

Sustainability

Managing Sustainability at Almarai

Through focused and collaborative efforts in 2024, Almarai has proudly achieved 11 of our ambitious sustainability targets set for 2025. These accomplishments not only demonstrate our unwavering commitment to sustainability but also reinforce our leadership within the Environmental, Social and Governance (ESG) landscape. Among our key milestones this year, we received multiple prestigious awards from ESG organizations and achieved the most improved score in the voluntary Corporate Sustainability Assessment by the Dow Jones Sustainability Indices/S&P Global - a significant leap forward compared to the last four years.

These successes are a testament to the inclusive and collective approach we have fostered across all units of our business. By engaging diverse teams and integrating sustainability into every aspect of our operations, we have strengthened our ability to deliver on our commitments. These achievements reflect the strength of our 2025 strategic sustainability plan, built around its three foundational pillars. Each pillar underscores our dedication to implementing industry-leading practices that not only safeguard the wellbeing of our consumers and employees but also create enduring value for the environment, the communities we serve and our broader network of stakeholders.

2024 has been another year of reflection and refinement for our sustainability strategy. Guided by our established pillars and measurable targets, we remain resolute in our

pursuit of continuous improvement. By reviewing and sharpening our approach, we aim to ensure our strategy remains agile, impactful and aligned with the evolving needs of our business and the world around us.

We invite you to explore the full details of our progress and achievements in this Sustainability Report at sustainability.almarai.com where we share our journey toward building a more sustainable and thriving future for all.

Sustainability framework

Sustainability is not just a priority at Almarai - it is embedded in our identity and strategy. We believe in creating a better world by committing to progress every single day. Through purposeful action, we aim to drive positive change today that contributes to a brighter and more sustainable tomorrow.

As part of our sustainability strategy, "Better Every Day," we developed 25 ambitious goals and targets in 2019 to be achieved by 2025. These goals reflect our dedication to continuous improvement and meaningful impact.

Our framework is built upon three interconnected pillars, which anchor our efforts and define our approach. These pillars are underpinned by 12 material issues that guide our actions and help us focus on addressing the challenges that matter most to our stakeholders and the communities we serve. Together, they serve as a blueprint for advancing a more sustainable future, where responsibility and opportunity converge.





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.



Materiality

At Almarai, staying attuned to evolving priorities is fundamental to driving meaningful sustainability outcomes. In 2022, we conducted a comprehensive materiality update to reassess the relevance of previously identified concerns and explore emerging priorities. This process provided deeper insights into the shifting expectations of our stakeholders.

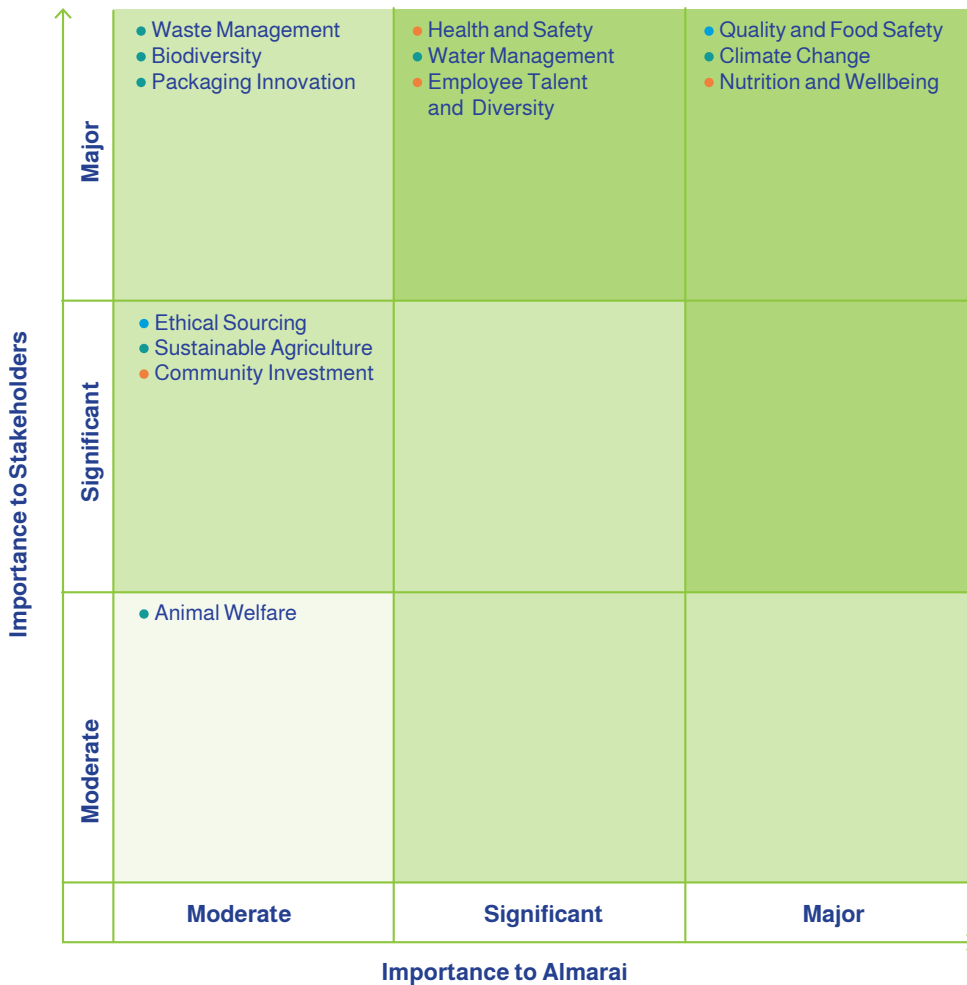
For our internal stakeholders, Nutrition and Wellbeing has remained increasingly significant - underscoring Almarai's vital role in ensuring food

security and fostering healthier lifestyles through our product offerings. This shift reflects a growing awareness of the impact businesses like ours have on public health and community resilience.

External stakeholders, on the other hand, have maintained a strong focus on employee health, safety, talent development and diversity, recognizing these as critical drivers of long term success and community impact. Additionally, they emphasized the importance of Almarai's ongoing investments in community

development, which create shared value and strengthen our role as responsible corporate citizens.

Throughout 2022, we sustained our rigorous monitoring of these material issues, aligning initiatives and tracking progress to ensure we remain on course to achieve our sustainability goals. This iterative approach allows us to proactively respond to stakeholder needs and reinforce our commitment to making a positive impact across the value chain.



Pillar theme key:

- Caring for people
- Protecting the planet
- Producing responsible products

National and international development frameworks' alignment

Sustainability is a shared responsibility, and Almarai is proud to contribute to the global and national frameworks guiding sustainable development. The United Nations Sustainable Development Goals (SDGs) offer a roadmap for tackling the world's most pressing challenges, from eradicating poverty to protecting the environment and ensuring prosperity for all. These goals resonate deeply with Almarai's vision and operations, serving as a benchmark for our contributions to a better future.

Aligned with this global framework, the Saudi National Transformation Program (NTP) provides a strategic blueprint for driving the Kingdom's Vision 2030, focusing on economic diversification, environmental stewardship and social advancement. Almarai's initiatives align closely with these objectives, reflecting our commitment to fostering sustainable progress at a local and global scale.

Throughout this report, we highlight our contributions to the SDGs and NTP through dedicated icons placed alongside relevant sections. For instance, initiatives promoting responsible sourcing, renewable energy and waste reduction align with SDG 12 (Responsible Consumption and Production), while efforts to enhance workplace inclusion and

employee development contribute to SDG 8 (Decent Work and Economic Growth).

By embedding these frameworks into our sustainability strategy, Almarai reinforces its role as a catalyst for positive change, advancing collective goals while delivering value to stakeholders. This alignment underscores our belief that achieving sustainable development requires collaboration, accountability and a shared vision for the future.

Visit the sections' [page](#) on the Almarai Sustainability website for the dedicated icons.

Caring for People: Empowering communities through collaboration

At Almarai, our people are at the heart of our success. We believe that fostering a supportive and inclusive workplace not only empowers individuals but also drives organizational growth. This year, we deepened our focus on local employment, launching new initiatives to ensure our workforce reflects the diversity of our communities. These efforts align with Saudi Vision 2030, emphasizing youth empowerment and skills development as key drivers of national progress.

Among our flagship initiatives is the Almarai Prize Strategy for Scientific

Creativity, revamped in 2024 with a new identity to inspire innovation in food security across the region. Additionally, our strategic agreements with training providers enabled Saudi youth to gain valuable skills, preparing them for meaningful careers in an evolving job market.

Beyond career development, Almarai prioritizes health and wellbeing. Our annual oral and dental health awareness campaign promotes balanced nutrition and healthy habits. We also hosted two blood donation drives in 2024, fostering a culture of giving. These efforts strengthen bonds within our workforce while benefiting broader communities.

Sports and recreation also play a vital role in enhancing wellbeing. Events like the 7th Golf Championship promote healthier lifestyles while reinforcing our corporate social responsibility. In collaboration with the Ministry of Transport, we advanced traffic safety awareness across Saudi Arabia, demonstrating our commitment to addressing societal challenges.

Through these multifaceted efforts, Almarai reaffirms its dedication to empowering people and building stronger communities. By prioritizing inclusivity, health and safety, we create a thriving environment for employees and stakeholders while contributing to a sustainable future.

Our year in numbers:

49,306*
Almarai quality
makers

10,610
Saudi
nationals

7,069
New hires in
2024

895,604
No. of
learning hours

*Total HC that covers KSA, GCC, IDJ and Fondomonte entities of Almarai Company.

Developing talent and organization: Building a competitive workforce

WE@Almarai is a market-leading employee value proposition that sets us apart as an employer of choice in Saudi Arabia. Anchored by our corporate culture, WE@Almarai aligns employees with a shared path to greatness, emphasizing engagement, satisfaction and operational excellence.

WE@Almarai operates on four 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 strengthened these pillars through a series of initiatives aimed at attracting and retaining top talent while ensuring inclusivity. As a certified Gold Member of the Mowaamah Program, we established a welcoming environment for people with disabilities. This year, we hired over 1,500 Saudi nationals, including trainees from the FIP Institute, while maintaining our Platinum Nitaqat status across categories.

Our Talent and Organization Development transformation integrates learning and organizational growth. Highlights include:

- **HiPo program:** Developing leadership and managerial skills among high-potential Saudi professionals
- **Graduate development program:** Partnering with top training institutes to prepare Saudis for leadership roles
- **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

Through the Almarai Academy, we achieved 67,521 learning hours in 2024, exceeding HRSD targets, and drove a 31% increase in learning engagement. Our e-learning participation grew by 76%, underscoring our commitment to fostering a culture of continuous improvement.

These efforts are integral to achieving long term success, aligning with our cultural pillar, WE Evolve, and supporting Almarai’s strategic goals and Saudi Vision 2030.

Leveraging technology for HR excellence

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

These technological advancements streamline operations and empower employees, reinforcing Almarai's position as an industry leader in innovation and workplace excellence.

Through our unwavering commitment to talent development, inclusivity and technological innovation, Almarai continues to empower individuals, support communities and drive sustainable growth.

Protecting the Planet: Advancing environmental stewardship

Highlights

Business units achieved climate change targets for 2025:

- Water Efficiency (Bakery, Premier Foods and Supply Chain)
- Waste to Landfill (Bakery, Premier Foods and DJF)

Key projects in Beyti:

- Our innovative biogas project transforms organic waste into renewable energy, significantly reducing emissions and advancing our circular economy goals
- The Argo Project has enhanced irrigation efficiency, conserving water in agricultural practices and ensuring resource sustainability
- Strengthening our green financing strategy, we partnered with HSBC to secure funding for sustainability-driven initiatives, reinforcing our focus on environmentally responsible operations

Environmental stewardship is central to Almarai's mission. As a leader in the food and beverage industry, we recognize our responsibility to minimize environmental impact while meeting the growing demand for sustainable products. In 2024, we introduced several initiatives to enhance resource efficiency and reduce greenhouse gas emissions, demonstrating our commitment to a greener future.

One of our key achievements was being ranked among the top 10 in MEIRA's Best ESG and Sustainability Reports in the Middle East. This recognition highlights our alignment with global best practices and Saudi Vision 2030, showcasing our progress in integrating sustainability throughout our value chain.

Our strategic roadmap for 2026–2030 places environmental resilience at its core. Setting ambitious GHG emission reduction targets is in the works. We are building a future-proof business that contributes to mitigating climate change through this initiative.

A significant example of this vision is our USD 7 billion investment in poultry production expansion. This project incorporates environmentally friendly practices, ensuring increased food security without compromising the planet's resources. By 2026, we aim to produce 450 million chickens annually, aligning with national and global goals for sustainable agriculture.

Our participation in the Environmental Compliance Forum 2024 also reflects our leadership in sustainable practices. The forum provided a platform to address challenges in balancing economic growth with environmental preservation. Almarai's active engagement demonstrates our dedication to driving meaningful dialogue and action on sustainability issues.

In addition to operational initiatives, we are empowering our teams to champion sustainability. Training programs and awareness campaigns ensure that environmental responsibility is embedded in our corporate culture. This holistic approach enables us to integrate sustainable practices across all facets of our operations, from farming to manufacturing.

Almarai's environmental strategy is not only about meeting regulatory requirements but also about creating long term value for stakeholders. By prioritizing resource conservation, reducing waste and adopting innovative technologies, we are paving the way for a more sustainable and resilient future.

Producing Responsible Products:

Delivering quality with integrity

Highlights

Improved Supplier Questionnaire

- We have improved our Supplier Questionnaire designed to align with global sustainability frameworks such as GRI and the UN SDGs. This initiative ensures that our supply chain partners adhere to robust Environmental, Social and Governance (ESG) standards, fostering accountability and shared value creation

Forbes' Sustainability Leaders Award

- This award demonstrates our exceptional ambition, innovation, as well as our recent, tangible impact that is both scalable and sustainable

At Almarai, producing high-quality and responsibly sourced products is a cornerstone of our business. Guided by our five-year investment strategy (2024–2028), we are enhancing our product portfolio while upholding the highest standards of governance, transparency and ethical conduct.

Our participation in global events like the ESPEN Conference and the Future Food Forum highlights our leadership in innovation and nutrition. At ESPEN, we showcased groundbreaking work in therapeutic and clinical foods, reinforcing our position as a pioneer

in pediatric nutrition. Meanwhile, the Future Food Forum allowed us to collaborate with industry leaders to address evolving consumer needs and advance food security in the GCC region.

Collaboration is key to our governance strategy. This year, we signed an MoU with 30 Exports to expand the reach of Saudi products in international markets. This partnership not only supports economic diversification but also underscores our role in driving regional and global food supply chains.

Almarai has also achieved notable milestones in legal and compliance frameworks. Our participation in the Kingdom's Legal and Compliance Conference demonstrated our leadership in cross-border compliance, particularly in leveraging modern technologies like AI and blockchain for transparency and efficiency. These advancements ensure our systems are robust, responsive and aligned with global standards.

Though we have been ISO 27001 certified for quite some time now, we have not highlighted it in the previous reports; hence, this space for our Information Security Management System's Certification. This certification underscores our dedication to safeguarding sensitive data and protecting stakeholder interests.

These initiatives reflect Almarai's unwavering commitment to ethical practices, innovation and sustainable

growth. By integrating responsible governance with forward-looking strategies, we continue to deliver products that meet the highest standards of quality while creating lasting value for our stakeholders.

As we move forward, Almarai remains steadfast in its mission to empower people, protect the planet and produce responsibly. With significant investments in innovation, sustainability and community development, we are well-positioned to address the challenges and opportunities of the future.

As Almarai continues to grow, we are guided by our core values "ASPIRE" and commitment to sustainability. Together with our employees, partners and communities, we are building a future that balances economic prosperity with social and environmental wellbeing.

Through these efforts, we reaffirm our pledge to be the Middle East's leading food and beverage company, delivering on our promise of "Quality you can trust." By empowering the present, we are shaping a sustainable future for generations to come.



Scan the code to read the full Sustainability Report 2024

