المراعي®
Almarai

Doing Better Every Day

Sustainability Report 2024



Managing Sustainability at Almarai®

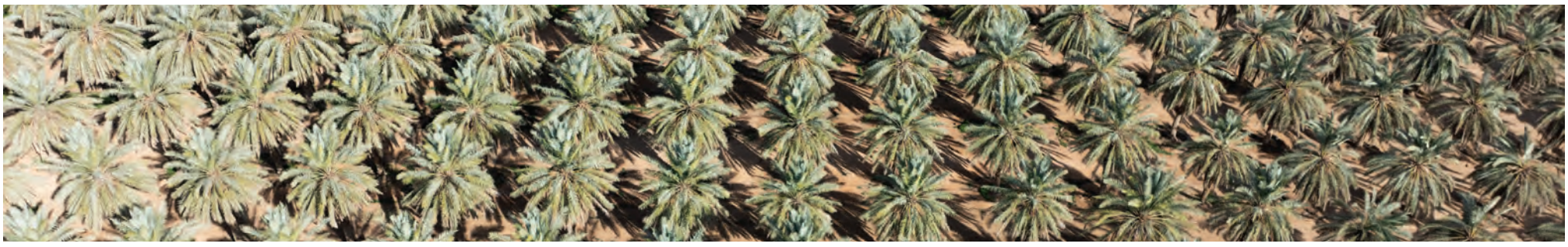
Caring for People

Protecting the Planet

Producing Responsible Products

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Management Messages

Message from our Chairman



“I am pleased to share with you Almarai's 2024 Sustainability Report. The report covers all the major highlights and the significant progress we have made in our sustainability initiatives in meeting the targets, objectives, and commitments outlined in our 'Doing Better Every Day' strategy. We believe sustainability is a strategic enabler for our current and future success and we expect our sustainability performance to improve day by day.”

Naif Bin Sultan Bin Mohammed Bin Saud Al Kabeer
Chairman of the Board

From an environmental perspective, we are committed to doing better every day, increasing our utilization of renewable energy, and improving our energy efficiency. Significant initiatives and transformations have been implemented across our operations, including biogas energy generation and irrigation improvements, while also achieving climate change targets such as water efficiency and waste reduction goals. Consequently, we remain first in Tadawul’s ESG ranking for the food and beverage sector. Our commitment to sustainability has also been amplified by our use of digital solutions, with cloud adoption enabling us to reduce waste and minimize our environmental footprint.

Throughout 2024, we maintained a strong commitment to social responsibility, both internally among our employees and through active engagement with our local communities. We prioritized employee’s health and wellbeing, local employment, youth empowerment, and diversity and inclusivity in line with global frameworks such as the United Nations Sustainable Development Goals (SDGs) and, nationally, the Saudi Vision 2030. Our initiatives included food donations, advocacy for health and wellbeing, and offering training and development opportunities. Moreover, our corporate social responsibility activities touched the lives of 50,000 individuals, helping us secure the Gold Award for Excellence in CSR and Community Impact at the inaugural CSR Awards 2024. This recognition acknowledges our efforts to positively impact the communities we serve.

Additionally, we have implemented measures aimed at ethical sourcing and sustainability within our supply chain. This includes developing an ethical sourcing process and an audit plan to verify our supplier’s adherence to our sustainability policies. Furthermore, we are dedicated

to collaborating with our suppliers to reduce their environmental footprint and to ensure the provision of safe working conditions for their employees.

Moving forward, our goal is to invest in ensuring that our people are well-equipped with the skills they need to help Almarai achieve its ambitious business goals, while continuing to invest in environmental initiatives to reduce our environmental footprint. We will also strengthen our HR infrastructure, enhance our HR policies, and ensure a robust corporate culture that promotes performance-driven success. Additionally, we will increase our efforts in ensuring our communities also benefit from our success. Importantly, the year 2025 will serve as a pivotal moment in our sustainability journey. It will mark the conclusion of our 2019-2025 sustainability strategy, providing us with an opportunity to evaluate our progress and accomplishments. Following this evaluation, we will develop a new sustainability strategy that will guide our efforts moving forward.

Message from our CEO

“This Sustainability Report sets out Almarai Group’s sustainability achievements in 2024, as well as the progress made towards reaching our 2025 sustainability goals. As the leading company in food and beverage industry, we are committed to driving progress and shaping sustainability in our sector.”



Abdullah Albader
CEO

Our dedication to the environment is evident in our “Protecting the Planet” pillar, which has guided us in implementing a series of impactful initiatives. Throughout the year, we have made substantial investments in renewable energy and energy-efficient technologies, which have reduced our carbon footprint. A key achievement as to that was the transition to 100% CFC-free cold storage across all our sales depots, thereby eliminating the use of substances that contribute to ozone depletion. Moreover, we have achieved our goal of increasing the fuel efficiency of our sales, distribution, and logistics vehicles by 10%, surpassing our target well before the 2025 deadline. Overall, we have made consistent progress in other critical areas, such as water conservation and waste reduction, as part of our 2025 sustainability roadmap.

On the social front, we have taken significant steps to support the wellbeing of our employees by continuing to invest in our workforce. This year, we have significantly expanded our development programs, offering nearly 75% more training hours compared to 2023 for our employees to grow professionally and excel in their roles. To strengthen our community engagement, we have implemented our strategic investment framework, which prioritizes Training and Development, Healthcare, Sports, and Donations. Looking ahead, we will continue to leverage this framework to assess the effectiveness and positive impact of our initiatives on the community. In our efforts to ensure the wellbeing of both our employees and consumers, we have rolled out a corporate nutrition strategy that meets international health standards. We have also achieved a significant health and safety milestone by attaining ISO 45001:2018 compliance across all our divisions, underscoring our commitment to maintaining the highest levels of a workplace safety.

Governance remains a crucial pillar for our operations, with strong leadership from our Board of Directors and executive team driving our agenda of producing responsible products. We have maintained rigorous compliance standards and have invested in building a strong team that upholds our values and mission. This year we achieved multiple milestones, with all 14 of our manufacturing facilities achieved Global Food Safety Initiative (GFSI) certification, reinforcing our commitment to world-class food safety standards. We also take pride in maintaining our record of zero product recalls and zero incidents of non-compliance with product safety standards. We are also continuing to honor our 2023 animal welfare certifications from National Sanitation Foundation (NSF) International for our farms and operations, which distinguished us as a leader in dairy and the first in Saudi Arabia for poultry to achieve such recognition. These accomplishments serve as a testament to our customers and consumers, ensuring that Almarai's food products are not only subject to rigorous quality and food safety testing but are also produced in adherence to the highest standards of animal welfare.

While we are proud of our achievements so far, we recognize that the journey towards sustainable business practices is an ongoing one. With the continued dedication and enthusiasm of our employees, I am confident that we will propel ourselves forward in the years ahead, enabling us to reach our 2025 sustainability goals and set more ambitious targets for the years ahead. I encourage you to explore this report, provide your feedback, and join us in our mission to create a better and more sustainable future.



Ahmad Abualghaith
EVP, Quality & Support Services

Message from EVP, Quality & Support Services

As the Executive Vice President of Quality and Support Services at Almarai, I recognize the critical importance of sustainability in our operations and the broader impact it has on our stakeholders and the environment. Our leadership team is dedicated to integrating sustainability into our business strategies, driving initiatives that enhance our operational efficiency while minimizing our environmental footprint. In this report, we will outline our progress, share our challenges, and celebrate our successes as we work together to create a more sustainable and resilient future for Almarai and the regions we operate in. The year 2024 has been pivotal for Almarai, marking a period where we have achieved most of our sustainability commitments. It has been a year dedicated to building up and reinforcing both existing and new policies and processes. This foundational work sets the stage for the next year, which will be a year where we establish new strategy, goals, and targets.

We extend our heartfelt gratitude to our leaders, partners and suppliers for their unwavering collaboration and commitment to our shared sustainability endeavors. A special appreciation also goes out to our dedicated team at Almarai and subsidiaries whose tireless efforts form the backbone of our sustainability accomplishments.



Abdulaziz Albader
Head of Sustainability

Message from the Head of Sustainability

As the Head of Sustainability at Almarai, I am proud to present our Sustainability Report, which underscores our commitment to achieving strategic sustainability objectives. Since launching our sustainability strategy in 2019, we have established measurable goals, implemented robust tracking mechanisms, and formed dedicated committees to ensure accountability and transparency. This year marks a significant milestone as we have successfully achieved most of our goals for 2025 across all three pillars of our strategy: Caring for People, Protecting the Planet, and Producing Responsible Products.

We take pride in our participation in COP16 where we showcased our initiatives to reduce carbon emissions, minimize waste, and lower energy consumption. Additionally, we signed the Net Positive Water Initiative, reinforcing our commitment to responsible water management. We also participated in KSA's flagship Sustainability Champions Program, as a mentor, reinforcing our commitment to promoting sustainable practices within our industry and beyond. Through this mentorship role, we were able to guide and support three partners from our supply chain in implementing effective strategies that align with KSA's sustainability goals.

It is important to note that our commitment to sustainability extends beyond environmental initiatives; it encompasses social responsibility and governance as well. We have made substantial progress in animal welfare, product quality, employee development, and health and safety compliance, achieving ISO 45001:2018 certification across all divisions. While we celebrate these accomplishments, we recognize that our journey is ongoing. With the dedication of our employees and stakeholders, I am confident we will achieve our 2025 sustainability goals and set even more ambitious targets for the future. I invite you to explore this report, share your feedback, and join us in our mission for a sustainable future.



About this Report

Welcome to our eighth annual sustainability report. The report contains an overview of our sustainability strategy, initiatives implemented, our targets, and our annual progress toward them, complementing the information provided in our Annual Report 2024.

Scope

This report covers our operations as Almarai Company. This includes our operations in the GCC (Gulf Cooperation Council), which includes Saudi Arabia, United Arab Emirates, Oman, Bahrain, Kuwait, and Qatar (referred to as 'Almarai'), Almarai's operations as Pure Breed and co-manufacturing. To the extent possible, considering data limitations, and the boundaries outlined above, this report covers all main operational and corporate functions, unless otherwise stated.

See Topic boundaries for more information.

Reporting Frameworks

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option (See **GRI Content Index** for full details).

Where relevant, we also show our contribution to the National Transformation Program (NTP) of Saudi Arabia's Vision 2030 and the United Nations Sustainable Development Goals (SDGs) (See **Alignment and Contribution to National and International Frameworks** full details).

Reporting Period

This report covers the period from 1 January 2024 to 31 December 2024, unless otherwise indicated.

Feedback

For questions or comments regarding this report and sustainability at Almarai, please contact us at: **sustainability@almarai.com**.

Report Assurance

This report is assured as per ISAE 3000 standard by a third-party independent auditing firm, Intertek Saudi Arabia Ltd. Please refer to the **Assurance Statement here.**

Topic Boundaries



Cautionary Statement:

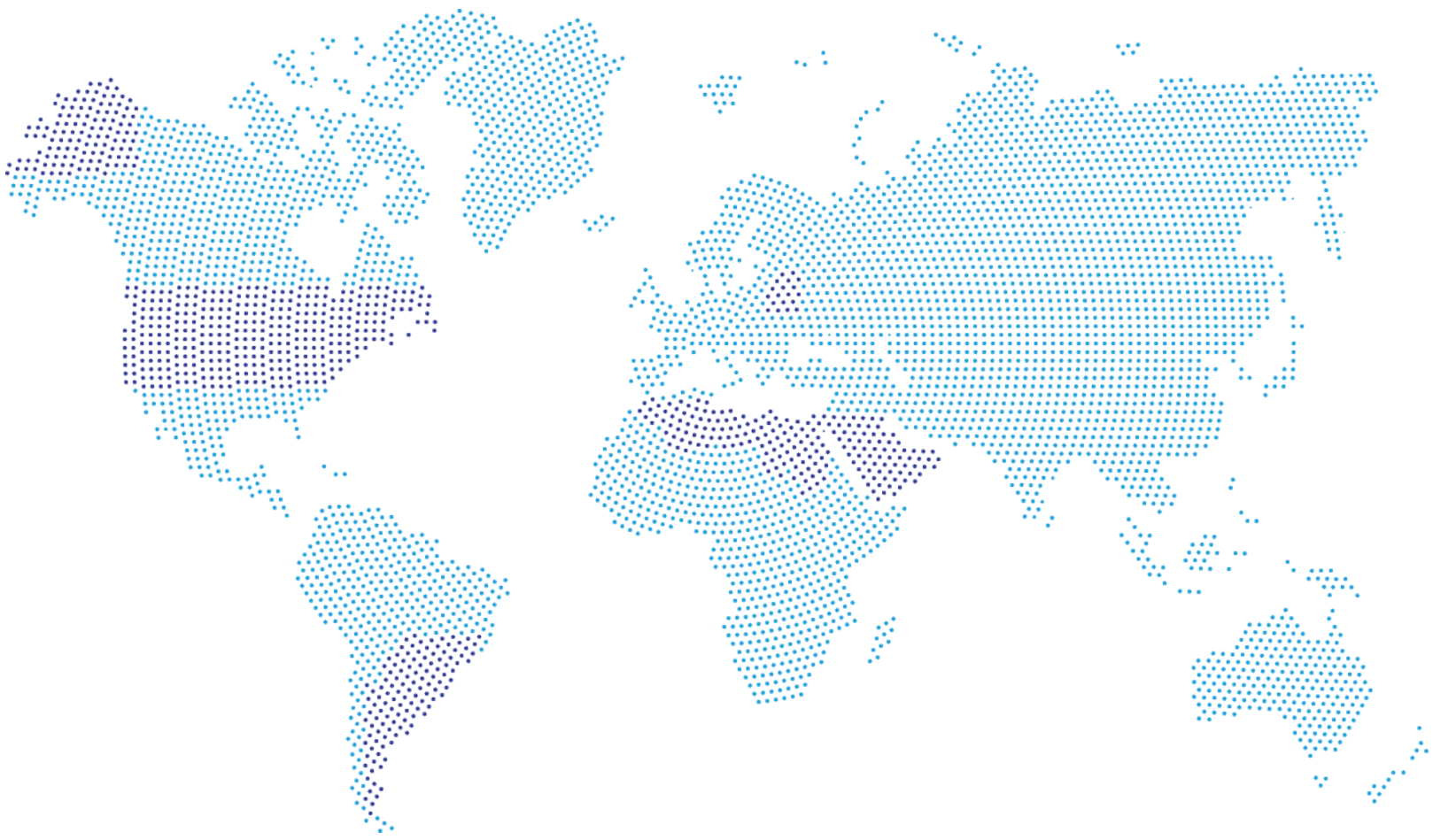
This report contains certain forward-looking statements that express the way in which Almarai, and its Subsidiaries intend to conduct its activities. These statements typically contain words such as 'anticipate,' 'believe,' 'expect,' 'estimate,' 'forecast,' 'intend,' 'plan,' 'project' or similar expressions. Such statements are based on assumptions made using currently available information that is subject to a range of uncertainties that could cause actual results to differ from these projected or implied statements. Any forward-looking statements contained in this report are therefore not promises or guarantees of future conduct or policy, and thus Almarai and its Subsidiaries assume no obligation to publicly update any statements made in this report. Almarai and its Subsidiaries rely on information obtained from sources believed to be reliable but does not guarantee its accuracy or completeness.



About Almarai®

Who We Are

Almarai Company, a publicly traded entity on the Tadawul Stock Exchange, is a Saudi-based leader in the food and beverage industry. Since its inception in 1977, Almarai has grown to become the world's leading vertically integrated dairy company and the largest food and beverage manufacturer and distributor in the Middle East. Our operations span the entire Middle East and North Africa (MENA) region. We have also established arable farms in the USA, Argentina, and Romania, to ensure a consistent supply of forage for our dairy herds.



How We Deliver

Almarai manages operations from farm to table across the value chain and region. Our journey begins at state-of-the-art farms and facilities in Saudi Arabia, where advanced production, processing, and distribution ensure the delivery of diverse, high-quality products.

Production

We procure high quality ingredients for our Dairy and Poultry products.

Processing

Producing high quality, nutrition rich products in our state-of-the-art processing facilities.

We embed innovation to develop new product categories to delight our consumers.

Distribution

We own more than 10,000 vehicles dedicated to deliver 2 billion kg of product on time and in perfect condition.

Our Transport and Logistics division is by far the largest in the entire Middle East.

Food Service and Retail

We cater to both food service and retail sectors, ensuring our products are available wherever consumers need them.

Home Cooks and Consumers

We provide high-quality products that home cooks and consumers can trust for their daily needs, encouraging healthy and sustainable eating habits.

Consumers In and Out of Home Channels

We serve consumers across various channels, including hotels, restaurants, and catering services, ensuring our products are accessible both in and out of home environments.

What We Do

Our product portfolio consists of four key categories: Dairy and Food, Juices, Bakery and Poultry. Within each of these categories, we are committed to delivering high-quality, nutritious, and healthy products to all our consumers. Additionally, we integrate sustainability-conscious practices into our operations and business decisions, ensuring a positive and lasting impact of our activities.

Dairy

Dairy is the cornerstone of Almarai's products, including Fresh Dairy, Long Life Dairy, and Foods. For over 45 years, we have built consumer trust and become the regional leader in various sub-categories.

Juices

No. 01 in the GCC fresh juice production offering a variety of juices and drinks to customers.

Bakery

Using high-quality ingredients and state-of-the-art facilities, we offer a variety of bakery products across the GCC, marketed under the L'usine and 7DAYS brands.

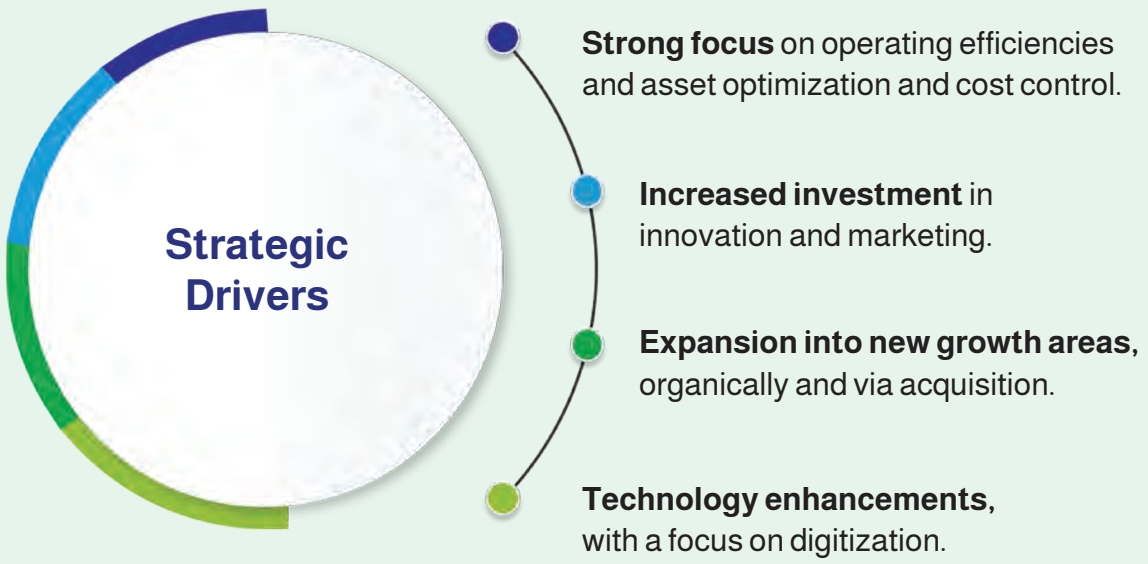
Poultry

Our poultry brand, Alyoum, is the top choice for consumers in Saudi Arabia, with over 55% brand consideration. Alyoum represents quality and innovation, reflecting our core values; the product range includes whole, portioned, and value-added options.

Most of Our Products Are Offered Under More Than 20 Brand Categories:

What Guides Us

Our growth is anchored on Almarai's 2025 Strategy, which aims to significantly scale up our investments in the poultry and envision to nearly double our supply through targeted investments.



Mission

To provide quality and nutritious food and beverages that enrich consumers' lives every day.

Vision

To grow our leading position as the trusted choice for food and beverages in the region, delighting consumers with quality nutrition every day.

Our Values (ASPIRE)

Our values are meant to guide our behavior and decisions in everything we do:

Adaptable: We are agile and flexible in our work, confidently taking bold decisions that benefit our stakeholders.

Sharing: We work together as one, openly collaborating and sharing skills & knowledge to enable our people to be the best.

Passionate: We are proud of the work we do and strive for exceptional results.

Innovative: We are driven to improve our business every day and to maximize the creative potential of our people.

Respect: We earn respect by embracing fairness, trust and integrity in all our relationships.

Excellence: We are diligent in our work and consistently deliver the best quality in everything we do.

Memberships and Certifications

Almarai aims to expand its business by collaborating with industry peers through memberships. We also ensure adherence to international standards like the International Organization for Standardization (ISO), which guides our adoption of best practices in the field.

ISO 27001:2013 - Almarai has achieved ISO 27001:2013 certification, demonstrating its commitment to information security.

ISO 22000:2018 – Almarai has achieved ISO 22000:2018 certification demonstrating compliance with stringent food safety requirements.

ISO14001:2015 - Almarai has achieved ISO 14001:2015 certification in several divisions, including the Sales, Supply Chain (D&L) Division, general operations in Al Khalidiyah, Riyadh, and the Poultry Division.

ISO 9001:2015 – Since 1996, Almarai has achieved ISO 9001 certification demonstrating compliance to Quality Management standard in Farming, Manufacturing Operations (Dairy, Food, Juice, IPNC, Bakery, Poultry, Premier Foods, Sales and Supply Chain).

FSSC 22000 – a Global Food Safety Initiative (GFSI) recognized certification, thisthis benchmark Almarai products acquired customers confidence in Almarai Food Safety program having a rigorous food safety system that ensure Almarai Quality you can trust products in the market.

ISO 17025 – Since 2023, Almarai Laboratories (Poultry, IPNC, Bakery, Dairy) has been certified with ISO/IEC 17025 the international standards for testing and calibration. It sets Almarai Laboratories requirements for the competence, impartiality, and consistent operation of Almarai laboratories, ensuring the accuracy and reliability of testing and calibration results.



An Exceptional Success Emphasizes Almarai's Leadership!

We are proud to announce that three of Almarai's laboratories have received ISO/IEC 17025:2017 accreditation from the Saudi Accreditation Center (SAC). These laboratories include CPP3, Bakery Al Kharj, and IPNC.

This achievement underscores our commitment to Quality you can trust. Thank you to everyone who contributed to this success!

إنجازٌ بارز يُرسخ المكانة الرائدة للمراعي!

يسرّنا الإعلان عن حصول ثلاثة من مختبرات المراعي على اعتماد الآيزو (ISO/IEC 17025:2017) من المركز السعودي للاعتماد. وتشمل هذه المختبرات مختبر المصنع المركزي في الخرج (CPP3)، ومختبر المخابز الغربية والمخابز الحديثة في الخرج، ومختبر الشركة الدولية لأغذية الأطفال (IPNC).

هذا الإنجاز يعكس التزامنا المستمر بالجودة وثقة عملائنا في كل ما نقدمه، شكرًا لكل من كان جزءًا من هذا النجاح!

WE @Almarai

Awards and Recognitions

Almarai takes immense pride and honor in receiving the awards and recognitions below. These achievements stand as a testament to its operational excellence across all business domains.



Forbes Sustainability Leaders Award

Almarai was honored at the Forbes Middle East Sustainability Leaders Awards 2024.



Gold winner at 2024 CSR Award

Almarai received the Gold Category Award at the 2024 Corporate Social Responsibility Awards in recognition for positively impacting over 50,000 individuals through various programs focused on community support, environmental sustainability, and economic opportunities its continuous efforts in social responsibility and sustainability.



Saudi Customer Experience Awards

Almarai received the Gold Award in the ‘Employees are at the Heart of Everything’ category for their ‘WE Care’ program.



Corporate Happiness Award

Almarai won the Corporate Happiness Award in the Workplace Recreation Excellence category in 2024.



Stevie for Innovation in the MENA Award

Almarai received the Innovation Award in Human Resources Management and Planning for its “Employee Integration Survey” initiative and the Innovation Award in Public Relations or General Services for its internal communication initiative, “We Almarai Ambassadors.”



ESG Invest Ranking*

Almarai proudly secured 1st place in the food and beverage sector 2nd place overall in Saudi Arabia.

*ESG Invest reports ranking by a couple of years late to the current year.

Doing Better Every Day

Sustainability Report 2024



Managing Sustainability at Almarai®



Sustainability Management at Almarai®

As the region's largest food and beverage company, Almarai plays an important social, environmental, and economic role locally, regionally, and globally.

By overseeing the collective management of our economic, environmental, and social impact, our goal is to optimize the mutual value we provide to our stakeholders, both presently and in the future. We persist in adopting cutting-edge methods to safeguard the welfare of our consumers and employees, invest in the communities we operate in, guarantee the wellbeing of our farm animals, preserve the natural environment, and foster substantial economic value.



Stakeholder Engagement



Alignment and Contribution to National and International Frameworks



Sustainability Governance



Defining and Prioritizing the Issues that Matter the Most



Sustainability Strategy



Stakeholder Engagement

We strive to engage in ongoing communication with stakeholders, including consumers, customers, investors, employees, regulators, and civil organizations.

At Almarai, we define our stakeholders as people or groups of people who can impact or who can be impacted by our business activities or relationships. We seek to understand and respond to the views and concerns of our diverse stakeholders who influence our business practices and corporate priorities.

The following table provides an overview of our key stakeholders, highlighting their significance to Almarai, their specific needs and expectations, the communication methods we use to engage with them, and the actions we take to meet their requirements:

Shareholders/ Investors

Importance:

Provide essential capital for sustainable growth. Almarai's future growth and success ultimately depend on its ability to attract investment domestically and internationally.

Needs:

Financial performance, efficient production, growth, dividends, contribution to economic development, share price, data disclosure and credibility, customer satisfaction and market share.

Channels:

Board of Directors meetings, public reports, Shareholders' Rights Policy, Investor Relations, Almarai Code of Conduct, Reporting Violation Policy and Global Anti- bribery & Corruption Policy and Procedures.

Responses:

Annual Report, Corporate Governance Code, Financial reports, Earnings presentations, Net income growth, Sustainability Report.

Consumers

Importance:

Our consumers are the core of our business. We aim for consumers throughout the region to choose Almarai first for their food and beverage needs.

Needs:

Product and ingredients quality, freshness, and safety, product nutritional value and health implications, product price, brand reputation, environmentally sound production practices, animal welfare, fair and ethical marketing, international recognition.

Channels:

Direct communication channels, social media channels, visitor tours, website, call center AND electronic mail.

Responses:

Direct dialogue with consumers on social media, including Facebook, Twitter, YouTube, Instagram, and more, monthly consumer surveys, consumer hotline and WhatsApp.

Employees

Importance:

Our employees are vital to our business success, as their commitment, dedication, and intellectual capital drive innovation within our organization and help us achieve our strategic goals.

Needs:

Fair payment and benefits, equal opportunity, engagement and motivation, transparent hierarchies, job security, training and career development, safe work environment and grievance mechanisms.

Channels:

HR Policy, training and development program, training needs analysis, employee grievance mechanism and employee satisfaction surveys (on an ad hoc basis).

Responses:

Housing allowance and transport, life/medical insurance, annual service award, recreational activities for work/life balance, talent assessments, e-learning and training program, management courses, Almarai Academy, Graduate Professional Trainee Program and WE@Almarai.

Governmental Regulatory Bodies

Importance:

We highly value our relationships with regulators and government stakeholders, as they play a crucial role in helping us manage business risks and ensure the production of safe, high-quality products for our consumers. We are dedicated to adhering to all legal and regulatory requirements.

Needs:

Compliance with national legislation and regulation, contribution to economic development, environmentally sound production practices, GHG emissions and impact on climate change and international recognition and certificates.

Channels:

Internal audit, stakeholder meetings and open dialogue, public reporting and working closely with regulators to develop improved standards.

Responses:

Corporate Governance Code, Annual Report, Sustainability Report, regulatory team meets regularly with government bodies, corporate affairs team meetings and government forums.

Civil Society Organizations

Importance:

As a people-centric business, we believe in contributing to the communities where we operate to build trust and strong relationships. We are dedicated to ensuring that access to quality and healthy food is a right, not a luxury.

Needs:

Corporate Social Responsibility (CSR) and engagement, funds and financial support, GHG emissions and impact on climate change, data disclosure and credibility, animal welfare, environmentally sound production practices and contribution to social and economic development.

Channels:

CSR activities, student learning opportunities and food donations.

Responses:

Food support for lower-income and vulnerable groups, educational awards, Dairy and Food Polytechnic and Almarai Driving School.



Alignment to National and International Development Frameworks

Saudi Arabia's Vision 2030 and National Transformation Program (NTP) have provided a comprehensive pathway for the country's future, guiding economic, social and environmental progress in the upcoming years.

The Sustainable Development Goals (SDGs) provide governments and businesses with a framework to realize sustainable development, which is an urgent call for action to eliminate poverty, preserve the environment, and ensure prosperity for all. This report has identified how our initiatives are contributing to the objectives of the NTP and SDGs, which is symbolized by the relevant icons that are placed before the relevant sections throughout the report.

Alignment to NTP

Click to download NTP 37 stategic objectives mapped in to the Eight Themes PDF

Caring for People

Strategy Focus Areas	NTP
Nutrition and Wellbeing	2.1.3
Health and safety	2.1.1 I 2.1.3 I 2.3.4
Employee Talent and Diversity	4.2.2 I 4.4.2 I 4.4.3
Community Investment	2.1.3 I 6.2.1

Protecting the Planet

Strategy Focus Areas	NTP
Packaging Innovation	2.4.1
Climate Change	2.4.1
Water Management	5.4.2
Waste Management	2.4.1
Sustainable Agriculture	N/A

Producing Responsible Products

Strategy Focus Areas	NTP
Quality and Food Safety	5.4.1
Animal Welfare	N/A
Ethical Sourcing	3.1.6 I 3.3.5

Alignment to SDGs

Click to download Sustainable Development Goals PDF

Caring for People

Strategy Focus Areas	UN SDGs
Nutrition and Wellbeing	2.2 I 3.4 I 17.16 I 17.17
Health and safety	3.4 I 3.6 I 8.8
Employee Talent and Diversity	5.1
Community Investment	1.2I2.1 I 2.2 I 4.3 I 17.17

Protecting the Planet

Strategy Focus Areas	UN SDGs
Packaging Innovation	12.2 I 14.1
Climate Change	7.2 I 7.3 I 9.4 I 13.1
Water Management	6.3I 6.4 I 6.5 I6.6 I17.16 I 17.17
Waste Management	12.3 I 12.4 I 12.5
Sustainable Agriculture	1.2 I 2.3 I 2.4 I 6.3 I 6.4 I 6.5 I 6.6 8.7 I 8.8 I 12.2 I 12.4 I 15.1 I 15.3 15.5 I 15.A I 15.B I 17.16

Producing Responsible Products

Strategy Focus Areas	UN SDGs
Quality and Food Safety	3.9
Animal Welfare	17.16
Ethical Sourcing	1.2 I 6.3I 6.4I 6.5I 6.6 I 8.7 I 8.8 I 12.2 12.4 I 12.7 I 15.1 I 15.3 I 15.5 I 15. A 15.B

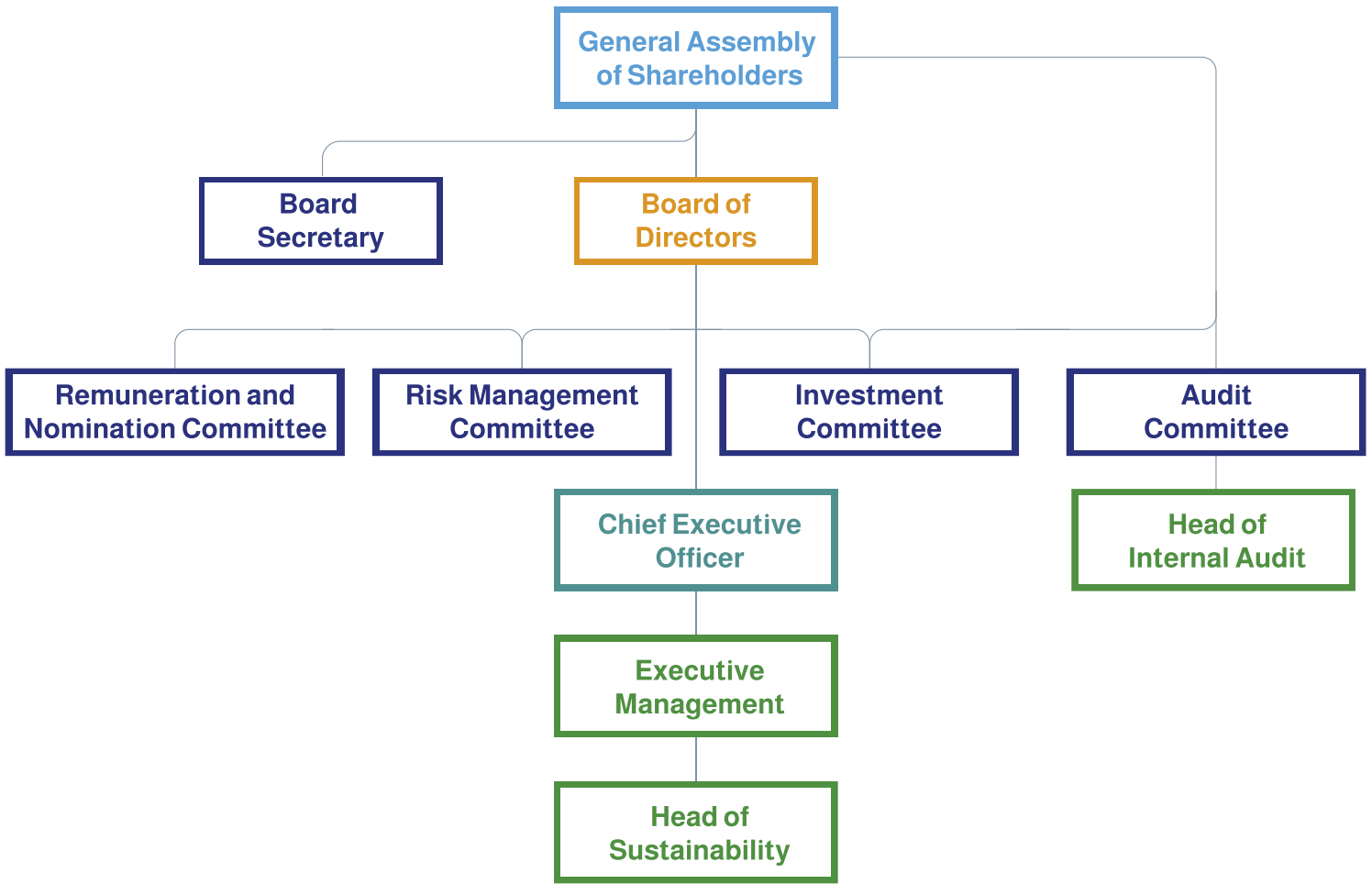


Sustainability Governance

Almarai is dedicated to delivering top-tier governance standards to its investors and has established a robust corporate governance strategy that establishes guidelines and protocols to uphold adherence to optimal practices.

Our Corporate Governance

At Almarai, our commitment to leading the food and beverage industry is deeply connected to our dedication to sustainable practices. We believe that our company's ongoing success relies on integrating environmental stewardship, social responsibility, and economic viability into the core of our business strategy. With this in mind, we have put in place strong governance systems and procedures that ensure our business actions are responsible and transparent, in line with the principles of Good Corporate Governance.



Governance Structure

We have developed our governance system in accordance with the International Principles of Corporate Governance and local regulatory requirements, particularly those of the Capital Market Authority (CMA), the Tadawul Stock Exchange, and Almarai's bylaws. Appointed by the shareholders, our Board of Directors oversees our Corporate Governance and guides our strategic direction towards achieving our business objectives. The Board is also supported by our Executive Management team for policy implementation and for managing business compliance within the organizational framework. To enhance transparency and build stakeholder trust, we also publish an Annual Report that details the Company's governance processes. For more specific information on Almarai's corporate governance, **please refer to the 2024 Annual Report.**

About the Board of Directors:

HH Prince Naif Bin Sultan Bin Mohammed Bin Saud Al Kabeer
Chairman

Mr. Sulaiman Bin Abdulkadir Almuhaidib Vice Chairman	**Mr. Mohammed Bin Mansour Almousa** Director
Mr. Ammar Bin Abdulwahid Alkhudairy Director	**Mr. Salman Bin Abdelmuhsin Alsudeary** Director
Mr. Bader Bin Abdullah Al Issa Director	**HH Prince Saud Bin Sultan Bin Mohammed Bin Saud Al Kabeer** Director
Mr. Hosam Bin Ali Alqurashi, Director	**Mr. Waleed Bin Khalid Fatani** Director

Almarai's Board of Directors is the Group's highest-level governing body, responsible for determining strategic direction, goals and objectives, as well as monitoring their execution. The Board adheres to the corporate governance requirements applicable to public listed companies registered on the Saudi Stock Exchange, and in accordance with our company's Corporate Governance Rules.

As of 31 December 2024, the board comprised nine highly skilled members Non-Executive and Independent members (six members were non-executive and three were independent directors). Pursuant to the corporate governance rules, each director serves a specific tenure, after which a director may be re-elected for a successive term(s). We have also established internal check-and-balance mechanism to assess the performance of the Board and its Committees, including a formal review process where the collective performance of the Board and of individual members are evaluated. For more details about the roles, responsibilities and members of the Board of Directors, please refer to the 2024 Annual Report and Almarai's website: **www.almarai.com**

Our Committees

To support the Board in fulfilling its responsibilities, Almarai has established several committees, including the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, and the Investment Committee. In addition, the Company has freedom to establish specialized committees as necessary, tailored to its specific circumstances, to enhance its ability to effectively fulfil its duties and responsibilities.

Investment Committee

The Committee is responsible for developing and overseeing the Company's investment strategy and making recommendations to the Board. In addition, it monitors the performance of existing investments to ensure alignment with business objectives and compliance with regulations.

Audit Committee

The committee is tasked with monitoring the integrity of the Company's financial statements and internal control systems and overseeing the performance of external auditors. It provides recommendations to the Board regarding the appointment and remuneration of auditors.

Risk Management Committee

The Committee develops and oversees the Company's risk management strategy and policies, ensuring their effective implementation. It monitors the effectiveness of risk management systems and regularly updates the Board regarding Company's risk exposure levels, and control measures to retain the risk within acceptable levels.

Nomination and Remuneration Committee

Develops policies for the nomination of Board members and senior executives, establishes remuneration frameworks linked to performance, and conducts annual reviews of the Board's composition and effectiveness to maintain strong governance.

Governance on Sustainability

Decisions regarding the management of Sustainability issues throughout the supply chain are delegated to Almarai's Board of Directors, the highest authoritative body within the organization. The Board approves the Company's sustainability strategy and oversees its enactment to ensure its alignment with local, national, regional, and global regulative directives. At the corporate level, a committee comprising CEO and Executive Vice President of Quality & Support Services is the name of the division as of 2024 and Head of Sustainability are responsible for ensuring the successful execution of our sustainability goals and targets. The meetings of this committee occur on a bimonthly basis. Moreover, our Head of Sustainability collaborates with various business units to ensure that there is organization-wide understanding and support for the Sustainability Strategy Framework and its different initiatives. The Head of Sustainability oversees the execution of our sustainability strategy and reports performance to the Executive Leadership Team Committee. He also advises business lines and functions on the effectiveness of their implementation strategies in meeting our long-term targets.



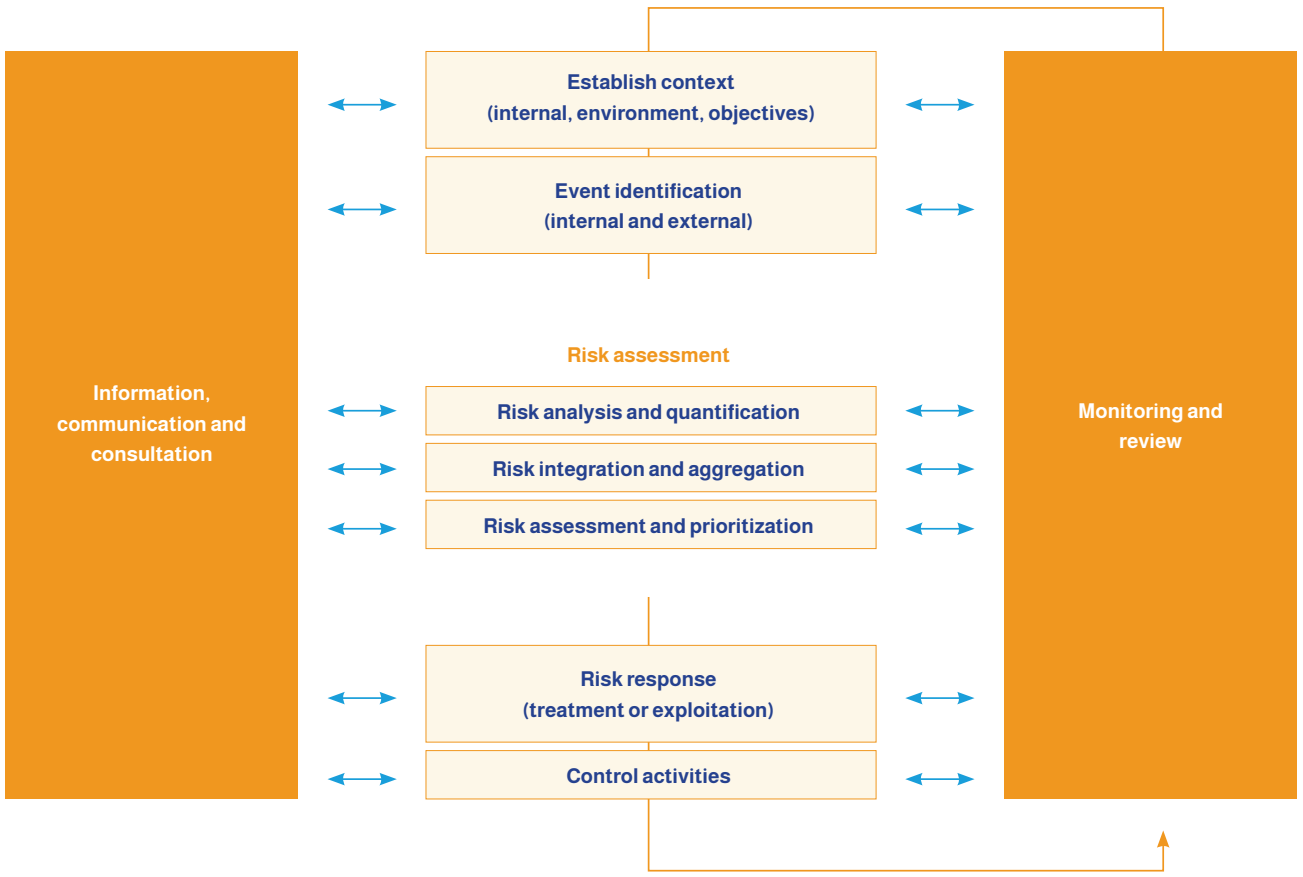
Enterprise Risk Management

Our Enterprise Risk Management (ERM) approach is proactive and dynamic, allowing us to adapt to the ever-changing landscape of global affairs and unforeseen events. By employing a comprehensive risk assessment framework, we are able to prioritize risks based on potential impact and the likelihood of its occurrence. This enables us to allocate resources more effectively and ensure that management efforts are focused on the most significant risks.

Our ERM Policy aligns with both national and international industry best practices, while referencing the ISO 31000:2018 standard and COSO framework principles. Almarai's Board of Directors and Senior Management use these principles while setting the strategy and making decisions. Management then plans, organizes and directs the performance of sufficient actions to provide reasonable assurance that the Company's objectives can be achieved while ensuring that associated risks are kept within an acceptable risk level.

Enterprise Risk Management Process

Almarai's Risk Management Process – ISO 31000:2018



At Almarai, our Enterprise Risk Management (ERM) process starts by establishing the context and defining risk criteria, which lays the groundwork for thorough event identification. Each identified event is then assessed, analyzed, and evaluated based on the combination of the event's potential consequences and the likelihood of its occurrence, after which it is prioritized. We then implement appropriate responses to mitigate risks, considering the associated costs. The risk responses are then categorized into categories. After consultation and verification by risk owners, these responses are incorporated into the ERM system.

It is important to note that communication and consultation are key priorities in our risk management process. We prioritize keeping our stakeholders well-informed about the factors that drive our risks, including potential effects on our employees, the community, business partners, and the environment. This transparency is crucial for the efficient and sustainable management of our operations. Additionally, we have established control activities to ensure adherence to standards, procedures, and recommendations. Each business area conducts a quarterly self-assessment and reports the findings to the Internal Control Department. This department then analyzes the results and provides summaries to the relevant stakeholders. Based on these insights, stakeholders develop and implement appropriate action plans, all under the guidance and oversight of the Internal Control Department.

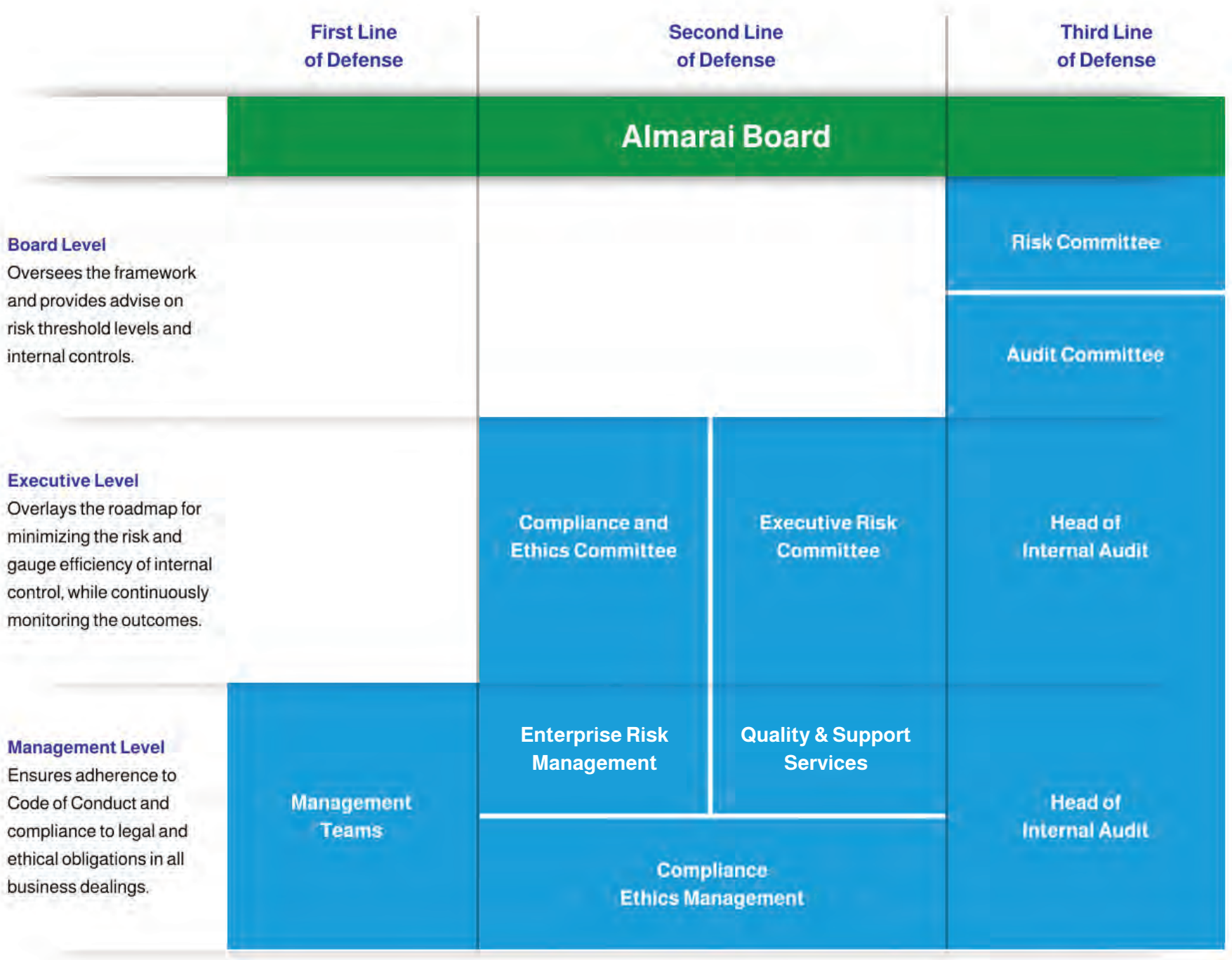
Moving forward, we are focused on integrating Environmental, Social, and Governance (ESG) factors, as well as climate-related risks that could impact our financial performance, particularly our cash flows, into our Enterprise Risk Management (ERM) framework. This integration would enable us to identify, assess, and manage these risks more effectively, ensuring long-term sustainability and value creation for all our stakeholders. We will also concentrate on enhancing the skills and capabilities of our sustainability committee and workforce, equipping them with the necessary resources to effectively respond to and manage these risks.

Our ERM Governance Structure Includes:

- Established roles and responsibilities of various committees
- Scope, context, and criteria to understand relevance and impact
- Clear and well-defined communication and consultation process

ERM Governance

Aligned with industry-recognized best practices, Almarai employs a three lines of defense model to ensure accountability throughout the company for the governance, management, and reporting of risks, as well as the oversight of the control environment. This governance model is overseen by the Board of Directors, who provide strategic guidance and ensure that potential threats are identified, monitored, and managed effectively.



Almarai's Role in KSA's Sustainability Champions Program – A Model for Value Chain Collaboration

In a strategic effort to boost corporate sustainability, the Ministry of Economy and Planning introduced the Sustainability Champions program at the World Economic Forum Special Meeting in Riyadh. This initiative is set to transform the Kingdom's sustainability landscape by encouraging partnerships among leading companies in various sectors. The program designates top companies as "Champions" to mentor others in enhancing their sustainability practices. This includes offering guidance and resources, in addition to the necessary tools and technologies, to help enhance sustainability performance and reporting.

Almarai has emerged as a key participant in the Sustainability Champions Program, where we are mentoring three companies (Obeikan, MEFSCO, and PPC) with multiple targeted initiatives. By engaging with these companies, Almarai is not only enhancing its own operations but also contributing to the broader sustainability goals of Saudi Arabia.



Baseline Sustainability Assessments

Each supplier underwent a detailed materiality assessment to identify gaps in their sustainability practices.

Sustainability Action Plan

Supporting the mentees to design an actionable roadmap to achieve measurable environmental improvements over the three years.

Sustainability Reports

Creating their first sustainability reports, aligned with global reporting standards like GRI.

Training and Capacity Building

Organizing workshops to educate suppliers on ESG principles, global sustainability standards, emission management, and best practices for resource efficiency.



Hear from Our Participants...



Ibrahim Hasan Alghamdi

CEO, Packaging Products Company

"As a proud participant in the Sustainability Champions Program, PPC has greatly benefited from Almarai's mentorship in sustainability and innovation. Through their guidance in this program, we have optimized our manufacturing processes to exceed sustainability benchmarks. We have concentrated on enhancing recyclability and reducing our carbon footprint. We look forward to continuing this journey together, aiming to set new standards for sustainability."



Omran Al-Obeikan

CEO, Obeikan Industrial Company

"With Almarai's mentorship, we are committed to assessing our sustainability baseline, developing action plans to improve our sustainability performance, executing these plans, and transparently communicating our progress through comprehensive sustainability reports. This collaboration has been instrumental in guiding us on our sustainability journey."

Almarai's Successful Participation at COP16

Almarai has successfully concluded its participation in the 16th session of the Conference of the Parties of the United Nations Convention to Combat Desertification (UNCCD COP16), held in Riyadh from 2nd to 13th of December 2024. The event convened dignitaries, policymakers, international organizations, companies, NGOs, and experts to advance efforts in sustainable land management, land restoration, and enhancing resilience to drought.

Held under the theme "Our Land, Our Future," the conference focused on fostering multilateral action to address pressing environmental challenges, including drought resilience, land tenure, and the impacts of sand and dust storms.

During the conference, over 70 schools and universities were engaged, serving more than 500 students daily. Additionally, more than 10 agreements were discussed or signed and the event attracted approximately 1,500 daily visitors.

Our participation in this global event aligned with Saudi Arabia's presidency of the UNCCD, reflecting our role as a leader in sustainability and environmental stewardship.

We showcased our efforts to:

- Reduce carbon emissions
- Minimize waste
- Lower energy consumption





Defining and Prioritizing the Issues that Matter the Most

Our strategy and reporting approach are primarily informed by materiality assessments. The outcomes of these exercises help us ensure we are covering the topics most relevant to our stakeholders, that we are addressing evolving risks and opportunities, and that our sustainability goals are aligned with our strategic business objectives.

In 2022, we re-evaluated our materiality assessment exercise, with most material topics remaining unchanged. Our focus remains on those identified in the original 2019 assessment. After careful consideration and internal deliberation, we reaffirmed our existing materiality assessment.

The List of Material Topics is Presented Below:

At Almarai, our top priorities are Quality and Food Safety, Climate Change Nutrition and Wellbeing, each playing a crucial role in our commitment to excellence and responsibility. We are unwavering in our dedication to Quality and Food Safety, ensuring that every product meets the highest standards to safeguard consumer health and building trust in our brand. We also acknowledge the pressing urgency of Climate Change, which has continuously driven us to adopt more sustainable practices that minimize our environmental impact and promote responsible resource management. Additionally, Nutrition and Wellbeing are central to our mission, as we strive to enhance food security and foster healthier lifestyles through our diverse product offerings. By integrating these priorities, we not only enhance our operational integrity, but also reinforce our position as a responsible corporate citizen, committed to creating shared value for all stakeholders and paving the way for a healthier, more sustainable future.

Almarai consistently evaluates its significant subjects to stay current with all sustainability-related issues, including risks and opportunities that could affect the company, the communities where we work, and overall sustainable development, both directly and indirectly.





Sustainability Strategy

At Almarai, sustainability is core to our strategy. We believe that the world can be a better place if we are all committed to “Doing Better Every Day.” By living up to our commitments, we can make positive changes that support a better tomorrow.

In 2019, we established a set of 25 goals and targets to achieve by 2025, during the development of our sustainability strategy, “Doing better every day”. Our strategy is built upon 3 interconnected pillars and addressing 12 material issues that are essential in supporting our contribution to building a more sustainable future.

Doing Better Every Day

Almarai believes that the world can be a better place if we are all committed to Doing better every day. By living up to our commitments, we can make positive changes that support a better tomorrow.

Our Commitments

Caring for People

Our promise to improve the lives of those that are integral to our business success every day.

Nutrition and Wellbeing:
We are working to make sure that our products and communications support healthy living every day.

Health and Safety:
We are working to make sure we foster a health and safety culture among our people every day.

Employee Talent and Diversity:
We are working to make sure that our people are developed, valued, and included every day.

Community Investment:
We are working to make sure that we are leveraging our resources to create a positive impact every day.

Protecting the Planet

Our promise to minimize our impact on our shared natural resources every day.

Water Management:
We are working to make sure we are effectively using water resources every day.

Packaging Innovation:
We are working to make sure we reduce the impact of our packaging on the environment every day.

Climate Change:
We are working to make sure we implement more sustainable solutions to reduce our emissions every day.

Waste Management:
We are working to make sure that we are moving towards zero to landfill every day.

Sustainable Agriculture:
We are working to make sure that our agricultural practices are regenerative every day.

Producing Responsible Products

Our promise to deliver 'Quality you can trust' and enhance supply chain sustainability every day.

Quality and Food Safety:
We are working to make sure our products are safe and satisfy consumers' needs every day.

Animal Welfare:
We are working to make sure that our animals are treated and handled humanely throughout their lifecycle every day.

Ethical Sourcing:
We are working to make sure we take a collaborative approach to elevate sustainability in our supply chain every day.

Progress

● Achieved	◐ On-track	◔ Some progres	○ Limited progress

Caring for People

Goal/Target		Progress
Nutrition and Wellbeing	Develop and implement a holistic plan to further enhance our nutrition and wellbeing offering by 2025	●
Health and Safety	Achieve ISO 45001 compliance for all our divisions by 2025	●
	Institute an occupational health and wellbeing program accessible to all employees by 2025	●
Employee Talent and Diversity	Ensure gender equality in our workforce, with focus on talent development, capabilities building, and opportunities	◐
	Reduce voluntary employee turnover to achieve an average of 12% over the period 2020-2024	●
	90% of managers engage in at least 40 hours of professional development per year by 2025	◐
Community Investment	Donate 2.5 million healthy servings by 2025	●
	Educate 250,000 people through our site visit program by 2025	◐
	Improve the employability of at least 1,400 young people through the Food Industries Polytechnic (FIP) program by 2025	●

Protecting the Planet

Goal/Target		Progress
Water Management	Increase water efficiency across our Manufacturing, Sales, Distribution and Logistics Divisions by 15% by 2025 (against a 2018 intensity baseline)	◐
	Initiate and support collaborative efforts with stakeholders to address water risk and enhance conservation by 2025	●
Packaging Innovation	Avoid the use of 9,000 metric tons of plastics from entering the consumer waste stream by 2025 (against a 2015 baseline)	◐
	Actively support the transformation of the packaging economy in KSA by 2025	●
Climate Change		
Transport and Refrigeration	Explore and trial alternative fuel vehicles for our sales transport fleet on an ongoing basis	◐
	Increase the fuel efficiency of our sales, distribution and logistics vehicles by 10% by 2025 (against a 2018 baseline)	●
	100% of our sales depot cold stores will be CFC free by 2025	●
Energy	Reduce energy consumption across our Manufacturing, Sales, Distribution and Logistics Divisions by 15% from efficiency measures by 2025 (against a 2018 intensity baseline)	◐
	Increase the share of electricity from clean energy sources across our Administration, Manufacturing, Sales, Distribution and Logistics Divisions to 20% by 2025	◐
	Achieve ISO 50001 certification for our Administration, Manufacturing, Sales, Distribution and Logistics Divisions by 2025	◐
Waste Management	Reduce waste going to landfill across all our divisions by 50% by 2025 (against a 2018 baseline)	◐
Sustainable Agriculture	Enhance sustainable practices on our arable farms by 2025	●

Producing Responsible Products

Goal/Target		Progress
Quality and Food Safety	All manufacturing sites will have Global Food Safety Initiative (GFSI) recognized certification by 2025	●
	All high-risk ingredient suppliers will have Global Food Safety Initiative (GFSI) recognized certification by 2025	◐
Animal Welfare	Achieve global animal welfare certification for our dairy and poultry farming operations by 2025	●
Ethical Sourcing	Put an ethical sourcing process and audit plan in place by 2025	●

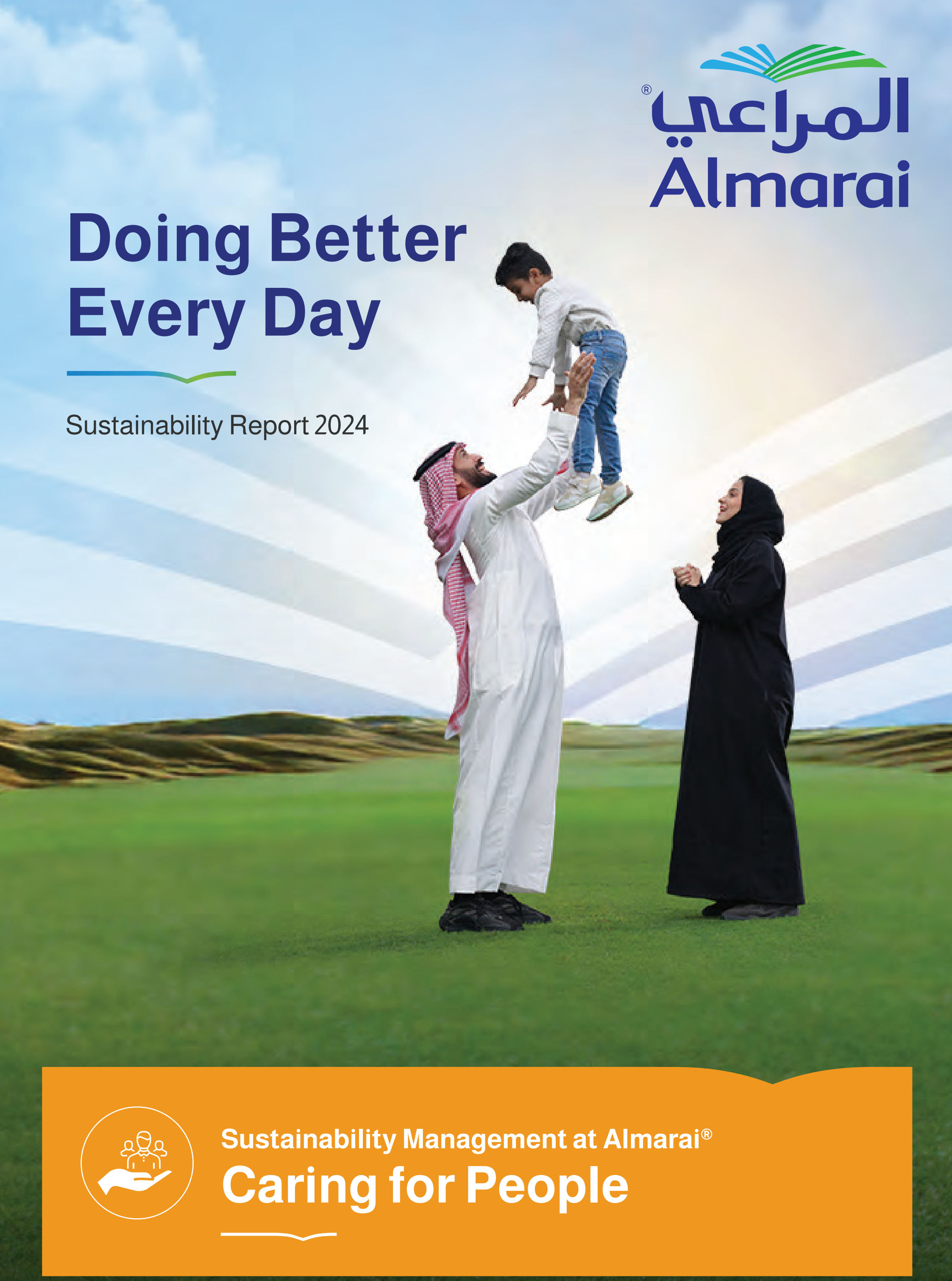
Sustainability Strategy Boundaries

The scope of Almarai's sustainability strategy covers Almarai's GCC owned operations, excluding our subsidiaries Beyti and Teeba unless otherwise stated within the specific goal/target below.

Goal/Target	Scope Exceptions
Reduce waste going to landfill across all our divisions by 50% by 2025 (against a 2018 baseline)	This does not include animal manure.
Enhance sustainable practices on our arable farms by 2025	This includes Fondomonte USA and Argentina only.

Doing Better Every Day

Sustainability Report 2024



Sustainability Management at Almarai®

Caring for People



Caring for People

We are committed to enhancing the lives of those who are essential to our business success on a daily basis.



Nutrition and Wellbeing



Health and Safety



Employee Talent and Diversity



Community Investment

Sustainable Development Goals (SDGs) Achieved through Caring for People





Nutrition and Wellbeing

We are dedicated to ensuring that our products and communications promote healthy living on a daily basis.

Our Approach

Food and nutrition are essential to health, wellbeing and quality of life across all life stages. They also enrich our social interactions and cultural identities; however, many regions face dietary deficiencies, leading to various forms of malnutrition. Simultaneously, there is an urgent need to transition to sustainable food systems that can ensure future food security on our planet.

Almarai is uniquely positioned to tackle these challenges through our extensive product portfolio. We have designed a corporate nutrition strategy, which addresses the nutritional needs of individuals across all life stages—from mothers and infants to children, teens, adults and seniors. To ensure the nutritional quality of our products, we have implemented a nutrient profiling system aligned with the Saudi Food and Drug Authority (SFDA) 2333 standards, international dietary guidelines and global benchmarks for salt, sugar and fat content. We also enhance our innovations by integrating nutrition classification into our development processes.

We also recognize our responsibility to support individuals in leading

National Transformation Program 2020

Almarai products contain **no trans fats**.

Almarai products contain **no artificial sweeteners**.



healthy, fulfilling lives, prioritizing nutrition and overall wellbeing. We do this by collaborating with healthcare professionals and conducting awareness campaigns that promote understanding of nutrition and wellbeing. Our responsible marketing policy also highlights our commitment to ensure ethical practices. We do this by ensuring clear product labeling on all our products, such that consumers get to educate themselves about nutritional values, safe storage practices, recommended serving sizes and serving quantities.

Zero incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications.

100% of significant product categories are covered by and assessed for compliance with product information and labeling procedures.

Our Highlight Stories

Almarai Inspires at Hail Lifestyle Medicine Conference 2024

Almarai participated in the Hail International Conference on Lifestyle Medicine, held from May 12 to 16, 2024. The conference focused on the theme “Innovate for Your Health” and featured over 75 speakers from Saudi Arabia and around the globe. The event was graced by the presence of HRH Prince Abdulaziz bin Saad bin Abdulaziz, Governor of Hail Region, highlighting the significance of health and wellness in the region.



Almarai’s Participation in the Conference Aimed To:

- **Reinforce its commitment to delivering high-quality, nutritious food and beverages.**
- **Engage with health professionals and consumers to promote healthy lifestyle choices.**
- **Showcase its innovative products and services that align with the principles of lifestyle medicine.**
- **Strengthen its brand presence and reputation as a trusted provider of quality food in the Middle East.**

Progress on Our Strategic Goals and Targets

● Achieved	◐ On-track	◔ Some progres	○ Limited progress

Goal/Target	Progress
Develop and implement a holistic plan to further enhance our nutrition and wellbeing offering by 2025	●



Health and Safety

We are committed to fostering a culture of safety by creating secure work environments that prioritize the wellbeing of our employees.

Our Approach

Safety is a key element of Almarai's culture, influencing every facet of our operations. We utilize Almarai's Health and Safety Management System to safeguard our employees, contractors and third parties. This system is designed to guide our programs, procedures and workplace culture, ensuring safety across all levels of the organization. It guarantees protection for our people and assets. It ensures that Health and Safety objectives, targets and expectations are clearly articulated, along with specific roles and responsibilities. Additionally, the system is designed to facilitate noticeable enhancements in how we measure performance and gather feedback.

Our Leadership is Committed to Promoting a Culture of Health and Safety

Visible safety leadership and commitment from our management cultivates a robust safety culture within our organization. Our leaders exemplify this principle through their daily actions, which helps to instill a 100% Health and Safety mindset and implement effective safety measures. Our employees are also regularly updated by our Corporate Health,

> **"Our Health and Safety Management System, which was developed drawing upon industry-respected standards such as ISO 45001:2018 (Occupational Health and Safety) and ISO 14001:2015 (Environmental Management System), sets out our requirements and standards for implementing the commitments and expectations for driving continuous improvement in Health & Safety performance."**

Safety and Security Forums. These forums play a pivotal role in ensuring adherence to international best practices and guidelines, facilitating knowledge sharing and promoting a unified commitment to safety across all Business Units. Health and Safety awareness programs are made available for all staff members and printed materials are continually distributed. By actively involving employees at every level, we promote a collective responsibility for ensuring a safe, healthy and secure workplace.

At the heart of our safety culture are three core components: Safe Person, Safe Place and Safe Practice.

- **Safe Person: Safeguarding our employees against long-term workplace-related health issues.**
- **Safe Place: Embedding safe work practices and standards that promote the personal safety of every person in our company.**
- **Safe Practice: Improving the design implementation, management and control of identified hazardous processes within our operations.**

The Rise in Technology in Maintaining Health and Safety

Technology plays a crucial role in our efforts to manage and mitigate risks, promote best practices and enhance training accessibility. In 2024, Almarai continued its commitment to digitalization projects, ensuring that our employees have access to cutting-edge resources. We expanded our near miss reporting web form, enabling employees to easily report incidents such as near misses, unsafe acts and hazardous conditions. Additionally, our cloud-based online incident reporting system is accessible to all employees via smartphones. Digital awareness channels and events are also employed to keep everyone updated with the latest health and safety information. These digital systems are integral to Almarai's pursuit of achieving our sustainability goals.

Our Incident Reporting System

To improve our monitoring and analysis of incidents related to health, safety and security, we have established an accessible incident reporting system for all employees. This system empowers workers and stakeholders to report near misses, unsafe behaviors, unsafe conditions, and hazardous conditions without fear of retaliation. The data collected is carefully tracked and analyzed to identify trends and issues, supporting evidence-based decision-making. The insights derived from this analysis allow us to implement targeted interventions aimed at preventing future incidents. Furthermore, the system enables us to assess the effectiveness of our control measures, ensuring continuous enhancements to safety protocols. Through this comprehensive approach, we are committed to safeguarding the health, safety and security of our employees and stakeholders in the workplace.

We take pride in obtaining the **ISO 45001:2018 certification** for all our Business Units, highlighting our commitment to upholding the highest standards of OHS. We are actively focused on maintaining this certification across all our Business Units for **ISO 45001:2018 certification**.

By implementing this certification across all our manufacturing and supply chain locations, we strive to create a strong foundation for a safety culture, ensuring that international best practices are consistently and transparently integrated into all our Business Unit operations.

Gender Equality in Health and Safety Roles

Our Health, Safety and Security (HSS) committee, as of 2024, has integrated 22 female employees into roles as fire marshals and first aiders. Before 2022, the committee lacked female representation, highlighting our dedication to enhancing the presence of women within our workforce. This initiative is in line with our commitment to gender equality, fostering talent development, building capabilities, and creating opportunities for all employees.

Training and Awareness on Health, Safety, and Environment

The competence and capability of our workforce is critical to our ability to keep our people safe. With this in mind, we have established a range of health & safety training initiatives for both employees and contractors, aimed at enhancing skills across all levels and functions. These programs and initiatives helped us promote a 'safety first' culture and rigorously evaluate the effectiveness of our safety controls. By nurturing a proactive health & safety mindset, we empower every individual to identify and respond effectively to unsafe or hazardous situations, ensuring swift and decisive action to maintain safe and healthy working environment.

From 2019 to 2024, Almarai successfully provided **1,259,620 and 22,712 hours** of training to employees and contractors in health and safety. This includes **231,299 hours** of training to employees and **6,985 hours** of training to contractors for 2024.

Health and Safety Training Highlights for 2024

Employee Training: 231,299 hours dedicated to enhancing employee health and safety.

Contractor Training: 6,985 hours committed to ensuring contractor safety.



Our Partnership with Institution of Occupational Safety and Health (IOSH)

Almarai has partnered with IOSH to enhance worker protection standards. This collaboration, which began in 2022, aims to develop occupational safety and health (OSH) awareness among our employees. The IOSH for Business team has helped us become an IOSH-approved training center, supporting 16 of Almarai's OSH professionals in achieving IOSH membership and completing a "train the trainer" course. As our partnership with IOSH expands, we plan to introduce two IOSH courses: "Leading Safely" for senior leaders and "Working Safely" for all staff.

In conjunction with managing our safety processes, we are also developing a tailored occupational health and wellbeing program for our employees. This initiative includes training modules that address various mental health topics, equipping individuals to recognize early signs and symptoms of mental health issues and implement preventive strategies through a variety of digital resources. Additionally, we are in the process of launching an **Employee Assistance Program (EAP)** that will enable our staff to **Access Psychological Support 24/7** from anywhere in the world, in multiple languages, allowing them to discuss personal matters confidentially. Our mobile occupational health unit is just one aspect of our comprehensive efforts to deliver an accessible occupational health and wellbeing program for all employees. Since 2020, we have consistently implemented additional health and safety measures, prioritizing the physical, emotional and economic wellbeing of our workforce.

Our Highlight Stories

Almarai wins the Gold Award for "Employees are at the Heart of Everything" at the Saudi Customer Experience Awards

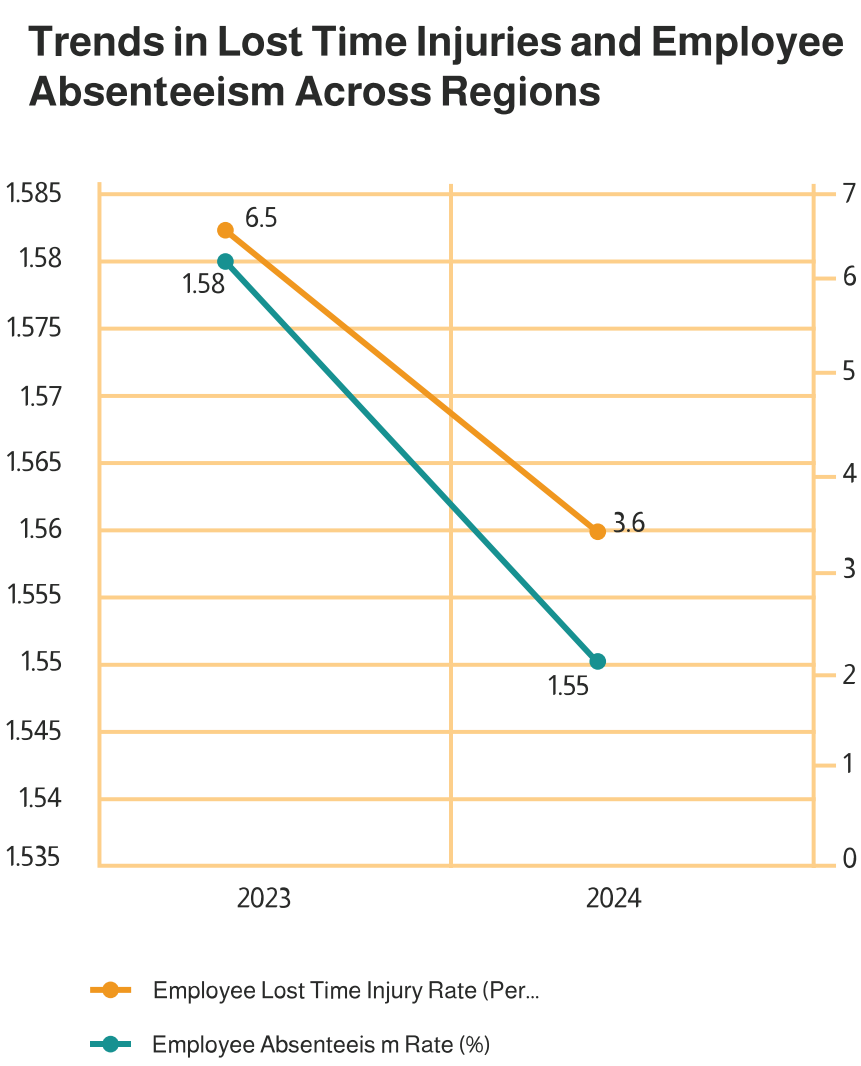
Almarai has been awarded the Gold Award in the "Employees are at the Heart of Everything" category at the Saudi Customer Experience Awards, recognizing our "WE Care" program that supports employee health and wellbeing. The award was presented at the Saudi Customer Experience Forum in Riyadh on 13 November 2024, with participation from 327 projects across 109 organizations.



Monitoring Our Safety Performance

We set key performance indicators to systematically track our progress in ensuring the safety of our employees and the communities we serve. Our monitoring efforts concentrate on several critical areas that align with industry benchmarks. These include the number of lost time injuries (LTIs) for both employees and contractors, the lost time injury rate (calculated per million man-hours) for both employees and contractors and the employee absenteeism rate across all regions, including the GCC, USA, and Argentina. This comprehensive approach enables us to maintain a strong focus on safety and continuously improve our performance.

One of the positive trends in 2024 was the decrease in absenteeism across all our operating regions. This was found to be positively correlated with a significant reduction in lost time injuries (LTIs), indicating that enhanced safety measures and a strong safety culture are effectively improving employee attendance. Key contributing factors also included a safer work environment, increased employee engagement, better health and wellbeing, effective training programs and proactive monitoring of safety performance.



Moving Forward

We recognize that enhancing our occupational health and safety management is an ongoing journey. We aspire to improve our practices continuously and foster a culture of health and safety excellence. We are exploring innovative ways to incorporate technology, such as virtual reality simulations and online courses, to make our programs more accessible and engaging. Additionally, our commitment to sustainability and health aligns with the broader goals of Saudi Vision 2030, enhancing the health and wellbeing of the Saudi population.

Progress on Our Strategic Goals and Targets

● Achieved	◐ On-track	◔ Some progres	○ Limited progress

Goal/Target	Progress
Achieve ISO 45001 compliance for all our divisions by 2025	●
Institute an occupational health and wellbeing program accessible to all employees by 2025	●



Employee Talent and Diversity

We strive to create an environment where each individual feels valued and empowered to contribute their unique talents and perspectives.

Our Approach

At Almarai, we recognize that our employees are the cornerstone of our success. With a workforce of 43,821* individuals across various sectors, we are committed to fostering an empowering and positive work environment that enables our people to reach their full potential. Our dedication to attracting, nurturing and retaining a diverse and motivated workforce is reflected in our core values, which guide both our professional and personal interactions. We believe that by investing in our employees and upholding their rights, we can cultivate a culture of continuous growth and development that benefits both our team and the organization.

Talent Attraction and Employee Retention

Talent attraction and employee retention are critical components of Almarai's human resource strategy, reflecting our understanding that a skilled and committed workforce is the backbone of our success. In a competitive market, attracting top talent requires brand like Almarai to resonate with potential employees' values and career aspirations. As a measure, we focus on creating an inclusive and dynamic work

Key Highlights 2024:

Voluntary Employee Turnover Rate: Achieved an impressive turnover rate of **just 10%**, reflecting our strong commitment to employee satisfaction and retention.

New Hires: Welcomed **7,215 new employees, with 63% aged between 18-30**, showcasing our dedication to nurturing young talent.

environment that offers not just a job, but a promising career path filled with growth opportunities. Once talent is onboard, retention becomes our priority. We believe that retaining talent is not solely about competitive salaries and benefits; it is about developing a culture where employees feel valued, heard and engaged. We invest in onboarding programs, continuous professional development and clear pathways for advancement, which are crucial for employee satisfaction and loyalty.

(*This excludes Fondomonte, Bakemart, Etmam, and Pure Breed.)

Supporting Young Professionals in KSA

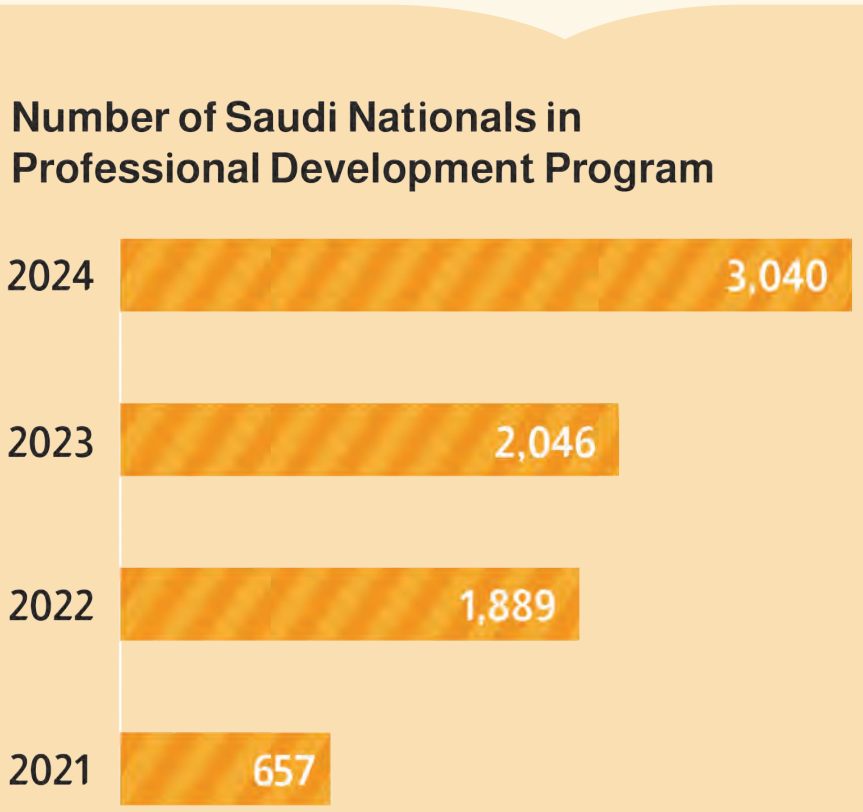
In line with our commitment to the Kingdom of Saudi Arabia, nationalization is a key focus area in Almarai's talent attraction and retention strategy. We actively seek to empower Saudi nationals by offering them career opportunities that contribute to our nation's economic development and align with the goals of Vision 2030. By prioritizing the recruitment and development of local talent, we are investing in the future leaders of our industry and reinforcing our support for the Kingdom's agenda to increase the participation of Saudi citizens in the workforce. Almarai's nationalization efforts extend beyond recruitment to include tailored development programs, mentorship and career progression plans that are specifically designed to meet the aspirations of Saudi employees.

In 2024, we launched specialized recruitment drives with the aim of attracting new Saudi talent to various roles within our company. We are proud to announce the successful hiring of over 1,145 Saudi nationals this year, reaffirming our dedication to nurturing the local workforce and advancing the nationalization agenda. The engagement of Saudi nationals in our professional development programs has also experienced a remarkable increase: from 1,889 participants in 2022, to 1,972 in 2023 and a significant leap to 3,040 in 2024. This growth, amounting to approximately 61% over the two-year period, emphasizes our commitment to the professional growth of local talent and highlights the value we place on the continuous investment in our employees' development.

Keeping Employees Engaged, Motivated, and Satisfied

At Almarai, we recognize that employee engagement is another pillar of retention and we ensure regular communication with employees, seeking their feedback and involving them in decision-making processes. We also believe that the wellbeing of our employees is fundamental to creating a motivated and dynamic workforce. By prioritizing the physical and mental health of our team, our aim is to nurture a work environment that promotes overall wellbeing, where employees can thrive and bring their best selves to their roles. We

"Proudly hired over 1,145 Saudi nationals this year, demonstrating our commitment to supporting the local workforce and promoting nationalization."





believe this focus on wellbeing would lead to heightened creativity, engagement and resilience among our staff. Moreover, we understand the importance of adapting to the changing needs of the workforce. We stay attuned to trends such as flexible working arrangements and the increasing desire for meaningful work. By aligning our policies with these evolving preferences, we not only retain talent but also attract new employees who are looking for employers that understand and accommodate their lifestyle choices.

Our Flagship WE@Almarai Initiative

Our strategic approach to employee wellbeing is embodied in our WE@Almarai Wellbeing program, designed to resonate with our core ASPIRE values (Adaptable, Sharing, Passionate, Innovative, Respect, Excellence). This program is dedicated to the overall care of our employees, emphasizing their social, mental, spiritual, financial and physical health.

WE@Almarai serves as a market-leading employee value proposition that distinguishes us as an employer of choice in Saudi Arabia.

WE@Almarai operates on four foundational pillars:

We Care: Promoting employee wellbeing and healthy lifestyles.

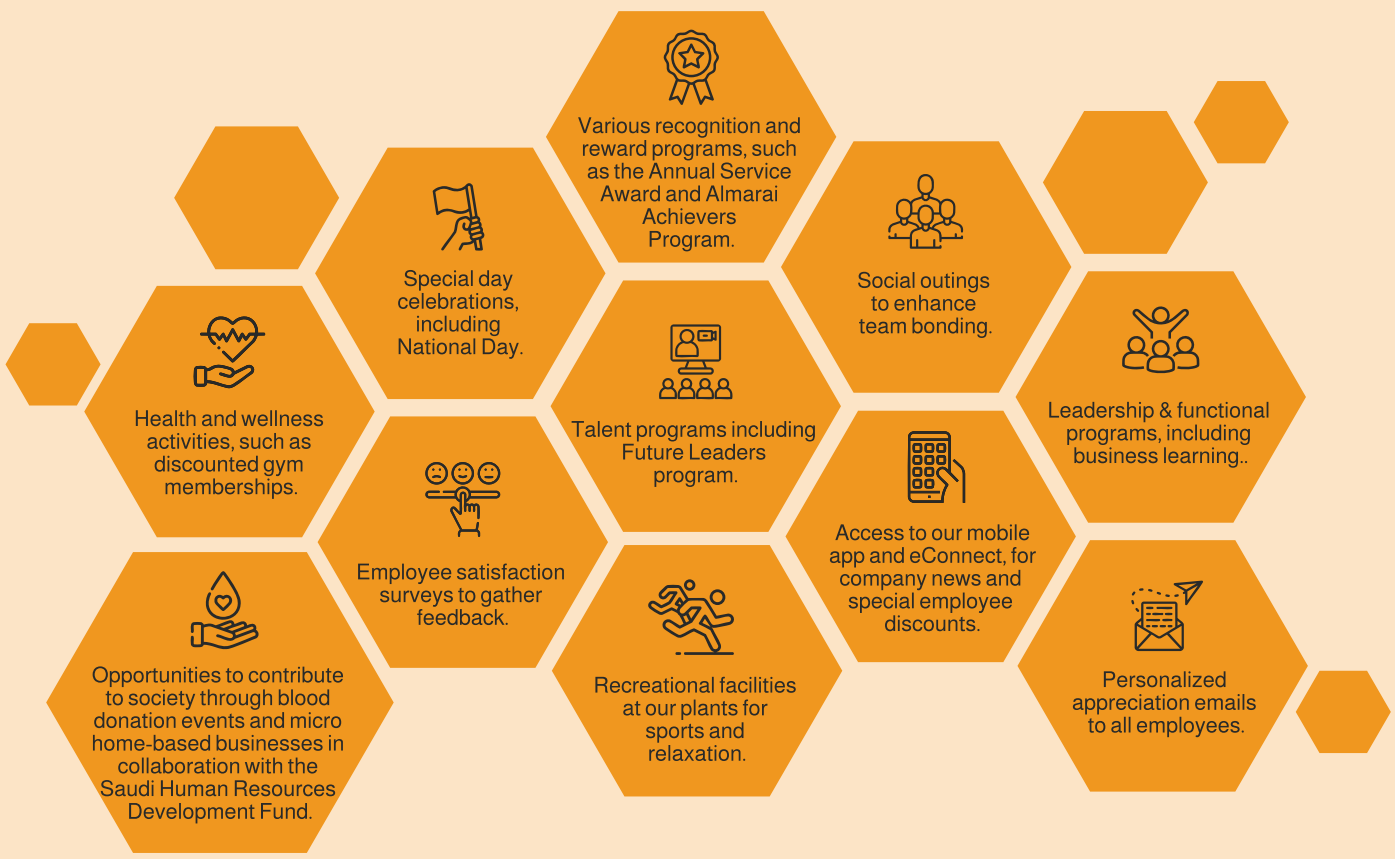
We Evolve: Encouraging personal innovations in art, music and technology.

We Together: Fostering teamwork and collaboration.

We Celebrate: Marking national and internal milestones.

In 2024, we conducted series of initiatives across all the 4 pillars aimed at attracting and retaining top talent while ensuring inclusivity.

Almarai offers a wide range of initiatives to foster a flexible work culture that promotes productivity, a healthy work-life balance, employee retention and opportunities for personal and professional growth.



Digitalization's Role in Our HR Strategy

Digitalization also plays an important role in our strategy. We have been supporting our employees through our mobile application, which serves to close communication gaps and promote our programs particularly for our remote workforce throughout the GCC region. Additionally, we have utilized SMS and WhatsApp messages to communicate with our employees, particularly for advancing internal initiatives and disseminating information. These technological advancements streamline operations and empower employees, reinforcing Almarai's position as an industry leader in innovation and workplace excellence.

Our Robust Training and Development Programs

At Almarai, we prioritize an employee-centered approach to training and career development, emphasizing the creation of well-defined career pathways, customized training programs and consistent performance evaluations. This strategy is essential to our dedication to creating a dynamic, skilled and future-oriented workforce. The training and development process involves identifying educational needs, developing and refining training programs, and then implementing and assessing their effectiveness. Evaluation includes meeting ad-hoc requirements and training targets using blended learning methods.

Almarai Talent & Organization Development Programs:

Talent and Organization Development (T&OD) at Almarai aims to reimagine learning practices through several strategic objectives, aligning talent development with organizational growth strategy. This initiative aims to establish a cohesive value chain that not only enhances individual capabilities but also fosters learning and organizational culture. Central to this endeavor is the Almarai Academy, which will further expand its role in facilitating talent growth and leadership development. Through this integration of talent and organization development initiatives, Almarai seeks to cultivate a skilled workforce that is well-equipped to meet future challenges and drive sustained success.

Between 2022 and 2024, Almarai has significantly expanded its training and development programs. In 2024, we reached a total of 895,604 training hours, a significant jump of 427,487 hours from the 468,117 hours recorded in 2022, which translates to a growth of roughly 91%. The average training hours per employee also saw a notable increase to 20 hours, up from 12 hours in 2022, an improvement of about 67%.

When it comes to learning and development programs offered in the GCC, the numbers increased from 572 in 2022 to an impressive 2,759

In 2024, Almarai advanced its HR digital transformation strategy to enhance efficiency and optimize processes. Key initiatives include:

- Implementing SAP Analytics Cloud (SAC) for data-driven decision-making using AI and machine learning.
- Digitizing onboarding and offboarding processes via SAP SuccessFactors, improving employee engagement and retention.
- Upgrading recruitment systems and introducing personalized digital workspaces through SAP Workzone.

- **Almarai Academy:** Empowering Almarai employees through excellence driven leadership and professional development programs.
- **Talent Programs:** Identifying, developing, and empowering top talent, fostering growth, leadership, and excellence within the organization.
- **Individual Development Plan (IDP):** Rolling out customized growth plans for 35% of management and professionals.
- **Succession Management:** Implementing data-driven approaches to leadership pipeline development.

in 2024, an increase of approximately 382 %. The Almarai Academy program experienced substantial growth in participation, with numbers climbing from 459 participants in 2022 to 2,293 in 2024. The Almarai Driving School program also expanded its reach, with participant numbers rising from 113 in 2022 to 466 in 2024.

As we progress, we remain focused on fostering a learning environment that empowers every employee to excel, ensuring that Almarai remains at the forefront of innovation in our industry.

(*Including the HSS training 231,299 [+ 885,589], the total is 1,116,888.)

	2021	2022	2023	2024
Total hours of training provided	295,100	468,117	507,551	895,604
GCC	275,596	454,885	496,819	885,589
USA	12,042	4,568	5,265	5,684
Argentina	7,462	8,664	5,467	4,331
Average hours of training per employee	8.3	12.2	12.4	20.4
GCC	7.9	12.1	12.3	20.6
USA	32.2	8.2	11.2	11.1
Argentina	35.4	38.7	23.6	17.9
Learning and development programs (GCC only)	1,681	572	831	2,759
Number of Almarai Academy participants (National and non-national)	863	459	638	2,293
Number of Almarai Driving School participants (National and non-national)	818	113	193	466

Our Commitment to Diversity and Inclusion

At Almarai, we recognize the profound value that a diverse workforce brings to our organization. By fostering an inclusive, respectful and collaborative environment, we uphold our principles of equality and diversity in employment, which are vital to building a strong, dynamic and forward-looking company. Therefore, we strive to ensure equality of opportunity for existing and prospective employees, irrespective of their race, gender, age, religion, nationality or origin.

To enhance our commitment to promoting gender equality in different operational roles and to attract and support talent emerging talent, we developed and implemented an action plan focused on diversity and equal opportunity. We have launched several initiatives to promote diversity and inclusion, including a comprehensive training program, mentoring and coaching opportunities and a flexible working environment. We are also dedicated to creating a safe and respectful workplace culture, where every employee is treated with dignity and fairness and provided with equal access to opportunities and resources.

> **"Almarai is an equal opportunity employer and bases employment decisions on qualifications, experience, skills and potential, without regard to race, gender, age, religion, nationality, or origin."**

Key Highlights of Our Diversity and Inclusion Efforts:

- **Zero incidents of discrimination reported for the year 2024.**
- **Number of female employees increased by 34% compared to 2020.**
- **Number of employees with disability is 415 for the year 2024.**
- **Number of female trained increased by 30% in each year from 2023-2024.**



Revised Goal for Gender Equality

The Almarai 2021 Sustainability Report outlined modification of one of our targets from increasing number of female employees to ensuring gender equality in our workforce, with focus on talent development, capabilities building and equal opportunities.

Progress on Our Strategic Goals and Target

● Achieved | ◐ On-track | ◔ Some progres | ○ Limited progress

Goal/Target	Progress
Ensure gender equality in our workforce, with focus on talent development, capabilities building and opportunities	◐
Reduce voluntary employee turnover to achieve an average of 12% over the period 2020-2024	●
90% of managers engage in at least 40 hours of professional development per year by 2025	◐



Community Investment

We are committed to ensuring that we use our resources to foster a positive impact each day.

Our Approach

At Almarai, we firmly believe that investing time, financial resources and efforts into our local communities not only empowers individuals, but also fosters the socioeconomic development of the region, ultimately driving our organizational growth. We are committed to being an active participant in the community, stimulating economic progress within the Kingdom of Saudi Arabia and addressing the social challenges that affect our neighborhoods. In line with this commitment, we have donated a total of 544,704 products in the GCC. Our contributions include snacks provided to 431 schools, totaling 359,746 servings for school children. Additionally, we have supported 100 low-income families with food baskets, donated to 82 charities and provided 184,776 servings of product donations to various charitable organizations.

We recognize our responsibility to support the local communities in which we operate, as this is a vital component of Almarai's sustainability strategy, encapsulated under the banner of "Caring for People." In line with this commitment, we have intensified our community engagement efforts this year by launching new initiatives, either independently or in collaboration with local organizations. These initiatives encompass a

National Transformation Program 2020

"In 2024, we spent a total of SAR 48.92 million on CSR projects in the GCC.

This significant investment underscores our dedication to fostering sustainable development and empowering local communities across the region."

wide range of activities, including educational programs, training and development opportunities, investments, charitable contributions, sponsorships and various other outreach efforts.
Our efforts are also aligned with Saudi Vision 2030, reflecting our dedication to aligning with the socio-economic vision of the kingdom by creating a lasting legacy where our growth is shared with those around us.

Investing in and Engaging with our Communities

To enhance our community investment efforts and ensure effective management of our initiatives, Almarai has established a strategic investment framework. This framework outlines our key focus areas for our initiatives, which includes Training and Development, Healthcare, Sports and Donations and Sponsorships. It serves as a guiding principle for how we aim to fulfil its community investment commitments. Moving forward, we will leverage this framework to measure the outcomes of our initiatives, enabling us to track progress and refine our strategies in the years to come. This commitment to accountability and continuous improvement will ensure that our investments yield meaningful benefits for the communities we serve.

Employee Training: 231,299 hours
dedicated to enhancing employee health and safety.

Contractor Training: 6,985 hours
committed to ensuring contractor safety.



Training and Development

We support selected projects, organizations and events that develop skills, promote education, reward educational excellence and empower young people.

Health

We support selected projects, organizations and campaigns that promote healthy eating and lifestyle choices and raise awareness on health issues.

Sports

We support selected projects, organizations and events that promote sports.

Donation and Sponsorship

We support selected projects, organizations, events and campaigns dedicated to creating a lasting impact in our communities through both financial and non-financial support.

Our Highlight Stories

At Almarai, we direct our efforts toward initiatives that resonate with our strategic pillars. Each year, we proudly sponsor and support nearly 400 charitable organizations that are making a difference across our strategic pillars. We invest in our communities by allocating resources and collaborating with partners. Through these partnerships, we amplify our impact, ensuring that our efforts are both effective and sustainable.



Training and Development

Almarai is committed to the education sector and has been actively supporting initiatives such as training and rehabilitation programs. Our focus is on increasing localized job opportunities in the food and beverage sector in Saudi Arabia. We are also dedicated to empowering the next generation of females by creating more development opportunities, including the inclusion of women in the HSS committee as fire marshals and first aiders.



Strategic Agreement with the Saudi Logistics Academy

Almarai signed a strategic agreement with the Saudi Logistics Academy to facilitate the training and qualification of a new cohort of Saudi youth for employment in the supply chain and logistics services sector. This agreement was signed during the graduation event for the inaugural batch of trainees from the academy, attended by key government officials. This initiative is part of the company's efforts to localize the food industries sector, which is a key priority in Almarai's strategic plans.



Annual Nationalization Ceremony

Under the slogan "Nationalization as a Strategic Goal," Almarai organized its annual Nationalization Ceremony, where several agreements were signed with various educational institutions and organizations. These agreements aim to train and qualify Saudi youth for the labor market in the food and beverage industry through Almarai’s training and employment programs.



Participation in Imam Muhammad bin Saud University Career Week

Almarai showcased its commitment to youth employment during the "Career Week" event organized by Imam Muhammad bin Saud University. The event attracted over 2,000 graduates, where Almarai's booth provided insights into the company's role in supporting food security in the Kingdom. Almarai representatives discussed the company's expansion plans and the benefits of joining Almarai, which is recognized as one of the best working environments in the region.

Health

At Almarai, we are dedicated to supporting health initiatives that empower individuals to lead longer, healthier lives. In 2024, we continued our commitment by sponsoring various health programs for our staff and communities, as well as organizing impactful events and awareness campaigns.



Memorandum of Cooperation (MoC) for Children's Support

Almarai has signed a MoC with the Ministry of Human Resources and Social Development to launch the “Baby Milk Products Discount” initiative, aimed at supporting children of social security beneficiaries from newborns to two years old. Set to begin on October 1, 2024, this initiative, in collaboration with Al-Dawaa Pharmacies, reflects Almarai's commitment to social responsibility and enhancing community well-being.

Mr. Munther bin Mahmoud Tayeb from Almarai emphasized the importance of community investment, while Mr. Fahad Alfarraj from Al-Dawaa highlighted the initiative's alignment with Saudi Vision 2030. Almarai, which established the first Saudi factory for baby milk production in 2011, meets 70% of market needs with an annual capacity of 20,000 tons, adhering to strict health standards.



Almarai Signs MoU with Cochlear Implant Association

In a commitment to community investment, Almarai signed MoU with the “Asma’ak” Cochlear Implant Association. The agreement was formalized by Mr. Abdulrahman Al Huwifadh, Public Relations Manager at Almarai, and Mr. Fahad Al-Subaie, Executive Director of the “Asma’ak” Association

Mr. Al Huwifadh highlighted that this MoU is part of Almarai’s social responsibility program, aimed at fostering social solidarity by supporting the association’s initiatives. Mr. Al-Subaie expressed his gratitude for the partnership, recognizing Almarai as a leader in community engagement within the Kingdom. He affirmed that the agreement will facilitate the implementation of various programs to benefit the “Asma’ak” community through a strategic partnership with a prominent player in the food and beverage sector.



Mental Health Awareness Initiative

Almarai proudly sponsored the "Step Towards Your Peace of Mind" event organized by Princess Nourah bint Abdulrahman University (PNU). This event aims to raise awareness about mental health through a series of sports activities held at the University's athletic track. Almarai’s involvement in this initiative is part of its comprehensive corporate social responsibility (CSR) strategy, which emphasizes the promotion of sports and health initiatives.

Sports

Almarai recognizes the importance of sports in promoting wellbeing, inclusion and positive impacts on human health. Our goal is to foster the development and skill enhancement of young and junior athletes, encourage community engagement in walking culture, facilitate the rehabilitation of individuals with disabilities and nurture athletic talents. We aim to enhance the quality of life for all individuals, increase their involvement in community sports activities and elevate them to become sports icons at both local and international levels.



Sponsorship of the Conference on Healthcare and Healthy Lifespan

Almarai sponsored the 3rd international conference of the College of Applied Medical Sciences, titled “The Future of Health Care and Improving Healthy Lifespan,” held in Riyadh under the patronage of the Minister of Education and Chairman of the Board of Directors of King Saud University. This sponsorship is part of Almarai's corporate social responsibility program, aimed at supporting events that raise community awareness about the importance of health care, including the critical link between physical activity and overall health.



Almarai Sponsors the Arab Badminton Championship

Almarai Company sponsored the Arab Badminton Championship for Youth and Generals 2024, which was organized by the Saudi Badminton Federation and was concluded recently and hosted by the city of Riyadh with the participation of 15 countries and 100 male and female players.

Almarai’s sponsorship of the Arab Youth Badminton Championship came within its corporate social responsibility program and out of its belief in the importance of sport in promoting well-being, inclusion, and a positive impact on human health.



Partnership with DARB Association to Sponsor "Takhfa" Trail, Boosting Ecotourism and Public Health

Almarai, the Middle East’s leading food and beverage company, has entered into a sponsorship agreement with the Saudi Hiking Trails Association (DARB) for the “Takhfa” hiking trail initiative. This initiative aligns with Almarai’s commitment to enhance community life by investing in local activities and promoting ecotourism through developing natural trails to help residents and visitors discover the cultural and historical attractions in the Kingdom.

Donations and Sponsorship

At Almarai, we are committed to enhancing community wellbeing through our donations and sponsorship initiatives. In 2024, we continued to support various charitable organizations and events that contribute to the betterment of society, fostering community development and promoting a culture of giving back. Our efforts are focused on making a meaningful impact in the lives of individuals and families across the Kingdom.





Blood Donation Campaigns for Employees

Almarai organized two blood donation campaigns for our employees, reinforcing our commitment to fostering a culture of voluntary donation. In collaboration with Prince Mohammed bin Abdulaziz Hospital in Riyadh, these initiatives aim to save lives and benefit both citizens and residents. Our dedication to community service is reflected in our support for over 1,500 partners across the Kingdom.



Annual Charity Iftar for the Ensan Association

Almarai organized its annual charity iftar for the Ensan Charity Committee for Orphans Care in Riyadh, in collaboration with the DoubleTree by Hilton Garden Inn. During the iftar ceremony, financial gifts were distributed to 40 children from the Ensan Association and souvenir photos were taken.



Sponsorship of the "Saudi I" Team in the VEX Robotics Competition

Almarai has signed a sponsorship agreement with the non-profit Maker Association to support the "Saudi 1" team representing the association in the VEX Robotics Competition in Houston, Texas. This sponsorship is part of Almarai's strategic plan to support Saudi teams from charitable associations participating in international innovation and robotics competitions.

Almarai's Commitment to Biodiversity

At Almarai, we are committed to support nature and biodiversity as an important way to address climate change, protect the environment and communities and the future of our business. To fulfil this commitment, we allocate a portion of our community investment funds to support various environmental protection initiatives. One of our core initiatives is to ensure the health and welfare of the animals in our care. We do this by upholding our Animal Welfare Policy, which is designed to meet internationally recognized standards. This policy is a fundamental aspect of our operations and reflects our dedication to ethical practices as a prominent leader in the food and beverage sector. By prioritizing animal welfare, we are not only ensuring the humane treatment of animals, but also reinforcing our reputation for quality and responsibility within the industry.

We also recognize the importance of tree planting as a vital strategy for enhancing and preserving biodiversity. We have undertaken extensive tree planting initiatives, incorporating a variety of species to enrich local ecosystem. We have taken advantage of our reach and scale to participate in national efforts that aim to restore degraded ecosystems. In collaboration with the National Center for Vegetation Cover Development under the Ministry of Environment, Water and Agriculture, we actively supported to plant millions of trees, contributing to the Kingdom's Vision 2030 ambitions. We have been involved in the "Let's Make it Green Initiative," through substantial financial contributions and active participation.

Progress on Our Strategic Goals and Targets

● Achieved | ◐ On-track | ◔ Some progres | ○ Limited progress

Goal/Target	Progress
Donate 2.5 million healthy servings by 2025	●
Educate 250,000 people through our site visit program by 2025	◐
Improve the employability of at least 1,400 young people through the Food Industries Polytechnic (FIP) program by 2025	●

المراعي®
Almarai

Doing Better Every Day

Sustainability Report 2024



Sustainability Management at Almarai®

Protecting the Planet



Protecting the Planet

Our promise to minimize our impact on our natural resources every day.



Water Management



Packaging Innovation



Climate Change



Waste Management



Sustainable Agriculture

Sustainable Development Goals (SDGs) achieved through Protecting the planet





Water Management

We are working to make sure we are effectively using water resources every day.

Our Approach

The Middle East and North Africa (MENA) region is recognized as one of the driest and most water-deficient regions globally. The rapid increase in its population has compelled numerous countries within the area to depend heavily on an ever-depleting amount of ground and surface water. As a diverse business operating in an industry typically characterized by high water use such as agriculture, food and beverage, we recognize the importance of effectively managing and conserving water throughout our operations and supply chain. We aim to do this by committing to enhance water efficiency by 15% across our Manufacturing, Sales, Distribution and Logistics Divisions by the year 2025, using a 2018 intensity baseline as our reference point. This commitment to water preservation also aligns with safeguarding the fundamental human right to water and contributes to the long-term sustainability of our business and KSA's national water strategy.

To support this ambitious goal, we established a Water Steering Group in 2019 as a key component of our sustainability strategy development process. This group has significantly advanced our progress in defining and achieving our 2025 water management targets. By setting clear performance indicators and regularly assessing our water usage and

> **"Today, a growing number of the world's most important water systems are under increasing stress. Many of those support a range of ecosystems, communities and industries, including agriculture, are drying up or becoming polluted through over-use. That is why we continue to invest in efficiency programs to optimize our water usage across our operations."**

conservation efforts, the Water Steering Group enables us to identify opportunities for improvement and drive initiatives that enhance water efficiency across all operations. Additionally, the group facilitates collaboration and knowledge sharing among teams, ensuring that best practices are adopted and that our water conservation efforts are both impactful and sustainable.

To further optimize water usage and minimize the impact on our regional water supplies, we have deployed comprehensive monitoring systems across our facilities to pinpoint areas of inefficiency and have upgraded our supervisory control and data acquisition systems along with metering systems to gain deeper insights into our water usage, disposal methods and leak risks. We also operate a wastewater effluents management program to protect the natural environment and public health, which is aligned with the relevant environmental regulations. We use sewage effluents for irrigation and recycle effluent for use in our processes. Water that cannot be recycled or reused is reinjected in wells and reservoirs to ensure safe and effective disposal. Our process effluents are treated in compliance with local regulatory requirements before they are returned to the natural environment.

One of the most notable accomplishments for Almarai so far has been about leveraging technologies such as Reverse Osmosis (RO) at our farms to reduce water use. These technologies have provided us with numerous economic, environmental and technical benefits such as reducing operational costs, lowering the reliance on external water sources, maintaining consistent product quality and minimizing the release of contaminated waters back into our ecosystems.

As we deliver against our 2025 goal, we continue to identify opportunities to reduce water consumption across our operations. Water stewardship will remain a key element of our operations, with more involvement of the board, management, compliance and accountability. We will also continue to consider future water risks and impacts in our strategic decision making.



2024 Performance and Initiatives

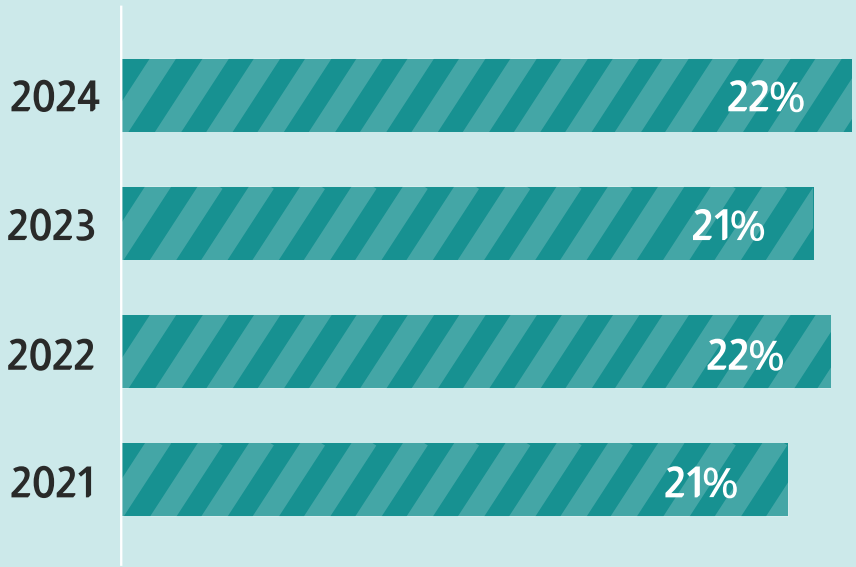
For the moment, our water management strategy is focused on delivering against our 2025 goal of improving water efficiencies. To achieve that, we implemented programs such as water audits and assessments, installation of water-efficient equipment and technology, investment in enhanced reuse and recycling systems, leak and water-loss prevention, employee education, data monitoring and reporting on improvements. These measures have successfully enabled our Bakery, Premier Foods, and Supply Chain Business Units to achieve our water efficiency targets. These measures have also helped us recycle and reuse 2,950,413 m3 of water in 2024. This accomplishment represents 22% of the total water withdrawn by Almarai in 2024, marking an improvement from the 21.1% recorded in 2023.



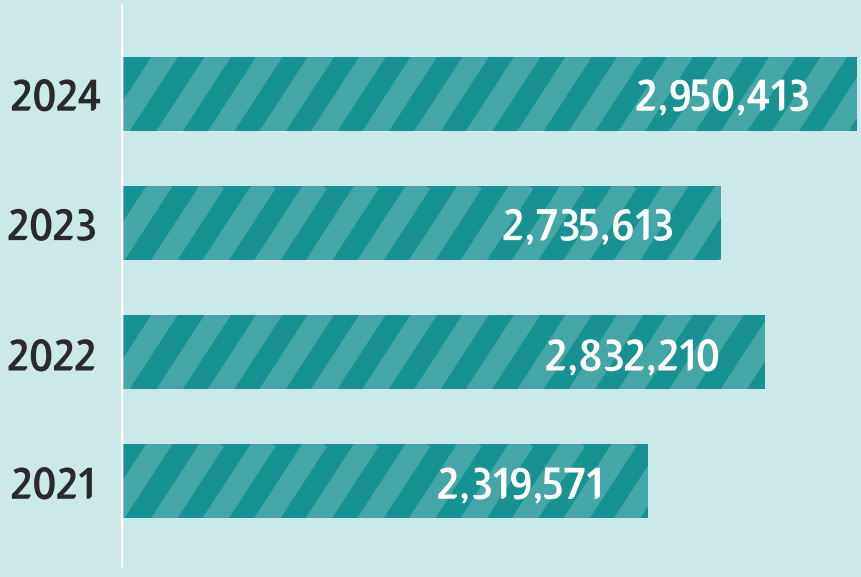
Investing in Water Treatment Plant helps us with filtered water for production, cleaning and other purposes. Investing in Water Treatment Plant helps us with filtered water for production, cleaning and other purposes. The plant has so far allowed us to reduce our absolute water use at our farms and factories.



Percentage of Water Recycled and/or Reused (%)



Water Recycling and Reuse (m^3)



We are a member of the Alliance for Water Stewardship (AWS) since 2018. Our membership with AWS guides our efforts in achieving good water stewardship practices, contributing to the sustainability of local water resources, and in making continuous improvements. In April 2025, we will go for initial certification on six (6) locations within the Al Kharj catchment area against the standard for water stewardship.



Our Highlight Stories

Commitment to the Net Positive Water Initiative at COP16

At COP16, Almarai made a significant commitment to the Net Positive Water Initiative, underscoring our dedication to sustainable water management and environmental stewardship. This initiative aims to ensure that our water usage contributes positively to the communities and ecosystems in which we operate. By participating in this initiative, we aim to set a benchmark for sustainable water management in the food and beverage industry. As part of our commitment, we are dedicated to transparency and accountability, regularly measuring and reporting our progress toward achieving net positive water outcomes. This would not only align with our corporate values but also contribute to the broader goals of KSA's national water strategy and its vision of involving the private sector in water management.



Progress On Our Strategic Goals and Targets

● Achieved	◐ On-track	◔ Some progres	○ Limited progress

Goal/Target	Progress
Increase water efficiency across our Manufacturing, Sales, Distribution and Logistics Divisions by 15% by 2025 (against a 2018 intensity baseline)	●
Initiate and support collaborative efforts with stakeholders to address water risk and enhance conservation by 2025	◐



Packaging Innovation

We are working towards a future where the impact of our packaging is minimal on the environment.

Our Approach

Packaging serves a crucial role in safeguarding food and beverages, preserving their freshness, and minimizing food spoilage. It also conveys vital details, including the source of ingredients and their nutritional profiles. However, the improper handling of packaging waste at its end-of-life stage is an environmental issue, impacting the quality of water and soil, as well as affecting biodiversity and local communities. In alignment with our Doing Better Every Day strategy, Almarai is dedicated to mitigating the environmental impact of packaging by striking a balance between finding sustainable packaging solutions without compromising the freshness and taste of our products. We aim to do this by placing Innovation at the forefront of our approach. Our focus will be on inventive designs, materials, and technologies, to not only reduce the volume of materials entering waste streams but also enhance supply chain efficiency. Therefore, we have set an ambitious target to prevent 9,000 metric tons of plastic waste from entering waste streams by 2025.

7,916 metric tons of packaging reduction since 2018.

5,254 metric tons in total of plastic packaging reduction since 2018.

2,663 metric tons of paper removed from packaging since 2018.

83% of carboard packaging from recycled materials in FY 2024.

We recognize that cross-functional collaboration is also critical to our ability to deliver more sustainable solutions for packaging, especially in the areas of:

- **Adoption of innovative materials that not only enhance circularity but also ensure the requisite quality and safety standards for our products.**
- **The procurement of cutting-edge technologies, including those that utilize materials derived from recycled plastic waste.**
- **Policy development and advancement of infrastructure.**

As a result, we have been working with packaging suppliers, recyclers, plastics manufacturer, National Center for Waste Management (MWAN), and Saudi Investment Recycling Company (SIRC) to reduce waste at source and divert most waste away from landfill. We are also active members of National Circular Packaging Committee, which is a cross sectoral industry forum whose goal is to help divert post- consumer packaging from landfill. The group aims to support establish regulations that promote the circularity of packaging throughout Saudi Arabia. This partnership underscores a collective dedication to sustainable practices and environmental responsibility within the packaging industry in KSA.

Working Together

To help create lasting positive impact on the world of packaging, we participate in and collaborate closely with many different organizations, including:

2024 Performance and Initiatives

We are on course to meet our ambitious target of preventing 9,000 metric tons of waste by the year 2025. This progress is mainly due to the gradual increase in the availability of recycled materials and our proactive efforts in packaging redesign. To date, we have successfully averted 7,916 metric tons of waste. In the year 2024 alone, we achieved a significant reduction, eliminating 535 metric tons of plastic compared to 164 metric ton in the previous year. To achieve this, we have been investing in research and development to discover new ways of reducing packaging while maintaining a safe and enjoyable experience for our customers. We have also done investments at our manufacturing sites, with an aim to deliver reductions in the amount of corrugated board consumed through redesigning our outer boxes to be more resource efficient. Additionally, we are exploring opportunities to incorporate recycled and biodegradable materials and eliminate and reduce pigments in packaging materials to further minimize our environmental impact.

Our Highlight Stories

Almarai selects SIG as Strategic Partner for 5-Year Expansion Plan

On 13 November 2024, Almarai entered into a partnership agreement with SIG, a leader in sustainable packaging. Over the next five years, SIG will provide Almarai with flexible manufacturing solutions that support our sustainability objectives. This strategic partnership highlights our mutual dedication to environmental stewardship and the pursuit of innovative packaging solutions that will enhance our operational efficiency and geographic reach.



HPET for Zabadi Cups and Poultry Trays

Almarai continued to use HPET for our Zabadi cups and poultry trays. This initiative is helping us reduce our packaging usage by up to 25%, without affecting the quality, strength, and sturdiness expected for the packaging. This initiative will also have secondary benefits, as it will reduce our transportation carbon footprint due to reduced weight.



Progress On Our Strategic Goals and Targets

● Achieved | ◐ On-track | ◔ Some progres | ○ Limited progress

Goal/Target	Progress
Avoid the use of 9,000 metric tons of plastics from entering the consumer waste stream by 2025 (against a 2015 baseline)	◐
Actively support the transformation of the packaging economy in KSA by 2025	●



Climate Change

We are working to make sure we implement more sustainable solutions to reduce our emissions every day.

Our Approach

The food and beverage sector plays a substantial role in the global economy, providing essential goods to consumers worldwide. However, this industry is also a contributor to climate change, as its complex supply chains and production processes lead to significant greenhouse gas emissions. From agricultural practices that release methane and nitrous oxide to energy-intensive manufacturing, refrigeration, and transportation, each step in bringing products to market can have an environmental impact. Recognizing the critical role that businesses play in contributing to and mitigating global warming, Almarai has taken a strategic stance to integrate sustainability into the core of its operations. This commitment is manifested in the development of our 2019-2025 sustainability strategy. One of the main pillars of this strategy is "Protecting the Planet." Under this pillar, we have established a detailed roadmap with clear, measurable targets aimed at reducing energy use and our environmental footprint. Our measures include a focus on solar power generation, a pledge to achieve 100% chlorofluorocarbon-free cold storage at our sales depots, and initiatives to enhance fuel efficiency, such as testing alternative fuel vehicles.

"We have maintained our energy awareness program, 'Go Green,' in our Jeddah (KSA) since 2021, and Al Kharj and Hail (KSA) sites since 2017. The program aims to educate and bring a mindset change among employees towards energy conservation, target specific significant energy uses to reduce consumption through process improvement and alternative solutions, and engage employees in energy saving activities."

Key Milestones towards Reducing Our Energy and Emissions

01

In 2019, we established a set of 25 goals and targets to achieve by 2025, during the development of our sustainability strategy, “Doing Better Every Day.”

02

In 2020, we developed an energy roadmap.

03

In 2022, we published our Energy Policy and Climate Change Position Statement.

04

As we approach 2025, our focus is now on formulating a forward-looking 2026-2030 roadmap.

As part of its sustainability roadmap, we have set several initiatives to reduce energy use and emissions. These efforts include an increased adoption of solar power to decrease dependence on traditional energy sources. This is being done with the goal of raising the share of clean energy used across our Administration, Manufacturing, Sales, Distribution, and Logistics Divisions to 20% by 2025. In pursuit of this target, we are partnering with global power producers to develop renewable energy facilities at our sites and to enhance our use of renewable energy sourced from the grid. Since 2018, we have initiated the installation of solar energy generation systems at various locations and are actively procuring additional renewable energy while also investigating innovative applications of solar power, including its use in hot water production.

We also recognize that action towards climate change requires equal focus on reducing energy demand and supply. Therefore, we have taken steps to implement a variety of energy efficiency projects across our operations. These include the deployment of intelligent heating, ventilation, and air conditioning (HVAC) systems, implementation of operational improvements; and the installation of more energy-efficient equipment. One of our flagship projects includes implementation of the Almarai Energy Monitoring Systems (AEMS) across the GCC (KSA, Oman, UAE, Bahrain & Kuwait). A total of 75 locations have been connected to AEMS, allowing us to better understand our energy usage and trends. Furthermore, to enhance our decision-making capabilities, we have initiated a steam efficiency project and implemented a pilot project involving combined evaporative cooling systems in our dairy and juice operations. Both projects have demonstrated significant energy savings.

2024 Performance and Initiatives

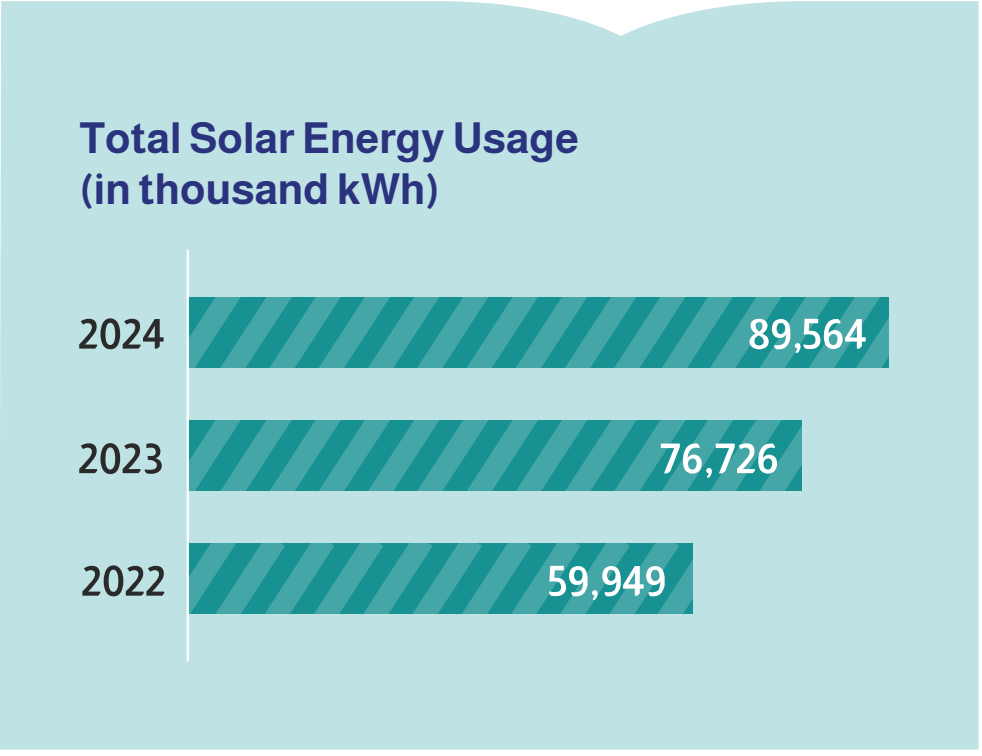
16% increase in solar energy usage from 2023.

A key success in 2024 was the decrease in our direct and indirect emissions between 2023 and 2024, by 6% and 19% respectively.

Emissions from refrigerant leakage and replacement (metric tons CO2e) reduced by 30% compared to 2023.

Establishment of Energy Committee

Almarai has also taken a proactive step towards achieving its energy goals by forming an Energy Committee. This committee, composed of cross-functional team members with expertise in energy management, is responsible for setting energy goals, energy planning, preparing to meet ISO 50001 requirements, and monitoring and measuring progress against our 2025 targets. By regularly assessing our energy consumption patterns and identifying areas for improvement, the committee aims to implement best practices that enhance energy efficiency across all operations. Additionally, the Energy Committee will facilitate knowledge sharing and collaboration among departments, ensuring that our energy goals are aligned with Almarai's broader commitment to sustainability and environmental stewardship. Through this initiative, we are not only striving to reduce our energy footprint but also fostering a culture of accountability and continuous improvement within our organization.



Promoting Energy Culture Throughout Our Business Operations

We are committed to promoting a culture of best practice amongst our colleagues and instilling an energy culture throughout our business. Our goal is to establish an energy center of excellence to serve as a platform for sharing knowledge and driving initiatives towards our strategic goals. Our approach to energy culture is built on three pillars: enhancing awareness, ensuring consistent upkeep and optimization of equipment, and pursuing ongoing process enhancements. For instance, we actively engage our employees by offering educational workshops, establishing governance frameworks, and promoting the adoption of industry best practices. Numerous training programs have been conducted at our Energy Center of Excellence, equipping our staff with the necessary skills to implement effective energy management strategies, refine monitoring techniques, and enhance data collection and analysis methods tailored to our specific needs.

Advancing the Adoption of Alternative Fuels

Keeping pace with the global trend toward sustainable mobility, we are aiming to explore and trial alternative fuel vehicles for our sales fleet. This initiative is part of a broader commitment to reduce our carbon footprint and transition towards more sustainable transportation solutions. Since 2021, we have also been progressively incorporating biofuel into our growing fleet of vehicles for product deliveries in the UAE. In parallel, we are actively engaging with biofuel providers in the Kingdom of Saudi Arabia (KSA) to commence pilot programs. These discussions are aimed at evaluating the feasibility and benefits of biofuel, with the intention of extending its use within our delivery operations in the kingdom. We have also been working to increase the fuel efficiency of our sales, distribution, and logistics vehicles despite accomplishing our 2025 targets. This includes optimizing routes using advanced GPS software to minimize travel distances, maintaining regular vehicle servicing for peak performance, and training drivers in techniques to reduce fuel consumption.

> **“In 2024, we managed to increase the fuel efficiency of our sales, distribution and logistics by 10%, well-ahead of our 2025 target.”**

Embracing Eco-Friendly Cooling Solutions

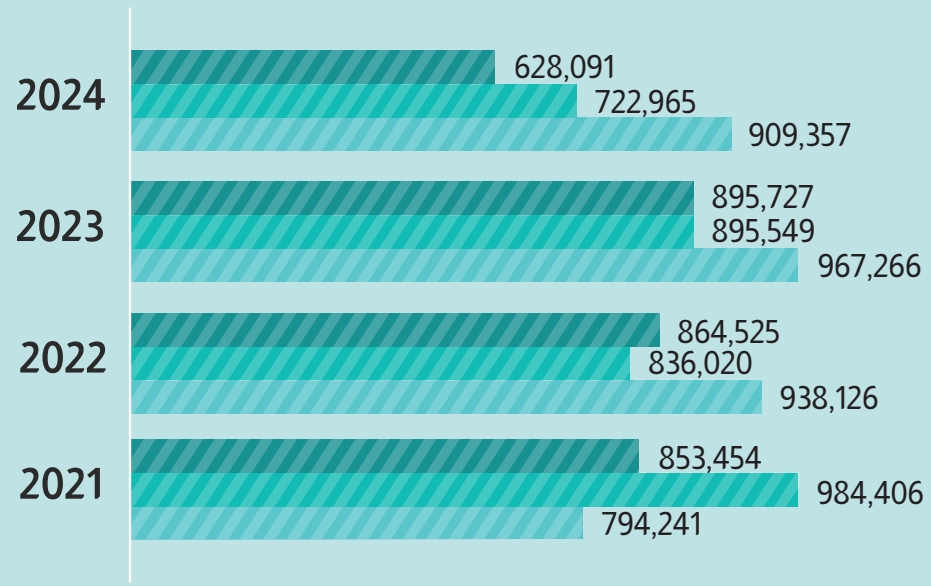
Our commitment to sustainability is also demonstrated in our approach to refrigerant gases. Acknowledging the significant role that chlorofluorocarbons (CFCs) play in exacerbating climate change, we've launched initiatives to limit, diminish, and substitute these gases where possible. This includes making our cold chain distribution system more efficient to reduce use and replacing CFCs with alternatives such as HCFCs and HFCs, which are more effective and reduce global warming emissions. A specific replacement program is already active, phasing out R22 in favor of alternatives such as R404A, R134A, R407C and R407A across our refrigeration infrastructure, including warehouses, vehicle cooling systems, and retail refrigerators. We also have a rigorous maintenance and monitoring program in place to ensure that any potential leaks are identified and addressed quickly.

We are actively working on refrigeration systems charge reduction reaching set goals and plans. This type of improvements is enhancing our efforts to keep refrigerant loss potential at a minimum. All new depots designs/installations are following latest International Institute of Refrigeration (IIR) / American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE) recommendations and achievements for low charge refrigeration systems. Taking the beforementioned into consideration, our new depots' freezers are designed to use CO2 as a refrigerant, with CO2 being a natural refrigerant.

Worth mentioning is that we reached major milestone with our fridge technology. Latest trends and technologies are embraced, and we now have all new fridges running with R290 refrigerant. This refrigerant has almost or close to zero impact to the environment.

By constant development work with our suppliers and replacement of old, outdated and obsolete refrigeration system components with new, increased energy efficiencies are being achieved with power consumption reduction. For example, by reducing discharge pressure for 1 bar, we can have energy savings of 1% on compressor energy consumption. As a standard within the company, further efforts in energy savings are carried out through replacement of the old lights with more energy efficient LED lights. We are also optimizing and reducing water usage for refrigeration purposes. As a result, we managed to reduce water treatment chemicals usage too.

Emissions Trends



> **"100% of our sales depot cold stores is CFC free."**

2024 Performance and Initiatives

Throughout 2024, Almarai progressed its initiatives and strategies aimed at enhancing its energy performance. A key success in 2024 was the decrease in our direct and indirect emissions between 2023 and 2024, by 6% and 19% respectively. This is attributable to the improved energy efficiency within our operations, services, and assets, through innovative energy optimization solutions and enhancing the energy efficiency of physical assets like energy-demand side initiatives. Our efforts to further diversify our energy mix, increasing consumption of clean energy sources like solar power have also contributed to our reduced emissions. As of 2024, we have increased total solar energy usage to 89,564 kwh. This is an increase of 16% compared to 2023. We have also continued to make progress on our ISO roadmap, which focuses on preparing us to meet ISO 50001 requirements.

Our highlight stories

Almarai's Sponsorship of Environmental Compliance Forum

Almarai's sponsorship of the "Environmental Compliance Forum 2024" highlights our ongoing commitment to sustainability and environmental protection. Hosted under the esteemed patronage of Engineer Abdulrahman bin Abdulmohsen Alfadley, the Saudi Minister of Environment, Water, and Agriculture, the forum brought together over 40 distinguished international and regional experts from 10 different countries. This event served as a platform for in-depth discussions on the latest trends and future directions in sustainable environmental practices, as well as the challenges associated with fostering economic growth and diversification in line with KSA's national ambitions.



Progress On Our Strategic Goals and Targets

● Achieved | ◐ On-track | ◔ Some progres | ○ Limited progress

Goal/Target	Progress	
Transport and Refrigeration	Explore and trial alternative fuel vehicles for our sales transport fleet on an ongoing basis	◐
	Increase the fuel efficiency of our sales, distribution and logistics vehicles by 10% by 2025 (against a 2018 baseline)	●
	100% of our sales depot cold stores will be CFC free by 2025	●
Energy	Reduce energy consumption across our Manufacturing, Sales, Distribution and Logistics Divisions by 15% from efficiency measures by 2025 (against a 2018 intensity baseline)	◐
	Increase the share of electricity from clean energy sources across our Administration, Manufacturing, Sales, Distribution and Logistics Divisions to 20% by 2025	◐
	Achieve ISO 50001 certification for our Administration, Manufacturing, Sales, Distribution and Logistics Divisions by 2025	◐



Waste Management

We are working to make sure that we are moving towards zero to landfill every day.

Our Approach

Almarai recognizes the importance of dealing with waste in a manner that does not negatively impact the environment. Our waste management approach is therefore built on the mitigation hierarchy principle of source reduction, reuse, recycling/recovery, and responsible disposal. By actively reducing waste, investing in recycling equipment, and optimizing systems and procedures to reuse waste, we hope to achieve our goal of reducing waste to landfills.

To enable this, we have started to take deliberate steps to reduce waste in all its forms. For instance, we prioritize the recycling of packaging and other waste produced during our manufacturing and distribution operations, ensuring that we not only reduce our environmental footprint but also contribute to a circular economy. In our efforts to minimize food waste, we consistently enhance our demand forecasting for precision and reduction. We also collaborate and engage with waste management firms to recycle challenging materials like shrink wrap, diverting them from landfills by reusing them into alternative materials.

Our goal is to reduce the amount of waste sent to landfills by 2025 by 50%, compared to levels recorded in 2018.

To further strengthen our waste management efforts, we have formed a waste steering group dedicated to facilitating information exchange and developing strategies to reduce landfill waste. This group includes representatives from various departments, promoting a comprehensive approach to waste management.

Recognizing that effective waste management is a collective responsibility, we have also started to involve our workforce in our environmental mission. We have initiated a series of measures, including an enhanced communication campaign, to foster a culture of waste consciousness. These initiatives aim to educate and engage our employees, encouraging them to take personal responsibility for waste reduction and to apply best practices in their daily activities.

2024 Performance and Initiatives



Recycled 21% more the amount of waste vs. 2023.



Food waste resold to Animal feed **increased by 95% in 2024** (62,879 metric ton) compared to 2018 baseline (32,175 metric ton).



53% of waste going to landfill, compared to 70% for the 2018 baseline.

In 2024, Almarai's waste management initiatives achieved substantial progress, with a 21% increase in the amount of waste recycled compared to the previous year. While the sale of food waste to animal feed saw a 15% reduction from 2023 levels, the figure remains notably high at 95% relative to 2018, underscoring the company's dedication to minimizing waste. Furthermore, Almarai has made significant progress in reducing the volume of waste sent to landfills, with only 53% of waste disposed of in this manner, a considerable improvement from the 70% reported in 2018. We have also continued to expand our partnerships with third-party providers to divert food and dairy waste to animal feed programs. A new partnership has also been initiated with a third-party provider in Dubai, who recycles packaging and reclaims water for reuse through reverse osmosis.

Almarai commits to:

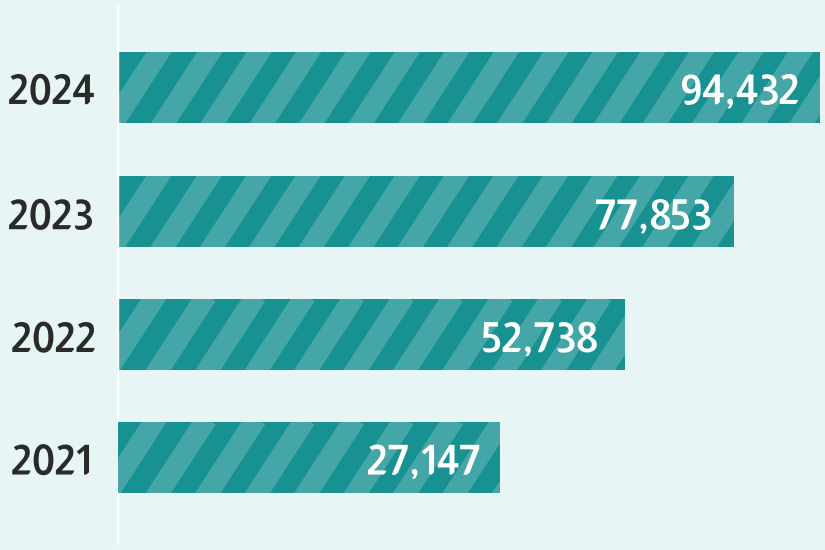
Adhere to mitigation hierarchy principle of source reduction, reuse, recycling/recovery, treatment and responsible disposal.

Comply with legal requirements and adopt global best practices.

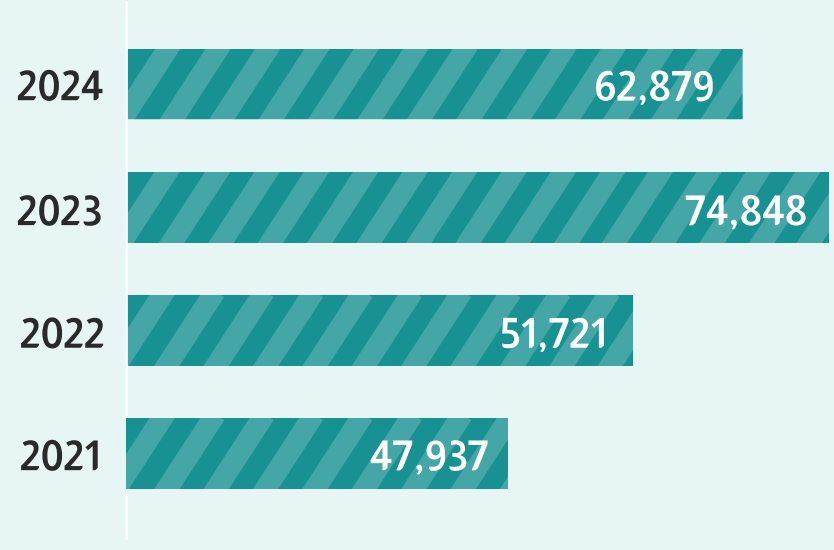
Improve its waste performance across farms, factories, warehouses and offices.

Continuously improving its waste management systems by setting measurable goals, monitoring progress, and transparently reporting on waste reduction achievements.

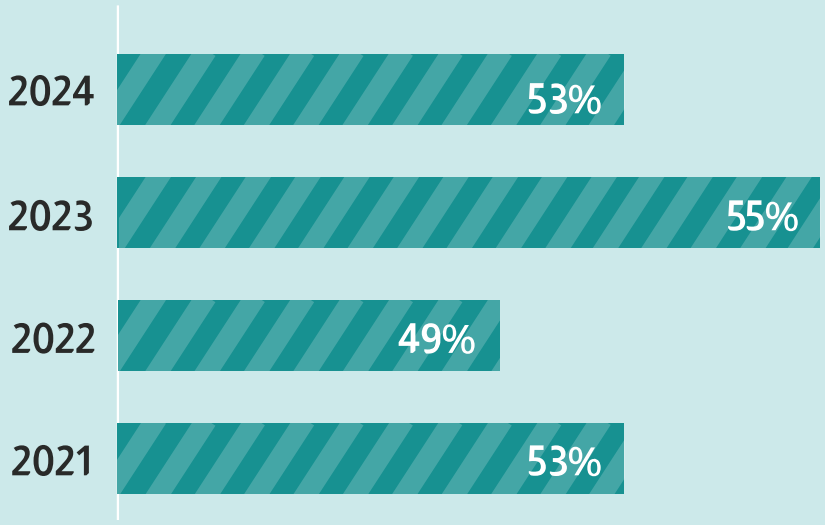
Increase in Amount of Recycled Waste



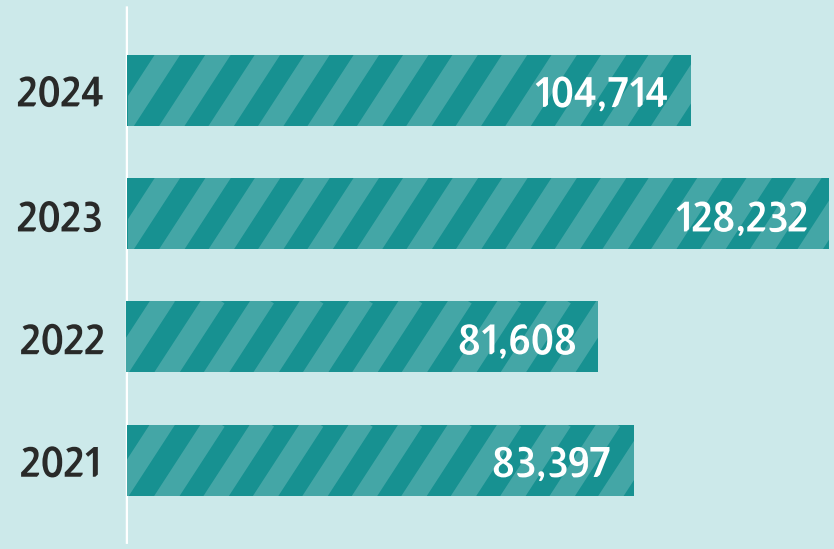
Sale of Food Waste to Animal Feed (metric tons)



Waste Sent to Landfills (in percentage)



Waste send to landfill (metric tons)



Waste Reduction Collaborations

Almarai has been working with National Center for Waste Management (MWAN) to develop an industry specific waste management guideline to promote circularity throughout Saudi Arabia. This partnership underscores a collective dedication to sustainable practices and collective environmental responsibility to divert more waste from landfills.



Progress On Our Strategic Goals and Targets

● Achieved	◐ On-track	◔ Some progres	○ Limited progress

Goal/Target	Progress
Reduce waste going to landfill across all our divisions by 50% by 2025 (against a 2018 baseline)	◐



Sustainable Agriculture

We are working to make sure that our agricultural practices are regenerative every day.

Our Approach

At the recently concluded COP28 climate summit, over 130 global leaders pledged to prioritize sustainable agriculture and robust food systems within climate strategies. This commitment was made against the backdrop of a projected human population of 10 billion by the year 2050, and also in recognition of the fact that agriculture currently accounts for approximately one-third of greenhouse gas emissions.

Sustainable agriculture is therefore recognized as a viable approach to enhance food security. Even locally, Vision 2030 has outlined strategies to boost the adoption of technology, encourage organic farming practices, and implement water conservation techniques.

Our dedication to sustainable agriculture is noticeable throughout our operations. We have integrated the use of organic fertilizers derived from our own poultry litter charring operations in Hail into our production process. In addition to our national operations, we also own massive amounts of arable lands in other countries like USA and Argentina. In these locations, our focus is on cultivating high-quality feed for our dairy herds in Saudi Arabia, while maintaining adherence to sustainable farming methods.

“Sustainable farming practices are essential for enhancing soil quality, capturing carbon, and supporting food security. They have the potential to restore water supplies, enable biodiversity, and improve the resilience of agricultural practices.”

In California, we are lining irrigation canals with concrete to reduce water loss. We also ensure that all canals are gravity fed and require no energy for pumping have implemented a land conservation program, where 15% of the land is left fallow at any given time to support soil regeneration.

In Arizona, we implemented subsurface drip and pivot irrigation in arable farms.

In Argentina, we conduct regular environmental impact assessments on our alfalfa farms and closely monitor the application of fertilizers and pesticides in compliance with local regulations.



Supporting Farmers Adopt Sustainable Agricultural Practices

We also understand that introducing sustainable agricultural practices is beyond one company's control alone. Therefore, we work to support farmers themselves. These individuals possess a deep understanding of their local environments and are pivotal in the implementation of eco-friendly farming techniques. We have also developed training programs and materials supporting 4-H (Young Farmers of America), a program initiated by the National Institute of Food and Agriculture within the United States Department of Agriculture. This program is structured to assist young individuals in acquiring expertise and abilities related to agriculture through hands-on projects and activities. Our support plays a vital role in guaranteeing that the upcoming generation of farmers and agricultural experts is well-prepared with the necessary skills and knowledge to thrive in their respective careers.

2024 Performance and Initiatives

2024 Performance and Initiatives

Zero incidents of non-compliance with environmental laws and regulations.

All of our US Sites (Vicksburg in Arizona, Blyth and Calipatria in California) are SHARPs certified for Health and Safety.

KACST and Almarai Company Unveil Almarai Prize for Scientific Creativity Strategy and New Identity.

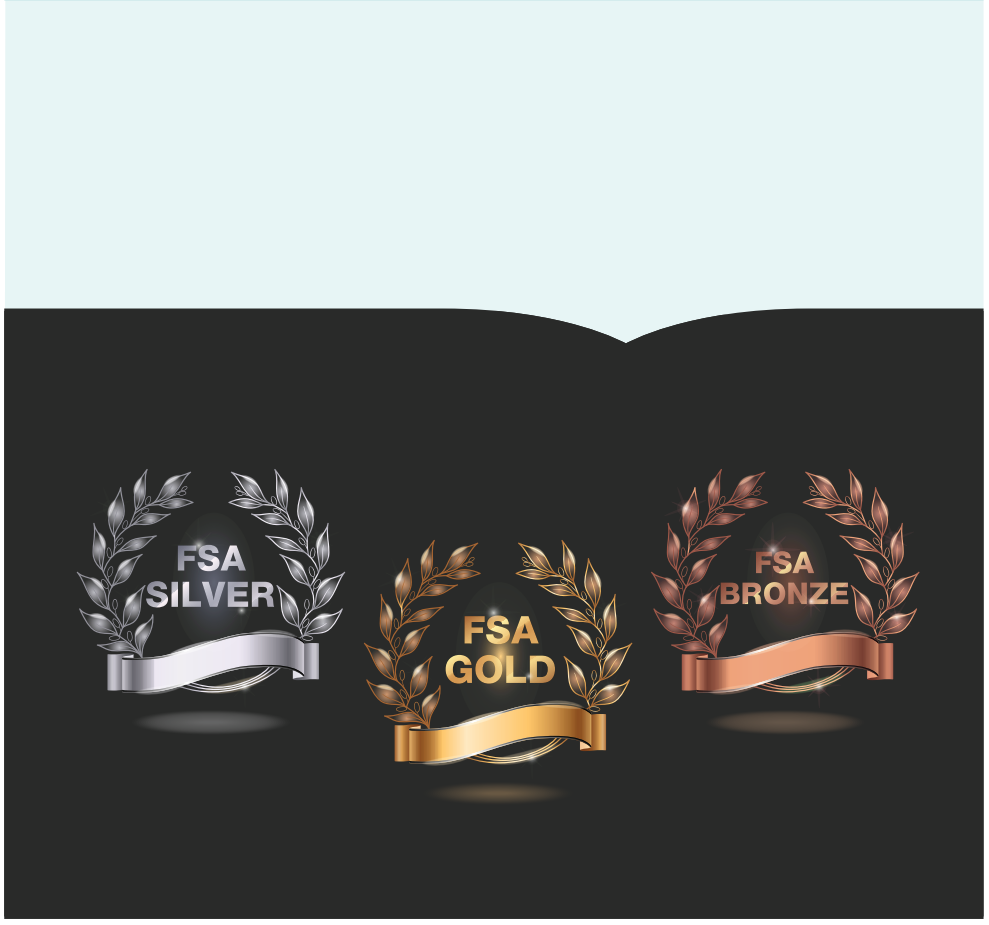
In a move to bolster innovation in food security, King Abdulaziz City for Science and Technology (KACST) and Almarai Company unveiled on March 16, 2024 “Almarai Prize for Scientific Creativity” new strategy and identity. The strategy, which was developed in partnership between Almarai and KACST, aims to enhance innovation in the field of food security in arid regions both locally and internationally to achieve national aspirations and priorities for research, development and innovation, and to eliminate the challenges of water shortages and food security in the world.



Sustainable Agriculture Initiative at our Fondomonte South America Operation

An internal audit was conducted by SAI Platform at our San Vicente Farm to evaluate the implementation of operational processes and adherence to health and safety standards, with a particular focus on sustainable agricultural practices. The audit assessed performance across several key indicators, including air quality and emissions, biodiversity, water management, waste management, integrated pest management (IPM), crop protection, nutrient management, soil management, selection and multiplication of plant material, and community and farm operation management.

The findings revealed effective application of procedures in these areas, strong managerial responsibility, and a commitment to worker health and safety. Following the auditor's verification across multiple evaluation stages and interviews with various leaders, we achieved SILVER certification level, reflecting its dedication to operational excellence and sustainable agricultural practices.



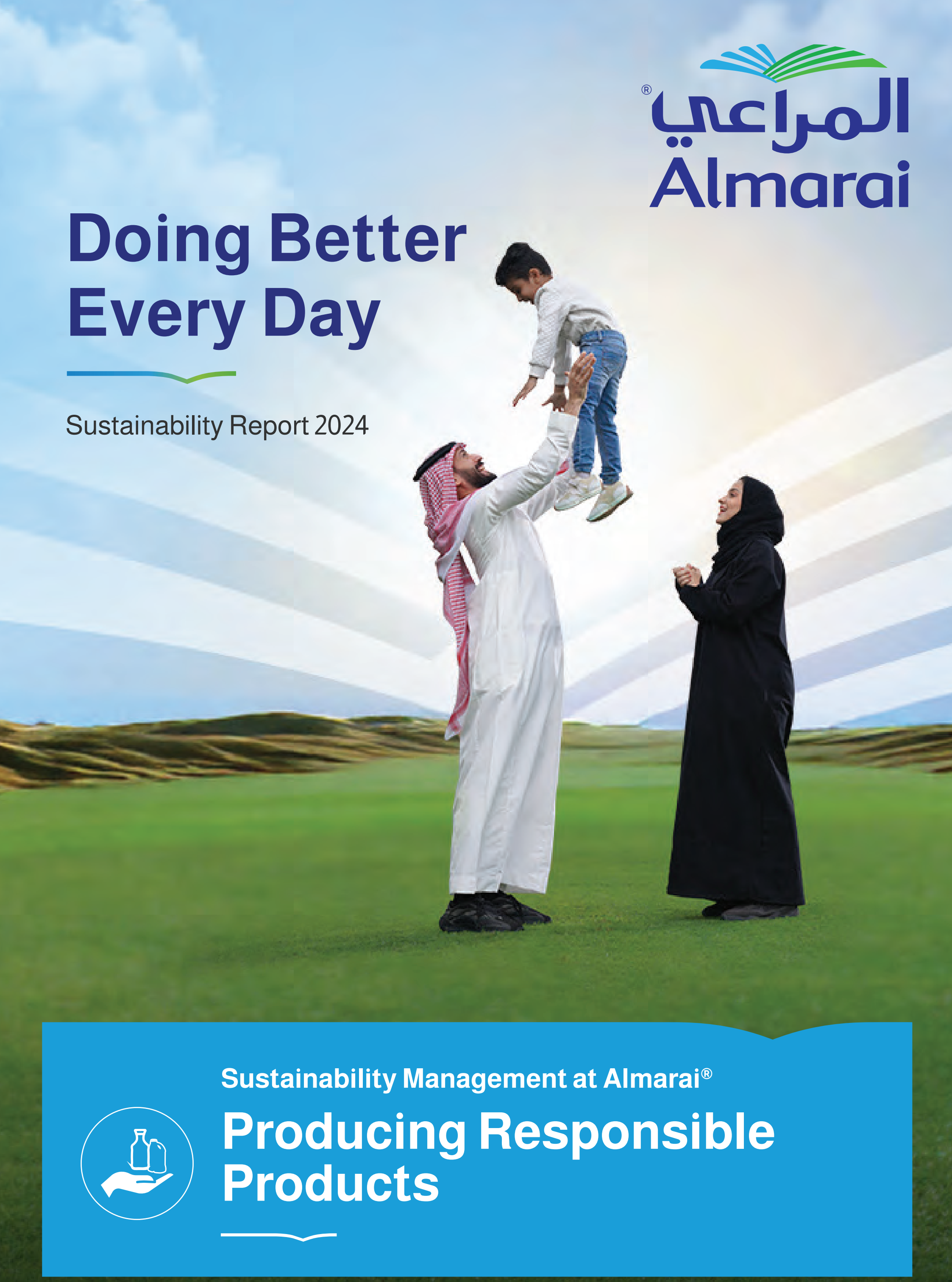
Progress On Our Strategic Goals and Targets

●	Achieved	◐	On-track	◔	Some progres	○	Limited progress

Goal/Target	Progress
Enhance sustainable practices on our arable farms by 2025	●

Doing Better Every Day

Sustainability Report 2024



Sustainability Management at Almarai®

Producing Responsible Products



Producing Responsible Products

Our promise is to deliver 'Quality you can trust' and enhance supply chain sustainability every day.



Quality and Food Safety



Animal Welfare



Ethical Sourcing

Sustainable Development Goals (SDGs) achieved through Producing Responsible Products





Quality and Food Safety

At Almarai, we are committed to the highest standards of quality and food safety, ensuring that every product we deliver is a testament to our dedication to excellence and the health of our consumers.

We are proud to have maintained our score of zero product recalls and zero incidents of non-compliance with our product and food safety standards.

Our Approach

As customer preferences evolve, there is a growing emphasis on the importance of safety and quality in consumer products. Almarai, as a market leader, is well-positioned to meet these evolving needs, due to our commitment to good manufacturing practices and the integration of technological innovations. Recognizing this critical role, we adhere to the highest standards of food safety and quality control at every stage of our production process. From the careful selection of raw materials to the processes of production, packaging and distribution, we ensure that every product meets not only the regulatory requirements, but also the high standards that our customers have come to expect from us. Our proactive approach involves conducting regular monitoring and evaluations—both announced and unannounced—of our systems, practices, material handling requirements and cleanliness in manufacturing, packaging and storage processes. These assessments are essential to maintaining high product quality and ensuring the safety of our offerings. We invest in research and development to innovate and implement new methods that enhance the safety and quality of our products. Additionally, our team of experts is dedicated to staying stay updated regarding global food safety trends and best practices, ensuring that Almarai leads the way in setting industry benchmarks.

“Every one of our manufacturing sites in GCC proudly holds a Global Food Safety Initiative (GFSI) certification, affirming our commitment to world-class food safety standards.”

Adherence to Global Standards and Practices

Ensuring the safety of our food is part of our promise to deliver healthy and nutritious food to our customers. Therefore, all our plants operate under Food Safety System Certification (FSSC) 22000, a Global Food Safety Initiative (GFSI) recognized standard that enhances the credibility, reliability and integrity of our products. Moreover, our facilities hold multiple other certifications, including the ISO 9001 Quality Management System, ensuring the continual strength of our quality and food safety performance.



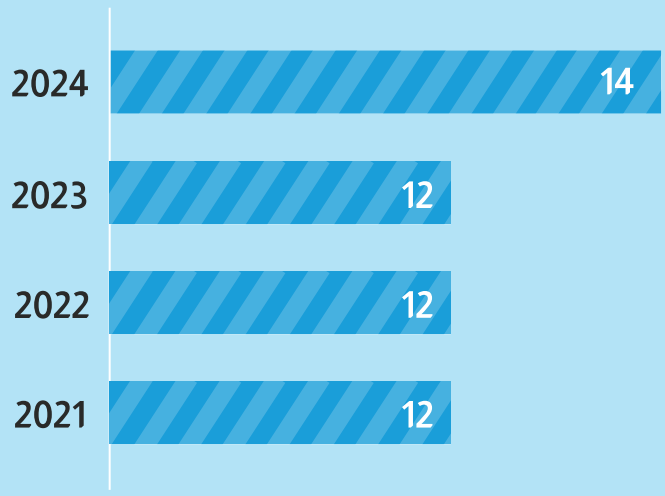
Empowering Our Workforce to Embrace a Food Safety Culture

Our workforce is at the frontline of driving food safety culture, where every individual feels responsible in maintaining high level of adherence to our quality and food safety procedures. Therefore, to empower our workforce, we conduct tailored training programs by renowned international experts such as AIB International and Campden BRI (UK). Several other recognition programs are also in place for promoting food safety standards at every level of the organization.

We increased our safety and quality assurance workforce by 26% compared to last year.



Number of Global Food Safety Initiative (GFSI) Certified Plants



2024 Performance and Initiatives

Zero incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services.

Zero number of recalls.

100% of significant product categories covered by and assessed for compliance with product information and labeling procedures.

100% of products which are assessed for improvements in health and safety impacts.

Our Highlight Stories

Our Strategic Partnerships to Support Food Security in the Region

Participation in Future Food Forum

Almarai participated in the Future Food Forum 2024, which focused on "Transforming the Food and Beverage Industry Across the GCC." The conference was graced by the presence of Abdullah bin Touq Al Marri, UAE Minister of Economy, highlighting the importance of enhancing food security and sustainability in the region.



Participation in ESPEN Conference on Clinical Nutrition and Metabolism

Our participation in the 46th Congress of the European Society for Clinical Nutrition and Metabolism (ESPEN) reflects our strong commitment to advancing therapeutic nutrition. As the first company from Saudi Arabia and the Middle East to take part in this event, we highlighted our cutting-edge therapeutic solutions through our subsidiary the “International Pediatric Nutrition Company (IPNC)”, which is the only facility in Saudi Arabia dedicated to producing therapeutic and clinical nutrition products specifically for children. The event was also attended by a panel of esteemed healthcare professionals from the Kingdom and the UAE, who contributed their expertise and perspectives on the latest developments in clinical nutrition.



Strategic Sponsors of Al-Kharj Dairy and Food Festival

Almarai was proud to be the strategic sponsor of the 10-day Al-Kharj Dairy and Food Festival, an event organized by the Riyadh Municipality. In addition to supporting the festival, we provided visitors with an engaging virtual reality tour, allowing them to virtually explore our farms, production facilities and gain an understanding of our initiatives in areas such as nutrition and food safety.



Sponsoring Food Safety Week in Sultanate of Oman

We received recognition from the Minister of Health in the Sultanate of Oman for our active participation in the Food Safety Week organized by the Ministry of Agriculture, Fisheries and Water Resources. This honor highlights our commitment to promoting nutritional awareness and ensuring consumer rights to food safety.

Achieved	On-track	Some progres	Limited progress

Goal/Target	Progress
All manufacturing sites will have Global Food Safety Initiative (GFSI) recognized certification by 2025	●
All high-risk ingredient suppliers will have Global Food Safety Initiative (GFSI) recognized certification by 2025	◐



Animal Welfare

We are working to make sure that our animals are treated and handled humanely throughout their lifecycle every day.

Our Approach



Almarai is dedicated to safeguarding the health and wellbeing of all animals within its care, as this impacts not only the animal's quality of life, but also the quality and safety of the food we produce. Our animal welfare policy sets clear expectations, encompassing a range of good farming practices in adherence to international standards, including the World Organization for Animal Health (OIE) guidelines and the Five Freedoms Principle. We enforce a strict zero-tolerance policy against any form of animal abuse, mistreatment, neglect or negligence within our supply chain. Our policy ensures that animals are provided with a life free from hunger, fear, discomfort and pain, and are able to engage in natural behaviors. A high-quality, hormone-free diet is also key aspect of our commitment to the healthful growth and wellbeing of our animals. Furthermore, we require all employees to be proficient in humane handling and fully aware of their responsibilities towards animal welfare, in compliance with all relevant laws and regulations. The policy is rigorously enforced at every level of the company's live animal supply chain to ensure the highest standards of care.

Zero incidents of non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling and slaughter practices.

100% of cows in enclosed housingwith resting areas and 100% of chickens in enclosed cage free housing.

166,251 cows in our herd in SaudiArabia and 264.95 million chickens processed.

1st company to achieve global animal welfare certification for our dairy and poultry farming operations.

What We Do

To achieve our animal welfare goals, we have implemented the following measures:

- **Biosecurity Procedures:** We safeguard our livestock and poultry flocks, which are strategically located across multiple sites; to ensure the health and safety of our herds, we complement our disease control and vaccination programs with thorough screening and quarantine measures for all incoming herds.
- **Responsible Sourcing of Poultry Feed:** We monitor feeding quantities and nutritional content to ensure the highest quality feed for our poultry.
- **Advanced Housing for Broilers:** Our broilers are equipped with advanced air filtration systems and housed in cage-free, climate-controlled barns to promote their wellbeing.
- P**roactive Vaccination:** We prioritize the proactive vaccination of cows and chickens, avoiding reliance on therapeutic antimicrobial substitutes.
- **Treatment Protocols:** Animals in need of treatment are temporarily removed from production until they fully recover, and we do not use any antimicrobials in the treatment of broiler chickens and adhere to proven best practices and evidence-based treatment protocols.
- **Training Programs:** Recognizing that human interaction plays a significant role in animal welfare, we provide training across all activities on farm, first aid, equipment usage and emergency planning for higher-risk activities with animals to ensure that all staff are aware and can mitigate risk.

Notable Achievements

- First-ever company to achieve certification in Global Animal Wellness Standard (GAWS) for dairy production.
- First company in Saudi Arabia to receive certification in Global Animal Wellness Standard (GAWS) for poultry hatchery, transport, and operations.
- Sponsored "Almarai Veterinary Medicine Award for the Gulf Cooperation Council Countries," in partnership with the Saudi Veterinary Medical Association.

Our Highlight Stories

Our Continuous Efforts Towards Animal Welfare

In 2024, we continued to reinforce our commitment to our Animal Welfare Policy. This policy establishes stringent guidelines for our Almarai Farming Division and Poultry Business Unit, ensuring the wellbeing of all animals in our care and preventing any form of mistreatment. We also prioritized the wellbeing of our livestock by monitoring their overall health, implementing preventative healthcare measures, launching clinical trials and improving animal nutrition and overall comfort. We also provided comfortable and cool housing, access to high-quality feed, calm handling practices, transportation, preventative health care and veterinary attention. In our commitment to adopting global animal welfare standards, we undertook measures to comply with the NSF Global Animal Wellness Standards (GAWS), which involved revising operational procedures, delivering targeted training to our employees, forming a specialized Animal Welfare team, and standardizing our record-keeping to align with these standards. As a result of these efforts, by the end of 2024, all Almarai's dairy and poultry farming operations successfully achieved GAWS certification.



Progress On Our Strategic Goals and Targets

● Achieved | ◐ On-track | ◔ Some progres | ○ Limited progress

Goal/Target	Progress
Achieve global animal welfare certification for our dairy and poultry farming operations by 2025	●



Ethical Sourcing

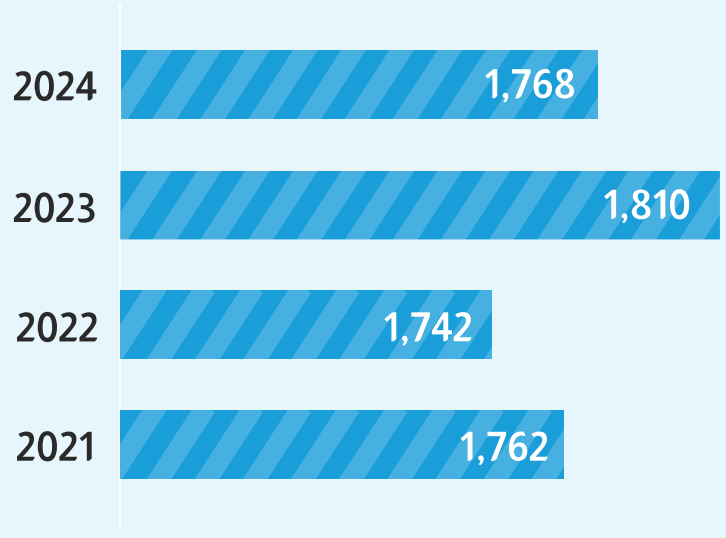
We are working to make sure we take a collaborative approach to elevate sustainability in our supply chain every day.

Our Approach

At Almarai, we believe that the integrity of our supply chain is integral to the quality of our products and the trust our consumers place in us. To safeguard and nurture this trust, we have developed policies such as ethical sourcing policy and code of conduct that ensure our sourcing practices meet the highest ethical standards. To ensure we engage in ethical sourcing, our suppliers are screened and reviewed through our ESG focused Supplier Questionnaire, where details of their business, performance and supply quality are evaluated. The questionnaire also addressing key issues such as environmental stewardship, social responsibility and ethical governance. All our potential suppliers are expected to meet the following criteria as part of our onboarding process. To further solidify our ethical sourcing process, we promoted adherence to the Global Food Safety Initiative (GFSI) standards among our suppliers. Our efforts have been fruitful, with 60% of our suppliers having attained GFSI certification. This process not only aligns our suppliers with our ethical standards but also ensures they are integral contributors to a more sustainable food system. Moreover, in our effort towards ethical sourcing, we also place a strong emphasis on promoting local suppliers, recognizing the value they bring to our business and community through their unique contributions and the reduction of our overall carbon footprint.

60% of our suppliers having attained GFSI certification.

Total number of local suppliers engaged



Our Highlight Stories

Our Ethical Sourcing Process and Audit Plan

To safeguard the integrity of our supply chain and uphold our commitment to ethical business practices, we have developed an ethical sourcing process and an audit plan for onboarded suppliers. This includes regular and systematic evaluations conducted by trained professionals to verify ongoing compliance with the agreed-upon ethical standards. These standards encompass the treatment of workers, the impact on local communities and the sustainability of environmental practices. The results of these audits will serve as a foundation for continuous improvement. Suppliers will be encouraged to take corrective actions where necessary and to strive for higher standards of ethical practice. Through this process, Almarai not only would hold its suppliers accountable, but also support them in identifying and addressing areas for development, ensuring that the entire supply chain operates with integrity and in accordance with the best practices for sustainability and ethical conduct.


المراعي
Almarai

Doing better every day

Pillars

Caring for people

Protecting the planet

Producing responsible products

10. Does your company have a formal environmental policy, which includes a commitment to legal compliance, continuous measurement and continuous improvements in environmental performance?

Background:
An environmental policy shows the company's overall intentions and direction related to its environmental performance. It reflects the company's commitment and is formally expressed by top management. It provides a framework for action, setting environmental objectives which consider applicable legal and other requirements and the company's environmental impact of its operations, products and services, with the purpose of decreasing the environmental impact, saving resources and costs. The policy should ensure that there are no detrimental changes to soil, water pollution, harmful noise emissions or excessive water consumption.

Greenhouse gases trap heat in the atmosphere and contribute to global warming.

Energy efficiency refers to the amount of energy productively used to give the same amount of energy inputs.

Renewable energy refers to energy that comes from natural resources that are not depleted when used. Examples include wind, solar or geothermal energy.

Decarbonization refers to the removal of GHG emissions from a company's value chain.

Water quality and consumption includes access to clean water and the conservation for future generations.

Air quality is the level of air pollution in the atmosphere. Responsible chemical management considers the life cycle of chemicals including handling, storage and disposal. Sustainable resource management is the practice of using less to preserve resources.

Supplier Adherence to Our Ethical Standards

Throughout 2024, we continued our efforts to collaborate with our suppliers, ensuring that they not only signed our code of conduct, but also understood the ethical standards we expect within our supply chain. Moreover, we also introduced our self-assessment questionnaire for our suppliers, a tool that would allow them to evaluate their own practices against our ethical benchmarks. This self-assessment is a critical component of our strategy, as it empowers suppliers to take ownership of their role in our supply chain.



2024 Performance and Initiatives

100% of purchased volume from suppliers is compliant with company's sourcing policy.

100% of purchased volume is verified as being in accordance with credible, internationally recognized responsible production standards.

64% of all suppliers engaged are locally based.

Zero instances of negative social and/or environmental impacts in the supply chain.

77% of new suppliers that were screened using social and/or environmental criteria.

45% of budget spent on locally based suppliers in GCC.

1,768 local suppliers engaged.

Progress On Our Strategic Goals and Targets

● Achieved	◐ On-track	◔ Some progres	○ Limited progress

Goal/Target	Progress
Put an ethical sourcing process and audit plan in place by 2025	●

Doing Better Every Day

Sustainability Report 2024

Our ESG Policies and Position Statements



Our ESG Policies and Position Statements

Our commitment to sustainable management of our activities is formalized in our policies and our position statements.



Policies



Position Statements



ESG Policies

Animal Welfare Policy

Almarai is dedicated to safeguarding the health and wellbeing of all animals within its care, as this impacts not only the animal's quality of life, but also the quality and safety of the food we produce. We believe that implementing internationally recognized principles for animal welfare is part of our license to operate as a leading food and beverage company.

Download Policy

Community Investment Policy

Community Investment policy outlines our community investment principles and governs the selection and management of our community investment initiatives. It provides guidance to entities who are seeking to receive support from Almarai. Almarai is committed to communicating openly and transparently to our stakeholders on our community impact, and we report on our community investment initiatives on an annual basis in the Almarai Sustainability Report.

Download Policy

Energy Policy

The purpose of Energy policy is for Almarai to optimize energy use, improve cost-effectiveness and productivity, enhance working conditions, reduce greenhouse gas emissions, and be sustainable. We are committed to responsible energy use and will practice energy efficiency in all operations and processes, wherever it is cost effective to do so.

Download Policy

Environmental Policy

We at Almarai are committed to responsible stewardship of resources in relation to our activities, products and services, without compromising the “Quality you can trust” commitment to all stakeholders. The implementation of internationally recognized principles and global best practices is a part of our mandate to continually improve our environmental performance as a leading food and beverage company.

Download Policy

Ethical Souring Policy

This Ethical Sourcing Policy from Almarai Company (“Almarai”) sets forth the principles and standards we strive to achieve and describes our expectations for supplier adherence. It applies to all suppliers of goods and services, and their associated employees, agents and/or subcontractors, who do business with or on behalf of Almarai (“suppliers”). All suppliers are responsible for ensuring their practices are consistent with the practices herein.

Download Policy

Human Rights Policy

Almarai is dedicated to respecting and protecting the human rights of its employees, workers in its value chain, and members of the communities in which it operates. Almarai requires all employees and stakeholders to fully conform with Almarai’s Human Rights Policy to ensure it achieves its goals and objectives. This policy, supported by the Human Resources Division, will be applied to all business operations and services carried out by Almarai.

Download Policy

Responsible Marketing Policy

This covers marketing and communications including but not limited to television, radio, outdoor, print, digital including company-owned websites and third-party websites, social media, apps and online games, direct marketing, sponsorships, and all other forms of communication including packaging. This Responsible Marketing Policy is supported and reinforced by the Almarai Executive Leadership Team, overseen, and governed by the Marketing and Communication Teams.

Download Policy

Global Anti-Bribery and Corruption Policy

As part of Almarai’s sustainability endeavors for governance and disclosure, the Global Anti-Bribery and Corruption Policy and Procedures has been incorporated into our website. This aligns with one of the SDGs to provide access to justice for all and build an effective, accountable and inclusive platform at all levels of the business.

Download Policy



Position Statements

Climate Change

Greenhouse gas (GHG) emissions have changed the composition of our atmosphere and climate. The changing climate affects society and ecosystems in various ways. Industrialized food systems emit GHGs as large amounts of energy are required to produce fertilizers, and to process, package, transport and preserve food. The purpose of this position statement is for Almarai to implement more sustainable solutions to reduce our emissions. To do so, **our strategies focus on four main themes: Energy Efficiency, Clean Energy, Energy Culture, and Refrigeration**.

Download Statement

Water

Water is a critical input for agricultural production and plays an important role in food security. Agriculture currently accounts for 70% of all freshwater withdrawals1. Food production requires adequate water supplies for growing crops, feeding livestock, and processing ingredients. As the world's largest vertically integrated dairy company with operations in areas of varying water risk, we recognize that we have an important role to play in contributing to a water secure future. Effective water management and stewardship are inexorably linked to our business's long-term viability. Our strategies focus on three main themes: **Water Efficiency, Water Stewardship, and Water Culture**.

Download Statement

Environmental Impact of Packaging

Packaging is essential to protecting and preserving the quality and safety of our products for consumers. Today's food and beverage packaging prevents spoilage and food waste while enhancing shelf life. It helps to maintain the taste and freshness of our products and provides important nutritional information to help consumers make more informed choices. Single-use plastic packaging, both lightweight and high performing, helps to increase the overall efficiency through the entire supply chain.

The purpose of this position statement is to share the global concerns about the impact packaging waste has on the environment and Almarai is prepared to play its part to address this challenge. This requires a holistic approach to understand how consumers use our products in conjunction with the requirements within the supply chain.

Our strategic approach to address the challenge is based on: Remove and Reduce, Re-use, Recycle, Review, and Re-imagine.

Download Statement

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Sustainability Report 2024



GRI Content Index



GRI Content Index Table

Statement of use	Almarai Company has reported in accordance with the GRI Standards for the period 1st January 2024 to 31st December 2024.
GRI 1 used	GRI 1: Foundation 2021

GRI 2: General Disclosures 2021	
GRI Disclosure	**Location and Notes**
2-1 Organizational details	About this report
2-2 Entities included in the organization's sustainability reporting	About this report
2-3 Reporting period, frequency and contact point	About this report
2-4 Restatements of information	Health and safety, Employee talent and diversity, Community investment, Water management, Packaging innovation, Climate change, Waste management, Ethical sourcing
2-5 External assurance	About this report
2-6 Activities, value chain and other business relationships	About this report Annual Report 2024, 92-93
2-7 Employees	Sustainability governance, Managing sustainability at Almarai data
2-8 Workers who are not employees	Sustainability governance,Managing sustainability at Almarai data,

GRI 2: General Disclosures 2021	
GRI Disclosure	**Location and Notes**
2-9 Governance structure and composition	Sustainability governance, Managing sustainability at Almarai data
2-10 Nomination and selection of the highest governance body	Sustainability governance, Managing sustainability at Almarai data
2-11 Chair of the highest governance body	Sustainability governance, Managing sustainability at Almarai data
2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability governance, Managing sustainability at Almarai data
2-13 Delegation of responsibility for managing impacts	Sustainability governance, Managing sustainability at Almarai data
2-14 Role of the highest governance body in sustainability reporting	Sustainability governance, Managing sustainability at Almarai data
2-15 Conflicts of interest	Sustainability governance, Managing sustainability at Almarai data
2-16 Communication of critical concerns	Sustainability governance, Managing sustainability at Almarai data
2-17 Collective knowledge of the highest governance body	Sustainability governance, Managing sustainability at Almarai data
2-18 Evaluation of the performance of the highest governance body	Sustainability governance, Managing sustainability at Almarai data
2-19 Remuneration policies	Sustainability governance, Managing sustainability at Almarai data
2-20 Process to determine remuneration	Sustainability governance, Managing sustainability at Almarai data
2-21 Annual total compensation ratio	Sustainability governance, Managing sustainability at Almarai data
2-22 Statement on sustainable development strategy	Sustainability governance, Managing sustainability at Almarai data
2-23 Policy commitments	Sustainability governance, Managing sustainability at Almarai data
2-24 Embedding policy commitments	Sustainability governance, Managing sustainability at Almarai data
2-25 Processes to remediate negative impacts	Sustainability governance, Managing sustainability at Almarai data
2-26 Mechanisms for seeking advice and raising concerns	Sustainability governance, Managing sustainability at Almarai data
2-27 Compliance with laws and regulations	Sustainability governance, Managing sustainability at Almarai data
2-28 Membership associations	Sustainability governance, Managing sustainability at Almarai data
2-29 Approach to stakeholder engagement	Stakeholder engagement, Sustainability governance
2-30 Collective bargaining agreements	KSA Labour Law presently contains no provisions on collective bargaining

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
3-1 Process to determine material topics	Stakeholder engagement, Alignment to national and international development frameworks, Defining and prioritizing the issues that matter the most,
3-2 List of material topics	Defining and prioritizing the issues that matter the most, Our sustainability strategy

Nutrition and wellbeing

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
3-3 Management of material topics	Nutrition and wellbeing

GRI 417: Marketing and Labeling 2016	
GRI Disclosure	**Location and Notes**
417-1 Requirements for product and service information and labeling	Nutrition and wellbeing, Nutrition and wellbeing data
417-2 Incidents of non-compliance concerning product and service information and labeling	Nutrition and wellbeing, Nutrition and wellbeing data
417-3 Incidents of non-compliance concerning marketing communications	Nutrition and wellbeing, Nutrition and wellbeing data

Health and Safety

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
3-3 Management of material topics	Health and safety

GRI 403: Occupational Health and Safety 2018	
GRI Disclosure	**Location and Notes**
403-1 Occupational health and safety management system	Health and safety
403-2 Hazard identification, risk assessment, and incident investigation	Health and safety

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
403-3 Occupational health services	Health and safety
403-4 Worker participation, consultation, and communication on occupational health and safety	Health and safety
403-5 Worker training on occupational health and safety	Health and safety, Health and safety data
403-6 Promotion of worker health	Health and safety
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety
403-8 Workers covered by an occupational health and safety management system	Health and safety
403-9 Work-related injuries	Health and safety, Health and safety data
403-10 Work-related ill health	Health and safety, Health and safety data

Employee Talent and Diversity

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
3-3 Management of material topics	Employee talent and diversity

GRI 401: Employment 2016	
GRI Disclosure	**Location and Notes**
401-1 New employee hires and employee turnover	Employee talent and diversity,Employee talent and diversity data
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee talent and diversity
401-3 Parental leave	Employee talent and diversity data

GRI 404: Training and Education 2016	
GRI Disclosure	**Location and Notes**
404-1 Average hours of training per year per employee	Employee talent and diversity data

GRI 404: Training and Education 2016	
GRI Disclosure	**Location and Notes**
404-2 Programs for upgrading employee skills and transition assistance programs	Employee talent and diversity data
404-3 Percentage of employees receiving regular performance and career development reviews	Employee talent and diversity data

GRI 405: Diversity and Equal Opportunity 2016	
GRI Disclosure	**Location and Notes**
405-1 Diversity of governance bodies and employees	Employee talent and diversity,
405-2 Ratio of basic salary and remuneration of women to men	Employee talent and diversity data

GRI 406: Non-discrimination 2016	
GRI Disclosure	**Location and Notes**
406-1 Incidents of discrimination and corrective actions taken	Employee talent and diversity,

Community Investment

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
3-3 Management of material topics	Community investment

GRI 413: Local Communities 2016	
GRI Disclosure	**Location and Notes**
413-1 Operations with local community engagement, impact assessments, and development programs	Community investment, Community investment data
413-2 Operations with significant actual and potential negative impacts on local communities	Community investment

Water Management

GRI 413: Local Communities 2016	
GRI Disclosure	**Location and Notes**
3-3 Management of material topics	Water management

GRI 303: Water and Effluents 2018	
GRI Disclosure	**Location and Notes**
303-1 Interactions with water as a shared resource	Water management, Water management data
303-2 Management of water discharge-related impacts	Water management, Water management data
303-3 Water withdrawal	Water management, Water management data
303-4 Water discharge	Water management, Water management data
303-5 Water consumption	Water management, Water management data

Packaging innovation

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
3-3 Management of material topics	Packaging innovation,

GRI 301: Materials 2016	
GRI Disclosure	**Location and Notes**
301-1 Materials used by weight or volume	Packaging innovation, Packaging innovation data
301-2 Recycled input materials used	Packaging innovation, Packaging innovation data
301-3 Reclaimed products and their packaging materials	Packaging innovation,Packaging innovation data

Climate Change

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
3-3 Management of material topics	Climate change

GRI 302: Energy 2016	
GRI Disclosure	**Location and Notes**
302-1 Energy consumption within the organization	Climate change, Climate change data
302-2 Energy consumption outside of the organization	Climate change, Climate change data
302-3 Energy intensity	Climate change, Packaging innovation data
302-4 Reduction of energy consumption	Climate change, Climate change data
302-5 Reductions in energy requirements of products and services	Climate change, Packaging innovation data

GRI 305: Emissions 2016		
GRI Disclosure	**Location and Notes**	
305-1 Direct (Scope 1) GHG emissions	Climate change, Climate change data	
305-2 Energy indirect (Scope 2) GHG emissions	Climate change, Climate change data	
305-3 Other indirect (Scope 3) GHG emissions	Climate change,Climate change data	
305-4 GHG emissions intensity	Climate change,Climate change data	
305-5 Reduction of GHG emissions	Climate change, Climate change data	
305-6 Emissions of ozone-depleting substances (ODS)	Information unavailable	Not relevant to the industry
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Information unavailable	Not relevant to the industry

Waste Management

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
3-3 Management of material topics	Waste management

GRI 306: Waste 2020	
GRI Disclosure	**Location and Notes**
306-1 Waste generation and significant waste-related impacts	Waste management, Waste management data
306-2 Management of significant waste-related impacts	Waste management,
306-3 Waste generated	Waste management, Waste management data
306-4 Waste diverted from disposal	Waste management,Waste management data
306-5 Waste directed to disposal	Waste management, Waste management data

Quality and Food Safety

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
3-3 Management of material topics	Quality and food safety

GRI 416: Customer Health and Safety 2016	
GRI Disclosure	**Location and Notes**
416-1 Assessment of the health and safety impacts of product and service categories	Quality and food safety, Quality and food safety data
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Quality and food safety, Quality and food safety data

Ethical Sourcing

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
3-3 Management of material topics	Ethical sourcing

GRI 204: Procurement Practices 2016	
GRI Disclosure	**Location and Notes**
204-1 Proportion of spending on local suppliers	Ethical sourcing, Ethical sourcing data

GRI 308: Supplier Environmental Assessment 2016	
GRI Disclosure	**Location and Notes**
308-1 New suppliers that were screened using environmental criteria	Ethical sourcing, Ethical sourcing data
308-2 Negative environmental impacts in the supply chain and actions taken	Ethical sourcing, Ethical sourcing data

GRI 414: Supplier Social Assessment 2016	
GRI Disclosure	**Location and Notes**
414-1 New suppliers that were screened using social criteria	Ethical sourcing, Ethical sourcing data
414-2 Negative social impacts in the supply chain and actions taken	Ethical sourcing, Ethical sourcing data

Biodiversity

GRI 3: Material Topics 2021		
GRI Disclosure	**Location and Notes**	**Reason for omission**
3-3 Management of material topics	Community investment	

GRI 304: Biodiversity 2016		
GRI Disclosure	**Location and Notes**	**Reason for omission**
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Information unavailable	Our sites are not adjacent to protected areas and areas of high biodiversity value outside protected areas.
304-2 Significant impacts of activities, products and services on biodiversity	Information unavailable	Our sites are not adjacent to protected areas and areas of high biodiversity value outside protected areas.
304-3 Habitats protected or restored	Community investment	
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Information unavailable	Our sites are not adjacent to protected areas and areas of high biodiversity value outside protected areas.

Topics in the applicable GRI Sector Standards determined as not material

GRI 408 and 409	
GRI Disclosure	**Location and Notes**
Child labour and forced or compulsory labour	Human right policy

We also report on topics that are not covered by the GRI Standards.

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
Sustainable agriculture	Sustainable agriculture, sustainable agriculture data

GRI 3: Material Topics 2021	
GRI Disclosure	**Location and Notes**
Animal welfare	Animal welfare, animal welfare data

Doing Better Every Day

Sustainability Report 2024

Performance Data



Performance Data

Managing Sustainability At Almarai | Caring for People | Protecting the Planet | Producing Responsible Products

Our Sustainability Performance

	2021	2022	2023	2024
Number of incidents of non-compliance with environmental laws and regulations	0	0	0	0
GCC	0	0	0	0
USA	0	0	0	0
Argentina	0	0	0	0

Our Sustainability Performance

	2021	2022	2023	2024
Nutrition And Wellbeing				
Number of incidents of non-compliance concerning product information and labeling	3	0	1	0
GCC	3	0	1	0
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications	0	0	0	0
GCC	0	0	0	0
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Percentage of significant product categories covered by and assessed for compliance with product information and labeling procedures (%)	100%	100%	100%	100%
GCC	100%	100%	100%	100%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Health And Safety				
Number of employee lost time injuries	228	202	195	194
GCC	176	170	188	176
USA	37	15	7	8
Argentina	15	17	0	10
Contractor lost-time injuries	3	5	0	0
GCC	3	5	0	0
USA	0	0	0	0
Argentina	0	0	0	0
Employee lost-time injury rate (per 1 mln man-hours)	2.15	1.76*	1.58	1.55
GCC	1.68	1.50*	1.54	1.42

USA	47.48*	14.71	7.86	7.88
Argentina	28.62	39.47	0.00	21.95
Contractor lost-time injury rate (per 1 mln man-hours)	0.82	1.24	0.00	0.00
GCC	0.83	1.28	0.00	0.00
USA	0	0	0	0
Argentina	0	0	0	0
Hours of employee health and safety training	167,915	227,229	206,222	231,299
GCC	150,284	222,469	201,595	223,770
USA	17,160	4,456	3,263	5,203
Argentina	471	304	1,364	2,326
Hours of contractor health and safety training	19	112	11,576	6,985
GCC	0	0	8,303	6,950
USA	16	112	3,263	0
Argentina	3	0	10	35
Average hours of health and safety training per employee	4.7	5.9	5.0	5.3
GCC	4.3	5.9	5.0	5.2
USA	45.9	8.0	6.9	10.1
Argentina	2.2	1.4	5.9	9.6
Average hours of health and safety training per contractor	0.00	0.00	3.7	2.2
GCC	0	0.0	2.65	2.0
USA	0.24	1.72	141.87	0.0
Argentina	0.05	0.0	0.50	1.46
Employee absenteeism rate (%)				
GCC	3.1%	7.0%	6.0%	4.0%
USA	12,2%	N/A	8.0%	0.78
Argentina	6.7%	6.1%*	5.6%	3.3%

Employee Talent And Diversity

Number of employees	35,386	38,351	41,072	43,821
GCC	34,801	37,570	40,370	43,066
USA	374	557	470	513
Argentina	211	224	232	242
Male employees	34,539	37,422	40,025	42,659
GCC	34,059	36,761	39,455	42,038
USA	310	476	380	417
Argentina	170	185	190	204
Female employees	847	929	1,046	1,162
GCC	742	809	915	1,028
USA	64	81	90	96
Argentina	41	39	41	38
Full time, male employees	34,449	37,422	40,121	42,65 5
GCC	34,059	36,761	39,455	42,038
USA	220	476	476	413
Argentina	170	185	190	204
Full time, female employees	845	929	1,035	1, 16 1
GCC	742	809	915	1,028
USA	62	81	81	96
Argentina	41	39	39	3 7
Part time, male employees	3	5	2	4
GCC	0	0	0	0
USA	3	5	2	4
Argentina	0	0	0	0
Part time, female employees	2	3	3	1
GCC	0	0	0	0

USA	2	2	2	0
Argentina	0	1*	1	1
Senior management employees	254	274	306	342
GCC	234	253	285	317
USA	8	8	8	10
Argentina	12	13	13	15
Middle management employees	1,250	1,296	1,438	1,562
GCC	1,196	1,235	1,373	1,498
USA	31	40	44	43
Argentina	23	21	21	21
Non-management employees	33,882	36,500	39,304	41,937
GCC	33,371	36,082	38,712	41,251
USA	335	252	418	459
Argentina	176	166	174	227
New employee hires	4,521	6,526	6,950	7,215
GCC	4,075	6,195	6,717	7,215
USA	381	280	175	93
Argentina	65	51	58	53
New employee hires, age 18-30	2,826	3,980	3,982	4,541
	62.5%	61,0%	57.3%	62.9%
GCC	2,616	3,826	3,850	4,453
	64.2%	62%	57%	63%
USA	163	109	78	38
	42.8%	39%	45%	41%
Argentina	47	45	54	50
	72.3%	88%	93%	94%
New employee hires, age 31-50	1,625	2,493	2,924	2,637
	35.9%	38.2%*	42.1%	36.5%

GCC	1,440	2,348	2,846	2,590
	35.3%	37.9%	42.4%	36.6%
USA	167	139	74	44
	43.8%	49.6%	42.3%	47.3%
Argentina	18	6	4	3
	27.7%	11.8%	6.9%	5.7%
New employee hires, age 51+	70	50	44	37
	1.5%	0.8%	0.6%	0.5%
GCC	19	21	21	26
	0.5%	0.3%	0.3%	0.4%
USA	51	29	23	11
	13.4%	10.4%	13.1%	11.8%
Argentina	0	0	0	0
	0.0%	0%	0%	0%
New employee hires, male	4,410	6,354	6,719	6,969
	97.5%	97.4%	96.7%	96.6%
GCC	4,006	6,060	6,522	6,849
	98.3%	98%	97%	97%
USA	346	258	150	70
	90.8%	92.1%	85.7%	75.3%
Argentina	58	36	47	50
	89.2%	70.6%	81.0%	94.3%
New employee hires, female	267	169	227	246
	5.9%	2.6%	3.3%	3.4%
GCC	69	135	195	220
	1.7%	2.2%	2.9%	3.1%
USA	191	19	25	23
	50.1%	6.8%	14.3%	24.7%

Argentina	7	15	7	3
	10.8%	29.4%	12.1%	5.7%
Voluntary employee turnover	4,568	4,040	4,209	4,280
	12.9%	10.5%	10.2%	9.8%
GCC	4,422	3,892	4,040	4,164
	12.7%	10.4%	10.0%	9.7%
USA	93	122	149	103
	24.9%	21.9%	31.7%	20.1%
Argentina	53	26	20	13
	25.1%	11.6%	8.6%	5.4%
Voluntary employee turnover, age 18-30	2,917	1,602	1,603	1,672
	63.9%	39.7%	38.1%	39.1%
GCC	2,832	1,523	1,612	1,623
	64.0%	39.1%	39.9%	39.0%
USA	53	54	69	39
	57.0%	44.3%	46.3%	37.9%
Argentina	32	25	18	10
	60.4%	96.2%	90.0%	76.9%
Voluntary employee turnover, age 31-50	2,976	2,272	2,314	2,399
	65.1%	56.2%	55.0%	56.1%
GCC	2,931	2,219	2,247	2,350
	66.3%	57.0%	55.6%	56.4 %
USA	24	52	65	46
	25.8%	42.6%	43.6%	44.7%
Argentina	21	1	2	3
	39.6%	3.8%	10.0%	23.1%
Voluntary employee turnover, age 51+	270	166	197	209
	5.9%	4.1%	4.7%	4.9%

GCC	254	150	181	191
	5.7%	3.9%	4.5%	4.6%
USA	16	16	16	18
	17.2%	13.1%	10.7%	17.5%
Argentina	0	0	0	0
	0%	0%	0%	0%
Voluntary employee turnover, male	4,449	4,020	4,104	4,147
	97.4%	99.5%	97.5%	96.9%
GCC	4,335	3,892	3,959	4,053
	98.0%	100%	98%	97%
USA	61	110	127	82
	65.6%	90.2%	85.2%	79.6%
Argentina	53	18	18	12
	100.0%	69.2%	90.0%	92.3%
Voluntary employee turnover, female	95	89	90	133
	2.1%	2.2%	2.1%	3.1%
GCC	87	69	81	111
	2.0%	1.8%	2.0%	2.7%
USA	8	12	22	21
	8.6%	9.8%	14.8%	20.4%
Argentina	0	8	2	1
	0.0%	30.8%	10.0%	7.7 %
Female employment rate (%)	2.4%	2.4%	2.5%	2. 7 %
GCC	2.1%	2.2%	2.3%	2.4%
USA	17.1%	14.5%	19.1%	18.7%
Argentina	19.4%	17.4%	17.7%	15. 7 %
Women in senior management	5	12	13	13
	2.0%	4.4%	3.8%	3.5%

GCC	1	1	3	3
	0.4%	0.4%	1.1%	0. 9 %
USA	2	3	2	2
	25,0%	37.5%	4.5%	20.0%
Argentina	2	8	8	8
	16.7%	61.5%	61.5%	53.3%
Women in middle management	39	49	50	51
	3.1%	3.8%	3.5%	3.3 %
GCC	29	32	41	48
	2.4%	2.6%	3.0%	3.2%
USA	6	12	8	14
	19.4%	30.0%	18.2%	32.6%
Argentina	4	5	5	5
	17.4%	23.8%	23.8%	23.8%
Women in non-management positions	803	867	995	1090
	2.4%	2.4%	2.5%	2.6%
GCC	712	776	871	977
	2.1%	2.2%	2.2%	2.4%
USA	56	58	88	81
	16.7%	23.0%	21.1%	17.6%
Argentina	35	33	36	32
	19.9%	19.9%	20.7%	14.1%
Board seats occupied by women	1	1	1	1
	11.1%	11.1%	11.1%	11.1%
GCC	0	0	0	0
	0%	0%	0%	0%
USA	0	0	0	0
	0%	0%	0%	0%

Argentina	1 20.0%	1 20.0%	1 20.0%	1 20.0%
Number of employees with a disability	404	415	411	415
GCC	404	415	411	405
USA	0	0	0	10
Argentina	0	0	0	0
Number of formal incidents of discrimination reported	0	0	0	0
GCC	0	0	0	0
USA	0	0	0	0
Argentina	0	0	0	0
Percentage of working time lost due to industrial disputes, strikes and/or lock-outs (%)	0	0	0	0
GCC	0	0	0	0
USA	0	0	0	0
Argentina	0	0	0	0
Number of female employees entitled to maternity leave	561	449	522	540
GCC	352	375	436	458
USA	169	36	46	47
Argentina	40	38	40	35
Number of female employees that took parental leave	45	61	63	41
GCC	34	55	55	36
USA	1	2	3	3
Argentina	10	4	5	2
Number of female employees that returned to work in the reporting period after parental leave ended	33	56	59	38
GCC	29	50	52	36
USA	1	2	2	0
Argentina	3	4	5	2
Number of female employees that returned to work after parental leave ended that were still employed 12 months after their return to work	24	56	60	40
GCC	23	50	52	36

USA	0	2	3	2
Argentina	1	4	5	2
Female employee return to work rate of employees that took parental leave (%)	73%	92%	94%	93%
GCC	85%	92*%	95%	100%
USA	100%	100%	67%	0
Argentina	30%	100%	100%	100%
Female employee retention rate of employees that took parental leave (%)	53%	92%	95%	98%
GCC	68%	92%*	95%	100%
USA	0%	100%	100%	67%
Argentina	10%	100%	100%	100%
Total hours of training provided	295,100*	468,117	507,551	895,604
GCC	275,596	454,885	496,819	885,589
USA	12,042	4,568	5,265	5,684
Argentina	7,462	8,664	5,467	4,331
Average hours of training per employee	8.3	12.2	12.4	20.4
GCC	7.9	12	12.3	20.6
USA	32.2	8	11.2	11.1
Argentina	35.4	39	23.6	17.9
Percentage of employees receiving regular performance and career development reviews (%)				
GCC	100%	100%	100%	100%
USA	100%	100%	100%	100%
Argentina	3%	20%	35%	100%
Learning and development programs (GCC only)	1,681	572	831	2,759
Number of Almarai Academy participants (National and non-national)	863	459	638	2,293
Number of Almarai Driving School participants (National and non-national)	818	113	193	466
Saudization (GCC only)				
Number of Saudi employees	8,626	8,762	9,465	10,610
Percentage Saudization among total workforce	25%	23%	23%	25%

Percentage Saudization of middle management	26%	27%	27%	27%
Percentage Saudization of senior management	23%	24%	25%	25%
Number of Saudi female employees	608	657	748	845
Number of Saudi Almarai Academy participants	301	1,214	1,465	2,293
Number of Saudi Graduate Professional Trainee participants	0	25	26	21
Number of Saudi Almarai Future Leaders participants	0	0	0	0
Number of Saudi Dairy & Food Polytechnic participants	227	537	362	476
Number of Saudi Almarai Driving School participants	129	113	119	250
Total number of Saudi nationals in professional development programs	657	1,889	1,972	3,040
Ratio of basic salary of women to men				
Senior management (M)	98%	98%	97%	98%
Middle management (E)	99%	99%	99%	99%
Non-management positions (ODS)	100%	101%	101%	101%

Community Investment

Total CSR spending (﷼ million)-GCC only	41.55	40.94	50.37	48.92
Total CSR spending as a percentage of net profit (%) -GCC only	2.66%	2.33%	2.46%	2.12%
Product donations - GCC only	397,925	781,672	1,020,264	544,704
Number of schools provided with snacks for students	63	411	1,530	431
Snacks for school children (Number of servings)	50,540	354,120	708,890	359,746
Number of low income families provided with food baskets	1,355	566	639	100
Number of charities provided with food donations	183	318	391	82
Product donations for charities (Number of servings)	345,847	426,668	310,344	184,776
Total product servings donated	396,387	780,788	1,019,234	544,522
Total financial value (﷼ million)	0.53	1.50	5.96	2.00
Support for vulnerable groups - GCC only				
Number of lower income couples provided with weddings	0	0	0	0
Number of children at orphanages and charities provided with Iftars	0	40	54	40
Charity, orphanage and other association event sponsorships (Number of beneficiaries)	0	0	40	1190

Total financial value (﷼ million)	0.52	0.012	0.02	0.12
Support for learning and technical, vocational and education training (TVET) - GCC only				
Number of TVET beneficiaries (Dairy & Food Polytechnic)	288	450	525	580
University student groups sponsored (Number of beneficiaries)	188	950	0	360
Braille booklets (Number of books donated)	0	0	0	0
Dental students grad program in Princess Noura Uni. (Number of students supported)	50	60	78	6,900
Dental student's graduate program in King Saud Uni (Number of students supported)	78*	60	80	4,200
Dental care campaign (Number of schools attended)	4	10	54	20
Almarai site visit program (Number of visitors)	0	15,655	33,605	71,170
Sponsorship of Food Loss and Waste Index and awareness campaign (value in ﷼)	5,380,815	0	0	0
Sponsorship of Qaderoon documentary (﷼ million)	0	0	0	0
Total financial value (﷼ million)	37.1	36	36	36.13
Sponsorship of awards - GCC only				
Number of award winners (Veterinarian Award, Scientific Award, Best Mother Award, GCC General Education Award, and Sheikha Latifa	18	10	16	17
Total financial Value (﷼ million)	3.40	3.40	8.40	10.67

Our Sustainability Performance

	2021	2022	2023	2024
Water Management				
Water withdrawal (m3)	11,049,898	12,981,506	12,913,791	13,420,386
GCC	11,049,898	12,981,506	12,913,791.42	13,420,385.79
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Water recycling and reuse (m3)	2,319,571	2,832,210	2,735,613	2,950,413
GCC	2,319,571	2,832,210	2,735,613	2,950,413

USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Percentage of water recycled and/or reused (%)	21.0%	21.8%	21.2%	22.0%
GCC	21.0%	21.8%	21.2%	22.0%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Total water consumption (m3)	4,693,366	6,082,047	6,381,364	6,191,748
GCC	4,693,366	6,082,047	6,381,364	6,191,748
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Water discharge (m3)	8,676,103	9,731,669	9,268,040	10,179,051
GCC	8,676,103	9,731,669	9,268,040	10,179,051
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Manufacturing water intensity (m3/metric ton of finished product)				
GCC	2.3*	3.1*	3.2	6.8
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

Packaging Innovation

Percentage of card board coming from recycled materials used as an input material (%)				
GCC	67%	70%	67%	83%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Plastics removed from packaging (tons)	174	713	164	535
GCC	174	713	164.00	535
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Paper removed from packaging (tons)	312.2	74	628	135

GCC	312	74	627.50	134.95
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

Packaging Innovation

Percentage of card board coming from recycled materials used as an input material (%)				
GCC	67%	70%	67%	83%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Plastics removed from packaging (tons)	174	713	164	535
GCC	174	713	164.00	535
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Paper removed from packaging (tons)	312.2	74	628	135
Argentina	N/A	N/A	N/A	N/A
Total packaging removed from the consumer waste stream (tons)	486	788	791.5	669.95
GCC	486	788	791.50	669.95
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

Climate Change

Direct stationary energy usage (in thousands kWh)	669,148	617,619	769,391	1,180,218
GCC	669,107	617,304	766,784	1,179,300
USA	0	0	0	0
Argentina	41	314	2,607.16	917
Indirect stationary energy usage (in thousands kWh)	1,194,497	1,152,349	1,244,020	1,245,650
GCC	1,106,941	1,062,164	1,152,993.08	1,180,251.51
USA	71,149	77,910	73,524	47,826
Argentina	16,407	12,275	17,503	17,572

Total stationary energy usage (direct and indirect, in thousands kWh)	1,863,645	1,769,968	2,013,411	2,425,868
GCC*(excludes transport fuel)	1,776,047	1,679,468	1,919,777	2,359,552
USA	71,149	77,910	73,524	47,826
Argentina	16,448	12,589	20,110	18,489
Total solar energy usage (in thousand kWh)	40,980	59,949*	76,726	89,564
GCC	40,980	59,949	76,726	89,564
USA	0	0	0	NIA
Argentina	0	0	0	NIA
Percentage of electricity consumption from solar (%)				
GCC	2.3%	3.7%	4.0%	3.8%
USA	0%	0%	0%	0%
Argentina	0%	0%	0%	0%
Almarai owned refrigerators in stores (in thousands kWh)	991,540	1,004,403	1,040,653	1,055,696
GCC	991,541	1,004,403	1,040,653	1,055,696
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Manufacturing energy intensity (kWh/metric ton of finished product)				
GCC	560.3	563.8	622.7	622.7
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Total vehicle fuel consumption (thousands of liters)	259,780	290,643	292,871	232,314
GCC	253,896	286,095	289,927	227,551
USA	4,546	2,952	1,819	3,753
Argentina	1,338	640	1,124	1,010
Scope 1 (direct) emissions (metric tons CO2e)	794,241	938,126	967,266	909,357
GCC	778,938	925,847	958,898.98	896,624.32
USA	11,756	7,898	4,667.78	9,815.67
Argentina	16,448	12,589	20,110	18,489

Total solar energy usage (in thousand kWh)	40,980	59,949*	76,726	89,564
GCC	40,980	59,949	76,726	89,564
USA	0	0	0	NIA
Argentina	0	0	0	NIA
Percentage of electricity consumption from solar (%)				
GCC	2.3%	3.7%	4.0%	3.8%
USA	0%	0%	0%	0%
Argentina	0%	0%	0%	0%
Almarai owned refrigerators in stores (in thousands kWh)	991,540	1,004,403	1,040,653	1,055,696
GCC	991,541	1,004,403	1,040,653	1,055,696
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Manufacturing energy intensity (kWh/metric ton of finished product)				
GCC	560.3	563.8	622.7	622.7
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Total vehicle fuel consumption (thousands of liters)	259,780	290,643	292,871	232,314
GCC	253,896	286,095	289,927	227,551
USA	4,546	2,952	1,819	3,753
Argentina	1,338	640	1,124	1,010
Scope 1 (direct) emissions (metric tons CO2e)	794,241	938,126	967,266	909,357
GCC	778,938	925,847	958,898.98	896,624.32
USA	11,756	7,898	4,667.78	9,815.67
Argentina	3,548	4,381	3,699.29	2,917
Scope 2 (indirect) emissions (metric tons CO2e)	984,406	836,020	895,549	722,965
GCC	947,343	801,084	859,749.97	700,910.89
USA	30,633	29,067	27,430.31	15,444.09
Argentina	6,431	5,869	8,368.66	6,610.18

Scope 3 (Indirect) Emissions (Metric Tons CO2e)	853,454	864,525	895,727	628,091
GCC	853,454	864,525	895,726.62	628,091.38
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Total Emissions (Metric Tons CO2e)	2,632,101	2,638,671	2,758,542	2,260,414
GCC	2,579,735	2,591,456	2,714,376	2,225,627
USA	42,389	36,965	32,098	25,260
Argentina	9,978	10,250	12,068	9,527
Manufacturing Emissions Intensity (Metric Tons CO2e/Metric Ton of Finished Product)				
GCC	0.32	0.28	0.31	0.24
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Emissions from Refrigerant Leakage and Replacement (Metric Tons CO2e)	216,795	137,159	296,177	161,951
GCC	216,795	137,159	296,177	161,951
USA	N/A	N/A	N/A	N/A
Argentina	0	0	0	N/A

Waste Management

Food waste resold for animal feed (Store returns and operational) (metric tons)	47,937	51,721	74,848	62,879
GCC	47,937	51,721	74,847.85	62,878.98
USA	N/A	N/A	N/A	62,878.98
Argentina	N/A	N/A	N/A	62,878.98
Recycled waste (metric tons)	27,147	52,942	77,853	94,432
GCC	26,894	52,660	77,102.61	93,680.67
USA	212	157	723.12	685.32
Argentina	41	125	27	66
Total waste generated (metric tons)	157,780	166,091	232,799	199,146
GCC	157,078	165,177	231,766	198,088
USA	650	760	987	983

Argentina	52	154	46	75
Waste sent to landfill (metric tons)	83,397	81,608	128,232	104,714
GCC	82,948	81,100	127,948.57	104,407.58
USA	438	479	263.67	297.52
Argentina	11	29	19.34	8.47
Percentage of waste sent to landfill (%)	53%	49%	55%	53%
GCC	53%	49%	55%	53%
USA	67%	63%	27%	30%
Argentina	21%	19%	42%	11%

Sustainable Agriculture

Number of incidents of non-compliance with environmental laws and regulations	0	0	0	0
USA	0	0	0	0
Argentina	0	0	1	0
Arable Farming Land Under Production (Hectares)	55,168	25,313	26,263	27,097
USA	36,958	7,690	8,348.62	7,236.00
Argentina	18,210	17,623	17,914.00	19,861.00

Our Sustainability Performance

Quality And Food Safety

Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standard (%)	2021	2022	2023	2024
GCC	100%	100%	100%	100%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

Number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services	0	0	0	0
GCC	0	0	0	0
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Number of recalls	0	0	0	0
GCC	0	0	0	0
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Percentage of significant product categories covered by and assessed for compliance with product information and labeling procedures (%)	100%	100%	100%	100%
GCC	100%	100%	100%	100%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Percentage of products which health and safety impacts are assessed for improvement (%)	100%	100%	100%	100%
GCC	100%	100%	100%	100%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Total number of manufacturing plants	12	12	14	14
GCC	12	12	14	14
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Number of Food Safety System Certification (FSSC) 22000 certified plants	3	12	12	12
GCC	3	12	12	12
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Number of Global Food Safety Initiative (GFSI) certified plants	12	12	12	14
GCC	12	12	12	14
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

Percentage of plants that are GFSI certified (%)	100%	100%	100%	100%
GCC	100%	100%	100%	100%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Number of food safety and quality assurance employees	519	539	550	692
GCC	519	539	550	692
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

Animal Welfare

Number of cows	172,012	174,962	167,771	166,251
GCC	172,012	174,962	167,771	166,251
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Number of chickens processed	198,001,451	185,873,965	255,164,434	264,954,838
GCC	198,001,451	185,873,965	255,164,434	264,954,838
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Number of incidents of non-compliance with laws regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic mammals	0	0	0	0
GCC	0	0	0	0
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Percentage of cows in enclosed housing with resting areas (%)	100%	100%	100%	100%
GCC	100%	100%	100%	100%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Percentage of chickens in enclosed cage free housing (%)	100%	100%	100%	100%
GCC	100%	100%	100%	100%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

Ethical Sourcing				
Percentage of locally based suppliers engaged (%)	62%	64%	63%	64%
GCC	49%	51%	50%	49%
USA	57%	62%	56%	82%
Argentina	95%	100%	100%	100%
Percentage of spending on locally based suppliers (%)				
GCC	40%	35%	44%	45%
USA	76%	76%	84%	34%
Argentina	0%	100%	100%	100%
Total number of suppliers engaged	2,848	2,704	2,896	2,747
GCC	1,664*	1,768	1,910	1,890
USA	484	236	286	137
Argentina	700	700	700	720
Total number of local suppliers engaged	1,762	1,742	1,810	1,768
GCC	821	895	949	935
USA	276	147	161	113
Argentina	665	700	700	720
Percentage of purchased volume from suppliers compliant with company's sourcing policy				
GCC	100%	100%	100%	100%
USA	100%	100%	100%	100%
Argentina	N/A	100%	100%	100%
Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards				
GCC	100%	56%	100%	92%
USA	100%	100%	100%	100%
Argentina	N/A	10%	10%	10%
New suppliers that were screened using social and/or environmental criteria	173	36	38	77
GCC	0	0	15	25
USA	173	36	23	52

Argentina	0	0	0	0
Number of negative social and/or environmental impacts in the supply chain and actions taken	0	0	0	76
GCC	0	0	0	76
USA	0	0	0	0
Argentina	0	0	0	0

Doing Better Every Day

Sustainability Report 2024



Our Subsidiaries



Our Subsidiaries



Beyti



Teeba



Beyti

At Almarai, we take pride in our subsidiary, Beyti, which is one of Egypt's leading producers of milk, juice, and yogurt. With a solid presence in the Egyptian market, we are dedicated to adopting sustainability principles within Beyti. We have established a comprehensive environmental and sustainability function to oversee our initiatives, ensuring that our operations positively impact the environment and the communities we serve.

Our Approach

Our approach to sustainability encompasses a wide range of initiatives that reflect our commitment to the environment, our employees, and the communities we serve. In 2024, we achieved significant milestones in our sustainability journey, including investments in renewable energy and energy efficiency projects, showcasing our belief in the importance of clean and sustainable energy sources. Our efforts extended to employee and community outreach, utilizing a variety of platforms to inform and engage stakeholders on sustainability practices. As we look to the future, we are dedicated to continuing this momentum, driven by our detailed sustainability roadmap for 2023 to 2027. This strategic plan outlines our ambitious goals for the future and our pledge to sustainable development.

Environmental Performance

As a leader in the food and beverage industry, Beyti understands that its operations have a direct impact on the planet. In response, the company has taken a proactive stance, developing a detailed 2023-2027 sustainability roadmap that outlines our dedication to reduce our impact on the environment. Our environmental policy is at the core of our commitment, ensuring that we not only comply with relevant regulations but also exceed them wherever possible. We actively manage our carbon footprint and energy usage, striving for continuous improvement. For instance, we have a target to source 30% of our electricity needs from renewables. This initiative is part of a broader strategy to increase our energy efficiency by 15% by 2027. We are also focused on increasing the fuel efficiency of our fleet by 15% by 2027 through the adoption of new technologies and fleet optimization. These measures are all instrumental in reducing the carbon footprint of our operations. We are also proud to be ISO 14001 certified, reflecting our adherence to international standards for effective environmental management systems. This certification underscores our commitment to continuous improvement in managing our environmental responsibilities.

Understanding the importance of water conservation, we have set ambitious goals to increase water efficiency across our Manufacturing, Sales, Distribution, and Logistics Divisions by 25% by 2027. We are also committed to ensuring the recyclability of all our product packaging, which supports our vision of achieving zero waste to landfill. We have made substantial modifications to our plastic and paper packaging, balancing the imperative of maintaining product quality with the need to reduce environmental impact. These changes are broadly aimed at innovating in packaging design and materials, ensuring that we lead the way in sustainable packaging solution.

ZERO LANDFILL Target (Bio-Gas Plant)

Beyti has successfully piloted a pioneering biogas project from Q4 2023 to Q1 2024, transforming liquid waste such as expired goods and ETP sludge into renewable resources. The success of this trial is noteworthy, as it demonstrated the effective transformation of waste materials into usable products. Specifically, 1 cubic meter (m^3) of a mixed batch of expired products, was used to generate 1 m^3 of liquid fertilizer and an impressive 24 m^3 of biogas, equivalent to natural gas.

This Initiative aligns with our overarching sustainability goals, where the generated biogas can be utilized as a renewable energy source, contributing to the reduction of greenhouse gas emissions and promoting energy efficiency within our operations. Additionally, the production of liquid fertilizer from waste not only addresses the issue of waste disposal but also provides an environmentally friendly alternative to chemical fertilizers, supporting sustainable agricultural practices.

Community Engagement

In 2024, Beyti invested ৳535,411 in initiatives aimed at community engagement.

Beyti has an approach to business that goes beyond providing high-quality products; it involves a strong focus on community engagement. Our efforts are channeled through a variety of initiatives and programs designed to generate a positive societal impact, promote social development, and enhance the wellbeing of our consumers and their communities. One of our key community engagement initiatives includes supporting local producers and to enhance their operational efficiency to meet the standards set by the National Food Safety



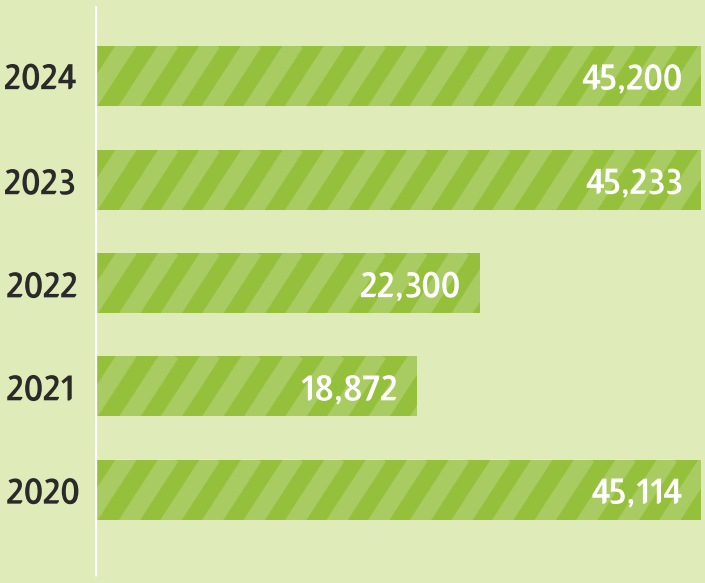
Authority. We are also actively engaged in improving supply chains associated with milk collection centers and minor breeders, providing vital support to smallholder farmers and milk producers in the process. Moreover, we also host numerous school and university visitors, providing educational insights into our industry and our sustainable practices.

Employee Development

In 2024, Beyti invested heavily in employee growth, delivering 45,200 hours of training through the Beyti Academy, internships, and site visits. This extensive training highlights our dedication to building a skilled and knowledgeable workforce. For our management and supervisory staff, we established specific performance objectives to guide their professional growth. To complement these goals, we provided access to specialized leadership and development programs, as well as a variety of e-learning courses to encourage ongoing professional development and adaptability in a rapidly evolving business landscape.

Furthermore, we ensured that every employee participated in performance and career development reviews, achieving a 100% participation rate. This not only reflects our investment in each individual's career trajectory but also reinforces our culture of continuous improvement and personal development.

Total Hours of Training Provided



ZERO LANDFILL Target (Bio-Gas Plant)

Beyti has initiated a pioneering project focused on the reuse of treated effluent water. The trial commenced in June 2024. The primary goal of this trial was to assess the feasibility and effectiveness of using ETP-treated water for irrigation purposes.

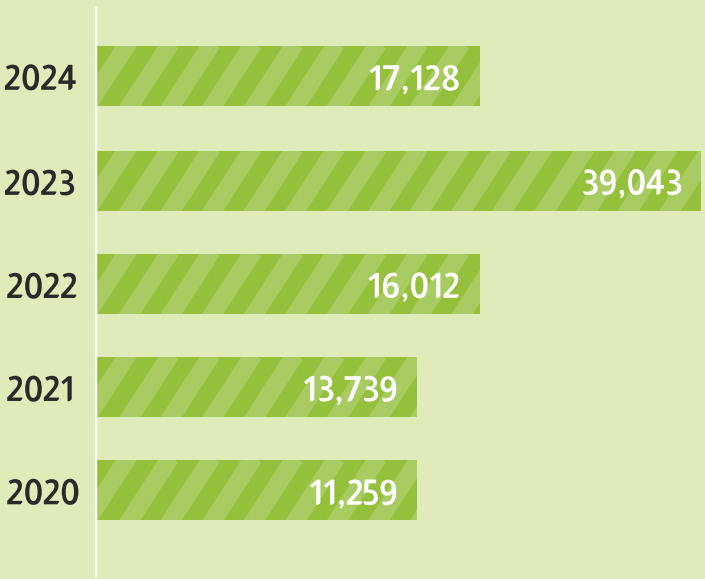
During the trial, 20,000 cubic meters (m^3) of effluent water was reused. This amount of recycled water plays a crucial role in reducing the demand for freshwater resources, particularly in our region which is facing water scarcity. By leveraging treated effluent water for agricultural irrigation, we are contributing to the conservation of vital water resources while simultaneously enhancing crop production. The success of this trial sets a precedent for future projects aimed at expanding the reuse of ETP water across larger agricultural areas. It showcases the potential for integrating wastewater treatment technologies with agricultural practices, promoting a circular economy where water resources are efficiently utilized and recycled.

Health and Safety

Our adherence to stringent health and safety standards was further validated by our attainment of the OHSAS 18001 Occupational Health and Safety certification.

Beyti has consistently placed a strong emphasis on health and safety, recognizing that the wellbeing of its employees is paramount to the success and sustainability of the company. As a result, we have taken proactive steps to ensure that every team member is equipped with the knowledge and tools necessary to operate in a secure and healthy environment.

House of Employee Health & Safety Training



In 2024, Beyti made significant step in this area by developing an occupational health and wellbeing program that is accessible to all employees. This program is designed to elevate awareness and understanding of health and safety matters, incorporating behavioral-based safety principles that are crucial for minimizing risks and preventing incidents in the workplace. Our dedication to health and safety is also evident in our substantial investment towards health and safety training. Over the course of the year, we provided more than 17,000 hours of training to our employees, marking a consistent increase from the years 2020 to 2022. Although there was a decrease in training hours compared to 2023, the overall trend demonstrates a strong and ongoing commitment to employee safety education. These efforts have not only contributed to a safer work environment but have also helped us in achieving the OHSAS 18001 Occupational Health and Safety certification. Moreover, the effectiveness of these programs has

ZERO LANDFILL Target (Cartons Recycle and Reuse)

Beyti, in collaboration with key industry players Juhayna, Tetrapak, and Uniboard, has signed a Memorandum of Understanding (MOU) during the COP27 summit. This strategic partnership marks a pioneering effort to recycle used beverage cartons for the first time in Africa, aligning with our ambitious Zero Landfill target.

The primary objective of this MOU is to ensure compliance with Extended Producer Responsibility (EPR) laws, which mandate manufacturers to take responsibility for the entire lifecycle of their products, including post-consumer waste management. Additionally, the initiative aims to position all the participating companies as leaders in sustainability, effectively branding themselves as a "Green Brand." To kickstart this initiative, a collection pilot program has been successfully implemented in select municipal areas in Cairo and Sharm El-Sheikh. The next phase of this initiative involves launching a collective awareness campaign, scheduled for the first quarter of 2025. This pilot serves as a foundational step in establishing an efficient collection system for used beverage cartons, promoting community involvement and awareness regarding recycling practices.

also helped us in substantial reduction in the number of employees' lost time injuries, which decreased from 25 last year to just 5 this year, demonstrating the tangible benefits of our health and safety initiatives.

Quality and Food Safety

At Beyti, quality and food safety are not just priorities, but they are the very foundation upon which our reputation and consumer trust are built. Our approach to quality control is comprehensive and proactive, encompassing every stage of production—from sourcing the finest ingredients to employing state-of-the-art processing techniques. In 2024, our compliance with Almarai's quality management system remained strong, building on the foundation set by our achievement of the FSSC 22000 certification and ISO 9001 certification in the previous year. We understand that upholding such high standards of quality is an ongoing effort. This is why we have instituted a daily quality reporting system and continue to embrace strategic initiatives tailored to our operations. Regular and detailed assessments are conducted to monitor the food safety impacts, ensuring that our products are consistently safe for consumer use. It is noteworthy that throughout the year, we recorded zero instances of non-compliance related to the health and safety of our products Furthermore, we have taken significant steps to ensure the integrity of our supply chain. We developed and implemented a Quality & Food Safety program for all high-risk suppliers. These initiatives are integral to our dedication to delivering products that meet the highest standards of quality and safety.



Responsible Marketing and Communications

Beyti's approach to marketing and communication is based on responsibility and transparency, ensuring that consumers have access to well-detailed and accurate nutritional information. This empowers them to make informed and confident decisions regarding their dietary choices. Recognizing this, we provide comprehensive nutritional details for our entire product portfolio, clearly displayed on our packaging. This commitment to transparency is also evident in our approach to handling consumer complaints. In the event of any concerns, we conduct thorough investigations and share the findings openly with consumers, thereby reinforcing trust and accountability. To streamline the resolution of consumer complaints, we have also established a specialized unit dedicated to consumer complaint management. This unit is responsible for tracking and following up on each complaint, ensuring that every concern is addressed to the consumer's satisfaction. We also extend an invitation to those who have filed complaints to visit our manufacturing facilities. This initiative provides consumers with an up-close view of our quality control measures.



Furthermore, our commitment to responsible marketing includes strict compliance with the latest industry regulations and standards. We recently conducted a thorough review of our significant product categories, scrutinizing product information and labeling to ensure full compliance. To maintain this standard, we have adopted an approach that includes regular reviews, thereby guaranteeing that our products and practices remain in strict accordance with evolving regulations and standards.

Managing sustainability at Beyti | Caring for People | Protecting the Planet | Producing Responsible Products

Our Sustainability Performance

	2021	2022	2023	2024
Number of incidents of non-compliance with environmental laws and regulations	0	0	0	0

*Figures are restated in 2024, following the improvements to the data collection systems and analysis

Managing sustainability at Beyti | Caring for People | Protecting the Planet | Producing Responsible Products

Our Sustainability Performance

	2021	2022	2023	2024
Nutrition and Wellbeing				
Number of incidents of non-compliance concerning product information and labeling	0	0	0	0
Number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications	0	0	0	0
Percentage of significant product categories covered by and assessed for compliance with product information and labeling procedures (%)	100%	100%	100%	100%
Health and Safety				
Number of employee lost time injuries	0	8	25	5
Contractor lost-time injuries	0	1	4	0
Employee lost-time injury rate (per 1 mln man-hours)	0	0.6*	1.6	1.2
Contractor lost-time injury rate (per 1 mln man-hours)	0	0.30	1.47	0
Hours of employee health and safety training	13,739	16,012	39,043	17,128
Hours of contractor health and safety training	3,377	1,656	7,740	2995
Average hours of health and safety training per employee	5	5	12	5
Average hours of health and safety training per contractor	2.7	1.3	6.2	2.4
Employee absenteeism rate (%)	1.75%	1.45%	0.99%	1.00%
Employee Talent and Diversity				
Number of employees	2,957	3,162	3174	3343

Male employees	2,842	3,090	3052	3192
Female employees	49	72	95	151
Full time, male employees	2,908	3,090	3052	3192
Full time, female employees	49	72	95	151
Part time, male employees	0	0	0	0
Part time, female employees	0	0	0	0
Senior management employees	41	43	50	51
Middle management employees	175	197	271	334
Non-management employees	2,741	2,965	2826	2958
New employee hires	573	608	432	463
New employee hires, age 18-30	369 54.0%	410 67.4%	294 68.1%	278 60.0%
New employee hires, age 31-50	201 35.1%	198 32.6%	135 31.3%	180 38.9%
New employee hires, age 51+	3 0.5%	0 0.0%	3 0.7%	5 1.1%
New employee hires, male	557 97.2%	581 95.6%	398 92.1%	402 86.8%
New employee hires, female	16 2.8%	27 4.4%	34 7.9%	61 13.2%
Voluntary employee turnover	300 10.1%	205 6.6%	196 6.2%	186 5.6%
Voluntary employee turnover, age 18-30	165 55.0%	117 57.1%	113 57.7%	107 57.5%
Voluntary employee turnover, age 31-50	131 43.7%	87 42.4%	83 42.3%	78 41.9%
Voluntary employee turnover, age 51+	4 1.3%	1 0.5%	0 0.0%	1 0.5%

Voluntary employee turnover, male	294 98.0%	202 98.5%	187 95.4%	177 95.2%
Voluntary employee turnover, female	6 2.0%	3 1.5%	9 4.6%	9 4.8%
Female employment rate (%)	1.7%	2.3%	3.0%	4.5%
Women in senior management	6 14.6%	9 20.9%	11 22.0%	8 15.7%
Women in middle management	16 9.1%	24 12.2%	36 13.3%	39 11.7%
Women in non-management positions	27 1.0%	39 1.3%	48 1.7%	101 3.4%
Board seats occupied by women	0 0%	0 0%	0 0%	3 0%
Number of employees with a disability	57	95	96	97
Number of formal incidents of discrimination reported	0	0	0	97
Percentage of working time lost due to industrial disputes, strikes and/or lock-outs (%)	0	0	0	0
Number of female employees entitled to maternity leave	2	1	4	6
Number of female employees that took parental leave	2	1	3	4
Number of female employees that returned to work in the reporting period after parental leave ended	1	1	3	3
Number of female employees that returned to work after parental leave ended that were still employed 12 months after their return to work	1	1	3	6
Female employee return to work rate of employees that took parental leave (%)	50%	100%	100%	75%
Female employee retention rate of employees that took parental leave (%)	50%	100%	100%	150%
Total hours of training provided	18,872	22,300	45,233	45200
Average hours of training per employee	6.4	7.1	14.3	13.5
Percentage of employees receiving regular performance and career development reviews (%)	100%	100%	100%	100%

Community Investment				
Total CSR Spending (بليون)	200,000	175,000	504,000	535411
Number of school and university visitors hosted	27	85	400	200
School bag donations (Number of bags donated to students)	N/A	N/A	N/A	N/A
Hours of employee volunteering	N/A	N/A	N/A	N/A

*Figures are restated in 2024, following the improvements to the data collection systems and analysis

Managing sustainability at Beyti | Caring for People | Protecting the Planet | Producing Responsible Products

Our Sustainability Performance

	2021	2022	2023	2024
Water Management				
Water withdrawal (m3)	1,603,872	1,846,224	1,916,762	1,925,470
Water recycling and reuse (m3)	0	216,000	2,10,000	230,000
Percentage of water recycled and/or reused (%)	0.0%	11.7%	11.0%	11.9%
Total water consumption (m3)	1,603,872	2,062,224	2,126,762	2,155,470
Water discharge (m3)	697,966	952,000	952,000	1,391,454
Manufacturing water intensity (m3/metric ton of finished product)	3.7	3.3	3.5	3.4
Packaging Innovation				
Percentage of card board coming from recycled materials used as an input material (%)	72%*	73%*	72%	73%
Plastics removed from packaging (tons)	N/A	N/A	N/A	N/A
Paper removed from packaging (tons)	N/A	N/A	N/A	N/A
Total packaging removed from the consumer waste stream (tons)	N/A	N/A	N/A	N/A
Climate Change				
Direct stationary energy usage (in thousands kWh)	46,579*	74,853*	75,529	64,155
Indirect stationary energy usage (in thousands kWh)	67,147	68,570	71,266	71,512

Total stationary energy usage (direct and indirect, in thousands kWh)	113,726	143,423*	146,794*	135,667
Total solar energy usage (in thousand kWh)	8,071	12,137	12,340	11,830
Percentage of electricity consumption from solar (%)	7%	8%	8%	9%
Almarai owned refrigerators in stores (in thousands kWh)	N/A	N/A	N/A	N/A
Manufacturing energy intensity (kWh/metric ton of finished product)	256.2	256.8*	264.8*	238.1
Total vehicle fuel consumption (thousands of liters)	1,374	2,710*	3,082*	2,938
Scope 1 (direct) emissions (metric tons CO2e)	25,880	27,771*	37,073*	40,113
Scope 2 (indirect) emissions (metric tons CO2e)	29,333	27,397*	31,132*	33,819
Scope 3 emissions from Almarai refrigerators in stores (metric tons CO2e)	NIA	N/A	N/A	N/A
Total emissions (metric tons CO2e)	55,213	55,168*	68,206*	73,931
Manufacturing emissions intensity (metric tons CO2e/metric ton of finished product)	0.13	0.08	0.22*	0.08
Emissions from refrigerant leakage and replacement (metric tons CO2e)	1,166	1,627*	1,635*	1,267
Waste Management				
Food waste resold for animal feed (Store returns and operational) (metric tons)	0	0	0	0
Recycled waste (metric tons)	9,042	4,250	3,826	2,772
Total waste generated (metric tons)	19,395	22,702	21,940	20,702
Waste sent to landfill (metric tons)	10,353	11,295	11,100	10,010
Percentage of waste sent to landfill (%)	53%	53%*	51%	48%

*Figures are restated in 2024, following the improvements to the data collection systems and analysis

Managing Sustainability At Teeba | Caring for People | Protecting the Planet | Producing Responsible Products

Our Sustainability Performance

	2021	2022	2023	2024
Quality And Food Safety				
Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standard (%)	100%	100%	100%	100%
Number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services	0	0	0	0

Number of recalls	0	0	0	0
Percentage of significant product categories covered by and assessed for compliance with product information and labeling procedures (%)	100%	100%	100%	100%
Percentage of products which health and safety impacts are assessed for improvement (%)	100%	100%	100%	100%
Total number of manufacturing plants	1	1	1	1
Number of Food Safety System Certification (FSSC) 22000 certified plants	1	1*	1	1
Number of Global Food Safety Initiative (GFSI) certified plants	1	1	1	1
Percentage of plants that are GFSI certified (%)	100%	100%	100%	100%
Number of food safety and quality assurance employees	5*	3	5	5

Animal Welfare

Number of cows	3,200	3,596	3,694	4,727
Number of chickens processed	N/A	N/A	N/A	N/A
Number of incidents of non-compliance with laws regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic mammals	0	0	0	0
Percentage of cows in enclosed housing with resting areas (%)	100%*	100%*	100%	100%
Percentage of chickens in enclosed cage free housing (%)	N/A	N/A	N/A	N/A

Ethical Sourcing

Percentage of locally based suppliers engaged (%)	93%	100%	100%	93%
Percentage of spending on locally based suppliers (%)	90%	90%	82%	80%
Total number of suppliers engaged	700	719	445	512
Total number of local suppliers engaged	650	719	445	475
Percentage of purchased volume from suppliers compliant with company's sourcing policy	100%	100%	98%	80%
Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards	100%	25%	90%	80%
New suppliers that were screened using social and/or environmental criteria	3	3	0	0
Number of negative social and/or environmental impacts in the supply chain and actions taken	0	3	0	0

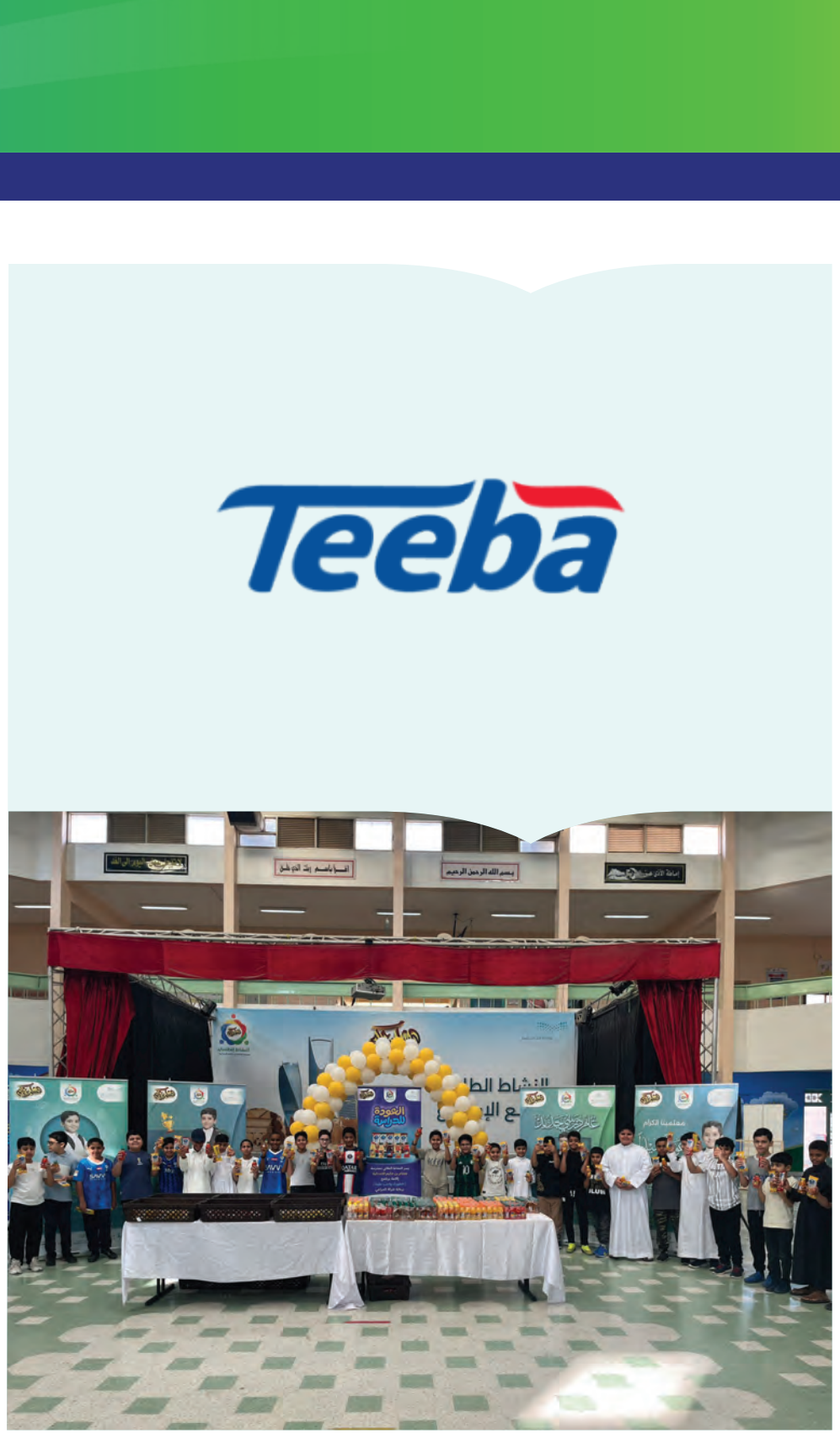
*Figures are restated in 2024, following the improvements to the data collection systems and analysis



Teeba

Teeba, a subsidiary of Almarai, is a leading dairy production company in Jordan committed to delivering high-quality products and promoting sustainability in the industry.

Teeba is deeply committed to environmental stewardship, embedding sustainability across all facets of its business. With a focus on decentralized yet coordinated management, the Quality and Regulatory Department leads our sustainability initiatives. We launched a range of initiatives aimed at minimizing our environmental footprint, including the increased adoption of renewable energy sources and a reduction in water consumption. We also focused on minimizing waste generation by introducing a recycling program. Recognizing the importance of skilled personnel, we invested in training and development for employees to equip them with the knowledge necessary for sustainable operations. We also fostered close collaborations with our suppliers to ensure alignment with our sustainability goals. This commitment to sustainability has established Teeba as a leading force in the Jordanian market and a key contributor to the joint venture, IDJ, within the Almarai Company.



Environmental Performance

Over the past years, Teeba has implemented a range of measures to improve its environmental performance. One of the key achievements was in the area of carbon footprint, with total emissions decreasing to

24,148.06 metric tons of CO2 equivalent. This represents a reduction from the 26,283.95 metric tons we recorded in 2023. This decline is attributed to our targeted initiatives aimed at enhancing energy efficiency and minimizing greenhouse gas emissions throughout our manufacturing processes. In 2024, we also made progress in water conservation, increasing our water recycling and reuse to 216,633 cubic meters, up from 213,131 cubic meters in 2023. This improvement, though modest, is an important step in our ongoing efforts to use water more sustainably. Simultaneously, we made decent progress in waste management, particularly in the area of recycling, with 1,464 metric tons of waste being recycled. This represents a significant increase when compared to the 285 metric tons recycled in 2023. Additionally, we achieved a small reduction in the percentage of waste sent to landfills, from 99% in 2023 to 97% in 2024. Although there is more work to be done, this change indicates a positive trend towards reducing landfill waste and finding alternative waste management solutions.

Community Engagement

Teeba is not only a leader in the dairy industry but also a proactive member of the local community. Our commitment extends beyond our business operations to include a range of community engagement initiatives that aim to enrich the lives of those around us. An integral part of our CSR efforts includes hosting numerous school and university visitors at our facilities, providing them with an opportunity to learn about the dairy industry and sustainable practices firsthand. We also continued with our product donation program as part of community outreach initiatives. Building on the momentum from the previous year, we continued the implementation of our Corporate Social Responsibility (CSR) activity plan, which was originally crafted in 2021. This plan represents a significant step forward in formalizing our approach to community investment with identified sectors to focus on. Moving ahead, we will continue to positively influence the lives of those around us and look forward to witnessing the outcomes of our CSR initiatives in the coming years.



Employee Development

In 2024, we delivered a total of 18,553 training hours to our employees.

At Teeba, we recognize that the true strength of our company lies in the hands of our employees. With this understanding, we are deeply committed to nurturing their growth and wellbeing, which we see as pivotal to our long-term success and sustainability. To support this

vision, we have implemented several initiatives to assist our staff, including ongoing training and career advancement opportunities. This investment in training underscores our belief in the power of education and our role in empowering our employees to reach their full potential. In addition to training, we conducted thorough employment development reviews for 100% of our team members, ensuring that individual career paths are aligned with both personal aspirations and company goals. Beyond professional development, we are dedicated to cultivating a positive workplace environment. We are proud to report that in 2024, our efforts resulted in a year free from any incidents of discrimination or misconduct like previous years. Additionally, understanding the importance of work-life balance, we have also introduced flexible work arrangements, allowing our employees to tailor their work schedules to better fit their personal lives. Complementing this flexibility, we have rolled out health and wellness programs, providing our staff with the resources to maintain their health and wellbeing.

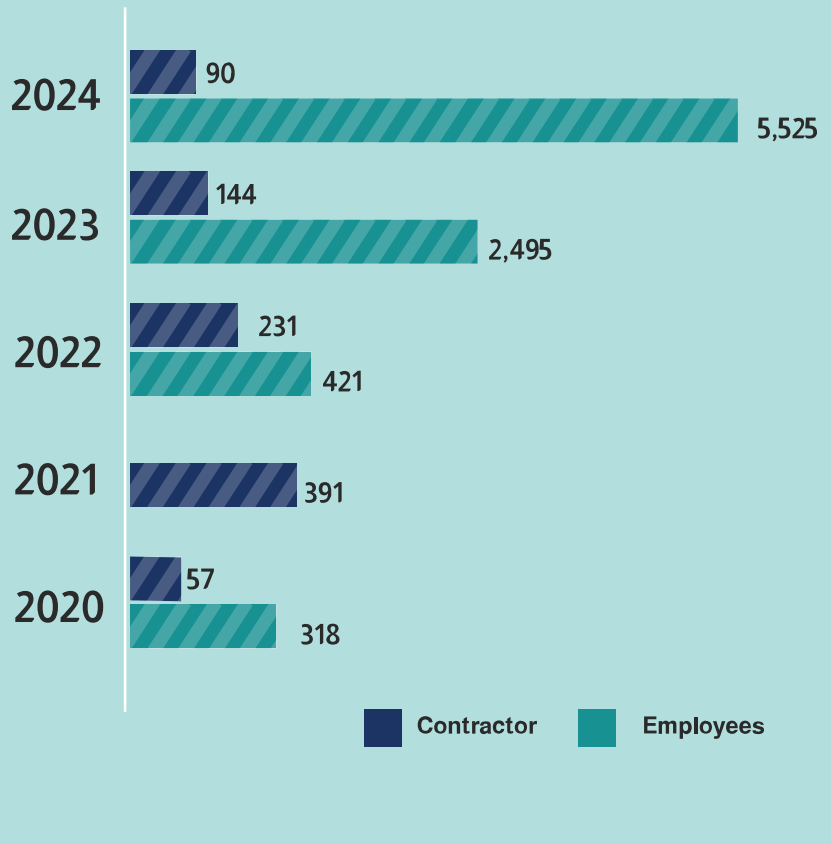
Health and Safety

Teeba has implemented key performance indicators (KPIs) to diligently monitor and enhance the safety of our workforce and the communities we serve. These KPIs includes number of lost time injuries and lost-time injury rate for both employees and contractors. These indicators serve as a warning system, allowing for timely interventions in line with our Health & Safety commitments. In 2024, the number of lost time injuries among employees was recorded at 25, showing a slight increase from the 23 reported in 2023. However, we maintained our record of zero lost-time injuries for contractors. To reduce the incidence of Lost Time Injuries (LTIs), we intensified our focus on employee training programs. These programs are designed to equip our workforce with the knowledge and skills necessary to identify, mitigate, and respond to potential safety hazards. Our dedication to enhancing workplace safety is evident in the substantial increase in training hours, from 2,495 hours in 2023 to 5,525 hours in 2024, and in the average training hours per employee, which more than doubled from 2 hours in 2023 to 4.35 hours in 2024. Moreover, despite having achieved a record of zero LTIs among contractors, we continue to offer them relevant trainings. This ensures that our contractors are also well-versed in our safety protocols and contribute to maintaining a secure work environment across all operations.

Quality and Food Safety

Teeba is committed to providing safe and healthy products for all its customers, in line with its commitment as part of its commitment to maintain the FSSC 22000 Food Safety Certificate. This steadfast commitment to food safety and quality was recently validated during an AIB inspection, in which we received excellent evaluation for our efforts. We have consistently achieved high scores on an international

Hours of employee and contractors health and safety training



level through these comprehensive inspections, which are designed to scrutinize a wide array of food safety parameters. These include evaluating pre-manufacturing conditions, adherence to industry best practices, and overall readiness to produce safe food products. Inspectors also assessed the effectiveness of personal hygiene protocols, preventative maintenance programs, and measures in place for cleaning, sanitization, and pest control. Moreover, the AIB inspection also included review of our internal systems and documentation practices, ensuring that every aspect of the operation meets the highest standards of food safety.



Responsible Marketing and Communications

In 2024, Teeba took significant steps to ensure that its products complied with the regulations set by the Jordan Food and Drug Administration (JFDA). To enhance product promotion, we launched targeted marketing strategies, including cause marketing partnerships, influencer campaigns, and collaborations with nutritionists. We also enhanced online and digital support for both existing products and the development of new offerings. Committed to responsible marketing and communication standards, we ensured that consumers received accurate information about the health and nutritional benefits of our products. Consequently, we reported no instances of non-compliance with regulations or voluntary codes in 2024, as all products were thoroughly evaluated to meet the required standards. This commitment to quality and safety underscores our dedication to providing consumers with exceptional care and reliability.

Zero instances of non-compliance with regulations or voluntary codes concerning marketing communications in 2024.

	2021	2022	2023	2024
Number of incidents of non-compliance concerning product information and labeling	0	0	0	0
Number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications	0	0	0	0
Percentage of significant product categories covered by and assessed for compliance with product information and labeling procedures (%)	100%	100%	100%	100%

Managing Sustainability At Teeba | Caring for People | Protecting the Planet | Producing Responsible Products

Our Sustainability Performance

	2021	2022	2023	2024
Number of incidents of non-compliance with environmental laws and regulations	0	0	0	0

*Figures are restated in 2024, following the improvements to the data collection systems and analysis

Our Sustainability Performance

	2021	2022	2023	2024
Nutrition And Wellbeing				
Number of incidents of non-compliance concerning product information and labeling	0	0	0	0
Number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications	0	0	0	0
Percentage of significant product categories covered by and assessed for compliance with product information and labeling procedures (%)	100%	100%	100%	100%
Health And Safety				
Number of employee lost time injuries	8	4	23	25
Contractor lost-time injuries	0	0	0	0
Employee lost-time injury rate (per 1 mln man-hours)	7.7	3.71	7.28	9.24
Contractor lost-time injury rate (per 1 mln man-hours)	0	0	0	0
Hours of employee health and safety training	391	421	2495	5525
Hours of contractor health and safety training	0	231	144	90
Average hours of health and safety training per employee	0.37	0.35	2.00	4.35
Average hours of health and safety training per contractor	0.0	0.53*	3.3	1.8
Employee absenteeism rate (%)	1%	1%	1%	1%
Employee Talent And Diversity				
Number of employees	1,065	1,188	1,246	1270
Male employees	1,039	1,160	1,211	1230
Female employees	26	28	35	40
Full time, male employees	962	1,160	1,211	1212
Full time, female employees	26	28	35	40
Part time, male employees	0	178	0	0
Part time, female employees	0	26	0	0
Senior management employees	16	9	10	10

Middle management employees	28	32	32	31
Non-management employees	944	1,147	1,190	1216
New employee hires	252	371	266	219
New employee hires, age 18-30	188 74.6%	269 72.5%	180 67.7%	145 66.2%
New employee hires, age 31-50	64 25.4%	100 27.0%	85 32.0%	74 33.8%
New employee hires, age 51+	0 0%	2 1%	1 0%	0 0%
New employee hires, male	314 124.6%	362 97.6%	251 94.4%	207 94.5%
New employee hires, female	3 1%	9 2%	15 6%	12 5%
Voluntary employee turnover	92* 8.6%*	266* 22.4%*	97 7.8%	187 14.7%
Voluntary employee turnover, age 18-30	79* 85.9%*	172* 64.7%*	70 72.2%	110 58.8%
Voluntary employee turnover, age 31-50	8* 8.7%*	89* 33.5%*	27 27.8%	75 40.1%
Voluntary employee turnover, age 51+	5* 5.4%*	5* 1.9%*	0 0.0%	2 1.1%
Voluntary employee turnover, male	84* 91.3%*	259* 97.4%*	92 94.8%	179 95.7%
Voluntary employee turnover, female	2* 2.2%*	7* 2.6%*	5 5.2%	8 4.3%
Female employment rate (%)	2.7%	2.4%	2.9%	3.3%
Women in senior management	0 0.0%	2 22.2%	2 20.0%	2 20.0%

Women in middle management	6 21.4%	8 25.0%	5 15.6%	6 19.4%
Women in non-management positions	17 1.8%	20 1.7%	28 2.4%	32 2.6%
Board seats occupied by women	2 25.0%	1 12.5%	1 12.5%	0 0.0%
Number of employees with a disability	15	15	15	14
Number of formal incidents of discrimination reported	0	0	0	0
Percentage of working time lost due to industrial disputes, strikes and/or lock-outs (%)	0	0	0	0
Number of female employees entitled to maternity leave	10	16	11	13
Number of female employees that took parental leave	0	1*	2	1
Number of female employees that returned to work in the reporting period after parental leave ended	0	1*	2	1
Number of female employees that returned to work after parental leave ended that were still employed 12 months after their return to work	0	1	2	1
Female employee return to work rate of employees that took parental leave (%)	0%	100%*	100%	100%
Female employee retention rate of employees that took parental leave (%)	0%	0%	100%	100%
Total hours of training provided	9,584	12,439	18,627	18553
Average hours of training per employee	9.00	10.47	14.95	14.61
Percentage of employees receiving regular performance and career development reviews (%)	100%	100%	100%	100%
Community Investment				
Total CSR spending (SR)	279,635	691,298	827,751	650,000
Number of school and university visitors hosted	0	726	847	593
Product donations (Number of servings)	174,405	199,385	548,670	129,623

*Figures are restated in 2024, following the improvements to the data collection systems and analysis

Our Sustainability Performance

	2021	2022	2023	2024
Water Management				
Water withdrawal (m3)	372,250	267,540	251,556	278,455
Water recycling and reuse (m3)	178,191	159,597	213,131	216,633
Percentage of water recycled and/or reused (%)	48%	60%	85%	78%
Total water consumption (m3)	387,070	427,137	464,687	495,088
Water discharge (m3)	184,515	170,797	237,285	242,401
Manufacturing water intensity (m3/metric ton of finished product)	9	6	5	5
Packaging Innovation				
Percentage of card board coming from recycled materials used as an input material (%)	N/A	N/A	N/A	N/A
Plastics removed from packaging (tons)	N/A	N/A	N/A	N/A
Paper removed from packaging (tons)	N/A	N/A	N/A	N/A
Total packaging removed from the consumer waste stream (tons)	N/A	N/A	N/A	N/A
Climate Change				
Direct stationary energy usage (in thousands kWh)	12,331	3,853	11,498	12,358
Indirect stationary energy usage (in thousands kWh)	12,985	10,002	13,075	14,342
Total stationary energy usage (direct and indirect, in thousands kWh)	25,316	13,855	24,573	26,700
Total solar energy usage (in thousand kWh)	167	600	408	567
Percentage of electricity consumption from solar (%)	1%	4%	2%	2%
Almarai owned refrigerators in stores (in thousands kWh)	N/A	N/A	N/A	N/A
Manufacturing energy intensity (kWh/metric ton of finished product)	456	415	413	371
Total vehicle fuel consumption (thousands of liters)	950	3,520	6,890	5,963
Scope 1 (direct) emissions (metric tons CO2e)	5,949	5,608	20,981	18,845
Scope 2 (indirect) emissions (metric tons CO2e)	10,102	11,542	10,172*	5,303

Scope 3 emissions from Almarai refrigerators in stores (metric tons CO2e)	N/A	N/A	N/A	N/A
Total emissions (metric tons CO2e)	16,051	17,150	31,153*	24,148
Manufacturing emissions intensity (metric tons CO2e/metric ton of finished product)	0.37	0.20	0.20*	0.13
Emissions from refrigerant leakage and replacement (metric tons CO2e)	N/A	N/A	N/A	N/A

Waste Management

Food waste resold for animal feed (Store returns and operational) (metric tons)	0	0	0	0
Recycled waste (metric tons)	0	274	285	1,464
Total waste generated (metric tons)	250	51,830*	49,265	57,998
Waste sent to landfill (metric tons)	250	51,556*	48,980	56,533
Percentage of waste sent to landfill (%)	100%	99%*	99%	97%

*Figures are restated in 2024, following the improvements to the data collection systems and analysis

Our Sustainability Performance

Quality And Food Safety

	2021	2022	2023	2024
Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standard (%)	100%	100%	100%	100%
Number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services	0	0	0	0
Number of recalls	0	0	0	0
Percentage of significant product categories covered by and assessed for compliance with product information and labeling procedures (%)	100%	100%	100%	100%
Percentage of products which health and safety impacts are assessed for improvement (%)	100%	100%	100%	100%
Total number of manufacturing plants	1	1	1	1
Number of Food Safety System Certification (FSSC) 22000 certified plants	1	1*	1	1
Number of Global Food Safety Initiative (GFSI) certified plants	1	1	1	1
Percentage of plants that are GFSI certified (%)	100%	100%	100%	100%

Number of food safety and quality assurance employees	5*	3	5	5
Animal Welfare				
Number of cows	3,200	3,596	3,694	4,727
Number of chickens processed	N/A	N/A	N/A	N/A
Number of incidents of non-compliance with laws regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic mammals	0	0	0	0
Percentage of cows in enclosed housing with resting areas (%)	100%*	100%*	100%	100%
Percentage of chickens in enclosed cage free housing (%)	N/A	N/A	N/A	N/A
Ethical Sourcing				
Percentage of locally based suppliers engaged (%)	93%	100%	100%	93%
Percentage of spending on locally based suppliers (%)	90%	90%	82%	80%
Total number of suppliers engaged	700	719	445	512
Total number of local suppliers engaged	650	719	445	475
Percentage of purchased volume from suppliers compliant with company's sourcing policy	100%	100%	98%	80%
Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards	100%	25%	90%	80%
New suppliers that were screened using social and/or environmental criteria	3	3	0	0
Number of negative social and/or environmental impacts in the supply chain and actions taken	0	3	0	0

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