

Almarai® ESG policies & position statements

Water Position Statement

This Water Position Statement applies to Almarai Company ("Almarai"), a listed joint stock company, incorporated and existing under the laws of the Kingdom of Saudi Arabia (Almarai), and any of its Controlled entities (each such entity, including Almarai, an Almarai Entity).

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 risk², 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.

Water efficiency

Identifying and acting on opportunities to improve water efficiency across our operations to reduce withdrawal at source. Our arable farming operations based in the United States, Argentina and Romania, utilize irrigation methods most suitable for the environment. We have invested heavily in irrigation infrastructure since acquiring the farms in the United States. In our all locations of our operations, we monitor water use in line with local regulations and maintain ongoing dialogue with local bodies governing water management.

Water stewardship

Identifying and acting on opportunities to improve our understanding and contribution to water management beyond our direct operations to protect shared water resources. Almarai has been 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.

Water culture

Identifying and acting on opportunities to build awareness across our business to drive positive behavioral change.

Value chain water impact contributions from our supply chain outside of our direct control are priority areas for future investigation.

Almarai will communicate this position statement to all its employees and interested parties, and ensure it is freely available to the wider community. This position statement will be reviewed and updated as required.

This position statement, supported by the QRHSS&S Division, will be applied to all business operations and services carried out by Almarai.

Almarai requires all employees and applicable interested parties to fully conform with this position statement to ensure it achieves its goals and objectives.

The Almarai CEO is responsible for Almarai's water practices and sign this position statement in acknowledgment of this.

Abdullah Albader
Chief Executive Officer

¹ World Bank, Water in Agriculture

² World Resources Institute, Aqueduct Water Risk Atlas