

SANIPEXGROUP

BAGNODESIGN | SANIPEX GALLERY

ESG Report 2023/2024

ENVIRONMENTAL, SOCIAL AND GOVERNANCE



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Introduction

About This **Report**

At SANIPEX GROUP, we are taking steps to create a sustainable impact across our entire value chain.

Through our own brand portfolio and collaboration with 100+ industry-leading brands, we offer sustainably made products across our Bathroom, Kitchen, Tiles & Slabs, Outdoor Living, Lighting, Hospitality and Lifestyle categories. With a commitment to public disclosure, we outline our achievements, progress and targets for our sustainability strategy. We share our strategy and performance on key social, environmental and economic impacts. This report focusses primarily on the operational details within the UAE, which constitute a large part of our entire business.

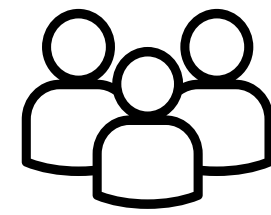
Our sustainability performance is aligned with the following ESG pillars:



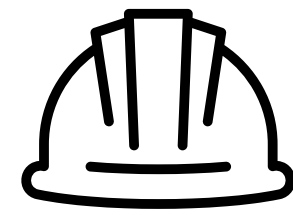
Climate, Emissions
& Energy



Economic & Social
Contribution



Employee Diversity &
Inclusion



Health & Safety



Business
Sustainability

To provide a comprehensive overview of our ESG performance, this report is created in accordance with the Global Reporting Initiative (GRI) Standards for the period from 1st February 2023, to 31st January 2024. We are further enhancing our transparency and sustainability initiatives by aligning our targets and initiatives with the United Nations Sustainable Development Goals (UN SDGs) 2030 Agenda and the green initiatives led by the UAE Government.

For further information:

Please get in touch with our Sustainability Lead at adil@sanipexgroup.com for any questions regarding this report or its contents.

Group Managing Director's **Message**

On behalf of the whole team, I am delighted to share our inaugural ESG report, which highlights our actions and commitment to a sustainable future.

Our approach is grounded in a commitment to operate in a way that is mindful of our economic and social impact; with a passion for creating innovative products that our customers trust, to promote investment in the training and wellbeing of our colleagues, to actively engage in our communities and to act responsibly to protect our environment. These principles have underpinned our consistent growth into the successful, market-leading business we are today, and I am sure will help accelerate our momentum in the future. Our ESG report aims to bring to life our efforts across the entire business - from the development of new products, investments in talent management, strategies to drive a greener supply chain, how we nurture the wonderful diversity and engagement of our teams, and to highlight the professionalism and integrity we have towards our customers, supplier partners and colleagues.

At a Glance

Today, SANIPEX GROUP operates 12 retail showrooms, five distribution centres, and two manufacturing facilities. Three more retail showrooms are planned within the next year and we are constructing a new warehouse in Jebel Ali Free Zone to double our logistics capacity. We collaborate with over 40 distribution partners worldwide, more than 100 international brands and over 150 manufacturing partners to produce our BAGNODESIGN, AQUAECO, AQUADRAIN, GYMKHANA, BYSTRO, SURFACES and RICHMOND collections.

We have a team of more than 680 talented colleagues from 40 different nationalities, with employee engagement and retention metrics that exceed industry norms - a testament to the culture maintained within our business. Given this footprint and size, we take our impact on both people and the environment seriously, and how we can make a meaningful contribution towards a better future, both for ourselves and the generations to come. I am therefore proud to share highlights of our most recent accomplishments on this journey:

- In 2023 and 2024, we launched many innovative products which have sustainable concepts embedded within them. Kitchen filter mixers which eliminate the need for plastic water bottles, bathroom fixtures designed to optimise water usage, energy efficient appliances for indoor and outdoor use and new signature collections like Beach House and Nara utilising raw materials and finishing methods which are environmentally friendly and built to last.
- We implemented a water treatment plant to recycle 100% of water usage at our Slab Fabrication facility in Jebel Ali, saving more than 3.5m+ litres of water annually.
- We completed the transition of our 25-vehicle distribution fleet to use locally refined biofuel: a blend of recycled cooking oil and low-sulphur diesel to reduce our carbon emissions.
- We maintained the highest standards of water and electrical efficiency across our bathroom, washroom and kitchen appliance categories, certified with Emirates Quality Mark, ESMA, G-MARK, SASO and WRAS where applicable.
- We undertook a major digital transformation to become more interactive online with new websites, mobile applications and portals which allow our stakeholders to collaborate remotely and help reduce our paper consumption.
- We were recognised as a 'Great Place to Work Middle East in 2023/2024' with an outstanding engagement score of 94%. We also won 18th place for Best Workplace for Millennials™ 2024 in the GCC and 16th place in the Large Company category.
- We established a dedicated sustainability team to help implement our plans, track our performance and generate new and exciting ideas for the future.

As we continue our growth, we are aligning our sustainability strategy wherever possible with the UN Sustainable Development Goals and basing it on the three pillars of People, Profit and Planet.

Looking Ahead

We are also fully embracing the UAE Government initiatives to address climate change, achieve Net-Zero by 2050 and the Environment Vision 2030, conscious that while we are an international business, the UAE is our home and where we can make the greatest contribution. With a sustainable culture at the heart of our business and exciting development plans ahead, we are committed to playing our part in a greener, brighter future for all.

I hope you will enjoy reading this report, detailing our accomplishments, plans and targets for 2024/2025, and I look forward to updating you on the significant progress we will make next year.

Daryl Barker *Group Managing Director*

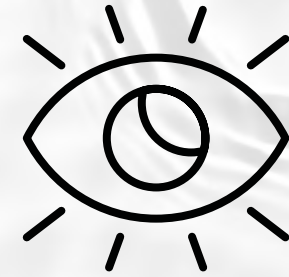


Purpose, Vision & Values



Our Purpose

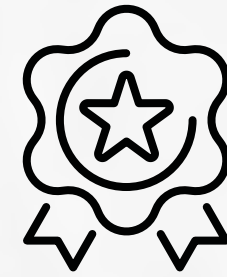
To offer our prestigious product portfolio to serve the Middle East, Africa, Europe, Asia, and Oceania through our Retail, Trade, Project & digital channels. Combining high-quality living solutions with exceptional customer service to deliver excellence.



Our Vision

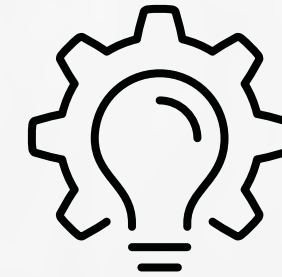
To continually provide a dedicated and committed team to service our global customer base with high-quality, trend-led products for designing beautiful spaces.

Our Values



Quality

We deliver products and provide services of the highest quality to our customers. Our commitment is present in everything we do, ensuring we always meet and exceed expectations.



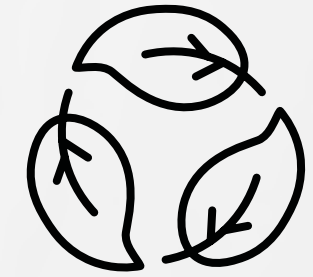
Innovation

Using the latest technologies and earth-friendly materials, we aim to develop and source innovative and long lasting products across all categories – Bathroom, Kitchen, Tiles & Slabs, Outdoor Living, Lighting, Lifestyle and Hospitality.



Wellbeing

We put the safety and wellbeing of our employees above all else, creating a supportive workplace environment through initiatives such as safety training, professional development and skills workshops.



Sustainability

We endeavour to input sustainable practices across our entire value chain where possible – from sourcing to manufacturing and distribution. We take care to select partner brands that align with our values to ensure our offering contributes to a greener future.

About Us

As the market-leading luxury indoor and outdoor lifestyle brand, we specialise in creating and supplying expertly crafted products.

For almost 30 years, we have built our prestigious product portfolio, extended our client base and propelled our business to service the Middle East, Africa, Europe, Asia & Oceania through our Retail, Trade, Project and digital channels. Combining the highest quality bathroom, kitchen, surfaces, lifestyle, lighting and outdoor living solutions with exceptional customer service, SANIPEX GROUP always delivers.

Established in Dubai, UAE in 1995, SANIPEX GROUP has grown to encompass flagship showrooms in key locations including Dubai, Abu Dhabi and London, alongside an established presence with partner retailers worldwide. From commercial projects to residential developments, we assist our client base of architects, designers, developers, retailers and consumers to create exceptional indoor and outdoor spaces.

Working with many market-leading brands and supported by its own strong portfolio of products ensures SANIPEX GROUP is ready to deliver for your next project with strategically placed logistics centres in key locations. Offering consistently high service levels, at SANIPEX GROUP, the customer always comes first.

Bathrooms
Tiles & Slabs
Kitchen
Outdoor
Lighting
Hospitality
Lifestyle



Our History

Three decades of service, quality & innovation

<p>1995</p> <p>Launch of SANIPEXGROUP as a commercial trading office in Dubai for the Gulf and MENA</p>	<p>2000</p> <p>Opening of the first BAGNODESIGN retail showroom in Dubai</p> <p>Launch of wholesale division in Dubai</p>	<p>2002</p> <p>Launch of the first project delivery for Nakheel Palm Island Villas and The Hyatt Regency in Dubai</p>	<p>2004</p> <p>First office opens in Saudi Arabia</p> <p>First BAGNODESIGN brochure is printed</p>	<p>2006</p> <p>Launch of the BAGNODESIGN brand</p>	<p>2008</p> <p>Opening of BAGNODESIGN retail showroom in Abu Dhabi</p> <p>Launch of AQUAECO and AQUADRAIN brands</p>
<p>2019</p> <p>Opening of the first SANIPEX GALLERY lifestyle concept store in Dubai</p>	<p>2014</p> <p>Asia Pacific, Hong Kong A&D Centre opens in Wan Chai</p>	<p>2013</p> <p>Opening of BAGNODESIGN retail showroom in Qatar</p>	<p>2011</p> <p>Opening of our Logistics Centre in Leeds, UK</p> <p>Opening of BAGNODESIGN A&D Centre in Clerkenwell, UK</p> <p>Opening of first standalone BAGNODESIGN showroom in Deira</p>	<p>2009</p> <p>Opening of 50,000 sq ft. Global Distribution Centre in Jebel Ali</p> <p>Manufacturing commenced for BAGNOSPA whirlpool</p> <p>Opening of 13,340 sq ft. SZR BAGNODESIGN flagship retail showroom in Dubai</p>	
<p>2020</p> <p>Launch of the new SANIPEXGROUP website</p> <p>Opening of BAGNODESIGN & SANIPEX GALLERY retail showroom in Ras Al Khaimah</p> <p>Launch of outdoor lifestyle brand GYMKHANA and tiles & slabs brand SURFACES by BAGNODESIGN</p>	<p>2021</p> <p>Launch of our eCommerce SANIPEXGROUP website</p> <p>Launch of Kitchen Appliance Category and BYSTRO brand</p>	<p>2022</p> <p>Launch of the extended indoor & outdoor lighting collection</p> <p>Opening of BAGNODESIGN & SANIPEX GALLERY retail showroom in Sharjah</p> <p>New Slab Fabrication Facility for manufacturing porcelain slabs and tiles is established in Jebel Ali, Dubai</p> <p>Relocation of BAGNODESIGN A&D Centre in Clerkenwell, UK</p>	<p>2023</p> <p>SANIPEX GALLERY & BAGNODESIGN flagship showroom opens in Abu Dhabi</p> <p>Launch of Kitchen Lifestyle collection</p> <p>Launch of hotel amenities brand RICHMOND</p>		

Our Awards

2013
 MOST WANTED AWARD FOR KYOTO THERMOSTATIC SHOWER COLUMN
by Kitchen & Bathrooms News

2014
 RANKED 15TH IN DUBAI SME100 AWARDS

2016
 SUPERBRAND STATUS
by Superbrands Council

2016
 SCOTLAND'S BEST BATHROOM COMPANY
by Scottish Home Improvement Awards

2017
 GOLD AWARD FOR BEST PRODUCT IN "INNOVATION IN DESIGN" CATEGORY
by Designer KB Magazine

2017
 RATED "A" BY DUBAI SME RATING FRAMEWORK

2015 / 2016 / 2018 / 2019
 THE INSIDEOUT AWARD FOR BEST BATHROOMS & FITTINGS

2023
 GOLD AWARD FOR BATHROOM PRODUCT OF THE YEAR FOR CHIASSO MIXER AND SHOWER COLLECTION
by Designerati Awards

2024
 RANKED 16TH PLACE FOR BEST WORKPLACES IN UAE™

Whats to come in 2024...

Jebel Ali Warehouse expansion

Opening of a new Coating Facility

Launch a New Outlet store

Opening of a new **SANIPEX GALLERY** Design Centre on Beach Road with a **BAGNODESIGN** Mono Brand Store

Brands & Projects

Brands That **Care**

*Quality, style and value are at the heart of the SANIPEX GROUP.
Our own brand products are high-quality, resource-efficient and built-to-last.*



BAGNODESIGN

Offering the complete solution for creating dream bathrooms, BD brings the best in innovative, contemporary and classic luxury bathroom collections.

BAGNODESIGN is where comfort meets quality and where function meets the very latest in artisanal thinking. From sculptural washbasins crafted from the finest materials in a wonderful array of colours, to beautiful, highly functional furniture to suit any bathroom style. From baths and showers that invite wellness and rejuvenation, to stunning brassware and accessories in an enviable range of trend-setting finishes.



AQUAECO

Our comprehensive AQUAECO range was originally established for competitive public washroom and plumbing solutions to allow designers to combine creativity with compliance – such as water efficiency – and create stylish yet serviceable solutions for standout and affordable specification.

With its hygienic properties and anti-corrosive performance, we offer grade 304 and 316 stainless steel for a variety of commercial and residential spaces – from medical & supportive solutions to durable outdoor showers that are industrial in both style and strength. Designed with longevity, the range offers a compelling combination of quality, reliability and outstanding value.



AQUADRAIN

AQUADRAIN is a specialist brand of high-quality, design-led shower channels and floor drains for domestic, commercial and industrial spaces.

Catering to the finer details of design & specification, the extensive offering covers a range of sizes, styles and luxury finishes. Crafted from industrial-grade 316 stainless steel, all AQUADRAIN products are anti-bacterial, easy to clean and anti-corrosive.

Brands That Care



GYMKHANA

With GYMKHANA's all-encompassing offering, you can create an outstanding outdoor oasis for every space for lazy days and social nights in the garden. Enjoy time relaxing outdoors with our sleek sofa sets & keep cool with our in-pool chaise.

A variety of umbrellas will keep you protected from the sun. Our swing and lounge chairs let you immerse yourself in nature to recoup and refresh in comfort. Illuminate the way and create a cosy ambience with outdoor lighting available in solar, battery and mains options to perfectly coordinate with timeless teak furniture, luxury daybeds and loungers. Durable, UV-resistant and easy to clean materials feature throughout, for a sleek outdoor solution that stands the test of time.



SURFACES by BAGNODESIGN

SURFACES by BAGNODESIGN comprises a wide range of small and large format tiles and slabs for both indoor and outdoor spaces. An extensive colour palette and a variety of sizes and finishes and textures offers an endless array of combinations for a unique look.

Every product in the SURFACES by BAGNODESIGN collection is manufactured to exacting standards by leading European manufacturers to ensure outstanding results designed to stand the test of time. 100% of the water used for cutting and shaping the products is recycled.



BYSTRO

The BYSTRO kitchen appliance collection brings a blend of exceptional style and functionality to the heart of the home. Expertly crafted in line with the latest European design trends, every BYSTRO product comes with a two-year standard warranty that can be extended to five years - ensuring there is no compromise on quality.

Featuring premium products that deliver an enhanced experience for every occasion, the collection includes cookers, microwaves, refrigeration solutions, wine coolers, and more. For added peace of mind, our highly trained technical team is on hand to deliver high standard installation and after-sales service.



RICHMOND

RICHMOND is a hand-selected range of hotel amenities to make your guests' stay memorable. From mini bars and safes to hair dryers, RICHMOND combines ease of use with the latest technology, taking care of even the smallest details.

RICHMOND mini bars cater for guest refreshment in style. Hair styling needs are taken care of with a range of compact, elegant wall-mounted hair dryers that offer excellent drying performance with minimal energy consumption and noise levels. Offering guests peace of mind, the RICHMOND collection is rounded off with a selection of front-opening and top-loading safes.

Quality Assurance & Certifications

Ensuring quality and durability is central to our pursuit of excellence. We uphold this pledge through rigorous product testing and quality assurance measures.

Our in-house testing facilities replicate real-life conditions, providing accurate insights into product performance across a diverse range of environments.

We prioritise regulatory adherence and ensure our products meet compliance certifications. As quality and sustainability are intuitive to our operations, we have the expertise to identify and address social and environmental risks early in the product design process. Our procedures help us analyse and manage risks that can affect the quality of our products and services.



EQM/ECAS

As one of the few in our industry, our BAGNODESIGN and AQUAECO products are certified with EQM (Emirates Quality Mark) for compliance within the UAE. All partner brands are ECAS compliant. Customers can be assured that our products are of high quality with effective water efficiency, manufactured by an organisation that implements a high-standard quality management system.



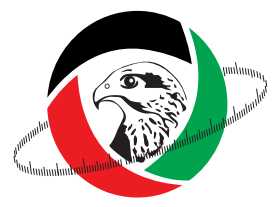
ECAS

Restriction of Hazardous Substances (RoHS) regulates the use of certain hazardous substances in electrical and electronic equipment. G-Mark (GSO) is for products compliant to be sold within GGC member states and is a mandatory requirement for low voltage electrical equipment (LVE), ensuring its safety for consumer use. SANIPEX GROUP categories under these certifications include appliances, washroom hand dryers and lighting.



MOIAT

We are MOIAT certified to comply with UAE and Gulf standards. MOIAT certifies compliance for electrical (ECAS) and mechanical (EQM/ECAS) products, ensuring safety and quality assurance as well as optimal water efficiency. Water output levels are tested and graded to economise water consumption in the UAE.



SASO

Saudi standards, Metrology and Quality Organisation SASO product certificate of Conformity (PCOC), verifies our mechanical and electrical products entering Saudi Arabia are free from defects that may affect the health and safety of consumers. All our water fixture products conform to the specifications of SASO 2655/2656 for Water Efficiency labels.



G-Mark (GSO), IECEE, SQM

Multiple certification systems ensure product safety and compliance in Saudi Arabia, including G-Mark (GSO). The international scheme for Mutual Recognition of Test Certificates for Electrical Equipment (IECEE) ensures the safety of electrical and electronic equipment, devices and components and recognised in over 50 countries, including Saudi Arabia. Products include coffee machines and dishwashers. The Saudi Quality Mark (SQM) ensures building materials and other relevant products comply with the technical regulations and specifications of Saudi Arabia. Categories covered include tiles, slabs and gas appliances.



LEED & WELL

With LEED and WELL v2 2018, our products contribute to points across various categories for approaches to water and energy consumption with our touchless sensor-operated ranges and flow-restricting aerators promoting utmost water efficiency.



WRAS

Many products are WRAS-approved for Europe & UK. To attain WRAS certification many of our whole products such as shower valves and basin mixers undergo mechanical and water quality testing for approval to demonstrate products are of an appropriate quality and standard.



ISO

As an ISO 9001:2015 (Quality Management System) accredited company, our primary focus is the customer. We aim to source and provide high-quality and long-lasting products while ensuring that the service provided during both pre- and post-sales activities is of a continually high standard. As a Group, we are dedicated to reducing our impact on the environment through preventing pollution from our products & services. We are committed to complying with all applicable legal, regulatory and statutory environmental requirements, including those of our interested parties in accordance with ISO 14001:2015 (Environmental Management System).

Green Projects

Our project portfolio encompasses some of the world's most sustainable buildings and largest scale institutional developments. Below is an outline of our prominent projects.

Our Specification Team are experts in compliance for large-scale projects and can guide in specifying products to meet exacting client requirements.



DEWA Headquarters | Dubai

Our extensive range of resource-efficient products enabled us to collaborate on DEWA headquarters in Dubai, the largest and smartest government Zero Energy Building in the world. In achieving esteemed sustainability recognitions, DEWA HQ attained a Platinum rating by LEED (Leadership in Energy and Environmental Design) and a Silver rating from the WELL Building Standard.



Zayed International Airport - Terminal A | Abu Dhabi

Sustainability is a cornerstone of Terminal A's design sensibilities. SG supplied a total of 900 standard and accessible washrooms for the public areas, main terminal, lounges, and all 81 gates, ensuring the terminal now features water-efficient fixtures, surpassing Estidama benchmarks by 45%. Thanks to our comprehensive supply, water-saving measures are met through flow reducers and aerators and carefully chosen concealed cisterns.



Sustainability Pavilion EXPO 2020 | Dubai

The Expo city was designed to be a model for sustainable urban planning and for future cities that aim towards net zero emissions. SANIPEX GROUP supplied several of the pavilions – including the Sustainability pavilion – with durable, water and energy-saving touchless handwashing and drying products. To achieve LEED Gold certification for the Conference & Exhibition campuses, specific water restrictions were met: basin mixers were designed for a 20% reduction, while cisterns were created with 2.5L and 4L flushing, and showers with 7.5L flow rate per minute.

Sustainability Framework

Sustainability Strategy

Meeting the needs of the present without compromising the ability of future generations to meet their own needs. by United Nations Brundtland Commission 1987

Our sustainability strategy is based on three core pillars: people, planet, and profit. Because they are interconnected, we address these pillars equally for long-term sustainable growth across the entire value chain.

Within our organisation, we are cultivating a culture of sustainability by raising awareness through social events, regular training and workshops. We also work closely with clients and suppliers to embrace a transformational approach aimed at benefiting all stakeholders. In the long run, this empowers growth, builds sustainable competitive advantage and drives a positive societal impact.

We also have robust environmental, health and safety and quality management policies in place to uphold these commitments and continue to operate according to international best standards.

We have aligned our sustainability strategy with the United Nations Sustainable Development Goals (UN SDGs). Three goals are most relevant to our business operations:

SDG 6 Clean Water and Sanitation
SDG 8 Decent Work and Economic Growth
SDG 12 Responsible Consumption and Production

We also align our strategy with the UAE Sustainability goals:

Net-zero by 2050
National Climate Change Plan of the UAE 2017-2050
Environment Vision 2030 led by the Government of the United Arab Emirates.



Sustainability Strategy

At SANIPEX GROUP, our sustainability strategy comprises nine modules, categorised into three pillars:

Social

Diversity and Inclusion

We give equal opportunity regardless of gender, age, nationality or religion. With over 600 employees from over 40 nationalities, we deepen the level of diversity by welcoming individuals with different mindsets.

Health & Safety

In our production and warehouse facilities we have robust health and safety guidelines in accordance with Jebel Ali Free Zone regulations and provide continuous training for our staff to ensure minimal risks and hazards. In the past 2 years, there have been no major recordable injuries in our warehouses. We also require our suppliers to provide relevant health and safety certifications.

Talent Management

We foster an inclusive and supportive workplace culture and encourage innovation, collaboration, and fresh thinking from every team member. Certified as a Great Place to Work® in the UAE for 2023-2024 based on direct employee feedback, we value and support our employees while enabling them to achieve their full potential.

Environmental

Resource Optimisation & Circularity

We follow the waste management hierarchy of reduce, reuse, and recycle in our operations. Most of our products and packaging are made from recycled or recyclable materials and by offering durable, high-quality products, we actively support the circular economy. We reuse 96% of our pallets and recycle all warehouse and production waste through a certified third party.

Water Efficiency

We place great importance on water efficiency both during production and throughout the life-cycle of our products, offering water-efficient technology such as flow regulators to ensure compliance with national and international standards. We recycle water used at our Slab Fabrication facility, saving 3.5m+ litres per year.

Energy & Emissions

SANIPEX GROUP acknowledges our responsibility in conserving energy and combating climate change. We supply efficient products and work with suppliers aiming for net zero to promote clean energy. We can improve our energy efficiency by using energy management systems, enhanced commissioning and more efficient appliances.

Economic

Governance & Compliance

We follow all laws, directives, norms, and standards set by the UAE government.

Supply Chain Sustainability

All our suppliers are required to follow the health, safety and quality standards specified by our quality team. 67% of our suppliers are ISO 9001* certified and have their own environmental policies. Furthermore, we are improving our audit questionnaire to include environmental compliance measures for a more thorough assessment.

Green Operations

We are dedicated to improving efficiency in our warehouse, production and distribution operations, for instance, the use of biofuels for all our trucks reduces our emissions within the UAE by 5%. In addition, we are optimising transportation routes thanks to dedicated route-planning software. Recently, we conducted our first pilot electric vehicle and aim to transition to electric trucks in the future.

*ISO 9001 is an international standard that sets out the requirements for a quality management system.

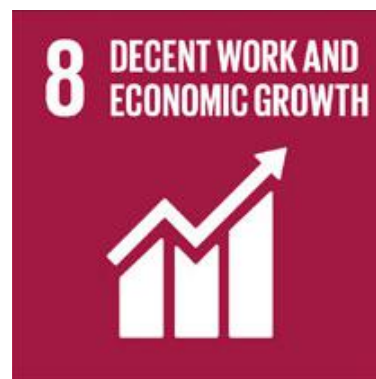
Impact SDGs

The Sustainable Development Goals (SDGs) outline 17 goals to be achieved globally between 2015 and 2030. Of the 17 goals, we identify three most relevant to our business operations.



Clean Water & Sanitation

Hygiene, sanitation, and safe drinking water standards are met through our water-efficient fixtures and sanitary products, alongside water recycling at our Slab Fabrication facility. Being Estidama and LEED compliant, our water fixtures adhere to national and international green building standards and are tested in IAS*-accredited labs with an 'A' rating in Water Efficiency. In addition, the AQUAECO Kitchen Filter mixer purifies tap water, to offer safe drinking water while reducing plastic bottle use.



Decent Work & Economic Growth

We sustain decent work and economic growth by fostering a workplace culture that puts emphasis on the health, safety and well-being of all our employees. By the same token, we contribute to economic growth by the local assembly and fabrication of tiles, slabs and related products, which in turn supports the local community by creating job opportunities.



Responsible Consumption & Production

Most of the product emissions come from the supply chain activities, product life-cycle and disposal. Our products are built to last and come with extended warranties, which encourages responsible consumption. We use sustainable materials like stainless steel and brass in our water fixtures. These materials are durable, resist corrosion, and can be recycled endlessly. All our production facilities adhere to strict environmental standards and are accredited with ISO 14001 certification.



*The International Accreditation Service laboratory is internationally recognized standard for competence and reliability in testing and calibration activities.

Materiality Assessment

As part of GRI Standards, materiality assessment is vital for an organisation to report information about its most significant impacts on the economy, environment and people.*

Our annual materiality assessment shapes our sustainability strategy. We intensify efforts to acknowledge and measure our significant impacts on society, the environment and the economy.

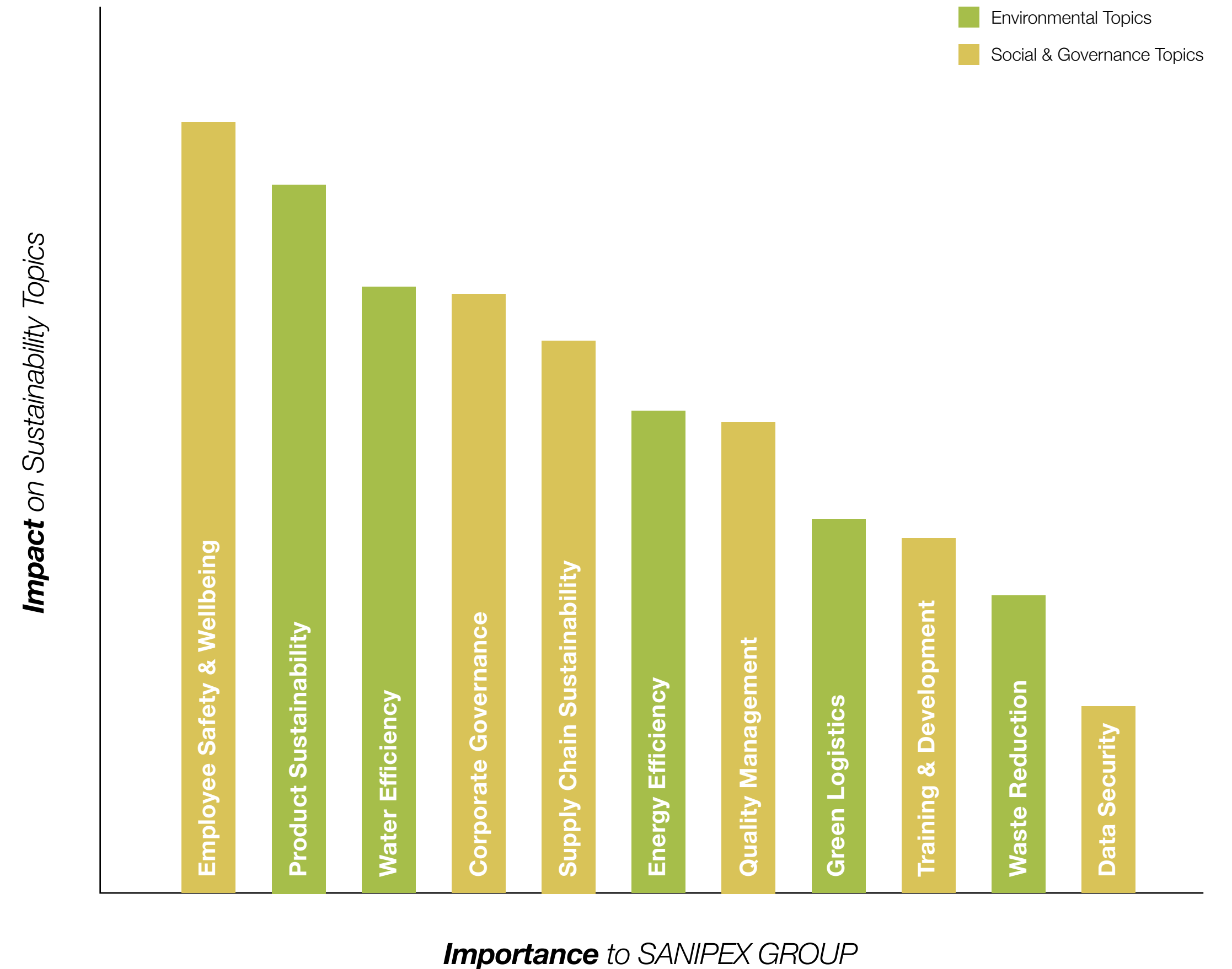
Our board of directors holds annual meetings to redefine our sustainability strategy, set targets for the short and long term, and measure the feasibility and impact of these targets. To increase our sustainability performance, we have recently appointed a new Sustainability team.

With a Focus

The Sustainability team collaborates closely with the board of directors, management, and relevant business units to make our products and services sustainable. We focus on implementing measures to reduce emissions, enhance social impact, and maximise the long-term value of the business. To identify and assess our most significant impacts, we have conducted quantitative and qualitative materiality analysis through GHG calculations, data collection, industry research as well as meetings with senior management. Their findings identify four material topics that represent the most significant impacts on society, the environment and the economy:

- Environmental impacts of products**
- Business ethics**
- Environmental and social impacts of our operations**
- Employee wellbeing and safety**

These material topics are divided into 11 subtopics in the following assessment graph, evaluating their significance in line with GRI Standards.



*Global Reporting Initiative Standards are widely accepted and used by companies that publish ESG Reporting, allowing organisations to publicly report the impacts of their activities in a structure that is transparent to stakeholders and interested parties.

Product Sustainability

Product Sustainability

We make a conscious effort on-site, during manufacturing and with the products we offer, to maintain our duty to the environment.

From manufacturing to disposal, we improve the circularity of our products throughout their entire life-cycle. To do this, we use durable, recyclable materials, practice responsible manufacturing and implement water-saving technologies.

Our Products

Our product portfolio helps our clients to choose high-quality, luxury products that have a minimal environmental impact while following strict national and international guidelines.

Here, we detail some of the many eco-conscious products and materials used in our offerings.



Brass and stainless steel are key components in many BAGNODESIGN brassware products. They are highly recyclable and possess antimicrobial properties for increased hygiene. 28.6% of our BAGNODESIGN mixers are manufactured using clean energy sources. The brand offers 11 brassware finishes, most of which come with a 5 to 10-year guarantee for peace of mind while reducing the need for frequent replacements.



BAGNODESIGN Touchless basin mixers feature a water-saving Eco Power sensor technology and lithium battery for 100,000 cycles without external power, reducing 0.62 kg of electronic waste.



BAGNODESIGN concealed cisterns, thanks to a dual-flush mechanism use as little as 2 litres for a half flush. Compact in design, these cisterns maximise the space without the need for additional construction or expansion, promoting sustainable urban development.



BAGNODESIGN Alpine basin and countertop range utilises FSC-certified* timber and 25% recycled Wedi boards. These do not absorb water and therefore protect against mould, assuring longevity, without the need for frequent, resource-intensive repairs.

*Forest Stewardship Council Management Certification ensures that products come from responsibly managed forests.

Product Sustainability

Each of our products is manufactured using high-quality materials and a great attention to detail. This ensure longevity which reduces the need for frequent replacements.



BAGNOQUARTZ

The BAGNOQUARTZ range of composite bathtubs and basins combines crushed minerals and resin to create durable, eco-friendly products. These handcrafted products are insulating which means they conserve water temperature and reduce energy consumption. Their stain and scratch-resistant qualities minimise the need for harsh cleaning agents and extends the product lifespan, minimising its environmental impact.



AQUAECO

The AQUAECO Kitchen filter is an eco-friendly alternative to single-use plastic, offering purified water straight from the tap. The filter system removes contaminants while retaining essential minerals and can be responsibly recycled and reused. It was recognised as a finalist in the Sanitaryware category at the Sustainability Awards 2021.



BYSTRO

BYSTRO energy-efficient kitchen appliances emerge as compelling choices, especially for large-scale projects. With an A++ energy rating and Eco Mode, its built-in dishwasher uses less water and electricity during wash cycles. With an A+ energy rating, the built-in Ferrara oven – with its large 120-litre capacity – allows users to cook large quantities without spiking energy costs. BYSTRO makes smart design changes to reduce raw material usage and increase the use of recycled and renewable materials. This approach reduces the level of reprocessing and maximises the use of existing molds during production.

Product Sustainability

Durable materials that are built to last.

GYMKHANA

GYMKHANA outdoor furniture features fabrics and braids made from solution-dyed Italian yarn with UV protection and antioxidants with a patented spinning process, ensuring durability and resistance against sunlight, salt, chlorine, and stains for a longer product lifespan. All braids are composed of a high-tenacity yarn that maintains its strength for many years.

To ensure durability of its furniture, GYMKHANA uses non-toxic PE wicker* that is easy to clean, recyclable, and has high tensile strength to prolong its lifespan.

GYMKHANA in-pool loungers, for example, are made from 100% recyclable virgin plastics, are rated UV20 against 20,000 hours of direct sunlight, and offer fade resistance. Its outdoor umbrella poles are mainly crafted from FSC-certified wood and the fabric used offers a high UV50 for ultimate sun protection.

100%
RECYCLABLE

100%
ATOXIC - ANTIALLERGIC
according to OEKO-TEX Standard 100 Class 1

100%
RESISTANT
to Mold & Bacteria

UV RESISTANCE FOR ALL BRAIDS

EN ISO 105 B 02 "Light Resistance":
Graded 7 (Max. 8 Blue Scale)
EN ISO B 04 "Weather Resistance":
Graded 4 (Max. 5 Grey Scale)

EXCELLENT

**RESULTS TO DRY & WET
FRICTION TESTS**
EN ISO 105-X12 Graded 4-5 (Max. 5)

RESISTANCE TO LIQUID STAINS

including sunscreen cream:
EN ISO 12720 4/5 Graded (Max. 5)



*PE wicker - synthetic material that is made from high-density polyethylene fibres, which are woven together to create a durable and weather-resistant material.

Product Sustainability

We make a conscious effort during manufacturing to maintain our duty to the environment.

TILES & SLABS

All our custom solutions like washbasins, countertops and outdoor kitchens are made from European-produced porcelain slabs, which have a lower environmental impact throughout their entire life-cycle. Our offering emits zero volatile organic compounds (VOCs) and is easy to maintain without harsh chemicals, promoting a healthier living environment.

Porcelain is long-lasting and durable, reducing the need for replacements. It uses natural abundant materials like clay compared to scarce resources like its marble competitor. Furthermore, with the proper facilities, porcelain can be recycled into aggregate material.

Advancements in manufacturing, such as energy-saving kilns, contribute to reducing energy consumption. Most of our tiles and slabs contain recycled materials that come with Environmental Product Declarations (EPDs).

Brand	Recycled Content	Environmental Product Declaration (EPD)	Recyclable	VOC Content
Johnson Tiles	20 - 90 %	√	√	VOC Free
Panaria Ceramica	40 %	√	√	VOC Free
Fap Ceramiche	20 %	√	√	VOC Free
Cerdomus	>40 %	√	√	VOC Free
Florim Stone	28 %	√	√	VOC Free
Terratinta Ceramiche	40 %	√	√	VOC Free





Minimising
Environmental Impact

Environmental Policy

As a Group, we are committed to minimising environmental impact through pollution prevention in our products and services.

We comply with ISO 14001:2015* and all relevant environmental regulations and requirements.

Key Commitments

- Aim to use sustainable resources where possible.
- Continue our pursuit of our 'Reduce, Re-use, Recycle' objectives.
- Reducing waste across offices, showrooms, production facilities and warehouses.
- Promote environmentally sound products through design.
- Achieve product certifications and approvals where applicable.
- Consider the life cycle perspective of all products, services and activities.
- Communicate this policy to all employees and interested parties to ensure compliance and awareness.



*ISO 14001:2015 is an internationally recognized standard for environmental management systems (EMS), providing a framework for organizations to design and implement an EMS, and continually improve their environmental performance.

Green Procurement

Proud of our partnerships, we collaborate with innovative and sustainable suppliers, to guarantee the use of clean energy sources, eco-friendly materials, and resource-efficient products.

Supplier Assessment

Close collaboration with our key suppliers is essential to achieving our sustainability goals. We source products from leading global brands, carefully chosen to suit our company and our client's needs.

We conduct surveys with all our suppliers and detailed assessments for top suppliers to ensure effective quality and environmental management systems. New supplier factories undergo audits to verify compliance with manufacturing standards and worker health and safety.

For next year, we are developing a more detailed audit policy to establish stricter health and safety protocols, as well as environmental compliance for new suppliers.



Supplier Practices

We collaborate with suppliers who have strong environmental commitments. 67% have ISO 14001 certification and/or an environmental policy, and an equal percentage hold ISO 9001 for Quality Management System.

The majority of our suppliers source from clean energy outlets. Amongst our top twenty suppliers, 34% of the energy used is sourced from renewable sources. Notable examples include Italian brassware manufacturer **Nobili**, which has achieved net-zero carbon emissions by using 100% renewable energy, recycled materials and eco-friendly packaging. Its Suno production plant has a 1 MW photovoltaic system installed on its roofs which reduces energy consumption by 40%. **Bossini** fulfils all its energy needs through a cogeneration plant. With a leap towards environmental sustainability, they have also recently introduced a trivalent chromium plating process, free of harmful hexavalent Chromium VI. **Geberit** makes durable, long-lasting sanitaryware that saves water. 79% of its electricity comes from renewable sources.

Our Outdoor Living brands such as **Talenti** feature quality, durable materials like FSC certified Accoya wood, teak and recyclable aluminium to withstand harsh climates, minimising the need for frequent replacements. Similarly, our Lighting brands incorporate recycled fabrics and locally sourced materials like **Murano** glass and brass. Leading by example is **Olé Lighting**, which removes over 4 tons of plastic from oceans every year by recycling and integrating it into its cord collections.

Many of our Tiles and Slab brands use eco-friendly technologies to produce products with carefully extracted raw materials and recycled materials. For example, **FAP Ceramiche**'s positive environmental impact is outlined in its own certified Environmental Product Declaration (EPD) and clean manufacturing processes, while **Del Conca** recycles 100% of process water, dust and production waste.

Eco-Friendly Choices

For our clients, we help to save both water and energy with our touchless items that offer pre-set flow rates and temperatures. Flow restrictors are also installed in many of our mixers, as well as from our partner brands to maximise efficiency.

Thermostatic shower valves for our showers help customers to preset temperatures while Fit-Air shower head technology from **Bossini** increases airflow to reduce water usage.

Increasing the energy efficiency of the hotelier, and their guests, **Aliseo** consistently develops processes that extend product life cycles. Meanwhile, **Dolphin** has a deep sense of responsibility to provide sustainable washroom products, notably its commercial sensor taps which help save of 70% water, and its low-energy hand dryers.



Carbon Emissions

Measuring our GHG footprint helps us to identify the major sources of our emissions and build upon our action strategy.

Over the last two years, we have computed our emissions for both Scope 1 and Scope 2.*

Our greenhouse gas (GHG) emissions in the UAE increased by 22.7% and energy consumption by 10.1% compared to last year. However, our energy unit consumption per employee decreased by 10.2% from 2022 to 2023. The increase in GHG emissions is mainly due to our exponential growth: sales rose by 13%; we opened two new UAE showrooms, one in Abu Dhabi and the other in Sharjah; and our workforce has since expanded by 23% from the previous year.

Scope (in tonnes of CO2e)	FY 2022	FY 2023
Scope 1 Direct Emissions: Emissions from company trucks	597.7	855.7
Scope 2 Indirect Energy Emissions: Electricity consumed in our facilities	971.1	1070
Total GHG Emissions	1569	1925



GHG Reductions Target 2024

5 % Reduction of GHG emissions (Scope 1 and Scope 2) from 2023 Baseline

Scope 3 Emissions

We are in the process of developing a methodology to compute Scope 3 emissions for upstream activities in the coming year. This will include freighting goods, waste generated in operations and business travel.

Issue	KPI	Unit	FY 2022	FY 2023	Target for improvement
Energy	Electricity	kWh	3,128,741	3,448,100	We are aiming to reduce our electricity consumption by 5% next year
	Energy intensity of sales	GJ / 000 AED	0.029	0.028	We are aiming to reduce energy intensity of sales by 10% next year
	Unit consumption per employee	mWh / employee	6.2	5.6	Maintain consumption rate at low level
	Vehicle Fuel	Litres	204,102	310,551	Maintain consumption rate at low level
Water	Water Supply	m3	5856	8286	Maintain consumption rate at low level

*The Greenhouse Gas (GHG) Calculations were calculated using the United Nations Framework Convention on Climate Change (UNFCCC) Greenhouse Gas Emissions Calculator.

Water Efficiency

We prioritise water conservation in our operations and during the usage of our products.

Mindful Water Usage

All our water fixture products comply with international green building rating standards, are tested in IAS-accredited laboratories and have received an A rating in water efficiency. Additionally, all our products meet the specifications of SASO 2655/2656* for water efficiency labels and Technical Regulation M.A-156-16-03-06.

Our kitchen filters giving access to fresh filtered water while drastically reducing plastic bottle usage. They work by removing any contaminants such as sediment particles, trihalomethanes (THM's) that may be present. They also remove metals, bacteria, chemical residues and other volatile organic compounds. A solid block carbon water filter will also remove contaminants while retaining healthy mineral deposits that balance the pH of the drinking water.

Safe Water Quality

Following the Sustainable Development Goal 6 (SDG 6) - Clean Water and Sanitation, our water fixtures are crafted from high-quality materials like stainless steel and brass, which inhibit bacterial growth and ensure the delivery of clean, safe water. They undergo rigorous testing in accredited laboratories to meet strict safety standards. Our fixtures help maintain the integrity of water systems and ensure consumer well-being.

Water Recycling in Slab Fabrication Facility

In our Slab Fabrication facility, we use water for cutting, profiling, and grooving porcelain tiles to not only ensure a precise cut, but also to reduce dust inhalation. This operation consumes up to **124,000 litres per day**. To manage this, we have partnered with a leading UAE water treatment and recycling specialist to install a custom water treatment and recycling plant on-site. Using techniques like gravitational separation, media filtration and chemical treatment, we treat and recycle the water to reduce our consumption by a staggering **3.5m+ litres per year**.



*SASO 2655/2656 - Water efficiency labels for faucets, showers and toilets based on the Saudi Arabia Water Efficiency Regulation.

Energy Efficiency

We ensure energy-saving measures are applied across our operations.

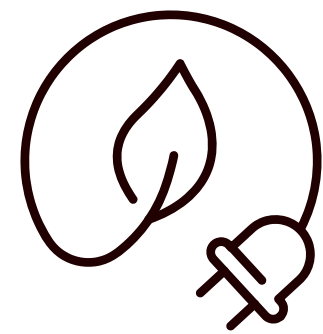
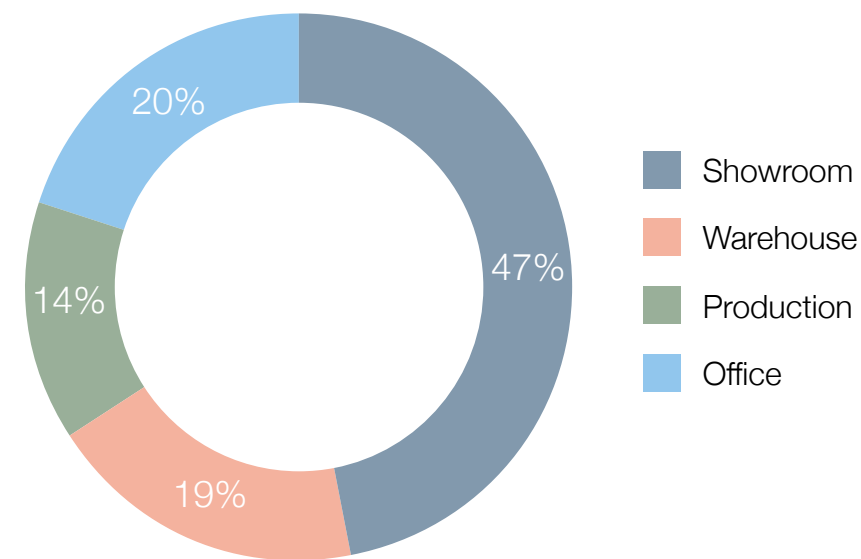
Energy Efficiency on Site

In recent years we have improved our energy efficiency across all our offices by replacing fluorescent lamps with LED lighting, using energy-efficient office equipment, and installing skylights in our warehouses and production facilities. Our energy intensity of sales decreased by 2.7%. However, we acknowledge the need for further action to reduce energy consumption by 5% next year through energy audits, AC system improvements, employee training and collaboration with energy experts.



LED lights installed across our offices to minimize energy usage.

Electricity Consumption Breakdown



Eco Minded
5% Goal to reduce electricity consumption from 2023 baseline



Skylights in our warehouse and production facilities eliminates the need for lighting during the day.

Reduction From Source

At SANIPEX GROUP we follow the waste management hierarchy, giving top priority to waste prevention from source, followed by re-use, recycling and finally disposal.

In the last year alone, we diverted 123.5 tonnes of waste from landfill. By recycling our major waste streams, we are reducing the need to extract new resources like metals and timber and keeping waste out of landfills.

Responsible Recycling

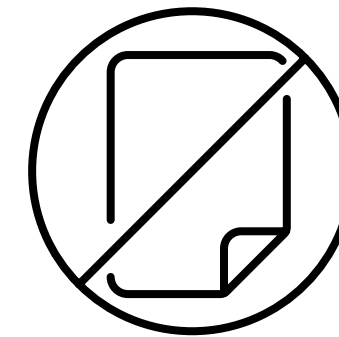
In our Jebel Ali facilities, we manage waste by segregating recycled materials into three main streams: paper, plastic, and metals. These are placed into baling machines which compress the waste for easy storage and transportation and are later collected by a verified third-party recycling company. Over the past year, 123.5 tons of waste were successfully diverted through certified recycling processes, including metal, paper, plastics, and e-waste. Our e-waste recycling ensures safe disposal of confidential data and responsible recycling by verified partners. Any materials that cannot be recycled or do not have a recycling facility in the UAE are disposed of safely by the municipality.

Hazardous Waste

The only hazardous waste we generate is the garnet abrasive used in water jet cutting, and that is 100% recycled. This waste is responsibly managed by the producer, who retrieves it and ensures it is properly recycled.

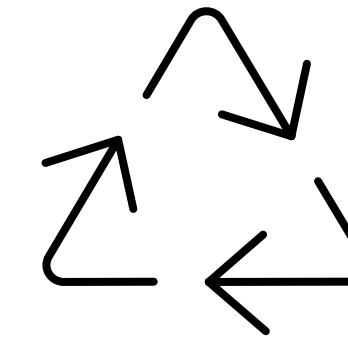
Reducing Tile Waste

The waste generated at our Slab fabrication facility is re-purposed by transforming it into new products. Exploring new possibilities, we are investigating the potential of incorporating porcelain waste from our fabrication process into an innovative range of recycled tiles. At present, our facilities generate 394 tons of ceramic waste and 314 tons of wood waste, accounting for 21% and 17% of total waste. Due to the lack of recycling facilities in the UAE, these materials currently go to landfill.



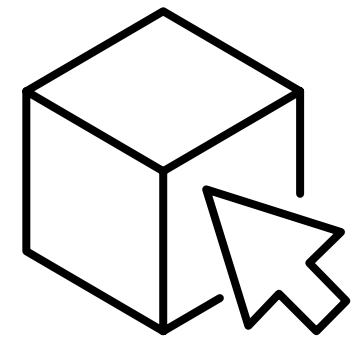
Going Paperless

Last year, we reduced our paper usage by five tonnes. This by integrating digital apps and devices into our internal processes, offering paperless deliveries and providing QR code access to our marketing resources.



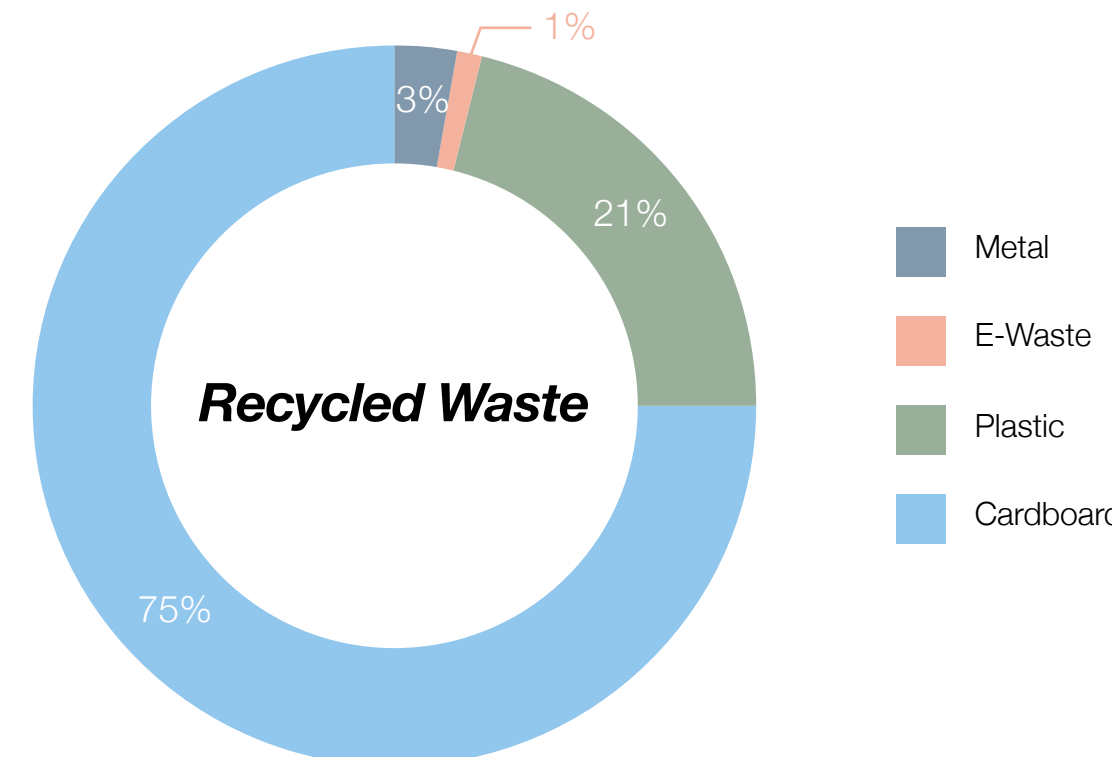
Pallet Reuse

We reuse 96% of our pallets. With an in-house carpenter to repair each pallet, we can reuse the pallets received from suppliers and after each customer delivery.



3D Modelling

Using CAD software reduces waste during manufacturing by creating detailed 3D illustrations for products and interior spaces. This helps us visualise tile fitting and installation while minimising errors and material waste in our Slab Fabrication facility.



Recycled Waste	Weight (tons)
Cardboard	92.5
Plastic	26.2
Metal	3.7
E-Waste	1

Green Logistics

With over 6000 shipments per month, we recognise the impact of our logistics on the environment. Because of this, we are working to cut emissions all while improving operational efficiency.



Route Optimisation

Our transportation routes are optimised with route planners, GPS tracking, and advanced software to help us better plan deliveries and minimise fuel consumption. Additionally, we have set up a consolidation centre in Italy to streamline multiple small shipments from suppliers into full container loads, making full use of our existing routes and resources.



Navigating Towards Green Logistics

We currently use grade B5 biodiesel, accounting for 5% of our diesel consumption. Our goal is to increase this to B10, reaching 10% biodiesel within the next 2 years. Additionally, we aim to reduce air travel imports in the coming year to mitigate the environmental impact as it is more emission-intensive than sea and road freight. Since 2019, we have gone paperless in our logistics operation, eliminating 3.8 million sheets, equivalent to 19 tonnes of paper within the past four years.



E-Truck Initiative

This year, we have conducted a trial with electric trucks offered by Admiral. These electric trucks were recently introduced in the UAE, and we aim to be amongst the first companies to include them in our fleet.

Social Sustainability

Statement of **Philosophy**

At SANIPEX GROUP our intentions are to maintain a work environment that cultivates personal and professional growth for all employees.

Empowering Our Employees

Collaboration fuels our growth at SANIPEX GROUP. We are a family; we are a team, and we work together to deliver the best possible service to our customers.

We cultivate a thriving workplace culture that values and supports every employee while enabling them to achieve their full potential.

Maintaining such an environment is the responsibility of every SANIPEX GROUP employee by:



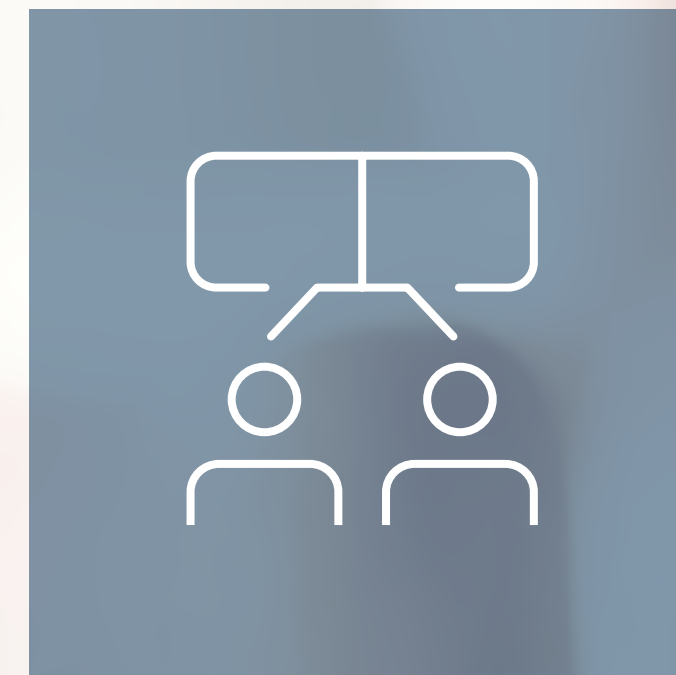
Fostering **cooperation** and communication amongst each other



Treating each other fairly; with **dignity and respect**



Promoting **teamwork** collaboration in all relationships and ensuring performance standard expectations are met



Encouraging **open communication** with managers



Nurturing the **growth and development** of employees

Great Place To **Work**

Certified as a Great Place to Work® Middle East for 2023-2024, we proudly rank 16th amongst the top workplaces in the UAE.

Our employee feedback has been the driving force behind such an achievement, with an approval rate of 94%, compared to a UAE average of 68%.

We conducted an external employee satisfaction survey as part of the certification, allowing teams to provide feedback on their experiences.

We plan to conduct this survey annually to track our progress and respond effectively to feedback. Our results showed an average of 90% across statements such as credibility, respect, fairness, management, integrity and equity.

According To Our Employees:

- 98%** confirm SANIPEX GROUP to be a safe place to work.
- 96%** feel a sense of pride when working at SANIPEX GROUP.
- 95%** consider management to be ethical and honest.
- 88%** feel they are treated fairly, regardless of their race and gender.
- 84%** feel they are fairly compensated.
- 84%** feel encouraged to balance their work-life balance.

We also secured **18th place** for **Best Workplace for Millennials™ 2024** in the GCC in the Large Company category. Creating a dynamic, inclusive, and purpose-driven work culture is at the heart of what we do for all our employees.



Diversity & Inclusion

With over 600 members of staff from 40 nationalities at SANIPEX GROUP, we are proud to acknowledge that 20% of our employees have contributed their expertise for over 10 fulfilling years.

We covet a broad spectrum of talent, embrace ideas and perspectives from all sources, and strive to provide each individual with the opportunities they require to contribute to our success and to feel a sense of belonging and personal growth.

Diversity At A Glance

40+ Nationalities

21% Female = 36% of which are in managerial positions

79% Male

Women's Role In Our Success

In an industry that has long been male-driven, the women of SANIPEX GROUP are breaking this trend. Comprising 21% of our employees, of which 36% hold key managerial and leadership positions, our women contribute to every aspect of our business including finance, customer service, business development, HR, marketing and merchandising.



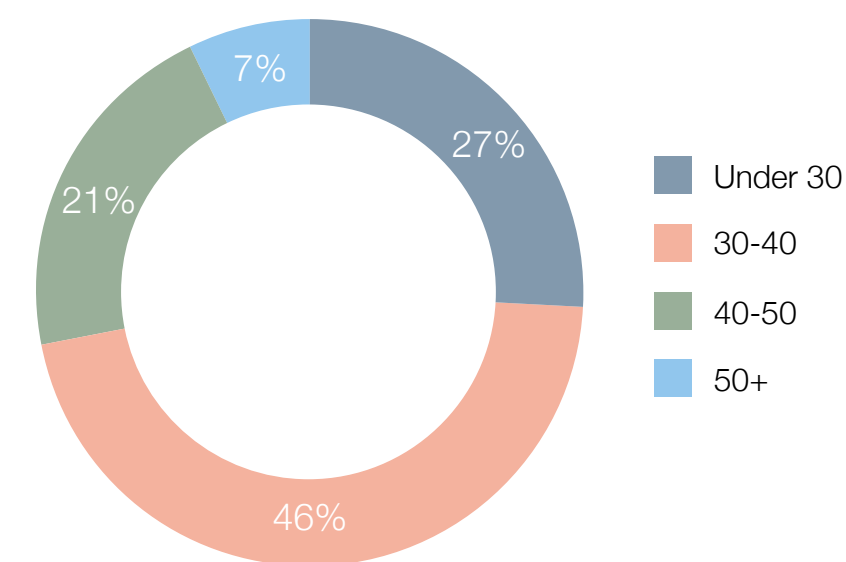
Workforce Composition

Due to rapid expansion, our workforce has increased by 23% compared to last year.

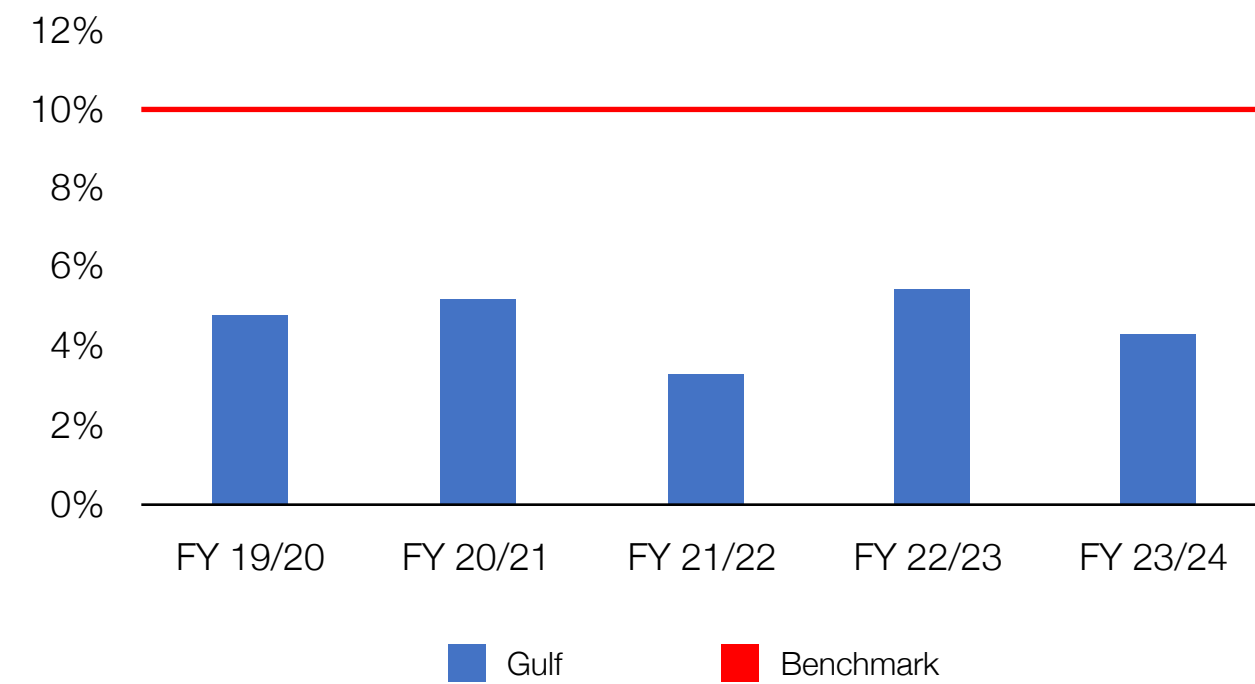
Our objective is to attract and retain top talent as an attractive employer with an open corporate culture and plenty of career growth opportunities. Our low employee turnover rate shows that our employees are staying with SANIPEX GROUP for a longer time. This success stems from how we manage talent, our engaging corporate culture, how we recognise talent, and our fair and equal treatment of our people.

	FY 2022	FY 2023	Comparison FY 2022-2023
Male	397	490	
Female	106	127	
Total	503	617	22.7%

Employee Age Group



Employee Attrition Rate



Engaging Events

At SANIPEX GROUP, we believe companies that play together stay together.

Through engaging team-building activities and social events, we aim to strengthen bonds and boost morale, nurturing a positive culture where each member feels valued and connected. This is essential for our employee's personal growth and the success of the company as a whole.

Our annual staff parties in the UAE and Qatar celebrate success and recognise team contributions. We participate in sporting events like the Dubai Corporate Games 2024, padel, and cricket tournaments, alongside initiatives such as Breast Cancer Awareness Month. Cultural celebrations like Onam, Christmas Jumper Day and festive workshops in our UK offices, including wreath-making, also bring people together where spirits are high. Our family spirit and legacy are celebrated through reunions, such as a recent gathering that brought together our original SANIPEX team members. These events ensure their legacy continues to inspire younger family generations to follow in their footsteps.



Engaging Events

Dubai Corporate Games

We actively engage in sports events to promote health and wellbeing of our people, cultivate camaraderie and strong team unity.

Spirits were high as the SANIPEX GROUP team participated in the Dubai Corporate Games 2024. Showing up with spirit, energy, and teamwork, it was inspiring to see our people giving their all and representing our company with such pride. Due to the huge success of this we will participate in next year's event.



Sanipex Summer Series

We proudly mark our 3rd year sponsoring this action-packed race series.

Every year, we sponsor the action-packed SANIPEX Summer Series, which takes place at the prestigious Dubai Offshore Sailing Club (DOSC). This thrilling-seeking series brings together keen ocean paddlers of all skill levels for 8 weekends, with around 100 participants competing.



Learning & Development

Our in-house academy ensures training and development is at the forefront of SANIPEX GROUP as we strive for excellence in everything we do.

With our dedicated Learning and Development team, we are fully invested in creating an environment in which our professionals can grow with us.

We promote personal development by regularly supporting and encouraging employees to pursue both internal and external training courses. These courses aim to enhance their skill sets, which they can then apply in the workplace. We encourage internal advancement and regularly look to existing employees to fill positions within to boost motivation and morale.

Training Academy

All new joiners to SANIPEX GROUP start their journey at our Training Academy in Dubai, where we conduct regular refresher and new product training sessions. In 2023, we expanded our training facilities to include a Kitchen training centre at our Jebel Ali Product Development facility. This ensures that all our teams are fully equipped to provide the best possible advice to our clients.

Our partner brands from around the world join us at our academies to provide comprehensive on-site training. This ensures they possess the knowledge to confidently address any questions from clients.



Learning & Development

Attaining valuable skills and new experiences is a big part of well-being.

Flexible Learning

A workplace challenge we face is that language and cultural differences can affect training comprehension and delivery. To overcome this, we offer simplified training materials with translation options and multiple language sessions.

Employees often cite time constraints as a major barrier to participating in training. To rectify this, we offer flexible training timings, locations, and short, easy-to-complete modules.

Irrespective of location, we are committed to training all members of the business. We invite many of our trade clients and partners to join us and learn first-hand about our business structure through warehouse and showroom tours. We also provide them with in-depth training on existing products and highly anticipated previews of our product launches.

Latest Trainings

Our Learning and Development team updates training content and methods to stay current with industry changes and SANIPEX GROUP's evolving product portfolio.

Sustainability training is now part of our induction program, and we plan to offer quarterly sessions next year to promote a more eco-conscious culture.

Management Development Programme

The Management Development training programmes prepare employees for leadership roles with new skills and knowledge. Introduced in 2023, they offer tailored training opportunities and have subsequently strengthened careers within SANIPEX GROUP.

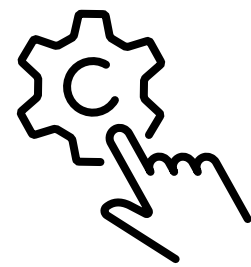


Learning & Development

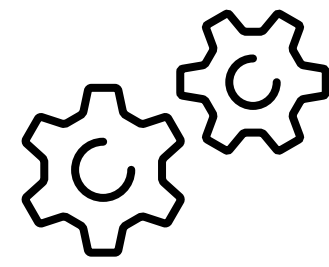
Investing in Growth.

Our SANIPEX GROUP Graduate Trainee Programme offers recent graduates the opportunity to join our company and learn every aspect of the business from the ground up. Trainees have the flexibility to specialise in areas where they feel they can add the most value, including Sales, Marketing, Product Development, Human Resources and IT.

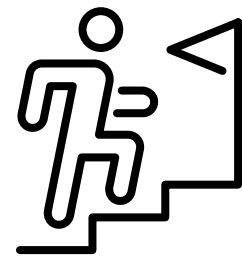
Upon successful completion of the programme, trainees who achieve an excellent performance score are offered a permanent role, marking the start of their career at SANIPEX GROUP. Since its launch in 2020, our programme has onboarded 14 graduate trainees, 11 of whom are currently part of our team.



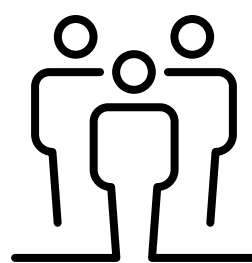
Hands-on experience in every department for 12 months



Comprehensive understanding of various functions and operations within the organisation



Clear pathways for **career progression** within the organisation



Opportunities to **network** with other professionals



Chance of **permanent placement** after successful completion



Health & Safety

No Recorded Injuries in the Past 2 years.

Maintaining a clean record of no major work-related injuries within the past two years is one of our many significant accomplishments, and a testament to the high safety standards we set within our organisation.

Adherence to Regulations

Our Health and Safety practices follow the guidelines set by the UAE and Freezone authorities to maintain a safe working environment for everyone. We have implemented a robust health and safety management system which identifies, assesses and mitigates risks.

Health & Safety Measures

In the last year alone, 373 hours of health and safety training were conducted. All employees receive comprehensive H&S training during onboarding and regularly attend refresher courses. All employees in our warehouse and production facilities are equipped with appropriate H&S equipment. First aid responders are stationed at our offices, and defibrillator devices are available at our Jebel Ali and Dubai showrooms for emergencies.

Monitoring & Audits

Weekly safety audits are conducted internally to ensure ongoing compliance and identify areas for improvement. Third-party audits by JAFZA authorities are also conducted. Our warehouse manager oversees monthly inspections of pallet racking for safe pallet placement and daily checks of forklifts are performed to ensure worker safety.

Incident Reporting

Employees across our facilities are encouraged to report incidents as soon as possible. Incident reports are documented for thorough investigation and to implement preventive measures system which identifies, assesses and mitigates risks.



Health & Safety

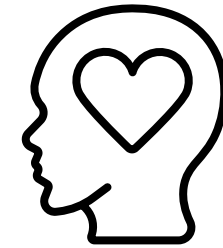
Ensuring the health and wellbeing of our employees is our priority. We know that a team that is both healthy and happy contributes greatly to our success.



Health Check-ups



Fitness Challenges



Wellness Webinars

Placing a strong emphasis on supporting the mental health and emotional wellbeing of our employees, we recently rolled out new wellness initiatives aimed at encouraging self-care and personal development:

Health Initiatives:

- Discounted flu vaccinations across the UAE
- Free voucher for breast cancer screening during Pinktober

Free Wellness & Development Webinars:

- Healthy eating and gut health during Ramadan
- Investing and financial literacy
- Corporate social responsibility (CSR) webinars
- Legal wellness

These efforts aim to reduce sickness-related absences, boost productivity and improve employee engagement, satisfaction and motivation.





Governance & Ethics

Governance & Structure

Effective governance and structured organisational frameworks are essential for fostering sustainable growth at SANIPEX GROUP.

Through strong governance, we can effectively manage human, environmental, economic and financial resources, upholding our accountability, transparency, and efficiency while following all regulations.

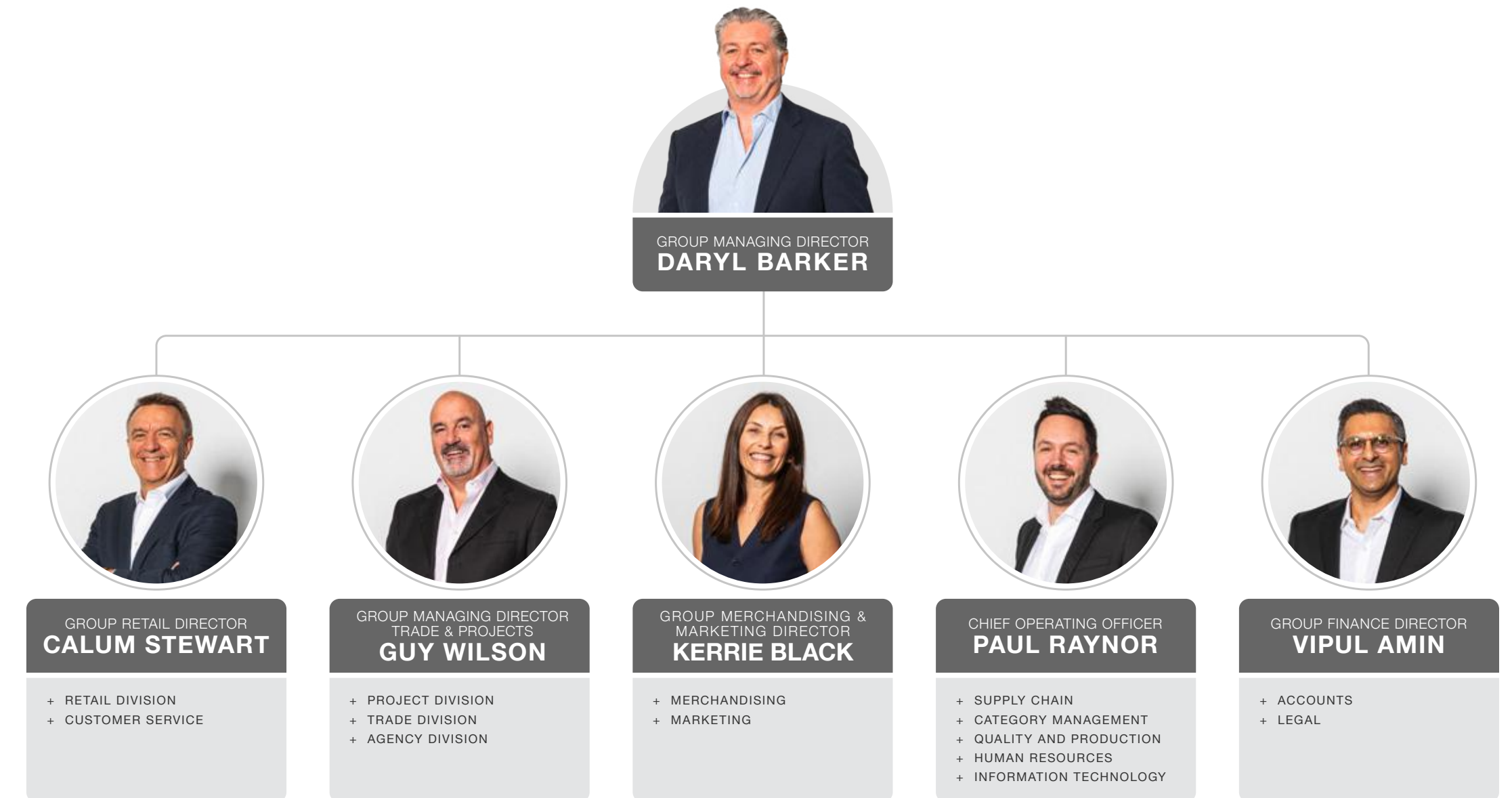
SANIPEX GROUP is operated by a Main Board of Directors: Group Managing Director, Chief Operating Officer, Group Finance Director, Managing Director of Trade & Projects, Group Retail Director and Group Marketing Director.

Group Board Meetings are held monthly and chaired by the Group Managing Director.

The Group Board is responsible for all aspects of Executive Management, Strategic planning and Legal and Accounting compliance across the business. The Group Board determines the priorities and targets for all aspects of the business and the standards of performance required. In addition, Environmental and People policies are the responsibility of the Group Board.

Under the Board is a Senior Management Team that consists of sales and departmental leaders who guide and execute strategic priorities.

EY conducts an annual financial audit of all our business entities. This audit assures EY and our shareholders that our financial statements fairly represent SANIPEX GROUP's financial position. It also adds credibility to our financial statements, giving shareholders confidence that the accounts are accurate and reliable.



Ethics & Integrity

Our organisational culture is shaped by equal treatment and respect for one another.

Regulation Compliance

We are operating in accordance with all applicable laws and regulations set by the UAE government and JAFZA freezone.

Standards of Conduct

All of our employees are expected to comply with the offer letter, adhere to the intent of all relevant laws, and refrain from any illegal, dishonest, or unethical conduct. Our code of conduct outlines all the guidelines to be followed by our employees to uphold our company's ethics and integrity.

All employees are expected to:

- Perform duties with care, diligence, professionalism, loyalty and integrity.
- Treat colleagues with courtesy and be sensitive to their rights, duties and aspirations.
- Not to take, or seek to take, improper advantages of any official information acquired during official duties; and behave in a manner that maintains or enhances SANIPEX GROUP's reputation and professional standing.
- Maintain confidentiality of all information received during employment at all times.
- Prohibit the offering, giving, soliciting, or receiving of any form of bribe.

Discrimination

SANIPEX GROUP prohibits any acts which may directly or indirectly be construed as discrimination or harassment based on (including without limitation):

- Age
- Race, ethnic origin, nationality or skin colour
- Gender
- Religious or political convictions
- Membership or non-membership of a trade union
- Disabilities, illness, sensor impairments or learning difficulties

Disciplinary and Grievance Procedure

Disciplinary action at SANIPEX GROUP follows a structured escalation path: verbal warning, followed by three written warnings with possible dismissal on the third warning. Any grievance is mandated to be addressed to the immediate supervisor with notification to HR. Further escalations are arbitrated by the relevant Director and HR.



Data Security

Confidentiality and the protection of customer information is important to us. We secure all personal data we receive with the latest technology and cyber security.

Sanipex Data, ERP System and Enterprise web applications are protected by Role Based Access Control (RBAC) permissions. These permissions are centrally managed and assigned to staff upon onboarding or at the line manager's request. Encryption is a crucial layer for our data protection strategy, and it is applied to the ERP System, Enterprise Web applications and Sanipex Data Centre.

We are implementing a Cyber Security Awareness programme for all employees, detailing best practices and protocols to protect against online threats and safeguard sensitive data.

Each year, we run a data destruction and asset disposal programme with local partners in the UAE, Qatar and the UK. This ensures that all data is recycled and decommissioned assets are properly destroyed according to industry standards, making sensitive information unrecoverable.

Our ERP System and Enterprise web applications are equipped with DigiCert SSL Security certificates, ensuring all data communication occurs over HTTPS protocol and is encrypted with 256-bit symmetric encryption.

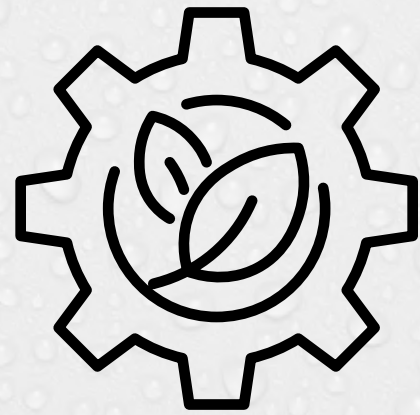
We stay updated on the latest security developments and trends as well as emerging risks, threats and vulnerabilities.



Future Initiatives

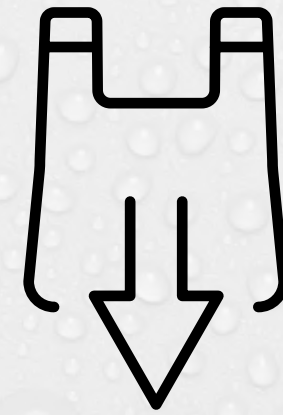
Future Initiatives

This year, we celebrate our achievements and look forward to expanding our sustainability efforts next year to reduce our environmental impact and create a positive impact on society.



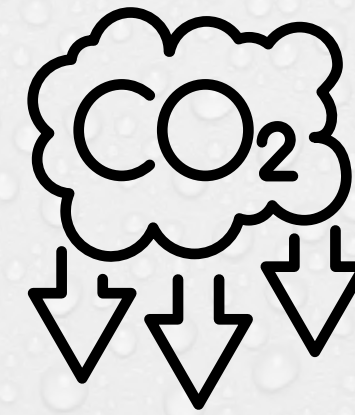
Product Sustainability

- Increasing product sustainability through collections like BAGNODESIGN PVD Oyster and Soft Burgundy brassware finish
- BAGNODESIGN and GYMKHANA will launch the new Beach House range, featuring natural wood furniture, durable fabrics and weather-resistant Grade 316 stainless steel outdoor shower columns that stand the test of time
- Introduction of responsibly-sourced teak wood furniture within new GYMKHANA ranges
- Introducing an all-in-one kitchen filter system with a sparkling water feature and, to further reduce plastic consumption



Eco-Friendly Packaging

- Transitioning to reusable options in warehouses wherever feasible
- Increasing the recycled content of our packaging
- Eliminate single-use plastic where possible



Reduce Emissions

- Decreasing emissions intensity by 10%
- Conducting energy audits across all facilities and implementing efficiency measures
- Evaluating opportunities to install solar panels at our Jebel Ali facilities



Invest in Greener Logistics

- Increase the use of biofuel in our delivery trucks by 10% by transitioning from B5 to B10
- Evaluating the possibility using electric trucks



Increase Awareness

- Hosting quarterly trainings on sustainability topics
- Community engagement events
- Becoming members of various green building organisations
- Increasing supplier audit screening to enforce environmental compliance

Appendix

Operational Emmissions

<i>FY 2022</i>					<i>FY 2023</i>					
Category	Emmissions Source Category	Amount	Units	tCo2e	Emmissions Source Category	Amount	Units	tCo2e	% of change YoY	
	Diesel (average biofuel blend)	34,558	litres	86.8	Diesel (average biofuel blend)	242,137	litres	608.3	600 %	
	Diesel	151,647	litres	410.3	Diesel	44,498	litres	120.4	-70.7 %	
	Petrol	17,987	litres	42	Petrol	23,916	litres	55.9	33 %	
Scope 1	Refrigerants	28	kg	58.5	Refrigerants	34	kg	70.9	21.2 %	
	Total			597.65	Total			855.7	43 %	
	Electricity Purchased	3,128,741	kWh	971.1	Electricity Purchased	3,448,100	kWh	1,070	10.1 %	
Scope 2	Total			971.1	Total			1,070	10.1 %	
Total Operational Emissions				1568.7	Total Operational Emissions				1925.3	22.7 %

GRI Content Index

GRI Content Index	Disclosure	2023 Response (page number)
GRI 2 General Disclosures 2021	2-1 Organisational details	About Us (p.8)
	2-2 Entities included in the organisation's sustainability reporting	About Us (p.8)
	2-3 Reporting period, frequency and contact point	About Us (p.8)
	2-4 Restatements of Information	No restatement were made in the reporting period, as it is Sanipex Group's first public disclosure report
	2-5 External assurance	No external assurance was obtained
	2-6 Activities, value chain and other business relationships	About Us (p.8)
	2-7 Employees	Workforce Composition (p.37)
	2-9 Governance structure and composition	Governance & Structure (p.46)
	2-10 Nomination and selection of the highest governance body	Governance & Structure (p.46)
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance & Structure (p.46)
	2-13 Delegation of responsibility of managing impacts	Materiality Assessment (p.19)
	2-14 Role of the highest governance body in sustainability reporting	This report has been reviewed and approved by the Board of Directors
	2-22 Statement on sustainable development strategy	Sustainability Strategy (p.17)
	2-23 Policy commitments	Sustainability Strategy (p.17)
	2-24 Embedding policy commitments	Sustainability Strategy (p.17-18)
	2-25 Processes to remediate negative impacts	Sustainability Strategy (p.17)
2-27 Compliance with laws and regulations	Ethics & Integrity (p.47)	
2-28 Membership associations	Sanipex Group is not member of any associations	
2-29 Approach to stakeholder engagement Our Stakeholders	Ethics & Integrity (p.50)	

GRI Content Index

GRI Content Index	Disclosure	2023 Response (page number)
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment (p.19)
	3-2 List of material topics	Materiality Assessment (p.19)
	3-3 Management of material topics	Materiality Assessment (p.19)
GRI 302: Energy 2016	302-1 Energy Consumption within the organisation	Carbon Emissions (p.28)
	302-3 Energy intensity	Carbon Emissions (p.28)
	302-4 Reduction of energy consumption	Carbon Emissions (p.28)
GRI 303: Water and Effluents 2018	GRI 3-3 Management of material topics	Water Efficiency (p.29)
	303-2 Management of water discharge related impacts	Water Efficiency (p.29)
	303-5 Water consumption	Carbon Emissions (p.28)
GRI 305: Emissions 2016	GRI 3-3 Management of material topics	Carbon Emissions (p.28)
	305-1 Direct (Scope 1) GHG emissions	Carbon Emissions (p.28)
	305-2 Energy indirect (Scope 2) GHG emissions	Carbon Emissions (p.28)
	305-3 Other indirect (Scope 3) GHG emissions	Currently, we do not calculate Scope 3 emissions
	305-4 GHG emissions intensity	Carbon Emissions (p.28)
	305-4 Reduction of GHG emissions	Carbon Emissions (p.28)
	305-6 Emissions of ozone depleting substances (ODS)	Operational Emissions (p.51)
GRI 306: Waste 2020	GRI 3-3 Management of material topics	Reduction from Source (p.31)
	306-1 Waste generation and significant waste-related impacts	Reduction from Source (p.31)
	306-2 Management of significant waste-related impacts	Reduction from Source (p.31)
	306-3 Waste generated	Reduction from Source (p.31)
	306-4 Waste diverted from disposal	Reduction from Source (p.31)
	306-5 Waste directed to disposal	Reduction from Source (p.31)

GRI Content Index

GRI Content Index	Disclosure	2023 Response (page number)
GRI 401: Employment 2016	GRI 3-3 Management of material topics	Ethics & Integrity (p.47)
	401-1 New employee hires and employee turnover	Workforce Composition (p.37)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Each employee is given a monthly salary consisting of basic salary & other allowances as per contract (e.g. housing allowance, transport allowance, bonus)
GRI 403: Occupational Health and Safety 2018	GRI 3-3 Management of material topics	Health & Safety (p.43)
	403-1 Occupational health and safety management system	Health & Safety (p.43)
	403-2 Hazard identification, risk assessment and incident investigation	Health & Safety (p.43)
	403-3 Occupational health services	Health & Safety (p.43)
	403-5 Worker training on occupational health and safety	Health & Safety (p.43)
	403-6 Promotion of worker health	Health & Safety (p.43)
	403-9 Work-related injuries	Health & Safety (p.43)
	401-3 Parental leave	New fathers and mothers are given 5 working days of parental leave, in addition to 60 calendar days of maternity leave for mothers
GRI 404: Training and Education 2016	GRI 3-3 Management of material topics	Learning & Development (p.41)
	404-2 Average hours of training per year per employee	Learning & Development (p.41)
	404-3 Programmes for updating employee skills and transition assistance programmes	Learning & Development (p.41-42)
GRI 405: Diversity and Equal Opportunity 2016	GRI 3-3 Management of material topics	Ethics & Integrity (p.47)
	405-1 Diversity of governance bodies and employees	Diversity & Inclusion (p.36)
GRI 414: Supplier Social Assessment 2016	GRI 3-3 Management of material topics	Green Procurement (p.27)
	414-1 New suppliers screened using social criteria	Green Procurement (p.27)

Glossary of Terms

Biodiesel - is a renewable source of fuel derived from plant, algal or animal biomass.

B10 Diesel - is a blend of 10% biodiesel and 90% conventional diesel fuel.

B5 Diesel - is a blend of 5% biodiesel and 95% conventional diesel fuel.

DigiCert SSL Security Certificate - is a digital certificate that authenticates a website's identity and enables an encrypted connection.

ECAS - UAE Emirates Conformity Assessment Scheme prescribes requirements for quality and safety for regulated products. The ECAS certificate is proof that the product has been approved by the UAE Federal Government through Ministry of Industry and Advanced Technology (MOIAT).

Employee Attrition Rate - measures how many employees leave a company over a period. It is calculated by dividing the total number of employee departures by average employee headcount and multiplying that by 100.

Environment Vision 2030 - was developed to ensure integration amongst the three pillars of sustainability: environmental, economic and social vision, aiming to preserve and enhance Abu Dhabi's natural heritage in the efficient use of resources and enhancing the overall quality of life for everyone.

EPD - Environmental Product Declarations are standardised, verified documents that transparently present credible information about a product's impact on the environment over its lifetime.

EQM - Emirates Quality Mark is a mark of conformity granted to products that demonstrate compliance with the relevant UAE national, regional and/or international standards and are manufactured by an organisation that implemented an effective quality management system to ensure continuous compliance.

ESTIDAMA - is a sustainability initiative in Abu Dhabi, UAE, promoting resource-efficient building practices through the Pearl Rating System, which evaluates the sustainability of buildings and communities.

FSC Certified - Forest Management certification ensures that products come from responsibly managed forests.

GHG Emissions - Green House Gas Emissions are gases in the earth's atmosphere that trap heat. Carbon dioxide, methane, and water vapour are the major sources of greenhouse gases.

Great Place to Work Certification - is an esteemed recognition awarded to organisations that demonstrate a high level of employee trust and satisfaction through a rigorous assessment of workplace culture and practices.

GRI Standards - Global Reporting Initiative Standards are widely accepted and used by companies that publish ESG Reporting. GRI Standards allow organisations to publicly report the impacts of their activities in a structured way that is transparent to stakeholders and other interested parties

HTTPS - Hypertext Transfer Protocol Secure (HTTP) is widely used encryption for secure communication over a computer network.

IAS Accredited Laboratory - The International Accreditation Service laboratory is internationally recognised standard for competence and reliability in testing and calibration activities.

ISO 4001 - is an internationally recognised standard for environmental management systems (EMS), providing a framework for organisations to design and implement an EMS, and continually improve their environmental performance.

ISO 9001 - a widely accepted standard for quality management, it helps organisations of all sizes and industries in enhancing their performance, fulfilling customer expectations, and showcasing their dedication to quality.

LEED - Leadership in Energy and Environmental Design is globally recognised and most widely used green building rating system globally. LEED certification provides a framework for healthy, highly efficient, and cost-saving green buildings, which offer environmental, social and governance benefits.

Materiality Assessment - is a process of identifying, refining and assessing the social and environmental topics that matters most to the organisation and its stakeholders.

National Climate Change Plan of the UAE 2017 - 2050 - is the UAE's comprehensive framework to address the causes and impacts of climate change, plan the transition into a climate resilient green economy and improve quality of life.

PE Wicker - a synthetic material that is made from high-density polyethylene fibres, which are woven together to create a durable and weather-resistant material.

RBAC - Role Based Access Control grant permissions to users based on their role within an organisation.

SASO 2655/2656 - Water efficiency labels for faucets, showers and toilets based on the Saudi Arabia Water Efficiency Regulation and their water efficiency consumption rates.

SaSO - Saudi standards, Metrology and Quality Organisation SASO product certificate of Conformity (PCOC), verifies mechanical and electrical products entering Saudi Arabi are free from defects that may affect the health and safety of consumers.

Scope 1 Emissions - GHG emissions that occur operated by the organisation (e.g., fuel usage on site, company vehicles)

Scope 2 Emissions - indirect GHG emissions associated with the purchase of electricity, steam or cooling.

Scope 3 Emissions - indirect GHG emissions that occur in an organisation's value chain activities.

UAE Net Zero 2050 Strategy - outlines the UAE's ambitious journey towards net zero, mainly focusses on enhancing efficiency, expanding the utilisation of renewable energy sources, implementing sustainable transportation and green building practices, incorporating nature-based solutions.

UN SDGs - United Nations Sustainable Development Goals, adopted by all UN Member States in 2015, outlines a blueprint for global peace and prosperity centred on the 17 SDGs. These goals urges all countries to work together to end poverty, improve health and education, and address climate change while protecting oceans and forests.

UV - Ultraviolet light.

VOC - Volatile organic compounds are emitted as gases from certain solids or liquids, they include a variety of toxic chemicals, which can cause short- and long-term adverse health effects. VOCs are emitted by a wide range of products numbering in the thousands. Examples include: paints, building materials, cleaning supplies.

WELL - established by International WELL Building Institute, it is an international building certification that focusses exclusively on human health and wellness.

WRAS - The Water Regulations Approval Scheme is an independent UK certification body for plumbing products and materials, helping businesses and consumers choose compliant products that maintain safe water quality.

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Thank You

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D O N O T P R I N T T H I S D O C U M E N T I F N O T R E Q U I R E D