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>Section 6, GRI 3-3 Material Topic: Waste Management</p>				
<p>GRI 301: Materials 2016</p>	<p>301-1 Materials used by weight or volume</p>	<p>a. Not available for all materials. However, some information is available on materials used in weight and volume located in section 5: Environmental Footprint, Utilities Management</p>	<p>a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by: i. non-renewable materials used; ii. renewable materials used.</p>	<p>Information unavailable/incomplete</p>	<p>Details on total materials used in weight and volume to produce and package products is unavailable</p>	

GRI 301: Materials 2016	301-2 Recycled input materials used	a. Information on some of the recycled materials by AAW is provided in section 5: Environmental Footprint, Waste Management.				
	301-3 Reclaimed products and their packaging materials	Not applicable	a. Percentage of reclaimed products and their packaging materials for each product category. b. How the data for this disclosure have been collected.	Not applicable	Information is not available on reclaimed products and their packaging materials at AAW.	
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: GHG Emissions and Energy Management				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Information on energy consumption located in section: Environmental Footprint, Utilities Management, Energy and Water, AAW Electricity and Water Consumption.				
	302-2 Energy consumption outside of the organization	Not applicable	a. Energy consumption outside of the organization, in joules or multiples. b. Standards, methodologies, assumptions, and/or calculation tools used. c. Source of the conversion factors used.	Information unavailable/incomplete	Information is not available on energy consumption outside of AAW.	
	302-3 Energy intensity	a. Information on energy intensity located in section 5: Environmental Footprint, Utilities Management, Energy and Water, AAW Electricity and Water Consumption.				

GRI 302: Energy 2016	302-4 Reduction of energy consumption . a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples. b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all. c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it. d. Standards, methodologies, assumptions, and/or calculation tools used.	a. Information on reduction of energy consumption located in section 5, subsection Utilities Management, under Energy and Water, AAW Electricity and Water Consumption.. b. Types of energy included in the reductions included electricity, and refrigerant gas c. There was existed base year for calculating reductions in energy consumption. However, data on energy consumption was collected and compiled for this reporting year and the previous one, if data was available to conduct a comparison.. d. The methodology of collecting data was based on compiling invoices of energy consumption that were paid by the organization for the reporting year. Annual consumption was then calculated. Based on this data the emissions factors were determined and calculated.				
	302-5 Reductions in energy requirements of products and services	Not applicable	a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples. b. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it. c. Standards, methodologies, assumptions, and/or calculation tools used.	Information unavailable/incomplete	Information is not available on reductions in energy requirements of sold products and services achieved during the reporting period.	
Water and effluents						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: GHG Emissions and Energy Management				

GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	a. Information on water consumption located in section 5, subsection Utilities Management, under Energy and Water, AAW Electricity and Water Consumption.	<p>b. A description of the approach used to identify water-related impacts, including the scope of assessments, their timeframe, and any tools or methodologies used.</p> <p>c. A description of how water-related impacts are addressed, including how the organization works with stakeholders to steward water as a shared resource, and how it engages with suppliers or customers with significant water-related impacts.</p>	Information unavailable/incomplete	The organization does not have a formal methodology used to identify water-related impacts or information on how they are addressed
	303-2 Management of water discharge-related impacts	Not applicable	<p>a. A description of any minimum standards set for the quality of effluent discharge, and how these minimum standards were determined, including:</p> <ul style="list-style-type: none"> i. how standards for facilities operating in locations with no local discharge requirements were determined; ii. any internally developed water quality standards or guidelines; iii. any sector-specific standards considered; iv. whether the profile of the receiving waterbody was considered. 	Not applicable	Information on management of water discharge-related impacts is not applicable.

<p>GRI 303: Water and Effluents 2018</p>	<p>303-3 Water withdrawal</p>	<p>Not applicable</p>	<p>a. Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable: i. Surface water; ii. Groundwater; iii. Seawater; iv. Produced water; v. Third-party water. b. Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable: i. Surface water; ii. Groundwater; iii. Seawater; iv. Produced water; v. Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv. c. A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories: i. Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids); ii. Other water ($> 1,000$ mg/L Total Dissolved Solids). d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p>	<p>Information unavailable/incomplete</p>	<p>Information on water withdrawal from all areas is not available.</p>	
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<p>GRI 303: Water and Effluents 2018</p>	303-4 Water discharge	Not applicable	<p>a. Total water discharge to all areas in megaliters, and a breakdown of this total by the following types of destination, if applicable:</p> <ul style="list-style-type: none"> i. Surface water; ii. Groundwater; iii. Seawater; iv. Third-party water, and the volume of this total sent for use to other organizations, if applicable. <p>b. A breakdown of total water discharge to all areas in megaliters by the following categories:</p> <ul style="list-style-type: none"> i. Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids); ii. Other water ($> 1,000$ mg/L Total Dissolved Solids). <p>c. Total water discharge to all areas with water stress in megaliters, and a breakdown of this total by the following categories:</p> <ul style="list-style-type: none"> i. Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids); ii. Other water ($> 1,000$ mg/L Total Dissolved Solids). <p>d. Priority substances of concern for which discharges are treated, including:</p> <ul style="list-style-type: none"> i. how priority substances of concern were defined, and any international standard, authoritative list, or criteria used; ii. the approach for setting discharge limits for priority substances of concern; iii. number of incidents of non-compliance with discharge limits. <p>e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.”</p>	Information unavailable/incomplete	Information on water discharge to all areas is not available.
	303-5 Water consumption	a. Water consumption is located in section 5, subsections Utilities Management, under Energy and Water, AAW Electricity and Water Consumption.	<p>“b. Water consumption in areas with water stress</p> <p>c. Change in water storage in megaliters, if water storage has been identified as having significant water-related impact</p> <p>d. Contextual information necessary to understand how the data have been compiled.</p>	Not applicable	There was no water consumption from areas with water stress nor has water storage been identified as having significant water-related impact.

Biodiversity						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable	<p>a. For each operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, the following information:</p> <ul style="list-style-type: none"> i. Geographic location; ii. Subsurface and underground land that may be owned, leased, or managed by the organization; iii. Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas; iv. Type of operation (office, manufacturing or production, or extractive); v. Size of operational site in km2 (or another unit, if appropriate); vi. Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem); vii. Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation). 	Not applicable	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas is not applicable.	

GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	Not applicable	<p>a. Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:</p> <ul style="list-style-type: none"> i. Construction or use of manufacturing plants, mines, and transport infrastructure; ii. Pollution (introduction of substances that do not naturally occur in the habitat from point and nonpoint sources); iii. Introduction of invasive species, pests, and pathogens; iv. Reduction of species; v. Habitat conversion; vi. Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater level). <p>b. Significant direct and indirect positive and negative impacts with reference to the following:</p> <ul style="list-style-type: none"> i. Species affected; ii. Extent of areas impacted; iii. Duration of impacts; iv. Reversibility or irreversibility of the impacts.” 	Not applicable	Significant impacts of activities, products and services on biodiversity is not applicable.	
	304-3 Habitats protected or restored	Not applicable	<p>“a. Size and location of all habitat areas protected or restored, and whether the success of the restoration measure was or is approved by independent external professionals.</p> <p>b. Whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures.</p> <p>c. Status of each area based on its condition at the close of the reporting period.</p> <p>d. Standards, methodologies, and assumptions used.</p>	Not applicable	Habitats protected or restored is not applicable for AAW.	

<p>GRI 304: Biodiversity 2016</p>	<p>304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations</p>	<p>Not applicable</p>	<p>a. Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction risk: i. Critically endangered ii. Endangered iii. Vulnerable iv. Near threatened v. Least concern</p>	<p>Not applicable</p>	<p>IUCN Red List species and national conservation list species with habitats in areas affected by operations is not applicable for AAW.</p>	
<p>Emissions</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>Section 6, GRI 3-3 Material Topic: GHG Emissions and Energy Management</p>				
<p>GRI 305: Emissions 2016</p>	<p>305-1 Direct (Scope 1) GHG emissions</p>	<p>a. Data on direct Scope 1 GHG Emissions located in Section 5, subsection GHG Emissions, under Scope 1</p>				
	<p>305-2 Energy indirect (Scope 2) GHG emissions</p>	<p>a. Data on indirect Scope 2 GHG Emissions located in Section 5, subsection GHG Emissions, under Scope 2.</p>				
	<p>305-3 Other indirect (Scope 3) GHG emissions</p>	<p>a. Data on indirect Scope 3 GHG emissions located in Section 5, subsection GHG Emissions, Scope 3.</p>				
	<p>305-4 GHG emissions intensity</p>	<p>a. Data on GHG Emissions intensity is located in Section 5, subsection GHG Emissions, under GHG Emissions Intensity</p>				
	<p>305-5 Reduction of GHG emissions</p>	<p>a. Data on GHG Emissions intensity is located in section 5, subsection Total GHG Emissions.</p>				
<p>305-6 Emissions of ozone-depleting substances (ODS)</p>	<p>Not applicable</p>	<p>a. Production, imports, and exports of ODS in metric tons of CFC-11 (trichlorofluoromethane) equivalent. b. Substances included in the calculation. c. Source of the emission factors used. d. Standards, methodologies, assumptions, and/or calculation tools used.</p>	<p>Information unavailable/incomplete</p>	<p>Information is not available on emissions of ozone-depleting substances (ODS)</p>		

<p>GRI 305: Emissions 2016</p>	<p>305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions</p>	<p>Not applicable</p>	<p>a. Significant air emissions, in kilograms or multiples, for each of the following: i. NOx ii. SOx iii. Persistent organic pollutants (POP) iv. Volatile organic compounds (VOC) v. Hazardous air pollutants (HAP) vi. Particulate matter (PM) vii. Other standard categories of air emissions identified in relevant regulations b. Source of the emission factors used. c. Standards, methodologies, assumptions, and/or calculation tools used.</p>	<p>Information unavailable/incomplete</p>	<p>Information is not available on nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions</p>	
<p>Waste</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>Section 6, GRI 3-3 Material Topic: Waste Management</p>				
<p>GRI 306: Waste 2020</p>	<p>306-1 Waste generation and significant waste-related impacts</p>	<p>a. Information on waste generation and significant waste-related impacts located in section 5, subsection Waste Management.</p>				
	<p>306-2 Management of significant waste-related impacts a. Actions, including circularity measures, taken to prevent waste generation in the organization's own activities and upstream and downstream in its value chain, and to manage significant impacts from waste generated.</p>	<p>a. Section 5, subsection Waste Management</p>	<p>b. If the waste generated by the organization in its own activities is managed by a third party, a description of the processes used to determine whether the third party manages the waste in line with contractual or legislative obligations. c. The processes used to collect and monitor waste related data.</p>	<p>Information unavailable/incomplete</p>	<p>Due to the diverse business nature of the company, it is difficult to collect information on the process of waste management, and process to collect and monitor waste related data. In that regard, a the company is aiming for a better tracking system that will provide more information on this material topic in the future</p>	

GRI 306: Waste 2020	306-3 Waste generated	a. Section 5: subsection Waste Management	b. Contextual information necessary to understand the data and how the data has been compiled.”	Not applicable	Information on how data was compiled is unavailable for this year due to limitations on waste management tracking systems.
	306-4 Waste diverted from disposal	a. In Section 5, subsection Waste Management AAW reported on selected waste that was diverted from disposal to recycling. However, due to limitations on tracking total weight of all waste diverted at AAW could not be calculated.	b. Total weight of hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: i. Preparation for reuse; ii. Recycling; iii. Other recovery operations. c. Total weight of non-hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: i. Preparation for reuse; ii. Recycling; iii. Other recovery operations. d. For each recovery operation listed in Disclosures 306-4-b and 306-4-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste diverted from disposal: i. onsite; ii. offsite. e. Contextual information necessary to understand the data and how the data has been compiled.	Information unavailable/incomplete	Due to limitations on tracking waste management across the diverse business lines at AAW, the organization does not information available on all waste diverted from disposal that includes hazardous and non-hazardous material. Therefore, it also does not have data on the breakdown of total weight of waste

<p>GRI 306: Waste 2020</p>	<p>306-5 Waste directed to disposal</p>	<p>Not applicable</p>	<p>a. Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste. b. Total weight of hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: i. Incineration (with energy recovery); ii. Incineration (without energy recovery); iii. Landfilling; iv. Other disposal operations. c. Total weight of non-hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: i. Incineration (with energy recovery); ii. Incineration (without energy recovery); iii. Landfilling; iv. Other disposal operations. d. For each disposal operation listed in Disclosures 306-5-b and 306-5-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste directed to disposal: i. onsite; ii. offsite. e. Contextual information necessary to understand the data and how the data has been compiled.</p>	<p>Not applicable</p>	<p>Information on waste directed to disposal at AAW has not yet been tracked yet at the organization</p>	
<p>Supplier environmental assessment</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>Not applicable</p>				
<p>GRI 308: Supplier Environmental Assessment 2016</p>	<p>308-1 New suppliers that were screened using environmental criteria</p>	<p>Not applicable</p>	<p>New suppliers that were screened using environmental criteria</p>	<p>Information unavailable/incomplete</p>	<p>Such criteria has not been integrated by AAW yet.</p>	

<p>GRI 308: Supplier Environmental Assessment 2016</p>	<p>308-2 Negative environmental impacts in the supply chain and actions taken</p>	<p>Not applicable</p>	<p>b. Number of suppliers identified as having significant actual and potential negative environmental impacts. c. Significant actual and potential negative environmental impacts identified in the supply chain. d. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment. e. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why.</p>	<p>Not applicable</p>	<p>Not assessed by AAW yet.</p>	
<p>Employment</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>Section 6, GRI 3-3 Material Topic: Human Capital Management</p>				
<p>GRI 401: Employment 2016</p>	<p>401-1 New employee hires and employee turnover</p>	<p>a., b. Details on the total rate of new employee hires and employee turnover are located in section 3, subsections AAW Workforce, under Employee Retention and Turnover.</p>				
	<p>401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees</p>	<p>a., b. Several benefits are provided for full time employees across all the organization's operations. All covered in the following sections: Section 3, subsection AAW Local Community, Advocating for Women's Well-being; Section 3, subsection Employee Engagement & Wellbeing, Benefits and Compensation; and Section 3, subsection Employee Engagement & Wellbeing, Third Party Employee Benefits. There are no reported part-time or temporary employees at AAW.</p>				
	<p>401-3 Parental leave</p>	<p>Section 3, subsection AAW Local Community, Advocating for Women's Well-being.</p>				

Labor/management relations						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Human Capital Management				
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	a. No defined notice period for notifications. However if this would result to layoffs, internal opportunities are reviewed prior to official notice period commencement				
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Health, Safety, Security, and Environment				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	a. An assigned, dedicated HSSE team developed the HSSE management system through the transfora application. b. The new HSSE management system's scope is for all AAW employees and activities, and is aimed to function across the diverse business lines. More details are located in section 4, subsection Health, Safety, Security, and Environment				

<p>GRI 403: Occupational Health and Safety 2018</p>	<p>403-2 Hazard identification, risk assessment, and incident investigation</p> <p>a. A description of the processes used to identify work-related hazards and assess risks on a routine and non-routine basis, and to apply the hierarchy of controls in order to eliminate hazards and minimize risks, including:</p> <ul style="list-style-type: none"> i. how the organization ensures the quality of these processes, including the competency of persons who carry them out; ii. how the results of these processes are used to evaluate and continually improve the occupational health and safety management system. <p>b. A description of the processes for workers to report work-related hazards and hazardous situations, and an explanation of how workers are protected against reprisals.</p> <p>c. A description of the policies and processes for workers to remove themselves from work situations that they believe could cause injury or ill health, and an explanation of how workers are protected against reprisals.</p> <p>d. A description of the processes used to investigate work-related incidents, including the processes to identify hazards and assess risks relating to the incidents, to determine corrective actions using the hierarchy of controls, and to determine improvements needed in the occupational health and safety management system.</p>	<p>a-d. Information on our Incident Management System is in section 4, subsections Health, Safety, Security, and Environment, under Incident Management System; and Case Study on Building a Safer AAW Community Through Prioritizing Incident Management.</p>				
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GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	a. Occupation health services Section 4, subsection Health, Safety, Security, and Environment, covering various health and safety measure; and section on Incident Management Framework, Incident Reporting Procedure, Hazard Identification Procedure.				
	403-4 Worker participation, consultation, and communication on occupational health and safety	a. Selected employees are certified First Aiders. Employees also have access to various communication mechanisms such as Save our Souls (SOS) Emergency Service hotline. also through list of policies accessible to all employees. Some OHS policies mentioned in section 3, subsection, Human Capital Management, Labor Management Incidents; and Health, Safety, Security, and Environment, AAW's Selected Health and Safety Policies and Procedures; and section 4: Responsible Governance, Certifications and Policies on ISO 45001.	b. Where formal joint management-worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.	Not applicable	Due to the nature of operations of the organization, committees handling worker health and safety is not applicable	
	403-5 Worker training on occupational health and safety	a. Worker training on occupational health and safety is located in section 2, subsection Supply Chain Management.				
	403-6 Promotion of worker health	a., b. AAW facilitates workers' access to non-occupational and medical and healthcare services through health insurance, also includes some voluntary health promotion services. Providing comprehensive health insurance coverage for employees and, in some cases, their dependents. Wellness Programs: Implementing wellness programs that focus on physical fitness, mental health, nutrition, and stress management. This may include fitness classes, mindfulness sessions, and access to wellness resources. also promoting this through conducting health related events such as Runs, sports days. Health Education: sharing health awarenesses through all internal communication channels.				

GRI 403: Occupational Health and Safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	a. Section 4, subsection Health, Safety, Security, and Environment.				
	403-8 Workers covered by an occupational health and safety management system	a. All employees are covered under life insurance policy benefit and insured for all AAW. Section 4, subsection Health, Safety, Security, and Environment.				
	403-9 Work-related injuries	a. - d. Any work-related injuries are located in section 4, subsection Health, Safety, Security, and Environment.	e. Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked. f. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded. g. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.	Information unavailable/incomplete	Details on the how the rates were calculated and the contextual information necessary to understand how the data was compiled is unavailable. No workers were excluded from this disclosure therefore f. is not applicable	
	403-10 Work-related ill health	a. Any work-related-ill health are located in section 4, subsection Health, Safety, Security, and Environment.				
Training and education						
GRI 3: Material Topics 2021	3-3 Management of material topics	GRI 3-3 Material Topic: Learning and Development				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	a. Information on training hours located in section 3, subsection AAW Workforce, Learning and Development, Training Hours 2023; and Section 4, subsection Digital Transformation, Data Privacy and Security Measures, Highlight.				

GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs a. Type and scope of programs implemented and assistance provided to upgrade employee skills. b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.	a. Several sections cover programs for upgrading employee skills. Including the following: Section 3, subsections Learning and Development; and Brief Highlight - AAW Catered Courses.; Section 2, subsection Consumer Goods, CGD Highlights on training and development.; Section 3, subsection Digital Transformation, Case Study on Data Privacy and Security Measures, Highlight. b. Additionally, every business line conducts its own catered employee skills assistance programs based on the industry to ensure that employees remain up to date on career skills.				
	404-3 Percentage of employees receiving regular performance and career development reviews.	a. 24% of employees received regular performance and career development reviews. More details in section 3, subsection, AAW Workforce, under Performance Management and Appraisals				
Diversity and equal opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Diversity, Equity, and Inclusion				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	a. Information on diversity of governance bodies per gender is located in section 4, subsection AAW Board Highlights. b. Percentage of employees per diversity categories, for gender and age, are also included in the section 3, subsection AAW Workforce				
	405-2 Ratio of basic salary and remuneration of women to men	a. Ratio of basic salary and remuneration of women to men is located in section 3, subsection AAW Workforce, under Benefits and Compensation; and under Employee Compensation and Benefits Facts and 2023 Performance Highlights. b. "Significant locations of operation" includes all location where AAW operates in the state of Kuwait				

Non-discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Diversity, Equity, and Inclusion				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	a, b. One incident of discrimination occurred during the reporting year. Incident was closed due to inaccurate allegations, after thorough investigation. Section 3, subsection AAW Workforce.				
Freedom of association and collective bargaining						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not applicable	a. Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk. b. Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and collective bargaining.	Not applicable	Operations and suppliers in which the right to freedom of association and collective bargaining is not assessed by AAW	
Child labor						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Business Ethics and Compliance				

<p>GRI 408: Child Labor 2016</p>	<p>408-1 Operations and suppliers at significant risk for incidents of child labor a. Operations and suppliers considered to have significant risk for incidents of: i. child labor; ii. young workers exposed to hazardous work. b. Operations and suppliers considered to have significant risk for incidents of child labor either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk. c. Measures taken by the organization in the reporting period intended to contribute to the effective abolition of child labor.</p>	<p>a., b. Operations and suppliers at significant risk for incidents of child labor were none and, other forms of incidents were not applicable.</p>	<p>c. Measures taken by the organization in the reporting period intended to contribute to the effective abolition of child labor.</p>	<p>Information unavailable/incomplete</p>	<p>Details on the measures taken by the organization in the reporting period to contribute to the elimination of child labor are unavailable for this year</p>	
<p>Forced or compulsory labor</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>Section 6, GRI 3-3 Material Topic: Human Capital Management</p>				

<p>GRI 409: Forced or Compulsory Labor 2016</p>	<p>409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor</p> <p>a. Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of:</p> <p>i. type of operation (such as manufacturing plant) and supplier;</p> <p>ii. countries or geographic areas with operations and suppliers considered at risk.</p>	<p>a, There are no identified operations and suppliers at significant risk for incidents of forced or compulsory labor</p>	<p>b. Measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labor.</p>	<p>Information unavailable/incomplete</p>	<p>Details on the measures taken by the organization in the reporting period to contribute to the elimination of all forms of forced or compulsory labor are unavailable for this year</p>	
<p>Security practices</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>Section 6, GRI 3-3 Material Topic: Health, Safety, Security, and Environment</p>				
<p>GRI 410: Security Practices 2016</p>	<p>410-1 Security personnel trained in human rights policies or procedures</p>	<p>No security personnel are trained in human rights policies</p>	<p>a. Percentage of security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security.</p> <p>b. Whether training requirements also apply to third-party organizations providing security personnel.</p>	<p>Not applicable</p>	<p>Information on percentage of security personnel who have received formal training on human rights policies has not been collected at the organization</p>	

Rights of indigenous peoples						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not applicable	a. Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period. b. Status of the incidents and actions taken with reference to the following: i. Incident reviewed by the organization; ii. Remediation plans being implemented; iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes; iv. Incident no longer subject to action.	Not applicable	Incidents of violations involving human rights of indigenous peoples is not identified by AAW	
Local communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Social Impact				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Not applicable	a. Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of: i. social impact assessments, including gender impact assessments, based on participatory processes; ii. environmental impact assessments and ongoing monitoring; iii. public disclosure of results of environmental and social impact assessments; iv. local community development programs based on local communities' needs; v. stakeholder engagement plans based on stakeholder mapping; vi. broad based local community consultation committees and processes that include vulnerable groups; vii. works councils, occupational health and safety committees and other worker representation bodies to deal with impacts; viii. formal local community grievance processes	Not applicable	No operations with local community engagements, impact assessments, and development programs. AAW partners listed in section 3, subsection AAW Local Community, AAW's Partner's for Community Initiatives.	

<p>GRI 413: Local Communities 2016</p>	<p>413-2 Operations with significant actual and potential negative impacts on local communities</p>	<p>Not applicable</p>	<p>a. Operations with significant actual and potential negative impacts on local communities, including: i. the location of the operations; ii. the significant actual and potential negative impacts of operations.</p>	<p>Not applicable</p>	<p>AAW has not yet assessed or identified the operations with significant actual and potential negative impacts on local communities</p>	
<p>Supplier social assessment</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>Not applicable</p>				
<p>GRI 414: Supplier Social Assessment 2016</p>	<p>414-1 New suppliers that were screened using social criteria</p>	<p>Not applicable</p>	<p>a. Percentage of new suppliers that were screened using social criteria.</p>	<p>Information unavailable/incomplete</p>	<p>AAW has not incorporated new screening processes that include social criteria</p>	
	<p>414-2 Negative social impacts in the supply chain and actions taken</p>	<p>Not applicable</p>	<p>a. Number of suppliers assessed for social impacts. b. Number of suppliers identified as having significant actual and potential negative social impacts. c. Significant actual and potential negative social impacts identified in the supply chain. percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.</p>	<p>Information unavailable/incomplete</p>	<p>AAW has not yet incorporated new screening processes that include social criteria. Therefore, no detailed data is available on the negative social impacts in the supply chain related to AAW</p>	

Public policy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Responsible Corporate Governance and Leadership				
GRI 415: Public Policy 2016	415-1 Political contributions	Not applicable	a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary. b. If applicable, how the monetary value of in-kind contributions was estimated.	Information unavailable/incomplete	AAW has not collected information on total monetary value of financial and in-kind political contributions made directly and indirectly	
Customer health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 6, GRI 3-3 Material Topic: Customer Experience				
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Not applicable	a. Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	Information unavailable/incomplete	Information on the percentage of significant product and service categories for which health and safety impacts are assessed for improvement are not identified at this time	

<p>GRI 416: Customer Health and Safety 2016</p>	<p>416-2 Incidents of non-compliance concerning the health and safety impacts of products and services</p>	<p>Not applicable</p>	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by:</p> <ul style="list-style-type: none"> i. incidents of non-compliance with regulations resulting in a fine or penalty; ii. incidents of non-compliance with regulations resulting in a warning; iii. incidents of non-compliance with voluntary codes. <p>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p>	<p>Confidentiality constraints</p>	<p>This information was not disclosed by the organization and is confidential</p>	
<p>Marketing and labeling</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>Not applicable</p>				
<p>GRI 417: Marketing and Labeling 2016</p>	<p>417-1 Requirements for product and service information and labeling</p>	<p>a. For AAW's Food and Beverage business line the following are the set of requirements for product and service information and labeling:</p> <ul style="list-style-type: none"> . Arabic translation . Municipality clearance . Halal certificate . Clear Production and Expiry dates . Accommodate with Kuwait regulations. <p>Section 2, subsections AAW Business Lines, Food and Beverage, Joe and the Juice.</p>	<p>b. Percentage of significant product or service categories covered by and assessed for compliance with such procedures.</p>	<p>Information unavailable/incomplete</p>	<p>Details on the percentage of significant product or service categories covered by and assessed for compliance is not available at this time</p>	
	<p>417-2 Incidents of non-compliance concerning product and service information and labeling</p>	<p>Not applicable</p>	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling.</p> <p>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient</p>	<p>Information unavailable/incomplete</p>	<p>AAW has not identified total incidents of non-compliance with regulations, and therefore data is not available on this matter</p>	

<p>GRI 417: Marketing and Labeling 2016</p>	<p>417-3 Incidents of non-compliance concerning marketing communications</p>	<p>Not applicable</p>	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship.</p> <p>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p>	<p>Information unavailable/incomplete</p>	<p>AAW has not identified total incidents of non-compliance with regulations concerning marketing communications, and therefore data is not available on this matter</p>	
<p>Customer privacy</p>						
<p>GRI 3: Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>Section 6, GRI 3-3 Material Topics: Digitization and Process Automation, and Customer Experience</p>				
<p>GRI 418: Customer Privacy 2016</p>	<p>418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data</p>	<p>a. There were no substantiated complaints received concerning breaches of customer privacy.</p> <p>b. There were no identified leaks, thefts, or losses of customer data. Located in section 1, subsection Highlights 2023 Performance.</p>				

GRI 3-3

Material Topics list for Reference	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or business relationships	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and procedures
Customer Experience	N/A	N/A	Information on Customer Experience can be found in the report section 2, subsection: Customer Experience.	Progress and improvement can be found in the report section 2, subsection: Customer Experience	N/A	N/A	N/A	N/A	N/A	N/A
Product Quality and Safety	We provide a high quality brand. AAW Pharmacovigilance Department fully endorses and complies with local and international PV and drug-related Benefits / Risks Guidelines and Practices	In circumstances when customers are unhappy or dissatisfied with the product specifications, we often keep following up until customers are satisfied. In AAW's Pharma Field the employee encourages health care professionals and patients to report all side effect regardless of its severity or frequency	We have a well-established complaint mechanism in place that encompasses the reception, logging, assessment, and reporting to MAH of consumer complaints. Product are replaced or refunded within 14 days. As we represent global leading companies, we also follow the quality and PV safety standards guidance	Fast attendance and high level of communication to handle customer requests	Actions taken include reporting to upper brand management for advice	Actions taken to manage actual and potential positive impacts include an outbound survey	Process used to track effectiveness of actions is through an outbound survey	Goals and targets include alignment with KPI: TAT, LTP, RRR, SAT%, in addition to outbound survey	Effectiveness is reflected through increased sales volume at the organization	Reduce number of complains and increase sale volume

Social Impact	Providing opportunities for employment to ensure economic stability and provide a good living standards and reduce unemployment rates	N/A	In AAW, our policies (i.e. hiring, and evaluation etc.) are addressing all employees equally without any preferences to nationality, gender, and religion. Any breach is being strictly handled and can lead to end of employment.	Investigations are handled by panels to avoid any preference to any group and continuous education is being delivered through multiple channels internal communication and training sessions	Disciplinary actions relevant to discrimination, misconduct, and harassment are leading to immediate termination	AAW developed a program for hiring nationals to increase the percentage. Developing programs and events to empower women in workplace. We aim to feature all programs over social media to encourage more diverse talent pool that s interested in joining AAW. Job rotation for exiting (redundancy) employees to contribute in reducing unemployment rate in the country. Educate employees through various events on their roles in impacting community and contribute to positive impact and building recognition for it. Additionally, and separately, private medical insurance is provided to contribute to reduction in sickness spread. Also, health awareness events are launched throughout that year.	Effectiveness of actions are tracked through dashboards, confidential reporting systems, and surveys and exit analysis	Tracking the number of incidents relevant to these areas	Employees are increasingly more open to send official complaints addressing those topics trusting HR to handle the cases. Also employees participation rates in relevant events is tracked for more participation.	Revise code of conduct to re-align company's direction with community services. Revisiting the strategy of the announcements to educate employees on the derive of any event
GHG Emissions and Energy Management	These products are then transported and delivered to AAW's warehouses, distribution centers, retail outlets and customers that include B2B and B2C	Through activities such as using delivery vehicles that have CO2 emissions. Additionally, using power sources for facility operations	AAW is developing an environmental policy	In regards to CO2 emissions, we are planning delivery routes to reduce travel time and fuel consumption respectively. We also look towards finding ecofriendly alternatives for delivery. The new environmental policy will incorporate eco-conscious habits, such as switching off power when not in use	N/A	N/A	N/A	Goals for supply chain are looking towards tracking and reducing CO2 emission, fuel consumption, and power consumption	N/A	Policies and procedures are still in the development phase.

<p>Waste Management</p>	<p>Details on the environmental impact located in regards to waste management is located in section 5, subsection Utilities and Water, focused on the measurable impact of waste management.</p>	<p>Through business relationships : Bulky shipments to fulfil market needs, require the utilization of huge amount of plastic, paper, wood pallets and general waste received from suppliers.</p>	<p>We have established clear policies and procedures.</p> <p>We deal with medicinal and cosmetic products, which makes our business module quite apparent. We therefore have the Ministry of Health's authorized waste management system in place.</p> <p>For Non- Restricted: By completing the waste manifest form, we can immediately destroy these products.</p> <p>For restricted products, we need to get approval from the Ministry of Health.</p> <ul style="list-style-type: none"> • The item name, batch number, and expiration date must be included in a letter that is prepared. • The MOH personally visits the goods (quantities, batches, etc.) after the letter is approved. • Following the inspection, the products are sealed in front of MOH staff and a signed certificate of inspection is appended. • After that, if it's a food product, we have to deliver that letter to the municipality to schedule a time to transport the items for destruction. • We must send a corporate representative and the items for destruction together with the day and time confirmed by the municipality. AAW is developing an environmental Policy that covers waste management including the reduce, reuse and recycle method. 	<p>Departments collaborate to conduct monthly stock reconciliation, which are then shared with business partners. Applying Reduce, Re-use and Recycle method to reduce the material sent to the landfill.</p> <p>Contacting suppliers to check better ecofriendly shipping materials.</p>	<p>N/A</p>	<p>Participating in environmental events to substitute the negative impact with positive one. Also re-using and reselling the recycled materials.</p>	<p>Measuring the recycled materials on monthly basis</p>	<p>To measure and set targets for total recycled pallets, total recycled plastic, and total recycled wood</p>	<p>In our sellable stock, we have a zero tolerance for expired goods to prevent shipping to clients.</p>	<p>Adding more recycling categories year after year</p>
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Business Ethics and Compliance	Section 4, subsection Business Ethics and Compliance provides insight into the impact of this material topic on AAW as a whole, the employees and other impacted parties	N/A	AAW is committed to always follow the governmental laws and regulation and each employee is monitored to follow the same standards in all functions. Some of these functions include government relations, regulatory, quality assurance, and HSSE functions, which all help ensure these commitments are met, in compliance and are unbiased from operation	Our partners have a regular audit protocol that we comply with. The regular audits result with action plan and opportunities that we have a complete continuous improvement program to ensure compliance.	N/A	N/A	Results of regular audits determine effectiveness of actions and compliance. These also help determine any improvements in the future.	N/A	Actions are determined based on results of regular audits.	N/A
Learning and Development	Section 4, focused on AAW communities, a subsection on Learning and Development explores the positive impact within the learning and development material topic	N/A	Talent Management Policy	Preventing any negative potential impacts is achieved by using evaluation tools that we have available and utilize within the HR Department	We have managed an E-Learning platform for our employees that is fully tracked and monitored	Sharing achievements with the organization, celebrating success of completion for employees by distributing certifications, and sharing a weekly newsletter with all AAW employees that reports on these highlights.	Master Tracker that tracks the effectiveness of actions	Training evaluation form among other evaluation, and monitoring tools that help us assess progress of the actions	Improve the employee efficiency, motivated and have the willingness of absorbing additional tasks with full enthusiasm	Encourage a culture of continuous development by establishing a setting where employees are motivated to point out areas that need job, exchange ideas, and try out new approaches.
Responsible Corporate Governance and Leadership	N/A	N/A	In section 5 of the report, we dedicate a chapter on responsible governance and leadership, where we explore policy commitments, AAW values, and organizational structures that touch on policies and commitments pertaining to this material topic	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Brand Value and Presence	AAW sports and lifestyle must be at the heart of sports in everyone. This is part of the mission we promote. Thus promoting a healthy and fit lifestyle and leaving a positive impact on the people and community.	No	We mirror the visions of the brands we work with. At the core of health and fitness we are always at the center promoting this lifestyle for the community and our customers. This is how we uphold the value of social responsibility	We ensure accountability to prevent or mitigate potential negative impacts	We value social responsibility, and act on this value to address negative impacts	We actively conduct outreach to community organizations involved in health and fitness such as gyms to collaborate with them, and or sponsor events that promote such lifestyle like marathons. We exercise a customer-centric approach.	Several metrics are in place to track the effectiveness of actions that are mainly financial. We also track the rate of growth in our customer database, all done through collaborations.	The goal of our organization across divisions, is continuously become more sustainable at several levels. Always improving employee retention, improving our use of environmentally friendly products, and adding value to the health and lifestyle in our communities.	N/A	Using environmentally friendly products such as paper bags and products from recycled materials proved to be a huge success, and practices like these have become mandatory in our business

<p>E-Commerce</p>	<p>Economy: We believe that ecommerce can lead to new job opportunities as well as market expansion that can lead to economic growth. However, it could disrupt and challenge traditional retail business when ecommerce becomes a sizable share of the organization. In addition, supply chain costs tend to increase in an ecommerce business.</p> <p>Environment: As the business grows, and operations is optimized/automated this will lead to a decreased carbon emissions and reduction in use of paper. As an example, optimized operations will lead to less need of transfer of goods. With an automated business, majority of communication can be digitized with any preferred method of communication whether SMS, email, etc. With the influx of orders and businesses need to differentiate themselves within the market, ecommerce will often create/produce special packaging for their online orders which ultimately causes waste.</p> <p>People: Due to the market expansion, customers will be able to access products from across the world and not only be limited to their market offerings. The nature of ecommerce business calls for non-traditional working hours/routine so this allows for flexibility for employees whether in working hours or ability to work remotely. Similar to the economic risks, the growth of ecommerce could pose a threat to traditional retail employees.</p> <p>Human Rights: One of the main concerns in ecommerce is data security. The consumer needs to ensure protection of their privacy with any online transaction.</p>	<p>Yes, the growth of our business has led to a dedicated operations and fulfillment team that require a separate team to deliver orders to customers. Also, packaging has been introduced by brands for the respective department that is branded by store. Data privacy is constantly being worked on to ensure customer privacy and their trust with our business</p>	<p>Operational efficiency: Commitment to digitize and automate all e-commerce processes, whether from customer communication, optimize delivery and transfers including decreasing refunds and exchanges. By providing customers with as much data as possible about products (recently implementing Shoe Fit Finder), we aim to be able to increase conversion and reduce refunds and exchanges of products. We believe that having a dedicated team would allow all employees to specialize and improve processes, systems, performance, etc. We have also implemented tools that allow us to receive customer feedback and act upon them.</p> <p>Privacy protection: Policies ensuring the secure handling of personal and sensitive data, with measures to prevent unauthorized access, data breaches, or anything that breaks privacy rights.</p> <p>Economic growth: Continuous improvement of businesses and services to grow the business whether by introducing Click and Collect, implementing tools online to boost conversion such as Shoe Fit Finder, introducing Apps, localizing websites to cater to a larger market. KPIs are looked at daily, weekly, and monthly to make educated decisions on steps forward. For example, ROI to determine where investments shall go for the business. Packaging: Branded boxes are made of sustainable materials</p>	<p>Operational efficiency: Implement training programs for employees so they are well aware of market behavior, sustainability, and best business practices. Regular reporting internally and sharing externally to the wider team allows for better business decisions and engagement across the business to work better together towards a common goal. Continuous innovation of services and features online will result in higher customer engagement. Sustainable materials: In addition to digitizing most of customer communication, all materials to customer are used with sustainable, environmentally friendly materials</p> <p>Privacy protection: Implementing robust cybersecurity measures and comply with privacy regulations.</p>	<p>Introducing dedicated ecommerce team (trading/fulfillment) to be focused and specialized on e-commerce growth. Dedicated stock and fulfillment center has resulted in an efficient operations, as well as reduced the delays and cancelled orders. Introduce sustainable materials within the business and reduce paper communication as much as possible. Set up reporting process allowing us to track performance/trends daily and act accordingly for the business</p>	<p>Introducing dedicated ecommerce team (trading/fulfillment) to be focused and specialized on e-commerce growth. Dedicated stock and fulfillment center has resulted in an efficient operations, as well as reduced the delays and cancelled orders. Introduce sustainable materials within the business and reduce paper communication as much as possible. Set up reporting process allowing us to track performance/trends daily and act accordingly for the business</p>	<p>The process is as follows</p> <ol style="list-style-type: none"> 1. Establish and monitor KPIs for ecommerce performance (refunds/exchanges, sales, delivery tracker, etc.) 2. Track and report performance to identify strengths, weaknesses, areas for improvement 3. Implement customer feedback mechanisms through surveys, exit intent pop ups to further understand customer preferences and market trends 	<p>Goals and Targets:</p> <ul style="list-style-type: none"> • Increase website conversion to average of 1.2% across e-commerce businesses • Decrease refund rate to 10% across e-commerce businesses • Increase customer retention to decrease costs of customer acquisition • Ensure optimized fulfillment process with same day delivery <p>Indicators:</p> <ul style="list-style-type: none"> • Reporting: daily, weekly, monthly reports to track performance and areas of improvement • Shoe AI performance – monitor Shoe Fit Finder performance and amount of transactions placed. Designed to reduce refunds • Positive customer feedback received from surveys and customer center to understand customer needs/expectations • % mix of orders fulfilled same day 	<p>Progress is quantifiable through KPIs and reporting: reporting shows significant growth across all KPIs including sales, ATV, and overall sales mix. We also have positive customer feedback. Customer surveys sent daily to gain customer feedback and site experience. Overall, very positive especially towards our fast delivery. Refunds Rate is another new feature recently implemented. We will need a few months to measure impact of this addition</p>	<p>Continuous innovation and implementing new services and tools allowing e-commerce growth. Analyzing customer feedback and understanding importance of listening to customer to grow. Providing several methods of delivery to customer to ensure satisfaction, and operational efficiency Sustainability focus in digitizing communication, processes, and producing sustainable materials</p>
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<p>Supply Chain Management and Responsible Procurement</p>	<p>AAW imports all its trade products from international manufacturers and suppliers utilizing sea, land and air freight as a means of transportation from these products' origin to Kuwait. These products are then transported and delivered to AAW's warehouses, distribution centers, retail outlets and customers (B2B and B2C). The environmental impact is the result of GHG emissions, waste generation, energy consumption, and resource use and consumption. On the other hand this is positive for both the economy and people because the whole cycle creates jobs, keeps inflation down and enhances competition all to the benefit of the consumer.</p>	<p>The negative impacts are environmentally related, specifically in the production of GHG emissions as a result of AAW's activities</p>	<p>N/A</p>	<p>Actions taken include consolidating orders avoiding multiple shipments and full shipping containers. Increased recycling awareness and output. Finally, monitoring delivery vehicles activity to better plan a more efficient delivery operation.</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>
<p>Health, Safety, Security & Environment (HSSE)</p>	<p>Through GHG emissions, energy consumption, and resource usage and consumption, All of which have negative impacts on the environment. On the other hand the whole cycle creates jobs opportunities which has a positive impact on people, keeps inflation down and enhances competition all to the benefit of the consumer.</p>	<p>Through some activities of the organization, we might have a very high risk that might impact the health and safety of people such as operating a forklift, driving for delivery, working at heights, sitting for long time etc.</p>	<p>We have established clear policies and procedures.</p> <ul style="list-style-type: none"> • Every employee at AAW has access to medical insurance through the company, allowing them to receive care in private hospitals. • Our offices and warehouse are equipped with all the necessary fire safety equipment, such as fire hose reels, fire extinguishers, and alarm systems, in accordance with local regulations. Employees receive on-the-job fire training. We have an emergency exit for evacuation. • Checklists for cleaning and inspecting are kept on a daily and monthly basis, and they are formally signed by the relevant party. Every region is constantly watched. • We have security guards on duty around-the-clock, and at the entry/exit point—which is monitored by cameras—we have placed a biometric system, door locks, and an entry checklist. Biometric access control system, etc.as per health and safety policy, AAW is committed to ensure to harm to people, assets or environment wherever it operates. 	<p>Actions include the existing incident reporting system procedure, root cause analysis procedure, hazard identification and risk assessment procedure. Others include corrective and preventive action procedure, job safety analysis procedure, and safe work practices for each activity</p>	<p>Within the Pharma division, many cases for patients in need are treated as an exception</p>	<p>Increase employees' awareness in Health and Safety to build an effective Health, Safety, Security & Environment (HSSE)</p>	<p>We provide HSSE Trainings. We also conduct health and safety inspections and audits frequently, and conduct health and safety consultation meetings across operations</p>	<p>This is yet to be measured because the team is newly established with new protocols and procedures in place. We do conduct a number of HSSE Inspections, total incidents, sickness ratio, turnover rate, total HSSE training hours, lost time hours, restricted work hours, and number of near-misses reported. These all contributed to how we measure effectiveness.</p>	<p>Unmeasurable, as we do not currently have the appropriate tools to accurately evaluate</p>	<p>All lessons learned are shared with interested parties through email. If and when required, hazard identification and risk assessment are reviewed. Policies and procedures are reviewed periodically and when mandatory</p>

Human Capital Management	Section 4, subsection AAW Workforce, on Human Capital Management	N/A	Existing Performance Management Policy	Challenges and Action for Performance Management revised 15.8.23	Challenges and Action for Performance Management revised 15.8.23	Creating 3 different performance management launching cycles to meet the expectations of our businesses	Challenges and Action for Performance Management revised 15.8.23	We use a dashboard	Assess the effectiveness of existing performance management systems and the team's capacity to offer helpful feedback establish relevant objectives, and identify exceptional performance.	Regardless of how minor the employee's accomplishments may seem, employees will remain motivated and involved in the process of continual performance.
Diversity, Equity and Inclusion	Provide equal opportunities to all genders and nationalities without any discrimination following AAW code of conduct.	N/A	Through the Code of Conduct. Also the Recruitment team and departments' management KPIs are focused on the nationality and gender mix progress within all departments	Provide platforms to report any potential discrimination events. Developing policies addressing bullying based on any of the referred factors. Educating and communicating a regular basis on the importance of diversity	Investigations and disciplinary actions towards any breach	Developed a program for hiring nationals to increase the percentage of Kuwaitization. Also developing programs and events to empower women in the workplace. We focused on featuring all programs over social media to encourage more diverse talent pool that may be interested in joining AAW	Actions and effectiveness are tracked through dashboards	We aim to increase the % of women and nationals being hired	Women's % rate in the workforce remained as is. Kuwaiti hiring program was only approved on December 2023 so impact shall be tracked and reported by 2024	Attracting nationals to join private sector instead of government shall be by granting a different setup and program that orient them on what is the career progression opportunity and onboard fresh graduates on different scope

<p>Digitization and Process Automation</p>	<p>We believe that digitization and process automation boosts efficiency and saves costs but might cause job losses eventually. It's good for the environment by reducing paper usage. Employees may enjoy better job satisfaction and achieve higher efficiency and effectiveness, but there's a risk of job displacement. Financial security and privacy may be concerns that need to be managed very well. with regards to human rights, there is a risk of creating an unfair segregation between those who can adapt to the changing job market and those who face challenges. Economy: They enhance efficiency, reduce costs, and foster innovation, but job displacement and skill gaps may contribute to economic inequalities. Environment: While promoting resource efficiency and green technologies, the rapid pace of technological advancement may lead to increased electronic waste. People: Automation can improve quality of life and enhance safety but may result in job insecurity and privacy concerns, affecting mental well-being. Human Rights: The shift towards digitization requires safeguards to address privacy issues and potential biases in algorithms, ensuring similar access and protection of individual rights. In general, balancing the positive economic and societal impacts of digitization with potential drawbacks requires proactive measures to address social inequalities, environmental concerns, and ethical considerations.</p>	<p>Yes. Digitization and automation pose risks of job displacement in roles like cashiers and inventory clerks, potential customer service challenges due to an overreliance on automated systems and financial budget for the implementation and licensing costs due to the increase in the usage as the business is expanding. There are also concerns about data privacy and potential breaches threatening customer trust, and reduced inclusivity as the digital divide may exclude segments not comfortable with or lacking access to digital technologies in retail experiences.</p>	<p>Ethical Use: Commitment to deploying digitization and process automation technologies ethically, avoiding harmful consequences, discrimination, or misuse. Privacy Protection: Policies ensuring the secure handling of personal and sensitive data, with measures to prevent unauthorized access, data breaches, or anything that breaks privacy rights. Security Measures: Implementation of robust cybersecurity measures to protect systems, processes, and data from potential threats and vulnerabilities associated with digitization and automation. Inclusivity and Fairness: Commitment to creating technologies that are inclusive, avoiding biases, and ensuring fair treatment of all individuals, irrespective of demographics or characteristics. Continuous Improvement: Commitment to ongoing assessment and improvement of policies and practices related to digitization and process automation, adapting to evolving technologies and societal needs.</p>	<p>Employee Upskilling: Implement training programs to upskill employees, reducing the risk of job displacement amid technological changes. Cybersecurity Protocols: Establish and update robust cybersecurity measures to protect systems and data, preventing breaches and unauthorized access. Stakeholder Engagement: Engage with employees, address concerns, gather feedback, and educate stakeholders about the impacts of digitization and automation. Impact Assessments: Conduct regular assessments of social, economic, and environmental impacts, enabling proactive measures to address negative consequences and make necessary adjustments.</p>	<p>Launch programs to retain employees affected. Strengthen measures for data protection to tackle privacy issues. Perform frequent ethical audits to correct misuse. Promote collaborative partnerships to jointly address adverse effects. Set up mechanisms for ongoing improvements. Finally, adapting strategies to amplify the positive influence of digitization and automation.</p>	<p>Implement continuous training for AAW employees, fostering innovation through research and development, engage stakeholders for insights in refining digitization initiatives, integrate sustainable practices for environmental impact reduction, and prioritize user requirements to ensure success and continuity and enhance positive impacts of digitization and automation.</p>	<p>The process is as follows: 1. Establish and monitor KPIs for digitization and automation initiatives. 2. Including metrics such as efficiency gains and cost savings. 3. Implement feedback mechanisms through surveys and focus groups to gather insights from employees, stakeholders, and customers of AAW company. 4. Conduct regular audits to assess alignment with ethical, environmental, and inclusive goals. 5. Utilize technology analytics tools to track the performance of digitization technologies and identify areas for optimization. 6. Compare outcomes against industry benchmarks through benchmarking. 7. Facilitating a comprehensive evaluation and identifying opportunities for further enhancement.</p>	<p>Goals and Targets: • Achieve a 20% reduction in manual errors associated with digitization processes. • Increase processing speed by 25% through automation implementation. • Enhance stakeholder satisfaction with digitization initiatives, aiming for an 15% improvement. • Centralize and streamline information, targeting a 30% reduction in data discrepancies. • Ensure that 90% of employees undergo continuous training to stay updated on technological advancements. Indicators: • Error Rate: Measure the frequency of errors in digitized processes across AAW organization. • Processing Time: Monitor the time taken to complete automated processes. • Satisfaction Surveys: Collect feedback from stakeholders on their satisfaction levels. • Data Discrepancies: Assess the accuracy and consistency of centralized data. • Training Participation: Track the percentage of employees participating in continuous training programs.</p>	<p>Progress is quantifiable through KPIs: revealing efficiency gains and cost savings in digitization and process automation. Positive stakeholder feedback: gathered through surveys, indicates enhanced user experience. Regular audits: confirm alignment with ethical and inclusive goals, showcasing progress in meeting intended outcomes. Technology analytics: contribute to ongoing optimization, identifying areas for improvement. Benchmarking: against industry standards aids in gauging competitiveness and uncovering opportunities for further advancement in digitization and process automation initiatives.</p>	<p>Flexibility in implementation and adapting to evolving technologies and changing business needs. Continuous training to ensure the workforce remains updated on the latest skills due to the dynamic nature of technological advancements. Stakeholder engagement due to the need of regular feedback mechanisms that are integrated into operational procedures to optimize digitization initiatives based on insights and concerns. Ethical considerations such as insights highlight the crucial role of ethical considerations, resulting in the incorporation of guidelines and regular audits to ensure the responsible use of digitization and automation technologies. Sustainability focus as the operational policies now include a stronger emphasis on sustainability, promoting eco-friendly technologies and responsible practices in digitization and process automation, considering environmental impacts.</p>
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2023

SUSTAINABILITY REPORT



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