

Doing better every day

Sustainability Report 2022



Managing
sustainability
at Almarai®



Caring
for people



Protecting
the planet



Producing
responsible
products

Contents

01	Management Messages	03	20	Ethical sourcing	53
02	About this report	05		Our ESG Policies	54
03	About Almarai	07		ESG Policies	56
	Managing Sustainability at Almarai	09	21	Animal Welfare Policy	57
04	Stakeholder engagement	11	22	Community Investment Policy	59
05	Alignment to national and international development frameworks	13	23	Energy Policy	61
06	Sustainability governance	16	24	Environmental Policy	63
07	Defining and prioritizing the issues that matter the most	17	25	Ethical Sourcing Policy	65
08	Our sustainability strategy	18	26	Human Rights Policy	67
	Caring for people	21	27	Responsible Marketing Policy	69
09	Nutrition and wellbeing	23		Position Statements	71
10	Health and Safety	26	28	Climate Change Position Statement	73
11	Employee Talent and Diversity	28	29	Environmental Impact of Packaging Position Statement	74
12	Community investment	31	30	Water Position Statement	76
	Protecting the Planet	34		Performance Data	78
13	Water Management	36	31	Managing Sustainability at Almarai	79
14	Packaging Innovation	38	32	Caring for People	80
15	Climate Change	40	33	Protecting the Planet	92
16	Waste Management	43	34	Producing Responsible Products	97
17	Sustainable agriculture	45		GRI content index	101
	Producing Responsible Products	47		Our Subsidiaries	111
18	Quality and food safety	49	35	Beyti	113
19	Animal welfare	51	36	Teeba	121



About this report

Management Messages

Message from our Chairman

“ It is my pleasure to present to you Almarai’s 2022 Sustainability Report. This year we achieved considerable progress in our sustainability efforts and remained on track to achieve the targets, goals, and commitments of our Doing Better Every Day strategy. ”

Our commitment to sustainability is at the core of our company strategy and we focus on being a transparent company in our commitments, targets, and performance efforts. We strive to ensure that our operations are conducted in an environmentally and socially responsible manner and that our products and services are designed to minimize their impact. This report seeks to provide an open and transparent look at our efforts and accomplishments in the last year with access to data, strategy, and performance.

From an environmental perspective we remain committed to reducing our greenhouse gas emissions, increasing our use of renewable energy, and improving our energy efficiency. Substantial efforts and changes have been implemented throughout the business including reducing our energy consumption, building a program for renewable energy sources, reducing waste, and investing in sustainable practices. Climate change poses a major challenge, so we have focused on reducing our carbon footprint by investing in various parts of the business, switching energy sources, and investing in new technology. Success of these initiatives gets enhanced when they are owned by every employee in the company, so we continued to engage and educate our employees on the importance of sustainability.

Almarai remains committed to social responsibility both internally with our employees and through the active engagement of our local communities. Our goal is to provide support to those in need, work to create a positive impact, and communicate that transparently. I am immensely proud of how our operations teams have gone above and beyond to make a real impact in their local communities. To name a few, we have provided food donations, promoted health and wellbeing to benefit the community, and sponsored training and development for our staff and partners. We are also committed to promoting diversity and inclusion in our workplace and to creating an environment where everyone can thrive.

We have also taken steps to ensure that our supply chain is ethical and sustainable. This includes implementing rigorous standards and procedures to ensure that our suppliers are aligned with our sustainability policies. We are also committed to working with our suppliers to reduce their environmental impact and to ensure that they are providing safe working conditions for their employees.

At the heart of our commitment of our Doing Better Every Day strategy is our aim to create mutual value. During 2022, we published our policies and position statements on various environmental, social, and governance (ESG) topics to transparently communicate our approach on relevant ESG matters. This sustainability report offers information and transparency to our stakeholders while keeping us responsible for our sustainability goals. We are proud of what we have accomplished in 2022 and the report highlights our various accomplishments as we stride with increased resilience to advance on our 25 strategic sustainability targets.



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

Message from our CEO

“ Almarai is a leading food and beverage manufacturer and distributor in the Middle East, providing quality products to over 42 million consumers. As we enter the fifth year of our Doing Better Every Day strategy, we are proud to continue our commitments of contributing to create a more sustainable and equitable future for all. ”

In 2022, we undertook various initiatives to further embed our approaches and commitments in all aspects of our operations, while also providing support to our employees and communities in line with our 25 core targets. The company remains proud to keep our sustainability strategy aligned to the Saudi Vision 2030 and the United Nations Sustainable Development Goals and embed a culture of sustainability throughout our organization.

We continued to be committed to our consumers, communities, and employees as a part of our ‘Caring for people’ strategy. We prioritized our employees’ health, safety, and wellbeing through multiple initiatives, such as encouraging training and awareness campaigns amongst employees and providing access to health options. Additionally, we have contributed to over 300 charities near our operations through sponsorships, events, campaigns, and product donations. Many of these partnerships are long standing.

In 2022, we worked to further embed our sustainability efforts in our day-to-day decision making. Our team is dedicated to preserving a healthy environment, something that is ingrained in our ‘Protecting the Planet’ strategy, and worked to further enhance resource efficiencies across energy, water, waste, refrigerants, and transport. We are committed to reduce our environmental impact and have implemented a range of initiatives to reduce our energy consumption, such as installing energy efficient lighting, using renewable energy sources, and encouraging on efficient resources use. We have also focused on reducing our waste, by introducing a range of waste-reduction initiatives, such as reducing, reusing, and recycling. All of these initiatives are helping us to protect the environment and ensure that we are doing our part to preserve a healthy environment for future generations.

Our commitments towards people and the environment are coupled with our commitment to ‘Producing responsible products.’ We want our consumers to experience a life of abundance and health, with access to products that are created with the utmost quality, safety, and environmental standards in mind. Almarai’s manufacturing facilities maintain FSSC22000 Food Safety certifications, a benchmark that is acknowledged by the Global Food Safety Initiative (GFSI). Additionally, Almarai also maintains international animal welfare certifications for farms and operations by NSF International, remaining the first company globally for dairy and the first company in Saudi Arabia for poultry to achieve this. These certifications continue to provide a guarantee to our customers and consumers that food produced by Almarai has not only been tested for highest quality and safety, but also complies with highest animal welfare standards.

We have considerable sustainability achievements this year as a result of dedication of our employees. I would like to express my gratitude for their hard work and commitment in what has been a challenging year. Without their support, our Doing Better Every day strategy would not have been embedded into our company culture so successfully. As we continue to stride towards a more sustainable future by 2025, I invite you to learn more about our company and our sustainability progress in this report. I am confident that with dedication and enthusiasm, our employees will continue to drive us forward in the years to come, and we will be able to accomplish our 2025 sustainability targets sooner than expected.



Abdullah Albader
CEO



About this report

“ Welcome to our sixth annual sustainability report, a comprehensive overview of our commitments and progress towards improving our environmental, social, and economic impacts. ”

It contains insights into Almarai’s sustainability-related programs, achievements, and performance, complementing the information provided in our Annual Report 2022.

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 and Kuwait (referred to as ‘Almarai’) Almarai’s operations as Pure Breeds 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 2022 to 31 December 2022, 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](#)

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.

Topic boundaries

Material issue	Category	Topic boundaries
Caring for people		
Nutrition and wellbeing	Social	Almarai, Subsidiaries, consumers
Health and safety	Social, Economic	Almarai, Subsidiaries, consumers
Employee talent and diversity	Social	Almarai
Community investment	Social	Almarai, consumers
Protecting the planet		
Water management	Environmental, Economic	Almarai
Packaging innovation	Environmental, Economic	Almarai
Climate change	Environmental	Almarai
Waste management	Environmental, Economic	Almarai
Sustainable agriculture	Environmental, Social, Economic	Almarai
Producing responsible products		
Quality and food safety	Governance	Almarai, consumers, suppliers
Animal welfare	Social	Almarai
Ethical sourcing	Environmental, Social, Economic	Almarai, suppliers



About this report

About Almarai®

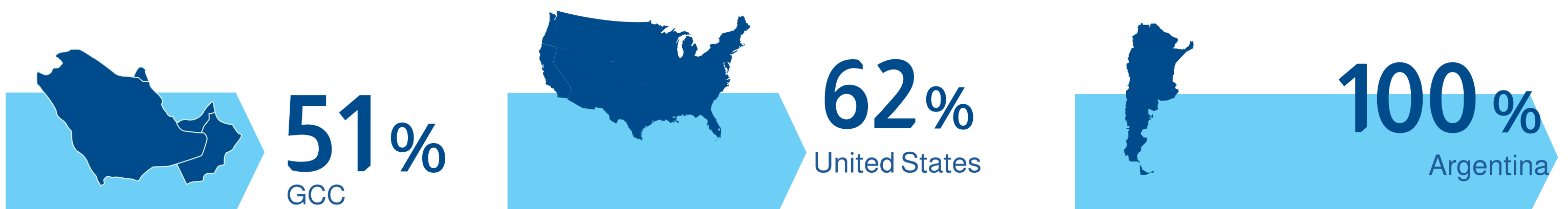
“ Almarai Company is a Saudi publicly traded joint-stock company listed on Tadawul, the Saudi Stock Exchange. ”

Founded in 1977, Almarai Company has grown to become the Middle East’s largest food and beverage manufacturer and distributor, and the world’s largest vertically integrated dairy company. With headquarters in Riyadh, Saudi Arabia, our production and distribution footprint covers the GCC states. In addition to our farming operations in Saudi Arabia, we also have arable farms primarily located in Argentina and the United States of America. Through our direct control of the supply chain, we have the unique ability to deliver safe, quality products to millions of consumers every day.

Procurement

Percentage of locally based suppliers across our countries of operation:

64% Total



Quality



Almarai conducts more than

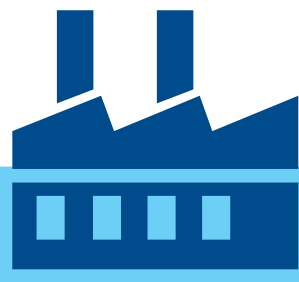
39,000 quality tests applied daily to ensure our consumers receive the highest quality products.



Manufacturing

Read more about [our brands](#).

Almarai produces
3.5 billion kilograms
of produce annually.
Across several key areas:



Dairy



Juice



Bakery



Poultry



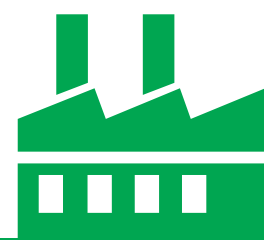
Infant Nutrition

Sales, distribution & logistics

Almarai has

1,530+
vehicles

on the roads at any given time.



From our manufacturing facilities, our products are transported to

80 depots in
7 countries
across the GCC.



Consumers

Almarai products reach

110,000+
retailers in **7** countries



Our people

Read more about our [Mission, Vision & Values](#)

*Based on the reporting boundary.

All our achievements are made possible by the commitment of our



38,351*
employees across
our global operations



Doing better every day

Sustainability Report 2022

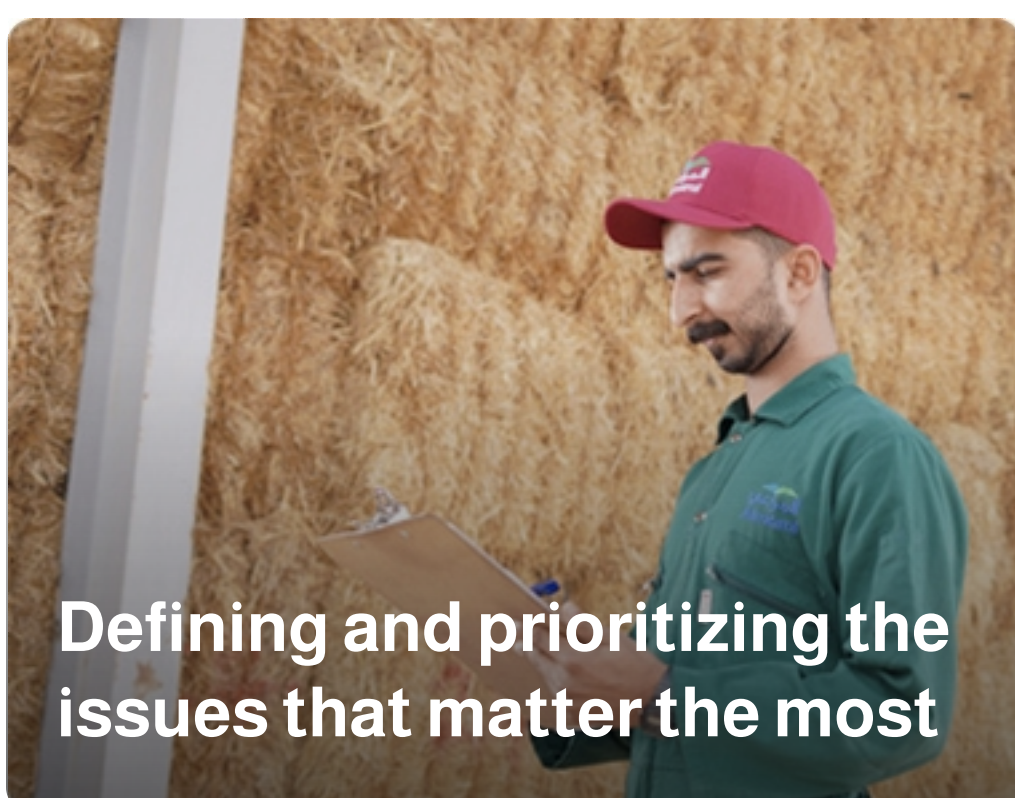


Sustainability Management
at Almarai®

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. ”

Through the integrated management of our economic, environmental, and social performance, we aim to maximize the shared value we create for our stakeholders, now and in the future. We continue to implement industry-leading practices to protect the wellbeing of our consumers and employees, invest in the communities we serve, ensure the health of our farm animals, protect the natural environment and generate significant economic value.





Sustainability Management at Almarai®

Stakeholder engagement

“ We endeavour to maintain an active dialogue with stakeholders on a continual basis, whether consumers, customers, investors, employees, regulators, or civil organizations. ”

In so doing, we use a range of communication channels that are most appropriate to their specific interests.

Historically, the most popular of our engagement programmes has been the access we provide to the public at manufacturing facilities in Saudi Arabia. During the pandemic we made the decision to lockdown all onsite facilities to ensure sustained production capabilities, restricting access for the public to visit our pioneering facilities. However, as our communities emerged to normality, we resumed our facilities visit program in later part of 2022.

In addition to the above engagements, we recently published ESG policies and position statements covering our aspirations on animal welfare, climate change, community investment, energy, environmental impacts of packaging, ethical sourcing, environmental policy, human rights, responsible marketing, and water stewardship. This effort brings transparency for our stakeholders on everything we do. To further enhance transparency and reliability for our stakeholder, Intertek Saudi Arabia Ltd, a third-party independent auditing firm, audited and assured our sustainability data and report as per ISAE 3000 standard.

The chart below outlines our key stakeholders, the significance of each stakeholder group to Almarai, their requirements and expectations, methods of communication with each group, and examples of specific actions to address them:

Stakeholders	Importance	Needs and expectations	Almarai engagement channels	How Almarai is responding
Importance	Our shareholders and investors provide the capital necessary for sustainable growth; therefore, Almarai’s future growth and success ultimately depends on its ability to attract investment domestically and internationally. We are committed to delivering long term sustainable returns for shareholders and investors in a growing range of diversified product lines.	<ul style="list-style-type: none"> Financial performance, efficient production and growth Dividends Contribution to economic development Share price Data disclosure and credibility Customer satisfaction Market share Publicly disclosed data about our Environmental, Social and Governance (ESG) performance, including strategies, targets and goals, methods for evaluation, policies, and procedures 	<ul style="list-style-type: none"> Board of Directors meetings Public reports Shareholders’ Rights Policy Investor Relations Almarai Code of Conduct Reporting Violation Policy Global Anti-bribery & Corruption Policy and Procedures 	<ul style="list-style-type: none"> Annual Report, Corporate Governance Code, Financial reports, Earnings presentations, etc. Net income growth Sustainability Report

Stakeholders	Importance	Needs and expectations	Almarai engagement channels	How Almarai is responding
Consumers	Our consumers are at the heart of our business. We want consumers across the region to think Almarai first when purchasing food and beverages. Building trust and ensuring that our products are the best is essential to our continued growth.	<ul style="list-style-type: none"> 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 and certificates Direct communication channels 	<ul style="list-style-type: none"> Social media channels Visitor tours Website Call center Electronic mail 	<ul style="list-style-type: none"> Direct dialogue with consumers on social media, including Facebook, Twitter, YouTube, Instagram and more Monthly consumer surveys Consumer hotline and WhatsApp
Employees	Our employees are paramount to our business success, as they hold the commitment, dedication, and intellectual capital to drive innovation within our organization and deliver on our strategy.	<ul style="list-style-type: none"> Fair payment and benefits Equal opportunity Engagement and motivation Transparent hierarchies Job security Training and career development Safe work environment Grievance mechanisms 	<ul style="list-style-type: none"> HR Policy Training and development program Training needs analysis Employee grievance mechanism Employee satisfaction surveys (on an ad hoc basis) 	<ul style="list-style-type: none"> 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 WE@Almarai
Governmental regulatory bodies	We deeply value our relationships with our regulators and other government stakeholders, as they help us ensure that we effectively manage risks to our business and produce safe, quality products for consumers. We are committed to complying with all legal and regulatory requirements.	<ul style="list-style-type: none"> Compliance with national legislation and regulation Contribution to economic development Environmentally sound production practices GHG emissions and impact on climate change International recognition and certificates 	<ul style="list-style-type: none"> Internal audit Stakeholder meetings and open dialogue Public reporting Working closely with regulators to develop improved standards 	<ul style="list-style-type: none"> Corporate Governance Code Annual Report Sustainability Report Regulatory team meet regularly with government bodies representatives Corporate affairs team meetings Government forums
Civil society organizations	As a people centric business, we believe that contributing to communities in the countries of our operations is important to building trust and bonds. We are committed to ensuring that access to quality and healthy food is not only a luxury, but a right.	<ul style="list-style-type: none"> 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 Contribution to social and economic development 	<ul style="list-style-type: none"> CSR activities Student learning opportunities Food donations 	<ul style="list-style-type: none"> Food support for lower income and vulnerable groups Educational awards Dairy and Food Polytechnic Almarai Driving School





Sustainability Management at Almarai®

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

	Material Issues	Relevant NTP strategic objectives
 <p>Caring for People</p>	Nutrition and wellbeing	2.1.3
	Health and safety	2.1.1 2.1.3 2.3.4
	Employee talent and diversity	4.2.2 4.4.2 4.4.3
	Community investment	2.1.3 6.2.1
 <p>Protecting the planet</p>	Packaging Innovation	2.4.1
	Climate Change	2.4.1
	Water Management	5.4.2
	Waste Management	2.4.1
	Sustainable agriculture	N/A





Quality and food safety	5.4.1
Animal welfare	5.4.1
Ethical Sourcing	3.1.6 3.3.5

Alignment to SDGs



Material Issues	Relevant NTP strategic objectives
Nutrition and wellbeing	2.2 3.4 17.16 17.17
Health and safety	3.4 3.6 8.8
Employee talent and diversity	5.1
Community investment	1.2 2.1 2.2 4.3 17.17



Packaging Innovation	12.2 14.1
Climate Change	7.2 7.3 9.4 13.1
Water Management	6.3 6.4 6.5 6.6 17.16 17.17
Waste Management	12.3 12.4 12.5
Sustainable agriculture	1.2 2.3 2.4 6.3 6.4 6.5 6.6 8.7 8.8 12.2 12.4 15.1 15.3 15.5 15.A 15.B 17.16



Quality and food safety	3.9
Animal welfare	17.16
Ethical Sourcing	1.2 6.3 6.4 6.5 6.6 8.7 8.8 12.2 12.4 12.7 15.1 15.3 15.5 15.A 15.B





NTP 37 strategic objectives mapped into the eight themes:

Transform Healthcare



- 2.1.1 Ease Access to Health Services
- 2.1.2 Improve the Quality and Efficiency of Healthcare Services
- 2.1.3 Promote Prevention Against Health Risks

Improve Living Standards and Safety



- 2.3.1 Improve the Quality of Services Provided in Saudi Cities
- 2.3.2 Improve the Urban Landscape in Saudi Cities
- 2.3.4 Enhance Traffic Safety
- 2.4.1 Reduce All Types of Pollution
- 4.4.1 Improve the Living Conditions of Expatriates

Ensure the Sustainability of Vital Resources



- 2.4.2 Provide Environmental Protection from Natural Hazards
- 2.4.3 Protect and Rehabilitate Natural Landscapes
- 5.4.1 Ensure Development and Food Security
- 5.4.2 Ensure Sustainable Access to Water Resources

Social Empowerment and Non-Profit Sector Development



- 2.6.4 Empower Citizens Through the Welfare and Social Development System
- 2.6.5 Improve Effectiveness and Efficiency of Welfare and Social Development System
- 6.1.2 Encourage Volunteering
- 6.2.1 Enhance Business Focus on their Social Responsibilities
- 6.3.1 Support Non-profit Sector Growth
- 6.3.2 Enable Non-Profit Organizations to Achieve Greater Impact

Achieve Governmental Operational Excellence



- 5.2.3 Improve the Productivity of Government Employees
- 5.2.4 Develop e-Government
- 5.2.5 Improve the Quality of Services Provided to Citizens
- 5.3.1 Enhance Transparency Across Government Entities
- 5.3.2 Support Communication Channels with Citizens and Businesses
- 5.3.3 Ensure Government Entities' Response to Customers' Feedback

Labor Market Accessibility and Attractiveness



- 4.2.2 Increase Women's Participation in the Labor Market
- 4.2.3 Enable Integration of People with Disabilities in the Labor Market
- 4.4.2 Improve Working Conditions for Expatriates
- 4.4.3 Effectively Attract Suitable Global Talent

Contribute in Enabling the Private Sector



- 3.1.1 Facilitate Doing Business
- 3.1.6 Attract Foreign Direct Investment (FDI)
- 3.3.2 Develop the Digital Economy
- 3.3.5 Develop the Retail Sector
- 4.3.2 Increase the Contribution of Small- and Medium-size Enterprises (SMEs) to the Economy
- 4.3.3 Increase the Contribution of Productive Households to the Economy
- 6.2.2 Encourage Businesses' Interest in Sustaining the National Economy

Develop the Tourism and National Heritage Sectors



- 1.3.2 Conserve & Promote the Kingdom's Islamic, Arab, and National Heritage
- 3.3.6 Develop the Tourism Sector





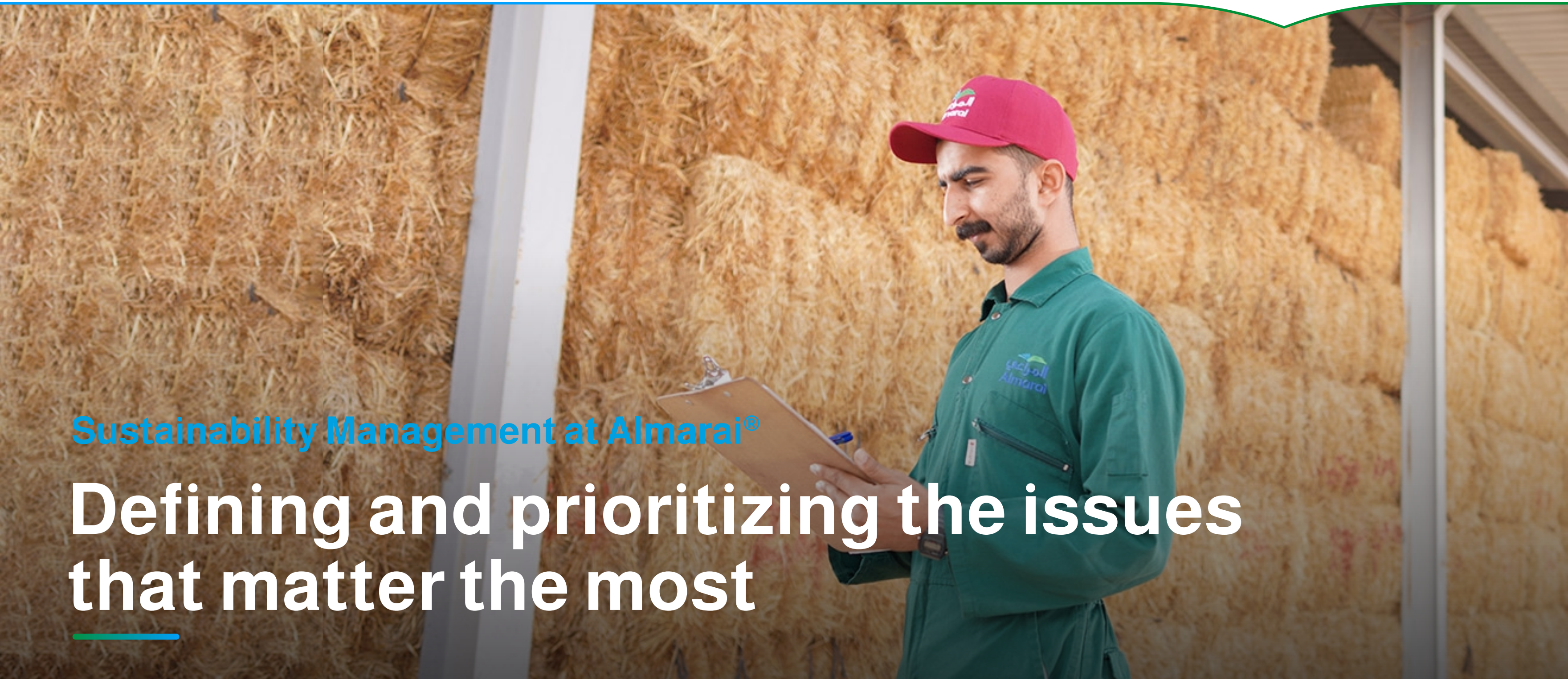
Sustainability Management at Almarai®

Sustainability governance

“ Almarai is committed to providing its investors with the highest quality of governance and has implemented an effective corporate governance strategy that sets the rules and procedures to ensure compliance with the best practices.”

This strategy has ensured that the company is consistently ranked as a leading company for governance in the Middle East and the GCC. To further strengthen this commitment to quality, Almarai believes that a sound governance system is essential for the long-term growth of its business and investments. This system is designed to protect the rights of the shareholders and to ensure that the company is able to maintain its position as a leader in the region.

To ensure sustainability is kept at the forefront of our business, our Executive Vice President of Quality, Regulatory, Health, Safety, Security & Sustainability reports directly to our CEO and Executive Management bi-monthly. Additionally, our Head of Sustainability is responsible for coordinating progress against our strategic goals and targets, and the Executive Vice Presidents are accountable for the successful implementation of our sustainability goals and targets.



Sustainability Management at Almarai®

Defining and prioritizing the issues that matter the most

“ We employ the materiality principle to recognize the economic, social, and environmental matters that are most important to our business and our stakeholders. ”

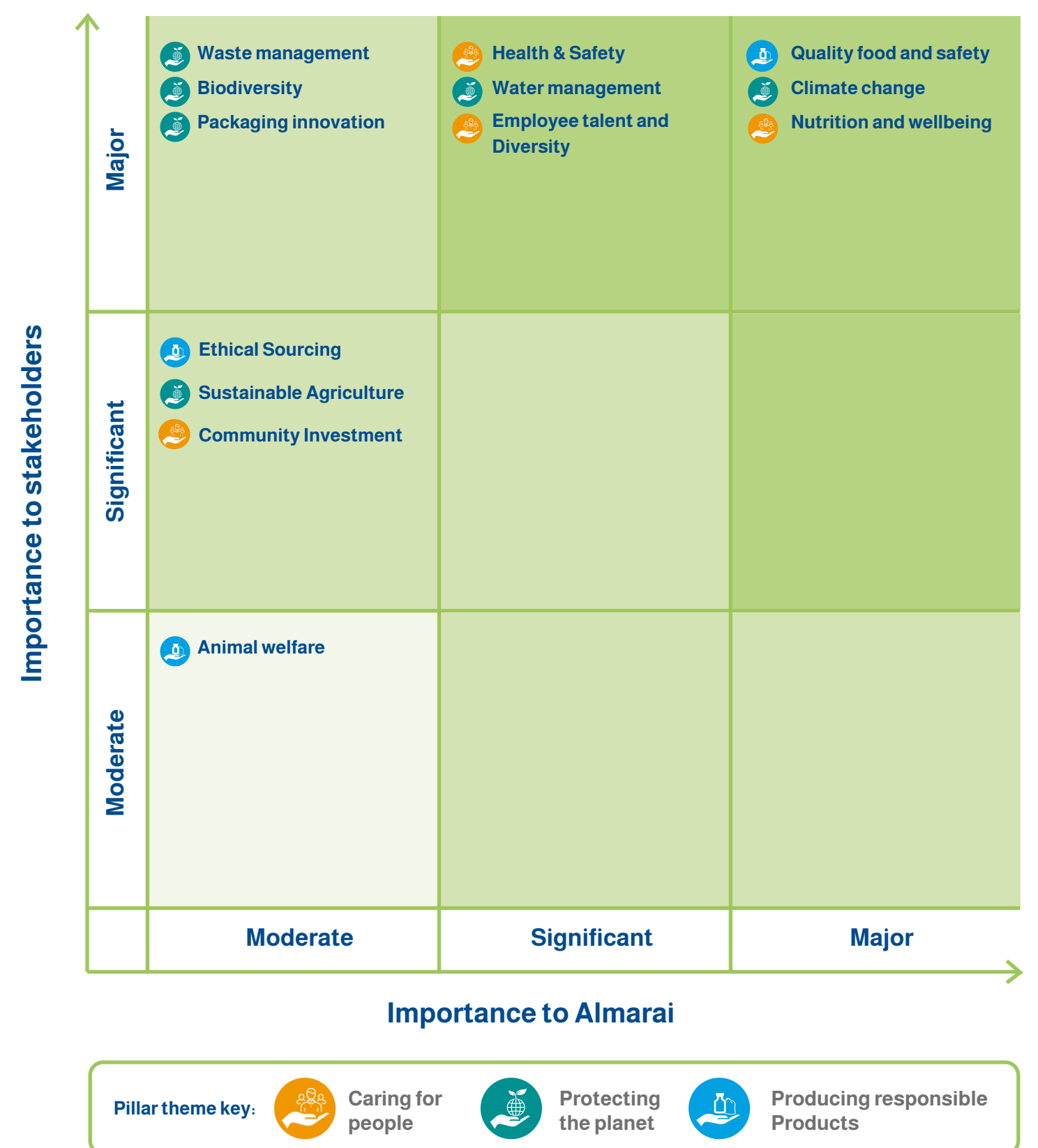
Our materiality processes

By taking into account the interests of our stakeholders, alongside the threats and opportunities that our business faces, materiality assists us in deciding where to concentrate our efforts to increase stakeholder value and our sustainability performance. Materiality also directs us on what we should make public.

In 2019, we conducted a review of materiality considering internal and external stakeholders' opinions to identify material environmental, social, and governance issues that are most relevant to the organization. To ensure that our business is responding to the most relevant issues, we updated our materiality process in 2022 and will continue to do so in the future. Our approach to materiality is consistent with the GRI Standards.

Our 2022 materiality assessment

During the materiality update that concluded in 2022, we reviewed the identified and other relevant material issues to ensure their relevance. The results are presented below. We observed that 'Nutrition and wellbeing' has gained importance for our internal stakeholders, likely as the ensuing pandemic highlighted Almarai's crucial role in food security for our communities. In addition, our external stakeholders put more importance in employee health, safety, talent, and diversity, and on our community investment efforts. In 2022, Almarai continued to monitor the identified material issues, programs, and progress to ensure we remain on-track to deliver on our committed goals.





Sustainability Management at Almarai®

Sustainability strategy

“ 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. ”

In 2019, we developed 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 three interconnected pillars and 12 material issues that are essential in supporting our contribution to building a more sustainable future.

Pillars



Caring for People

Material Issues

- 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

- 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.



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 progress ◑ Limited progress ○

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 Dairy and Food Polytechnic (DFP) program by 2025	●



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	



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 or 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 2022



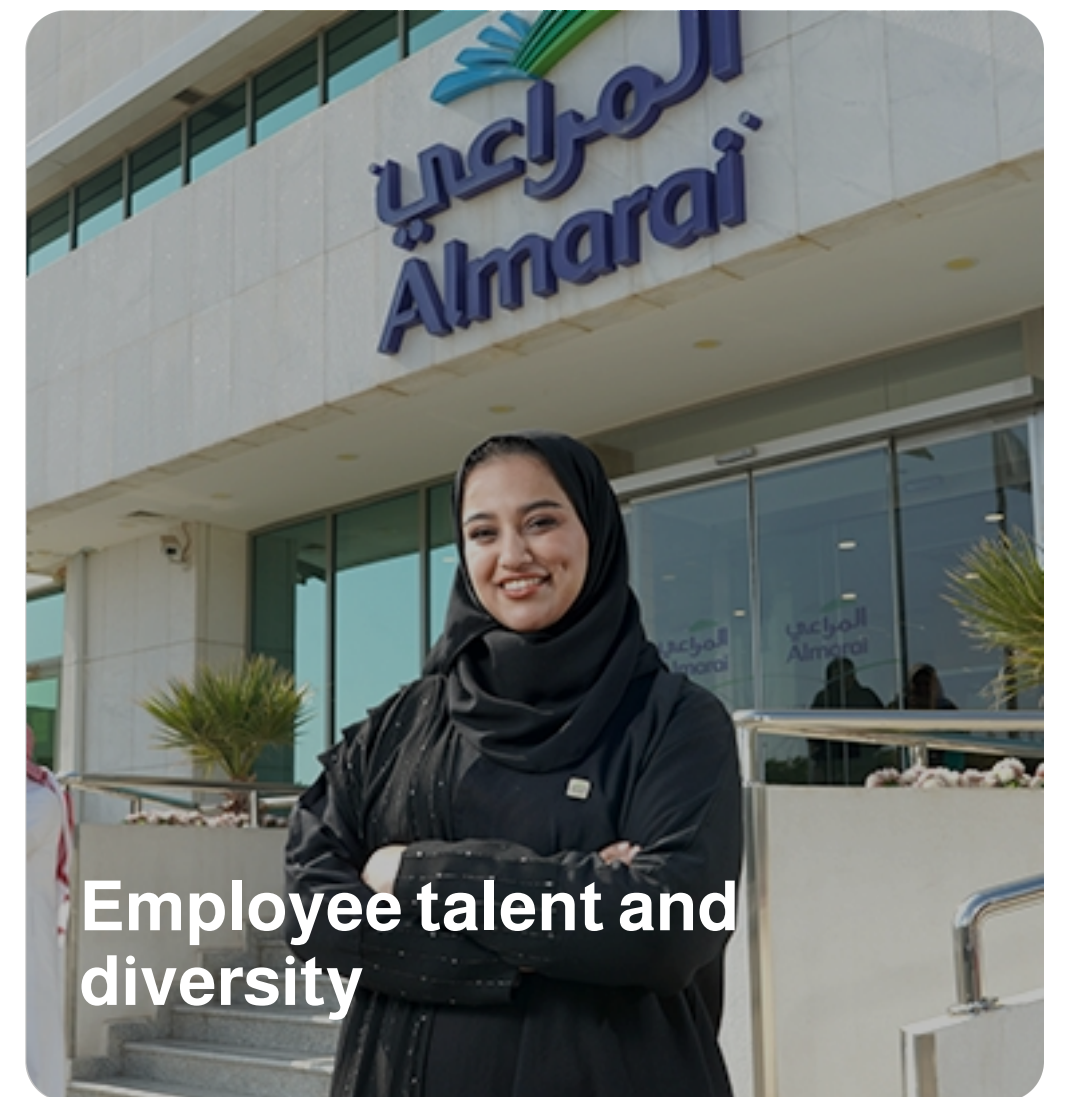
Sustainability Management At Almarai®

Caring for people



Caring for People

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





Caring for people

Nutrition and wellbeing

“ We are working to make sure that our products and communications support healthy living every day. ”


Our approach

Almarai is dedicated to providing consumers with healthy, nutritious food and beverages to enhance their lives and support them in leading a healthy and happy lifestyle. We are committed to innovating, investing, and developing for new technologies and competencies to stay competitive while offering healthy and nutritious options. We prioritize health and nutrition in all our products and use it as the basis for future innovation and recognize the responsibility we have to help people lead healthy, happy lives that maximize nutrition and wellbeing.


Our branding and marketing strategies play an important part in people's lives through the products they deliver, and we are serious our duty to market responsibly. Our responsible marketing policy serves as the cornerstone of our commitment to ensure we provide our consumers with clear, transparent, and accurate labelling and communications. This policy is designed to give consumers more knowledge about the health, nutrition, quality, and safety of our products, while also educating them, through product labelling, about information on nutritional values, safe storage, serving size, and number of servings per item.

The responsible marketing policy also covers our other communication methods. We often collaborate with healthcare professionals to run initiatives that raise awareness of nutrition and wellbeing. Our communication channels strive to reach a larger audience to enable more people to make educated decisions about nutrition.




Almarai products contain **no artificial colors.**



Almarai products contain **no trans fats.**



Almarai products contain **no artificial sweeteners.**

Almarai remains committed to breastfeeding

Human Milk is essential for a healthy start in life and provides many long-term advantages. Breastfeeding is a necessary requirement for the health of the public and one of the most successful preventive health measures for both children and mothers. Breast milk provides babies with all the nutrition they need and strengthens the connection between mother and child, leading to greater wellbeing and a variety of benefits for both. The World Health Organization (WHO) and UNICEF suggest exclusive breastfeeding for six months. Almarai fully agrees with this recommendation and ensures that all commercial activities are in line with the WHO codes and regulated by the rules of the Saudi Breastfeeding Law. Almarai Infant Nutrition is dedicated to promoting good habits and the best nutrition for mothers and babies, including breastfeeding.

2022 performance and initiatives

To ensure the wellbeing of our customers and consumers, we have established a comprehensive nutrition policy and framework. This policy and framework is based on eight core principles: reformulation of products, innovation, food fortification, marketing to children, food security, corporate social responsibility, nutrition, and food regulations. During 2022, we ran multiple campaigns to create awareness and understanding of the importance of nutrition, health, and wellbeing. In light of that, we started developing our corporate nutrition strategy to achieve our holistic plan and its targets to support our nutrition and wellbeing programs to serve the community of all levels.

Almarai is committed to providing consumers with healthy and nutritious products. To ensure this, we have implemented a nutrient profiling system as part of our Nutrition Policy. This system is based on the Saudi Food and Drug Authority (SFDA) 2333:2019 Permitted Health and Nutrition Claims standard, international dietary guidelines, and global standards for salt, sugar, fat content and nutritional information. We strive to continuously improve our innovations by incorporating the nutrition classification with the innovation process by providing our employees with guidance on the healthy and nutritious criteria.

Our highlight stories

Almarai remains committed to health awareness for consumers and healthcare professionals

Almarai seeks to build awareness of key nutrition and health information using various digital channels. In 2022, we continued to build on the success of previous years where we achieved more than 1.2 billion views on YouTube, the third-largest audience on YouTube within FMGC corporate pages. The company continued to expand our online audiences through new digital platforms including launching health and nutrition emails, social media chatbots, and providing updated nutrition information on our website.

Almarai has been actively involved in promoting health and nutritional awareness in Saudi Arabia. In 2022, we partnered with various organizations to support anti-drug campaigns, rheumatic diseases awareness, International Arthritis Day, oral and dental health care campaigns, blood donation campaigns, and anti-smoking campaigns. We also sponsored a charity called Naqa (Purity) to roll out an anti-smoking campaign under the tagline "Live it Pure". Through these initiatives, we hope to contribute to a healthier and more sustainable society in Saudi Arabia.

During 2022, Almarai was awarded numerous awards and rankings at local, regional, and international levels in various fields such as financial, administrative, marketing, quality, safety, consumer satisfaction, and sustainability. These awards and rankings serve to reinforce our commitment to our motto of "Quality you can trust". Almarai was ranked highly in various fields such as measuring consumer satisfaction and brand image. All the local, regional, and international awards we won, demonstrate our commitment to delivering quality products and services. We are proud of our achievements and will continue to strive for excellence in all areas of our business.



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



Winner of multiple awards at local, regional and national levels.



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



Progress on our strategic goals and targets

Achieved ● On-track ◐ Some progress ◑ Limited progress ○

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





Caring for people

Health and Safety

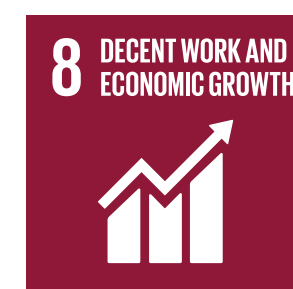
“ We are working to enhance health and safety culture across our business every day. ”

Our approach

At Almarai, we are committed to creating safe and healthy workplaces for our employees and interested parties. We strive to ensure that our operations are conducted in a manner that protects the safety and health of our people, the environment, and the community. Our Occupational Health and Safety Management System is designed to deliver our intent to proactively prevent work related injuries, illnesses and minimize mental health incidents amongst our employees and interested parties. We have three core components that make up our approach to cultivating a safety culture: 'Safe Person, Safe Place, and Safe Practice Strategy'. This strategy is owned by everyone within the Almarai community and is regularly updated by our Corporate Health, Safety and Security Forum. This forum is responsible for ensuring that our standards and guidelines are being met, and they play a major role in implementing our strategy across all our business units. They are also key stakeholders in maintaining our high standards of safety for both people and the environment, as well as providing regular and continual training where applicable to enhance competencies across all facets, levels, and functions of our organization.

While managing our safety processes, we are also developing an occupational health and wellbeing program for our employees. This program will include training on a variety of mental health issues such as being able to identify early sign and symptoms of mental health along with prevention strategies using a variety of training resources digitally. Employees will be able to take part in awareness campaigns and events to improve health, safety, and wellbeing. The program will also provide access to health and safety professionals who can provide advice and guidance on a range of topics. We are also exploring ways to integrate technology into the program to make it more accessible and engaging for our employees. This will include virtual reality simulations, online courses, and interactive tools to help employees learn about safety topics in an enjoyable and engaging manner. We are committed to providing our employees with the resources they need to stay safe and healthy while at work.

To track and analyze health, safety, and security incidents, we have an incident reporting system which is accessible to all employees. Our incident reporting system enables us to prevent and manage incidents more effectively by allowing our workers and interested parties to report near misses, unsafe acts, and unsafe conditions by doing this it allows us to track and analyze the data to



National Transformation Program



identify potential trends and issues, so that evidence-based decisions can be made, along with the development of fit for purpose interventions, preventing incidents from reoccurring. Additionally, it allows us to monitor the effectiveness of our control measures implemented, so that we can make adjustments as needed. This system helps us ensure that our employees and interested parties are safe, healthy, and secure in their working environment.

2022 performance and initiatives

Our occupational mobile health unit is just one of the many ways we are working towards our goal of providing an accessible occupational health and wellbeing program for all employees by 2025. Since 2020, we have continued to implement additional health and safety measures to ensure the physical, emotional, and economic wellbeing of our employees. We also made sure that our operations were safe, healthy, and secure to allow our business to continue operating in a sustainable manner. The COVID pandemic has made it clear that health and safety systems must be robust and efficient. To ensure that we are maintaining the highest possible standards, we are constantly evaluating and updating our policies and procedures.

The Almarai Leadership team is publicly committed to promoting a health & safety culture. We have been working to maintain our ISO 45001 certification across our poultry and dairy farming and supply chain operations. We are also working aggressively to certify our manufacturing sites to ISO 45001. This certification facilitates the implementation of best practices across all our operations and our strategic sustainability target is to achieve the certification across 100% of our sites by 2025. To further promote a safe and healthy work environment, and as a part of our occupational health and wellbeing program, we have rolled out health screenings program.

Technology can play an important role in helping us to manage and mitigate risks, promote best practice, and make training more accessible. In 2022, Almarai continued to invest in digitalization projects to ensure that our employees have access to the best resources available. We expanded out a near miss reporting web form that allows employees to easily report near misses, unsafe acts, and unsafe conditions. We also have an online incident reporting system which runs on the cloud that can be accessed by all employees using a smartphone, and digital awareness channels and events to ensure that everyone is always up to date with the latest health & safety information. These digital systems are essential in helping Almarai to achieve our sustainability goals.

Our highlight stories

Fire risk

As part of our approach to managing our biggest risks, we have developed a corporate fire risk strategy that focuses on prevention, protection, evacuation, and business continuity planning.

Occupational health and wellbeing

As a part of our occupational health and wellbeing program, Almarai conducted anonymous surveys on health and wellbeing checks, and worked in collaboration with Saudi National Centre for Mental Health to raise awareness of health and wellbeing among employees.

Management of road risks

As a part of cultivating a road safety culture, Almarai has developed defensive driver training programs, installed inward & outward facing cameras, using black box technology to monitoring driver behaviours, and setting up driving simulators across all regions and countries where we operate within.

Progress on our strategic goals and targets

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	●



 Our reporting of leading indicators, such as near miss, unsafe acts, and unsafe conditions, continued to increase as we focused on them to improve our overall health and safety performance.

 Maintained ISO45001 certification across our dairy and poultry farming and supply chain operations. Working to implement ISO45001 across our manufacturing operations.





Caring for people

Employee Talent and Diversity

“ We are working to make sure that our people are developed, valued, and included every day. ”

Our approach

Almarai offers one of the largest work environments in the Middle East, with more than 38,000 employees working in its various sectors. At Almarai, we recognize that we are only as strong as our employees, and we are committed to attracting, developing, and retaining a motivated and diverse workforce. Our aim is to foster a positive working environment in which everyone is part of our growth, where life and work within is defined by the values of the company. We have an internal culture centered around the employee’s progress and evolution. A process of continual feedback is well-established, which delivers constructive guidance for strengthening working culture. We strive to provide our employees with the best possible working conditions and to ensure that their rights are respected. We are committed to ensuring that our employees have access to the best possible training and development opportunities, and that they are able to reach their full potential. We also provide our employees with a wide range of benefits and rewards that are designed to reward their hard work and dedication.

Almarai has a comprehensive Training Policy that covers all aspects of training. This includes training needs assessment, training plan, training delivery, training evaluation, and new employee induction. It also covers education assistance for employees, study leave, and summer and co-op trainee programs. Almarai uses a structured and systematic Talent Management Program to identify and develop employees to fill critical business roles within the organization. Succession Planning has been established for the top N-1 level (direct reports of CEO) and is ongoing, whereas in 2022, the process has been extended to business-critical positions two levels down from the CEO. In 2022, Almarai successfully completed the calibration of its entire talent pool of 1,450 managers covering all management grades across the company.

The Almarai Academy was established in 2014 with the aim of providing leadership development for all management levels. Almarai Academy works with both local and global providers to ensure that its employees receive the best-in-class leadership development programs. To further strengthen its internal culture, the company instituted the ‘WE@Almarai’ initiative which is based on the pillars of Almarai’s values. The initiative is designed to promote and foster a culture of collaboration, respect, innovation, and excellence. The Almarai Academy also encourages its employees to take ownership of their development and to continuously strive for excellence. The Academy also provides a platform for employees to share their ideas and experiences to further enhance their professional development. The Academy is based on the following values:



National Transformation Program



- **WE Evolve:** marks all initiatives that signify individual and team growth and progress within Almarai's culture
- **WE Care:** involves all employee-centered activities and initiatives
- **WE Empower:** involves showcasing any learning activity, employee training, and charitable initiatives that help drive our people and Almarai forward
- **WE Celebrate:** signifies all celebratory events within and outside of Almarai

Keeping employees engaged, motivated, and satisfied

As a leading dairy and food company, we aim to be an employer of choice. This is supported by a competitive reward framework which is designed to reinforce the wider business strategy by attracting, retaining, and motivating our people to deliver outstanding performance. Almarai provides a wide range of activities that seek to create a flexible work culture that encourages productive, healthy work/life balance, employee retention, and personal and professional growth opportunities.

These include recognition and rewards such as the Annual Service award, special day celebrations such as National Day, social outings and trips, health and wellbeing opportunities through discounted gym membership and other in-house events, training and e-learning opportunities, leadership opportunities such as our Future Leaders program, employee satisfaction and engagement surveys, e-connect, a mobile app to receive company news updates and special employee discounts and offers, opportunities to support society through blood donation events and micro home-based business in collaboration with the Saudi Human Resources Development Fund, recreational facilities such as facilities for sport and relaxation at our plants, and personalized appreciation and celebratory emails to all employees. All of these activities are designed to ensure that Almarai is a great place to work and that our employees are supported, valued, and appreciated.

2022 Performance and Initiatives

Our global diversity and inclusion aim to serve as a foundation to shape local agendas, with specific focus at Group level on gender diversity and preparing for the next generation of talent. Making inclusion a human resource priority, our strategy aims to offer gender equality in line with the wider aims of the Vision 2030. In particular, we target gender equality in various operational roles, as well as attracting and developing talent at an early career stage. Action plans look at recruitment and retention, pay equity, non-discrimination, and other arrangements to support an inclusive workplace. To this end, Almarai has implemented a range of initiatives to ensure a diverse and inclusive workplace, such as a comprehensive diversity and inclusion training program, mentoring and coaching opportunities, and a range of flexible working arrangements. We are also committed to creating a safe and respectful environment for all employees, and to fostering a culture of respect and inclusion. We strive to ensure that everyone at Almarai is treated with dignity and respect, and that all employees have equal access to opportunities and resources.

Committed to continuous learning for our people, we continued to transition key trainings from face-to-face to online platforms, to make them more accessible. Our e-learning platforms, which all employees on all levels can access at any time, continue to have high numbers of participation. The total number of employees trained remains high. By providing employees with the opportunity to learn and develop skills in their own time and at their own pace, they are able to take ownership of their own learning and development and become more engaged in the process. We will continue to focus on providing our employees with the best learning resources and technology, as well as the support they need to succeed in their professional development. In addition, we will continue to explore new ways to use technology to facilitate learning and development, such as virtual reality and augmented reality, to create more engaging and immersive learning experiences.

Digitalization is an important part of our strategy to create a more efficient and resilient business. We have been supporting our employees through our app, which helps to bridge communication gaps and promote our 'We @ Almarai' programs, especially for our remote workforce across the GCC. SMS and WhatsApp messages have also been used to reach our employees, which was especially helpful in pushing forward internal initiatives and information such as our health program's promotion of Covid-19 vaccinations. The 'We @ Almarai' program continues to meet and represent our employees and advocate for new and dynamic programs.



Zero incidents of discrimination reported.



100% of employees received regular performance and career development reviews



454,885 training hours provided to staff.



Individual development plans continued to be of high importance for Almarai as they offer important part of career development and focus on individual pathways to training, career enhancement and feedback. In addition to what mentioned above, we have also launched several professional development initiatives such as the Dairy and Food Polytechnic and Almarai Sales Academy which outline our commitment in investing in human resources by supporting education and training and developing competencies. These initiatives are designed to provide employees with the skills and knowledge to grow and progress in their career. The plans also provide employees with the opportunity to develop their skills in a safe and supportive environment, helping them to become more confident and effective in their roles. Furthermore, these plans also allow employees to gain valuable insights into their own strengths and weaknesses, enabling them to identify areas for improvement and develop their skills accordingly.

Our Human Rights Policy, published in 2022, outlines our expectations and standards applicable in every country where the Group operates. We are fully committed to the UN Guiding Principles on Business and Human Rights and have implemented strong due diligences, remediation measures and regular engagement with stakeholders at local and global levels. We are dedicated to respecting fundamental human rights, such as freedom, education, and health.



Our highlight stories

Reduced employee voluntary turnover

At Almarai, we recognize that we are only as strong as our employees, and we are committed to attract, develop, and retain a motivated and diverse workforce. Our aim is to foster a positive working environment in which everyone is part of our growth, where life and work within is defined by the values of the company. Almarai provides a wide range of activities that seek to create a flexible work culture to encourages productive, healthy work/life balance, employee retention, and personal and professional growth opportunities. Our voluntary employee turnover reduced 10.5% from 2021.

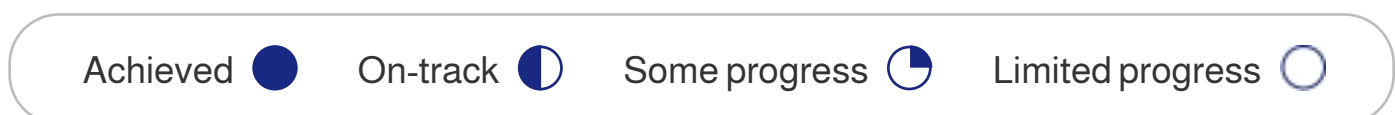
Revised goal for gender equality

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 opportunities. We are working aggressively in alignment with the Saudi Vision 2030 and the National Transformation Program to promote gender equality in all of our businesses and functions.

Improved youth employability

Almarai has long supported education initiatives including the Technical and Vocational Training Corporation (TVET) which commenced in 2011. This project supports robust TVET programs, such as the Dairy and Food Polytechnic to develop the skills of young Saudi Nationals, particularly in the dairy and food Industry. As one of the major industries in Saudi Arabia, the project takes high school graduates and provides training to meet business demand for technically qualified people with dairy and food industry specific skills. Through this program, we accomplished and exceeded our 2025 goal of improving employability of at least 1400 young people.

Progress on our strategic goals and targets



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	◐



Caring for people

Community investment

“ We are working to make sure that we are leveraging our resources to create a positive impact every day. ”

Our approach

Creating a positive impact on society by supporting local communities where we operate is an important aspect of Almarai’s sustainability strategy on Caring for People. We have deeply established and long-running community programs, which we run directly or in collaboration with local organizations through education, training, and development, investments, charitable donations, sponsorships and many other programs. Every year we support over 300 organizations who focus on helping those in need through health, sport, education, sponsorships, or other initiatives and this forms a key pillar in our Doing Better Every Day strategy. We understand the importance of giving back to the communities in which we operate and strive to create a positive impact on society. We are committed to developing and maintaining meaningful relationships with the communities in which we operate and to create a positive impact on society. We are also committed to helping local communities in need by providing financial support, resources and services that can help them to improve their quality of life.



Building our strategy for community investment

Community investment is a key part of Almarai’s sustainability strategy. To ensure governance of its community investments and partnerships, Almarai has developed a strategic framework. This framework outlines our focus areas as: training and development, health, sport, donations and sponsorships. This framework outlines how Almarai will fulfill its community investment commitments. To better understand the potential impact of its community investment activities, Almarai conducted an initial analysis and created an approach for assessment. Going forward, Almarai will use this work to measure the outcomes of its initiatives in the coming years.



Our Strategic Community Investment Framework

Where we focus

We prioritize projects, organizations, events and campaigns that align with our pillars.

Training and development

Health

Sports

Donations and Sponsorships

What we do and how we support

We invest in our communities by dedicating resources and working in collaboration with partners across our pillars.

Training and development	Health	Sports	Donations and Sponsorships
We support selected projects, organizations and events that develop skills, promote education, reward educational excellence, and empower young people.	We support selected projects, organizations and campaigns that promote healthy eating and lifestyle choices and raise awareness on health issues.	We support selected projects, organizations and events that promote sports.	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 flagship initiatives <ul style="list-style-type: none"> Food Industries Polytechnic GCC Academic Excellence Award Almarai Award for Scientific Innovation Almarai Award for Veterinary Medicine 	Our initiatives include <ul style="list-style-type: none"> Almarai dental campaign #Almarai Better Health School-based programs Almarai site visit program Sponsoring World Anti-Drug Day. 	Our flagship initiatives <ul style="list-style-type: none"> Almarai Golf Tournament (Noufa Farm) Hail International Rally Kafeef Championship for goalball Marathon for people with disabilities Karate Squash 	Our flagship initiatives <ul style="list-style-type: none"> Almarai Award for the Ideal Mother Bassmah Award Product donation program

Almarai provides a wide range of donations throughout the year as part of its social responsibility and its commitment to continuing its support. Almarai continues to maintain its Charity Support Program, set up in 2021, within its citizenship initiatives, with the aim of providing food to beneficiary families in need. This initiative is implemented in partnership with hundreds of charities in different regions of the Kingdom. In 2022, the program donated more than 500,000 free products to beneficiary societies in various regions of the Kingdom. Almarai has been supporting many of these charities for many years, as we focus on long-term, sustainable partnerships, often in conjunction with a wider awareness events, national platforms, or supportive networks.

Almarai believes that it has an important role to play in protecting biodiversity and the wellbeing of others. To this end, Almarai has committed to donating part of its community investments to environmental protection initiatives. In 2022, Almarai supported the national afforestation campaign for the second year in a row, in partnership with the National Center for Vegetation Cover Development of the Ministry of Environment, Water, and Agriculture. This campaign aims to plant 10 million trees to contribute to the Kingdom's vision 2030. Almarai's donation was focused on species that are vulnerable or at risk of extinction. Additionally, Almarai has been in an 11-year partnership with the National Center for Wildlife Development to promote and protect the environment, restore biodiversity, and rehabilitate degraded vegetation sites. Almarai also works to encourage positive behaviors to preserve the home environment, protect the ground, and improve quality of life.

Our highlight stories

Where we focus

Almarai annually sponsors and supports more than 300 charitable organizations working across our framework pillars:

- Training and Development
- Health
- Sports
- Donations and Sponsorships.

-  **40 million SAR** spent on CSR projects
-  **Over 300 organizations** supported through donations and sponsorships.
-  **Over 500,000 products** donated throughout the year.



What we do and how we support

Training and development

Almarai is committed to the education sector and has long supported initiatives such as the Technical and Vocational Training Corporation and the Dairy and Food Polytechnic. We are also dedicated to empowering the next generation of females through educational opportunities, such as sponsoring the summer camp held by Prince Nora Bint Abdulrahman University. Despite the pandemic, Almarai has sought to respond to educational challenges, such as donating 240 various office electronic devices (computers, laptops, printers, and monitors) to a charitable association for rehabilitation of computers, Ertiqa, to support the Preserving digital grace initiative. The initiative aims to refurbish and reuse these devices for reuse to support underprivileged students, schools, and other educational institutions. In addition, we have provided donations of products to educational facilities as part of our wider donations program.

Health

Almarai is committed to supporting health initiatives to ensure people lead longer, healthier lives. In 2022, we continued to support various health programs including health programs for our staff and communities, events, and awareness campaigns. We sponsored World Anti-Drug Day, the awareness campaign of rheumatic diseases organized by the Saudi Society of Rheumatology, "Gulf Oral and Dental Health Week", Health awareness initiatives, The annual oral and dental health awareness campaign, The International Day of Blood Donors, The World No Tobacco Day, The fourth edition of Almarai Award for the Ideal Mother for People with Disabilities, and a cooperation agreement with the Friends of the Disabled Association. These initiatives demonstrate our commitment to providing the best health care for our staff and communities.




Sports

Almarai recognizes the importance of sports in promoting wellbeing, inclusion and positive impacts on human health. To this end, Almarai sponsors a variety of sporting activities each year, such as Darajti Group, King Saud University of Sports Sciences, Almarai Golf Tournament (Noufa Farm), Saudi Chess Federation of Women and Men, Squash and Karate. Through these activities, Almarai seeks to develop and qualify junior and young players, promote the culture of walking in the community, rehabilitate persons with disabilities, discover and develop their sporting abilities, improve their quality of life and enhance their community participation in sports activities, and make sports heroes from them at the local and international levels.

Donations and Sponsorship

As a socially responsible business, Almarai supports several awards in partnership with other organizations to reward achievement in society. These awards include the Almarai Scientific Innovation Award - Launched in 2001 in cooperation with the King Abdulaziz City for Science and Technology, to support scientists and researchers in Saudi Arabia. In 2023 Almarai developed the Scientific Creativity Award, to become a local, regional, and international identity, and the company raised its annual investment in the award to 7 million SR and added to the award a new branch concerned with global food security. The Almarai Academic Excellence Award, launched in 2006, provides support to students enrolled in the public education system in GCC countries. The Almarai Award for Veterinary Medicine, launched in 2010, works in collaboration with the Saudi Veterinary Medical Society and King Faisal University to support the veterinary profession and protect the general health of the GCC's livestock. The Almarai Award for Ideal Mother, launched in 2017 in partnership with the Disabled Children's Association, honors mothers who support their children with disabilities.

Progress on our strategic goals and targets

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	

Doing better every day

Sustainability Report 2022



Sustainability Management At Almarai®

Protecting the planet



Protecting the planet

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



Water management



Packaging innovation



Climate change



Waste management



Sustainable agriculture



Protecting the Planet

Water Management

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

Our approach

As a company that relies heavily on agriculture to source the raw material, we understand the necessity of managing and preserving water and watersheds within our operations and supply chain. Preserving water and watershed also means protecting human’s right to water and promotes long-term sustainability of our business. Water is an essential part of Saudi Arabia Vision 2030, which outlines the urgent need to manage and reduce the upcoming water crisis and to promote water conservation and stewardship. Consequently, water is an integral part of our environmental objectives to remain in line with the most recent best practices for companies to set goals on freshwater.

A water steering group that we formed as a part of our sustainability strategy development process in 2019 has been instrumental in setting our water management targets and action plan for improving water efficiency across our operations. The group continues to serve as a collaborative knowledge sharing platform and plays an important role driving initiatives to enhance our water culture now and over the coming years.

Almarai became a member of the Alliance for Water Stewardship (AWS) in 2018 and this is helping us drive many of our water conservation and stewardship activities within the communities where we operate. AWS focuses on the need to create a water-secure world that enables people, cultures, business, and nature to prosper, now and in the future. This partnership has allowed our network to understand and implement best practices into our business, ensuring that we can reduce our impact and conserve water where possible. We have implemented greater efficiencies into our arable and pasture farming allowing for higher yields with lower water. As a company that strives for innovation, we have also implemented water management systems such as water metering and monitoring and water risk assessments to better understand our water usage and identify areas of improvement. We have also developed water stewardship plans to ensure that our operations are in line with the AWS standards. As a company that strives for innovation, we will continue to learn within our supply chain and drive performance whilst reducing our overall water use.





National Transformation Program

2022 performance and initiatives

In 2022, we published our Water Position Statement, outlining our commitment to greater water stewardship. This statement sets out a longer-term strategy in line with our wider sustainability goals and will act as a system of governance for years to come, engaging our workers and business units in best practice thinking and culture. We have also promoted a sustained effort to encourage greater awareness about the importance of water conservation throughout our operations. Our water culture assessments have been successful in understanding how our employees approach water stewardship and are used to guide our strategy and response. This employee engagement tool allows us to empower employees and encourage a culture of ownership and best practice, resulting in greater uptake of individuals thinking and caring about water conservation. Promoting a positive culture is essential to achieving our sustainability goals, and technology plays a key role in this. We have implemented comprehensive monitoring systems across our sites to identify areas of inefficiency and upgraded our supervisory control and data acquisition systems and metering systems to gain a better understanding of our water usage, disposal, and risks of leaks. This technology helps us respond quickly to any problems, which has significantly reduced our water and energy consumption. We are committed to continuing to use technology to improve our sustainability practices and reduce our environmental impact.

Progress on our strategic goals and targets

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	



Protecting the Planet

Packaging Innovation

“ We are working to make sure we reduce the impact of our packaging on the environment every day. ”

Our approach

Packaging is an essential part of our daily lives, which provides convenience and reduces food waste and product damages. To reduce our impact on the environment and ensure that we are providing the services that our customers demand, Almarai is committed to reducing the impact of packaging as part of our Doing Better Every Day strategy. We are focusing on innovation as the key method for reducing potential waste as much of the packaging we use is an essential material that protects and preserves our products throughout the supply chain. We are aiming to strike a balance between finding packaging solutions that reduce our impact without compromising on the freshness and taste of our products. By using innovative designs, materials, and technologies we can not only reduce the number of materials entering the waste stream but also contribute to greater supply chain efficiency. We have set the ambitious goal of preventing 9000 metric tons of plastic waste entering the waste streams by 2025. To further this goal, we are investing in research and development to find new ways to reduce our packaging, while still providing a safe and enjoyable experience for our customers. We are also exploring opportunities to use recycled materials and biodegradable materials in our packaging in order to reduce our environmental impact. We are committed to reducing our carbon footprint and improving our sustainability efforts, so that we can continue to provide the highest quality products and services to our customers.

In 2022, we published our position statement on Environmental Impact of Packaging to transparently communicate our approach. We emphasized our hierarchy of strategic approach of prioritizing removing and reducing followed by reusing, recycling, and reimagining.

2022 performance and initiatives

Our company has continued to innovate our plastic and paper packaging to ensure that the quality of our products remain whilst reducing the impact we have on the environment. Regarding our target of preventing 9,000 metric tons of waste by 2025, we have achieved a total of 6456 metric tons to date. In 2022, we removed 713 metric tons of plastics and 74 annualized metric tons of paper weight. Key projects that contributed to these reductions included the redesign of our 1.5L juice bottle cap which



amounted to an 18% reduction in weight, the use of foaming agents to displace plastic with air in our 10kg and 4kg yoghurt packaging, the optimization of our UHT milk transit packaging, and the taking advantage of new product packing equipment which allowed us to optimize the use of packaging materials. As part of our packaging design process, we now make a conscious decision in the initial phases to address whether packaging is necessary. We are also seeking to use recycled materials in our products to encourage circular economy thinking into our packaging designs. Across our GCC operations, 70% of cardboard packaging came from recycled materials. Through investment at our manufacturing sites, we will be able to deliver reductions in the amount of corrugated board consumed through redesigning our outer boxes to be more resource efficient. A program is also underway to optimize pack sizes to drive efficiency improvements through the supply chain.

Our highlight stories

Zabadi cups packaging optimization

In December 2022, Almarai conducted a commercial trial for utilizing 10% post-consumer recycled PET plastics for Zabadi cups, which ran successfully paving way for official launch in 2023. This effort is one of many ways that Almarai intends to drive demand for post-consumer recycled material to help evolve waste recycling ecosystem in the kingdom.

HPET for Zabadi cups and poultry trays

In late 2022, we completed trials on using HPET for our Zabadi cups and poultry trays. Beginning in 2023, this initiative is expected to reduce our packaging usage in these formats 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.

Actively supporting packaging economy in KSA

Almarai has been working with packaging suppliers, recyclers, plastics manufacturer, National Centre for Waste Management (MWAN), and Saudi Investment Recycling Initiative (SIRC) to reduce waste at source and divert most waste away from landfill. In addition, Almarai has been working with other businesses from FMCG, plastics manufacturing, and recycling sectors at KSA Packaging Working Group under Federation of Saudi Chambers to engage with MWAN and SIRC to divert more wastes from landfill and evolve circular packaging economy.

Progress on our strategic goals and targets

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	

- 
6456 metric tons of packaging reduction since 2018.
- 
4555 metric tons in total of plastic packaging reduction since 2018
- 
1901 metric tons of paper packaging since 2018.
- 
70% of cardboard packaging from recycled materials.



Protecting the Planet

Climate Change

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

Our approach

Almarai recognizes the potential risks that climate change can have on food production and the environment. We strive to reduce our environmental impact and ensure long-term sustainability. In 2020, we created an ‘Energy Roadmap’ to reduce our environmental impacts and resource use. This roadmap is connected to their energy strategy, which focuses on reducing energy use, monitoring energy, and switching to renewable energy, particularly solar power. To make sure everyone in the organization understands their role in reducing energy consumption, Almarai has implemented training, awareness campaigns, and energy saving competitions. In 2022, we published our Energy Policy and Climate Change Position Statement to bring transparency on our approach to energy stewardship and emissions reduction.

Energy awareness is an important part of our energy management strategy and ability to capitalize on technological solutions. We strive to create an energy center of excellence to serve as a platform for sharing knowledge and driving initiatives towards our strategic goals. Our energy culture focuses on three key elements: awareness, regular equipment maintenance and optimization, and continual process improvement. We make this culture accessible to our staff through training sessions, governance structures, and the implementation of best practices.

Our commitment to sustainability is also demonstrated in our approach to refrigerant gases. We understand that CFCs have a much larger impact on climate change than other emissions, and as such, we have implemented an active program to limit, reduce and replace these gases wherever 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. We also have a rigorous maintenance and monitoring program in place to ensure that any potential leaks are identified and addressed quickly.



2022 performance and initiatives

We are committed to promoting a culture of best practice amongst our colleagues and instilling an energy culture throughout the business. In 2022, we continued to develop our energy management systems. We have created an ISO roadmap which focuses on setting energy goals, ensuring commitment, energy planning, preparing to meet ISO 50001 requirements, and monitoring and measuring progress against our energy goals. We have made significant progress in the head office and dairy and juice manufacturing sites, and we are aiming for all of our Administration, Manufacturing, Sales, Distribution, and Logistics Divisions to be certified by 2025.




Our commitment to sustainability is demonstrated by the 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 in order to make more informed decisions. In addition, we have launched a steam efficiency project and a pilot project on combined evaporate cooling systems in our dairy and juice operations, which have both yielded energy savings. These initiatives are part of our ongoing effort to reduce our environmental impact and ensure a sustainable future.

As part of our commitment to sustainability, we have set a goal of increasing the share of clean energy used across our Administration, Manufacturing, Sales, Distribution and Logistics Divisions to 20% by 2025. To achieve this, we are partnering with power producers worldwide to install renewable energy facilities at our sites and increase our share of renewable energy from the grid. For example, since 2018 we have been installing solar energy generation capacities at several of our sites. As we move into 2022, we will continue to procure more renewable energy while also exploring new ways to utilize solar power, such as for producing hot water. Furthermore, we have several biofuel-integrated vehicles delivering our products across the UAE, and we had initially planned to increase the size of our biofuel sales fleet. Currently, we have encountered difficulties in finding a biofuel supply that meets our needs in other geographies, as the introduction of biofuel vehicles is largely contingent on the availability of biofuel in the market. Nevertheless, we remain committed to our sustainability goals and will continue to explore alternative fuel vehicles for our sales fleet.

Our highlight stories

In 2022, we have been trialing alternatives to standard refrigerants, such as R290, a non-toxic refrigerant with zero ozone depletion potential and a low global warming potential. In 2022, we standardized our operations to use this replacement gas if it is found to be effective. This will help to reduce our emissions and have a positive impact on climate change. We have also been working to increase the fuel efficiency of our sales, distribution, and logistics vehicles despite accomplishing our goal 2025 goal. 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.







We strive to accomplish our 2025 target to explore and trial alternative fuel vehicles for our sales fleet. From late 2021, we began using biofuel in increasing number of our fleet vehicles to deliver our products across the UAE and are engaged with biofuels suppliers in Saudi Arabia to trial them in the kingdom.

-  **46% increase** in solar energy usage from 2020
-  **Our sales, distribution, and logistics vehicles over 3% less fuel vs. 2021**, which is about 8.4 million liters less fuel used
-  **5% decline** in our total stationary energy usage.



Management commitment	Operational improvements	Engineering improvements	New technologies
<ul style="list-style-type: none"> ● Establishing an effective communication system and allocating appropriate resources to support the effective management and implementation of the program 	<ul style="list-style-type: none"> ● Building awareness with a supporting employee reward and recognition scheme for generating the best energy saving ideas ● Reviewing standard operating procedures and operational practices to improve energy efficiency ● Implementing all feasible employee energy saving ideas ● Conducting energy audits to build an energy culture 	<ul style="list-style-type: none"> ● Leveraging collaboration to Identify all energy sources utilized at the sites and developing engineering controls to reduce energy consumption 	<ul style="list-style-type: none"> ● Identifying and implementing new technologies to optimize existing equipment and enhance energy utilization

Progress on our strategic goals and targets

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	



Protecting the Planet

Waste Management

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

Our approach

Almarai is committed to protecting the environment and natural resources, and we strive to reduce our environmental impact. We are focused on reducing our direct waste and packaging and increasing our recycling efforts. We are also looking for alternatives to traditional packaging materials and delivery systems. The company is dedicated to providing information to our suppliers, farmers, and consumers to help them make more sustainable decisions. We are confident that, by working together, we can create a more sustainable future for everyone.

We are committed to reducing our waste and making the most of our resources. We strive to be efficient in our operations and actively encourage waste diversion from landfill. To prevent food waste, we are continually improving our demand forecasting to ensure accuracy and reduce costs. We are also working to recycle as much packaging and process waste as possible from our manufacturing and distribution facilities. Additionally, we partner with waste management companies to recycle difficult materials, such as shrink wrap, into other materials and divert them away from landfills.

We are committed to minimizing our waste output and making sure that it is disposed of responsibly. To this end, we have established a waste steering group to facilitate knowledge sharing and develop initiatives to reduce waste sent to landfill. We are aiming to reduce our waste to landfill by 50% by 2025, compared to 2018 levels. We are also focusing on prevention, reusing and recycling, and using food surplus as much as possible. By taking these steps, we are making sure that our waste is managed in accordance with the waste hierarchy.

2022 performance and initiatives

In 2022, our waste efforts continued to improve with total waste decreased by 8%, 95% more waste recycled, and 8% increase in food waste diverted from landfill compared to 2021. As a result of these improvements, the percentage of total waste going to landfill was reduced to 49%, a significant improvement against our 2018 baseline of 81%. We have also continued to expand our partnerships with third-party providers to divert food and dairy waste to animal feed programs. We have also initiated a new partnership with a third-party provider in Dubai, who recycles the packaging and removes water for reuse through reverse osmosis. Additionally, we have continued to expand our procurement efforts for additional partnerships with public and private sector entities, currently being explored.




National Transformation Program

Producing organic fertilizer

Almarai’s poultry litter charring operations in Hail continues to produce organic fertilizer. The EcoChar Gasification plant located in the facilities is running in line-6 HADCO, producing a carbon-rich product obtained when biomass is heated in a closed container in either an oxygen-starved or oxygen free environment. This product consists of high phosphorus, potassium, magnesium, and carbon values and can hold 2.5 times its volume in moisture. This product has superior nutrient-retention properties and is more valuable for improving stability in soil compared to biochar. Ecochar, considered the premium version of biochar, can increase crop yields, boost agriculture, and has a variety of other uses, including animal feed supplements, bedding, and use as a water filtration medium.

-  **Recycled** nearly double the amount of waste vs. 2021
-  **2% reduction** in waste sent to landfill since 2021.
-  **8% increase** in food waste diverted from landfill since 2021.
-  **49%** of waste going to landfill, compared to 81% for the 2018 baseline.

Progress on our strategic goals and targets

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



Protecting the Planet

Sustainable agriculture

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

Our approach

Almarai’s commitment to sustainability is evident in our operations at Fondomonte, our arable farms located in Argentina and the United States. We strive to ensure that we produce the highest quality feed for our dairy herds in Saudi Arabia, while also adhering to sustainable agricultural practices. We use best land-use practices to ensure land productivity on our arable farms and are actively pursuing regenerative farming practices where possible. These practices are beneficial for the long-term sustainability of our arable farms, as they help to improve soil health and vitality, increase carbon sequestration, and promote overall ecological biodiversity. In California, we have implemented a land conservation program, where 15% of the land is left fallow at any given time to support soil regeneration. In Argentina, environmental impact assessments are conducted regularly on our alfalfa farms, and we closely monitor the application of fertilizer and pesticides in accordance with local regulations. We also maintain an ongoing dialogue with local environmental regulatory bodies in both countries.

Our commitment to sustainable farming practices is evidenced by our investments in irrigation infrastructure. In the United States, we have implemented subsurface drip and pivot irrigation in arable farms in Arizona, while 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. We are dedicated to monitoring water use in accordance with local regulations and engaging in ongoing dialogue with local water management authorities.

Our arable farms in the United States are committed to sustainability and the reduction of their carbon footprint. To this end, we transport feed from our farms to port for shipping by train, which is an environmentally friendly mode of inland freight. Furthermore, the majority of electricity that powers our operations is sourced from hydroelectrically generated power sources. Additionally, all irrigation pumps are electric, further contributing to our commitment to sustainability and a lower operational carbon footprint. We are also proud to be SHARPs (Safety & Health Achievement Recognition Program) certified, an OSHA (Occupational Safety and Health Administration) accreditation program, which recognizes small and medium business employers who have used OSHA’s On-Site Consultation program services and operate exemplary safety and health programs.



2022 performance and initiatives

Supporting young farmers

We are proud to support 4-H (Young Farmers of America), a program administered by the National Institute of Food and Agriculture of the United States Department of Agriculture. This program is designed to help young people gain knowledge and skills related to agriculture, through hands-on projects and activities. Our support helps to ensure that the next generation of farmers and agricultural professionals are equipped with the skills and knowledge to succeed in their chosen field. By supporting 4-H, we are helping to create a future of knowledgeable and capable agricultural professionals. We are proud to be part of this initiative and are committed to helping to ensure the next generation of farmers and agricultural professionals have the skills and knowledge to succeed in their chosen field.



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



All USA sites are **SHARPs** certified for Health and Safety.

Progress on our strategic goals and targets

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

Doing better every day

Sustainability Report 2022



Sustainability Management At Almarai®

Producing responsible
products



Producing Responsible Products

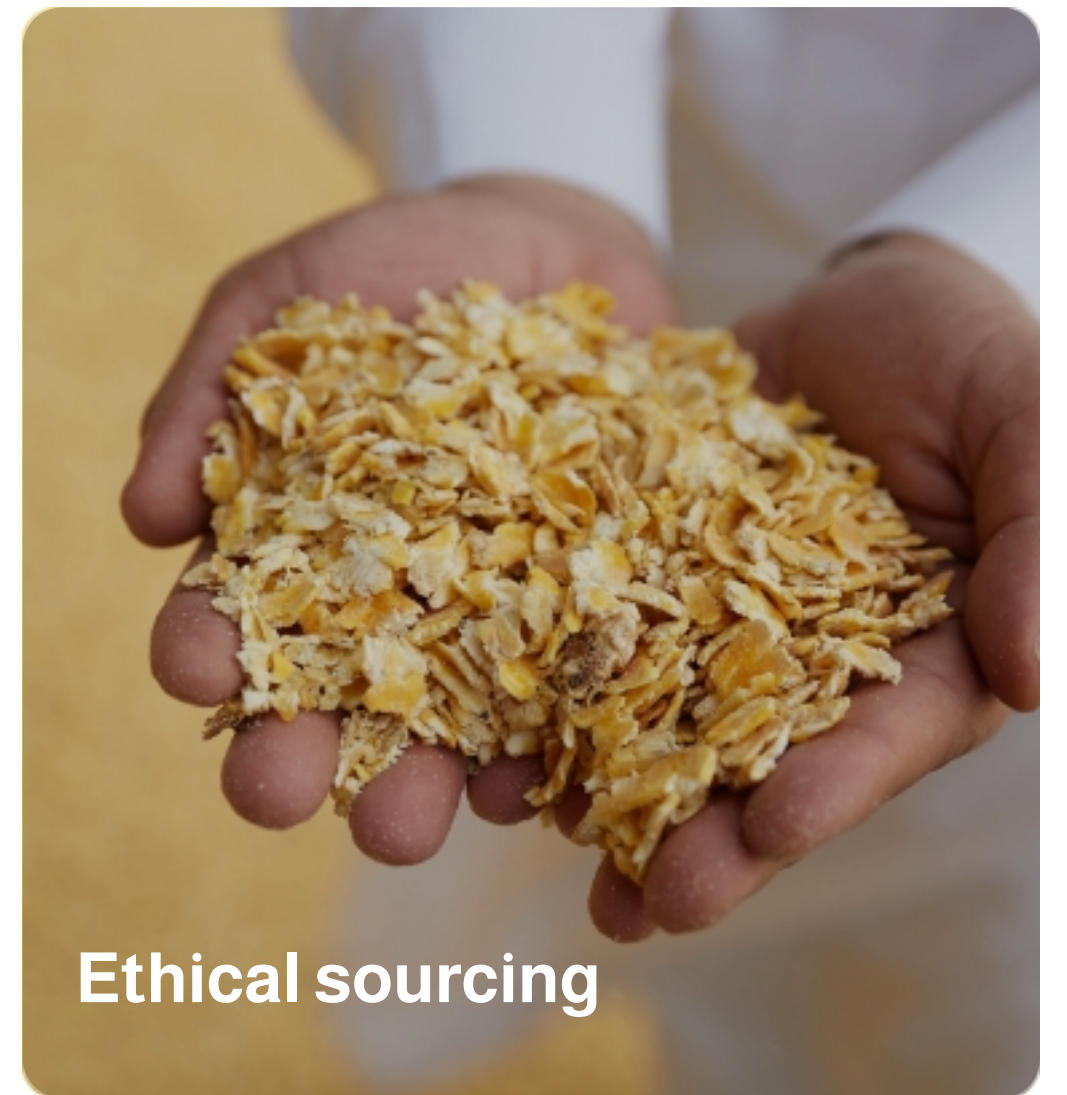
“ Our promise to deliver ‘Quality you can trust’ and enhance supply chain sustainability every day. ”



Quality and food safety



Animal welfare



Ethical sourcing



Producing Responsible Products
Quality and food safety

“ We are working to make sure our products are safe and satisfy consumers’ needs every day.”

Our approach

Our commitment to all stakeholders is to deliver the highest quality products and services. At Almarai, we have been upholding this promise since 1977, and it forms a major part of our Doing Better Every Day strategy. Food safety and quality is a shared responsibility among all employees, ensuring that all our products are safe, trustworthy and reliable. To support this, we have implemented various training programs and multilevel internal audit systems. Furthermore, our systems are independently verified by globally recognized certification and inspection bodies, who conduct both announced and unannounced management system audits and physical inspections at our sites.

Our commitment to food safety and quality is demonstrated by the fact that all our operations have achieved the Food Safety System Certification (FSSC) 22000, a Global Food Safety Initiative (GFSI) recognized scheme. Our facilities also hold various other certifications, including ISO 9001 Quality Management System to ensure our quality and food safety performance remains strong, we provide our employees with tailored training on an annual basis. This training is provided by international experts such as AIB International and Campden BRI (UK). Additionally, we have a recognition program in place to support the development of our quality culture.

Our commitment to food safety and quality is absolute and we will continue to ensure that our products and services are of the highest quality.

2022 performance and initiatives

In 2021 we have produced a revised Food Safety and Quality Policy that outlines our commitments and strategy towards maintaining the highest standards of safety and quality in the products we manufacture. As part of this policy, we have continued to commit ourselves to the certifications and management systems that govern our approach and will continue to maintain best practice in line with international guidelines.



National Transformation Program



Our highlight stories

Certification to Global Best Practice

Almarai takes the health, safety, and wellbeing of our customers seriously and is committed to ensuring that all our food items are safe and nutritious. Following on from our attainment of FSSC 22000 Food Safety certification in all manufacturing sites, we have implemented the framework for all site laboratories and relevant methods to be certified to ISO 17025 by the end of 2023. This standard deals with the general requirements for the competence and testing of laboratories and is the global standard to ensure technical competence in consistently producing valid results. Our Poultry Farming laboratory has already attained this certification in 2022 and our ongoing journey will enable our consumers and customers to have absolute trust that our feed, ingredient, and product testing is of the highest global standards.

Further to this, we are also looking to expand our currently held ISO 14001 Environmental Management System certification to all relevant manufacturing sites across the business. This is already achieved in our Farming, Sales, and Distribution areas and was suitably maintained last year. This has clear synergies with our business-wide sustainability KPI's, and further demonstrates our commitment to produce responsible products.

We continued to work with our key ingredient suppliers in 2022 to ensure their awareness of our sustainability journey and our expectations of their responsibility to attaining their own food safety certification, recognized by the Global Food Safety Initiative (GFSI). Currently 74% of these suppliers have this certification in place, enhancing the protection of our products and our brand.

Also in 2022, we met our commitment to conduct our internal and external food safety audits as unannounced to demonstrate our "Quality you can trust" mindset. We believe this is a true reflection of our continually improving quality and food safety practices to deliver safe products of the highest quality to our consumers.

At Almarai, we understand the importance of quality management and sustainability. We strive to continuously improve our quality management system, and our sustainability strategy, "Doing Better Every Day" is an essential part of this. To celebrate World Quality Day 2022, our CEO conveyed a video message to the business focusing on the theme of "Quality Conscience – Doing the right thing" and how this aligns with our company values in relation to both quality and sustainability. Numerous activities across the business engaged our employees to talk & think about our behaviours in our day-to-day business, our ongoing commitment to continuous improvement, and how sustainability is now a key part of our Quality & Food Safety Management Systems

Progress on our strategic goals and targets

One of the key aspects of our Quality Management System is our commitment to continuous improvement, and we recognize that the principles of our sustainability strategy, "Doing better every day", are perfectly aligned to this. As we celebrated World Quality Day 2021, we reflected on our achievements in ensuring the best quality to our consumers and on our ambition to lead the way in our sector. To raise awareness on Almarai's approach to quality, we communicated our achievements in our three sustainability pillars, "Caring for People", "Protecting the Planet", and "Producing Responsible Products". We followed our internal communication activities with online quizzes that led to a high level of employee engagement.

Progress on our strategic goals and targets

Goal/Target	Progress
All manufacturing sites will have Global Food Safety Initiative (GFSI) recognized certification by 2025	●
Initiate and support collaborative efforts with stakeholders to address water risk and enhance conservation by 2025	◐



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 manufacturing sites certified to the Food Safety System Certification 22000.



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

Producing Responsible Products

Animal welfare

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

Our approach

At our company, we are committed to upholding the highest standards of animal welfare. We believe that animal welfare is a key part of creating a sustainable business and supply chain. Our Doing Better Every Day strategy ensures that our customers receive high quality and ethical products. We are dedicated to improving animal welfare throughout our business and work closely with our teams and partners to maintain and raise our standards. We follow the World Organization for Animal Health (OIE) guiding principles on animal welfare and the universally recognized ‘Five Freedoms’ for animals under human control to ensure the mental and physical wellbeing of animals. Our fresh meat, poultry and eggs are reared with these five freedoms: freedom from hunger and thirst, freedom from discomfort, freedom from pain, injury or disease, freedom to express normal behaviors and freedom from fear and distress.

At Almarai, we are committed to providing our livestock with the highest standards of living and health. We work closely with veterinary organizations to ensure that our animals are receiving the best care possible. Our Holstein dairy herds are provided with 24-hour support from professional veterinary teams, year-round shaded housing, and air cooling and showering. We also feed our livestock a healthy diet that is specifically formulated to meet their needs. To produce the highest quality products, we source our feed from well-managed locations and ensure that our animals are fed the correct amount. Our poultry flocks also receive best-in-class care, with high levels of husbandry and nutrition. We have a unique air filtration system in our broiler farms, and our broilers are housed in climate-controlled barns and provided with a healthy diet. Furthermore, Almarai does not use cages on any of our poultry farms.

Our commitment to animal health and welfare is paramount. We have a comprehensive health plan in place to ensure our cows and chickens remain healthy. We do not use therapeutic antimicrobials as an alternative to good management and instead focus on effective vaccination, good animal husbandry and best hygiene practices. If treatment is required, our cows and chickens are treated using best practices, evidence-based treatment protocols, and removed from production until they have made a full recovery. No antimicrobials are used in broiler chickens.



2022 performance and initiatives

Our highlight stories

In 2022, we maintained our commitment to animal welfare by publishing our Animal Welfare Policy. This policy brings transparency about our efforts to ensure that all livestock and animals under our care are safeguarded against malpractice and provided with the best possible living conditions. To further demonstrate our dedication to animal welfare, we have taken the necessary steps to achieve the NSF Global Animal Wellness Standards. This includes updating our standard operating procedures, providing training for site employees, forming an Animal Welfare team, and aligning our record-keeping practices to the standards. As a result, all of our dairy and poultry farms are now certified by NSF International for the International Animal Wellness Standard.

Almarai is committed to leading the sector in animal welfare and has achieved recognition for this. The company has become the first globally to be certified according to International Animal Wellness standards for dairy farms and operations, and the first in Saudi Arabia to be certified for poultry hatchery, transport, and operation. To further support the local veterinary community, Almarai has maintained its cooperation and partnership agreement with the Saudi Veterinary Medical Association that is due to last for two more years, until 2024. This includes the exclusive sponsorship of the “Almarai Veterinary Medicine Award for the Gulf Cooperation Council Countries,” which has an annual value of five hundred thousand Saudi riyals (500,000 SAR). The award was originally launched in 2009 and has seen 62 winners since then, with hundreds of veterinary doctors and researchers contributing to the Saudi veterinary medical movement. Almarai is dedicated to supporting these professions and enriching the local community.



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 housing with resting areas and 100% of chickens in enclosed cage free housing



172,000 cows in our herd in Saudi Arabia and 198 million chickens raised



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

Progress on our strategic goals and targets

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





Producing Responsible Products

Ethical sourcing

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

Our approach

As an industry leader, Almarai is committed to sustainability and responsible practices throughout our value chain. We strive to ensure that our products are sourced with the highest safety, environmental, and ethical standards in mind. We have implemented policies and guidelines to ensure that our supply chain is transparent and free from malpractice.


Our suppliers are expected to comply with our risk assessments, Supplier Code of Conduct, and provide transparent information in self-assessment questionnaires. We also invest and work with local communities to promote better labor practices, foster economic resilience, drive sound agricultural practices, and ensure ethical practice. Our vision of Doing Better Every Day is deeply embedded in our culture and we are dedicated to protecting and respecting human rights in a complex supply chain.

As a responsible corporate entity, we strive to ensure that our suppliers adhere to the highest ethical standards. In 2022, we published our Ethical Sourcing Policy to bring transparency about our approach. We also developed a Supplier Self-Assessment Questionnaire to ascertain suppliers' compliance with environmental, social, and governance standards. Throughout 2022, we continued to work with our suppliers to ensure they have all signed the code. This is part of our commitment to promote best practices and to ensure that all our suppliers are compliant with the highest ethical standards.

2022 performance and initiatives

As a global business operating across different regions with unique legislation, we are in a great position to help others learn about and embed best practices. In 2021, we worked to develop Ethical Sourcing Policy and a supplier self-assessment questionnaire, which will be provided to all new and existing suppliers who are deemed to be critical or high risk. The questionnaires are aimed for us to gain a greater understanding of supplier management controls and performance on environmental, social, and governance issues.

Progress on our strategic goals and targets

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



-  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.
-  58% of all suppliers engaged are locally based.

Doing better every day

Sustainability Report 2022



| Our ESG Policies



Our ESG Policies

“ Almarai is the World’s Largest Vertically Integrated Dairy Company, and the Middle East’s largest food and beverages manufacturer and distributor serving more than 42 million consumers in the Arabian Gulf region. ”

Due to our geographic and economic scale, we are uniquely placed to enhance sustainability and build a more resilient and equal future for all. While continuing to navigate through challenges with strength and resilience, we continued to work tirelessly towards the 25 sustainability targets under our Doing better everyday strategy that are aligned with the Saudi Vision 2030 and the United Nations Sustainable Development Goals.

In our stride to bring transparency in everything we do, we recently published ESG policies and position statements covering our aspirations on animal welfare, climate change, community investment, energy, environmental impacts of packaging, ethical sourcing, environmental policy, human rights, responsible marketing, and water stewardship.”

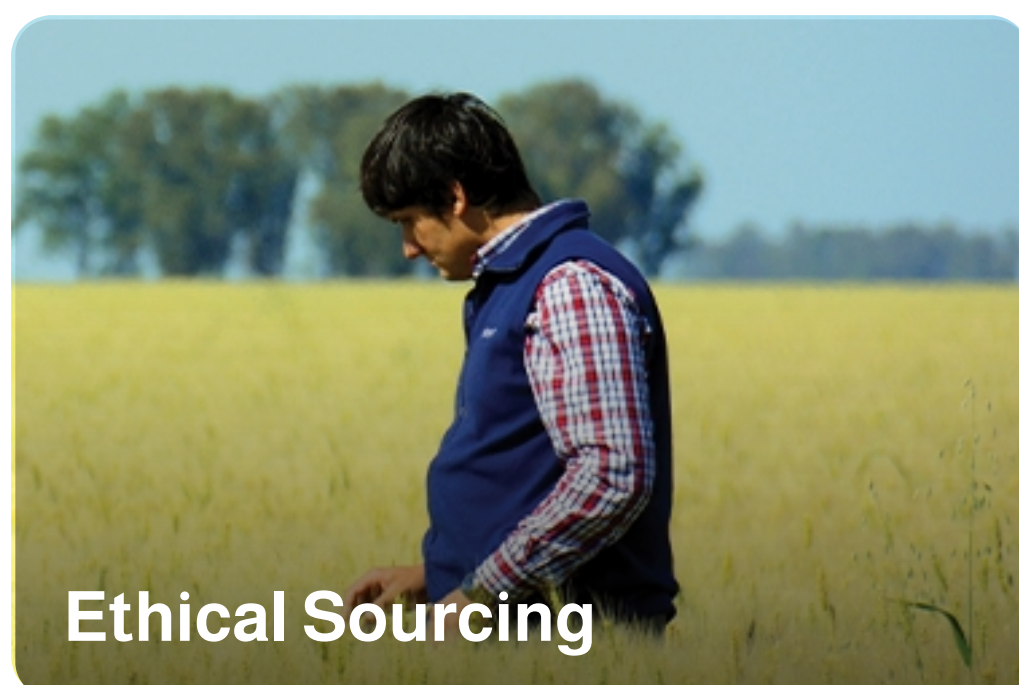


Policies



Position Statements

ESG Policies





Our ESG Policies

Animal Welfare



“ 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. ”

This Animal Welfare Policy from Almarai Company (“Almarai”) applies to the Almarai Farming Division and Poultry Business Unit on the rearing, treatment, and transport of cows and poultry. The commitments in this Policy Statement are in addition to all applicable legal requirements.

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.

Almarai continues to adopt leading best practices and is committed to principles listed below:

One of the key aspects of our Quality Management System is our commitment to continuous improvement, and we recognize that the principles of our sustainability strategy, “Doing better every day”, are perfectly aligned to this. As we celebrated World Quality Day 2021, we reflected on our achievements in ensuring the best quality to our consumers and on our ambition to lead the way in our sector. To raise awareness on Almarai’s approach to quality, we communicated our achievements in our three sustainability pillars, “Caring for People”, “Protecting the Planet”, and “Producing Responsible Products”. We followed our internal communication activities with online quizzes that led to a high level of employee engagement.



1 All manufacturing sites will have Global Food Safety Initiative (GFSI) recognized certification by 2025

2 Humane animal handling and care with zero tolerance on any animal abuse, mistreatment, neglect, or negligence at operational levels of live animal supply chain.

3 Ensure the following Five Freedoms are achieved through systematic process approach.

- A . Freedom from hunger, thirst, and malnutrition
- B . Freedom from fear and distress
- C . Freedom from physical and thermal discomfort
- D . Freedom from pain, injury, and diseases
- E . Freedom to express its innate pattern of behavior

4 Provide animals with a high-quality diet without the use of growth hormones;

5 Require all employees to be competent in humane handling, aware of their responsibilities towards Animal welfare, and comply with applicable laws and regulations

Almarai will communicate the Animal Welfare Policy to all employees and stakeholders and ensure it is freely available to the wider community. This policy will be reviewed and updated as required.

This policy, supported by Almarai's Farming Division and Poultry Business Unit, will be applied to all relevant operations within Almarai.

[Download Policy](#) 



Our ESG Policies

Community Investment



“ This 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. ”

This Community Investment Policy from Almarai Company (“Almarai”) applies to all Almarai community investment activities across the Gulf Cooperation Council (GCC) countries. Entities requesting support shall respect Almarai’s Code of Conduct¹.

This 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.

Almarai shall give preference to projects, organizations, and events that most closely align with our sustainability commitments to

- 1 Support projects, organizations, and events that develop skills, promote a healthy lifestyle, and create a lasting impact on communities
- 2 Provide grants, financial support, nonfinancial support, and product donations to entities to support the delivery of a specific community-based projects.
- 3 Support registered, approved, and audited charities and student groups (under the supervision of the educational institution), non-profit organizations and schools, and civil-society organizations located inside the GCC.



4 Reject projects, organizations, events, or campaigns that could harm Almarai's reputation.

5 Provide exceptions on a case-by-case basis at Almarai's discretion

Almarai will communicate the Community Investment Policy to all its employees and external stakeholders, and ensure it is freely available to the wider community. This policy will be reviewed and updated as required.

This policy, supported by Corporate Marketing Division, will be applied to all community investment activities of Almarai.

See Almarai's [Code of Conduct](#) for more information on the principles and standards we strive to achieve as a company.

Download Policy 



Our ESG Policies
Energy



“ This Energy Policy applies to Almarai Company (“Almarai”), a listed joint stock company, incorporated and under the laws of the Kingdom of Saudi Arabia (Almarai), and any of its Controlled entities (each Almarai, an Almarai Entity). ”

The purpose of this policy is for Almarai to optimize energy use, improve cost-effectiveness and productivity, enhance working conditions, reduce greenhouse gas emissions, and be sustainable.

Almarai is committed to efficient use of energy to produce and deliver world class products and services to our customers. 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.

To implement this policy, we shall:

- 1 Achieve and maintain compliance with applicable legal and other requirements pertaining to energy efficiency, energy use, and energy consumption.
- 2 Develop and implement a framework for setting and reviewing energy management objectives and targets that aligns with the Almarai’s 2025 Sustainability Strategy for energy and climate change.
- 3 Ensure the availability of information and necessary resources to achieve the objectives and energy targets.
- 4 Ensure the continual improvement of Almarai’s energy performance and the energy management system in a manner that supports and compliments Almarai’s overall business purpose and strategy.



5 Consider energy efficiency as a factor in the design and procurement of products and services that may impact Almarai's energy performance.

6 Encourage a culture of energy awareness and conservation within employees, suppliers, and subcontractors by active communication of energy performance and opportunities for improvement.

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

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

[Download Policy](#) 



Our ESG Policies

Environmental



“ 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 ”

This Environmental Policy 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).

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. Almarai’s key environmental focus areas are thus: energy management and climate change, waste management, water management, pollution prevention, and biodiversity management.

Almarai committed to:

- 1 Identifying and implementing opportunities for environmental sustainability.
- 2 Engaging employees through motivation, educating and training on environmental matters and promoting an environmental responsible culture through dialogue, also with suppliers, contractors, customers and other interested parties.
- 3 Managing identified environmental risks by setting realistic and achievable objectives and targets to drive continual improvement of Almarai’s environmental management system in order to enhance the environmental performance.



4 Preventing pollution and protecting the environment and natural biodiversity

5 Complying with all applicable environmental laws and regulations

6 Minimizing resource consumption and waste of raw materials, product and packaging, and to improve the efficient use of resources

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

[Download Policy](#) 

Our ESG Policies

Ethical Sourcing



“ 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

Almarai will continue to adopt ethical practices:

- 1 To conduct business in accordance with Almarai’s Code of Conduct1;
- 2 For suppliers to comply with all applicable laws and regulations relating to anti-corruption and anti-bribery to protect the confidential and non-public information of Almarai.
- 3 For suppliers to prohibit unlawful employment of children under the legal age of work.
- 4 For suppliers provide fair treatment to all employees and shall not engage in unlawful discrimination, harassment, or abuse of any kind.
- 5 For suppliers to provide employees compensation with wages and comply with all applicable laws and regulations regarding maximum working hours.
- 6 To encourage suppliers to go beyond the legal requirements and implement plans to reduce the use of natural resources.



7 For suppliers to comply with all applicable environmental laws and regulations.

8 For suppliers to manage the health and safety risks and enable a safe and hygienic workplace that complies with all applicable laws.

9 To demonstrate that product safety and quality management systems comply with all applicable food safety laws and regulations

10 To evaluate and treat suppliers fairly without taking into consideration any non-business considerations.

Almarai will communicate the Ethical Sourcing Policy to all its employees and external stakeholders, and ensure it is freely available to the wider community. This policy will be reviewed and updated as required.

This policy, supported by Supply Chain Division, will be applied to all business operations and services carried out by Almarai.

See Almarai's [Code of Conduct](#) for more information on the principles and standards we strive to achieve as a company.

[Download Policy](#) 

Our ESG Policies

Human Rights



“ 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. This policy sets forth the principles and standards that Almarai is committed to. ”

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. This policy sets forth the principles and standards that Almarai is committed to.

This Human Rights Policy 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).

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. This policy sets forth the principles and standards that Almarai is committed to.

Almarai will continue adopting leading practices to:

- 1 Prohibit the unlawful employment of children under the legal age of work.
- 2 Ensure fair opportunity and treatment of all employees and candidates with no acts of discrimination, harassment, or abuse of any kind.
- 3 Provide employees compensation with timely wages and comply with all applicable laws and regulations with respect to legal working hours.
- 4 Prohibit forced or compulsory labor, meaning any work or service performed under coercion or without consent by the person concerned.



5 Subject to and in accordance with applicable law, Almarai respects our employees' rights for freedom of association and collective bargaining, without fear of reprisal, intimidation, or harassment. In locations where trade unions and/or collective bargaining is limited by law, Almarai has instituted communication mechanisms between employees and management.

Almarai will communicate the Human Rights Policy Statement to all its employees and stakeholders, and ensure it is freely available to the wider community. This policy will be reviewed and updated as required.

This policy, supported by the Human Resources Division, will be applied to all business operations and services carried out by Almarai.

[Download Policy](#) 

Our ESG Policies

Responsible Marketing



“ This Responsible Marketing Policy from Almarai Company (“Almarai”) applies to all marketing and communications aimed at consumers. ”

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, and implemented across the organization through the direct support of employees.

Communications on responsible marketing principles shall:

- 1 Respect the ethics and values particular to consumers in that country.
- 2 Provide information to the intended audience in a transparent manner.
- 3 Prohibit the promotion of compulsive snacking.
- 4 Promote marketing to adults who make household purchasing decisions (gatekeepers) and young people (persons aged 12 and over).
- 5 Portray accurate information on products that is comprehensible by the audience.



6 Depict children in marketing communications, if relevant, and ensure that children are in safe physical and social environments.

7 Endorse selective initiatives that encourage healthy and active lifestyles.

8 Promote products that meet the health and taste preferences of the student population at schools.

9 Create selective branded educational programs.

Almarai will communicate the Responsible Marketing Policy to all its relevant employees and external stakeholders. This policy will be reviewed and updated as required.

This policy is governed by the Corporate Marketing Division.

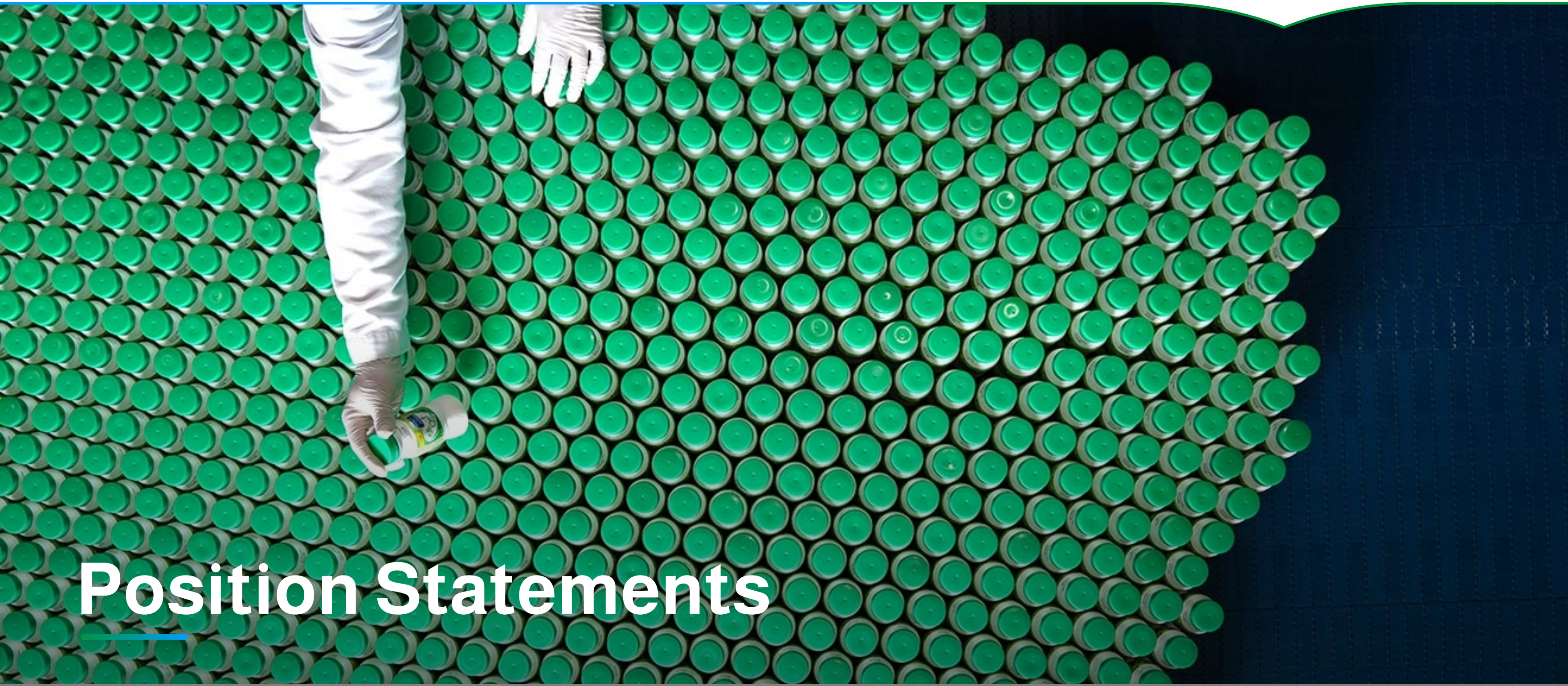
[Download Policy](#) 

Doing better every day

Sustainability Report 2022



| Position Statements



Position Statements



Climate Change



Environmental Impact of Packaging



Water



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. ”

This Climate Change 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).

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	Refrigeration
<ul style="list-style-type: none"> Identifying and acting on opportunities to manage energy use and improve energy efficiency across our operations and transport networks. 	<ul style="list-style-type: none"> Identifying and acting on opportunities to implement clean energy solutions. Our current focus is on building onsite solar power generation systems across our operations. 	<ul style="list-style-type: none"> Identifying and acting on opportunities to build awareness across our business to drive positive behavioral change. 	<ul style="list-style-type: none"> Identifying and acting on opportunities to switch our refrigeration systems to CFC (chlorofluorocarbons)-free alternatives. Continuing to deploy refrigerants with lower global warming potentials.

Almarai will communicate the Climate Change 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.

[Download Statement](#) 



Position Statements

Environmental Impact of Packaging



“ 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. ”

This Environmental Impact of Packaging 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).

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 whilst 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.



Remove and Reduce	Re-Use	Recycle	Review and Re-Imagine
<ul style="list-style-type: none"> Identifying and acting on opportunities to remove unnecessary packaging completely or where this is not possible, to reduce the amount of packaging used without compromising food safety and quality. We actively work to eradicate hard to recycle plastics with recyclable plastics in our packaging materials. 	<ul style="list-style-type: none"> Continuing the use of re-usable tertiary packaging to transport goods through the supply chain. 	<ul style="list-style-type: none"> Continuing to utilize recycled content in our corrugated board and secondary and tertiary packaging. We will develop and validate use of recycled HDPE and PET initially for nonfood contact use. 	<ul style="list-style-type: none"> Through the continuous review and re-design of our packaging, we apply the latest design knowledge into our packaging solutions, utilize alternative materials that minimize the use of plastics and design our packaging with the above in mind.

By taking this 360-degree approach, Almarai will significantly reduce the impact of its packaging within the environment. 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

[Download Statement](#) 



Position Statements

Water



“ 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. ”

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.

By taking this 360-degree approach, Almarai will significantly reduce the impact of its packaging within the environment. 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.

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

[World Bank, Water in Agriculture](#)

[World Resources Institute, Aqueduct Water Risk Atlas](#)

Download Statement 

Doing better every day

Sustainability Report 2022



| Performance Data



Performance Data



Managing Sustainability at Almarai

Our sustainability performance

	2018	2020	2021	2022
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



Caring for People

Our sustainability performance

	2018	2020	2021	2022
Nutrition and wellbeing				
Number of incidents of non-compliance concerning product information and labeling	0	7	3	0
GCC	0	7	3	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	256	180	228	202
GCC	256	153	176	170
USA	NIA	16	37	15
Argentina	NIA	11	15	17
Contractor lost-time injuries	0	3	3	5
GCC	NIA	0	3	5
USA	NIA	3	0	0
Argentina	NIA	0	0	0
Employee lost-time injury rate (per 1 million man-hours)	2	1.70	2.15	1.90

	2018	2020	2021	2022
GCC	1.72	1.38	1.68	0.50
USA	NIA	20.00	70.60	14.71
Argentina	NIA	24.24	19.2	39.47
Contractor lost-time injury rate (per 1 million man-hours)				
GCC	NIA	0	0.82	1.28
USA	NIA	37.00	0	0
Argentina	NIA	0	0	0
Hours of employee health and safety training	155,320	62,965	167,915	227,229
GCC	155,320	56,582	150,284	222,469
USA	NIA	6,163	17,160	4,456
Argentina	NIA	220	471	304
Hours of contractor health and safety training	0	984	19	112
GCC	NIA	0	0	0
USA	NIA	984	16	112
Argentina	NIA	0	3	0
Average hours of health and safety training per employee	4.0	1.7	4.7	5.9
GCC	4.0	1.5	4.3	5.9
USA	NIA	19.1	45.9	8.0
Argentina	NIA	1.1	2.2	1.4
Average hours of health and safety training per contractor				
GCC	N/A	0	0	0.0
USA	10.6	0.8	0.6	8.0
Argentina	1.7	0.3	0.05	0.0
Employee absenteeism rate (%)				
GCC	6.5%	5.0%	3.1%	7.0%
USA	NIA	7.0%	12.2%	NIA
Argentina	NIA	3.6%	6.7%	NIA

	2018	2020	2021	2022
Employee talent and diversity				
Number of employees	38,953	37,066	35,386	38,351
GCC	38,416	36,534	34,801	37,570
USA	366	323	374	557
Argentina	171	209	211	224
Male employees	38,132	36,198	34,539	37,422
GCC	37,666	35,768	34,059	36,761
USA	324	263	310	476
Argentina	142	167	170	185
Female employees	821	868	847	929
GCC	750	766	742	809
USA	42	60	64	81
Argentina	29	42	41	39
Full time, male employees	38,110	36,196	34,449	37,422
GCC	37,662	35,768	34,059	36,761
USA	306	261	220	476
Argentina	142	167	170	885
Full time, female employees	821	867	845	929
GCC	750	766	742	809
USA	42	59	62	81
Argentina	29	42	41	39
Part time, male employees	22	2	3	6
GCC	4	0	0	0
USA	18	2	3	5
Argentina	0	0	0	1
Part time, female employees	0	1	2	2
GCC	0	0	0	0

	2018	2020	2021	2022
USA	0	1	2	2
Argentina	0	0	0	0
Senior management employees	243	253	254	274
GCC	243	229	234	253
USA	NIA	10	8	8
Argentina	NIA	14	12	13
Middle management employees	1,272	1,240	1,250	1,296
GCC	1,272	1,190	1,196	1,235
USA	NIA	28	31	40
Argentina	NIA	22	23	21
Non-management employees	36,901	35,573	33,882	36,500
GCC	36,901	35,115	33,371	36,082
USA	NIA	285	335	252
Argentina	NIA	173	176	166
New employee hires	6,693	2,352	4,521	6,526
GCC	6,693	2,007	4,075	6,195
USA	NIA	323	381	280
Argentina	NIA	22	65	51
New employee hires, age 18-30	4,677	1,479	2,826	3,980
	69.9%	62.9%	62.5%	61.0%
GCC	4,677	1,373	2,616	3,826
	69.9%	68.4%	64.2%	62%
USA	NIA	90	163	109
	NIA	27.9%	42.8%	39%
Argentina	NIA	16	47	45
	NIA	72.7%	72.3%	88%
New employee hires, age 31-50	2,003	763	1,625	2,493
	29.9%	32.4%	35.9%	60.0%

	2018	2020	2021	2022
GCC	2,003	627	1,440	2,348
	29.9%	31.2%	35.3%	37.9%
USA	NIA	131	167	139
	NIA	40.6%	43.8%	49.6%
Argentina	NIA	5	18	6
	NIA	22.7%	27.7%	11.8%
New employee hires, age 51+	13	110	70	50
	0.2%	4.7%	1.5%	0.8%
GCC	13	7	19	21
	0.2%	0.3%	0.5%	0.3%
USA	NIA	102	51	29
	NIA	31.6%	13.4%	10.4%
Argentina	NIA	1	0	0
	NIA	4.5%	0.0%	0%
New employee hires, male	6,542	2,214	4,410	6,354
	97.7%	94.1%	97.5%	97.4%
GCC	6,542	1,932	4,006	6,060
	97.7%	96.3%	98.3%	98%
USA	NIA	263	346	258
	NIA	81.4%	90.8%	92.1%
Argentina	NIA	19	58	36
	NIA	86.4%	89.2%	70.6%
New employee hires, female	151	138	267	169
	2.3%	5.9%	5.9%	2.6%
GCC	151	75	69	135
	2.3%	3.7%	1.7%	2.2%
USA	NIA	60	191	19
	NIA	18.6%	50.1%	6.8%

	2018	2020	2021	2022
Argentina	NIA	3	7	15
	NIA	13.6%	10.8%	29.4%
Voluntary employee turnover	4,360	2,446	4,568	4,040
	11.2%	6.6%	12.9%	10.5%
GCC	4,360	2,322	4,422	3,892
	11.3%	6.4%	12.7%	10.4%
USA	NIA	111	93	122
	NIA	34.4%	24.9%	21.9%
Argentina	NIA	13	53	26
	NIA	6.2%	25.1%	11.6%
Voluntary employee turnover, age 18-30	1,890	938	2,917	1,602
	43.3%	38.3%	63.9%	39.7%
GCC	1,890	874	2,832	1,523
	43.3%	37.6%	64.0%	39.1%
USA	NIA	56	53	54
	NIA	50.5%	57.0%	44.3%
Argentina	NIA	8	32	25
	NIA	61.5%	60.4%	96.2%
Voluntary employee turnover, age 31-50	2,326	1,338	2,976	2,272
	53.3%	54.7%	65.1%	56.2%
GCC	2,326	1,301	2,931	2,219
	53.3%	56.0%	66.3%	57.0%
USA	NIA	32	24	52
	NIA	28.8%	25.8%	42.6%
Argentina	NIA	5	21	1
	NIA	38.5%	39.6%	3.8%

	2018	2020	2021	2022
Voluntary employee turnover, age 51+	144	170	270	166
	3.3%	7.0%	5.9%	4.1%
GCC	144	147	254	150
	3.3%	6.3%	5.7%	3.9%
USA	NIA	23	16	16
	NIA	20.7%	17.2%	13.1%
Argentina	NIA	0	0	0
	NIA	0%	0%	0%
Voluntary employee turnover, male	4,270	2,379	4,449	4,020
	97.9%	97.3%	97.4%	99.5%
GCC	4,270	2,271	4,335	3,892
	97.9%	97.8%	98.0%	100%
USA	NIA	98	61	110
	NIA	88.3%	65.6%	90.2%
Argentina	NIA	10	53	18
	NIA	76.9%	100.0%	69.2%
Voluntary employee turnover, female	90	67	95	89
	2.1%	2.7%	2.1%	2.2%
GCC	90	51	87	69
	2.1%	2.2%	2.0%	1.8%
USA	NIA	13	8	12
	NIA	11.7%	8.6%	9.8%
Argentina	NIA	3	0	8
	NIA	23.1%	0.0%	30.8%
Female employment rate (%)	2.1%	2.3%	2.4%	2.4%
GCC	2.0%	2.1%	2.1%	2.2%

	2018	2020	2021	2022
USA	11.5%	18.6%	17.1%	14.5%
Argentina	17.0%	20.1%	19.4%	17.4%
Women in senior management	2	7	5	12
	0.8%	2.8%	2.0%	4.4%
GCC	2	2	1	1
	0.8%	0.9%	0.4%	0.4%
USA	NIA	3	2	3
	NIA	30.0%	25.0%	37.5%
Argentina	NIA	2	2	8
	NIA	14.3%	16.7%	61.5%
Women in middle management	45	33	39	49
	3.5%	2.7%	3.1%	3.8%
GCC	45	26	29	32
	3.5%	2.2%	2.4%	2.6%
USA	NIA	3	6	12
	NIA	10.7%	19.4%	30.0%
Argentina	NIA	4	4	5
	NIA	18.2%	17.4%	23.8%
Women in non-management positions	703	828	803	867
	1.9%	2.3%	2.4%	2.4%
GCC	703	738	712	776
	1.9%	2.1%	2.1%	2.2%
USA	NIA	54	56	58
	NIA	18.9%	16.7%	23.0%
Argentina	NIA	36	35	33
	NIA	20.8%	19.9%	19.9%

	2018	2020	2021	2022
Board seats occupied by women	0	0	0	0
	0.0%	0.0%	0.0%	
GCC	0	0	0	0
	0%	0%	0%	0%
USA	NIA	0	0	0
	0%	0%	0%	0%
Argentina	NIA	1	1	1
	0%	20.0%	20.0%	20.0%
Number of employees with a disability	468	421	404	415
GCC	468	421	404	415
USA	NIA	0	0	0
Argentina	NIA	0	0	0
Number of formal incidents of discrimination reported	0	0	0	0
GCC	0	0	0	0
USA	NIA	0	0	0
Argentina	NIA	0	0	0
Percentage of working time lost due to industrial disputes, strikes and/or lock-outs (%)				
GCC	0	0	0	0
USA	NIA	0	0	0
Argentina	NIA	0	0	0
Number of female employees entitled to maternity leave	327	428	561	449
GCC	327	360	352	375
USA	NIA	28	169	36
Argentina	NIA	40	40	38
Number of female employees that took parental leave	44	43	45	61
GCC	44	38	34	55
USA	NIA	2	1	2
Argentina	NIA	3	10	4

	2018	2020	2021	2022
Number of female employees that returned to work in the reporting period after parental leave ended	39	36	33	56
GCC	39	34	29	50
USA	NIA	2	1	2
Argentina	NIA	0	3	4
Number of female employees that returned to work after parental leave ended that were still employed 12 months after their return to work	39	36	24	56
GCC	39	34	23	50
USA	NIA	2	0	2
Argentina	NIA	0	1	4
Female employee return to work rate of employees that took parental leave (%)	89%	84%	73%	92%
GCC	89%	89%	85%	91%
USA	NIA	100%	100%	100%
Argentina	NIA	0%	30%	1
Female employee retention rate of employees that took parental leave (%)	89%	84%	53%	92%
GCC	89%	89%	68%	100%
USA	NIA	100%	0%	100%
Argentina	NIA	0%	10%	100%
Total hours of training provided	375,258	407,612	419,202	468,117
GCC	375,258	399,698	275,596	454,885
USA	NIA	6,514	12,042	4,568
Argentina	NIA	1,400	7,462	8,664
Average hours of training per employee	9.6	11.0	8.3	12.2
GCC	9.8	10.9	7.9	12
USA	NIA	20.2	32.2	8
Argentina	NIA	6.7	35.4	39
Percentage of employees receiving regular performance and career development reviews (%)				
GCC	NIA	100%	100%	100%
USA	NIA	NIA	100%	100%

	2018	2020	2021	2022
Argentina	NIA	NIA	3%	20%
Learning and development programs (GCC only)	933	1,365	1,681	572
Number of Almarai Academy participants (National and non-national)	520	388	863	459
Number of Almarai Driving School participants (National and non-national)	413	977	818	113
Saudization (GCC only)				
Number of Saudi employees	8,766	8,653	8,626	8,762
Percentage Saudization among total workforce	26%	27%	25%	23%
Percentage Saudization of middle management	25%	25%	26%	27%
Percentage Saudization of senior management	16%	20%	23%	24%
Number of Saudi female employees	645	634	608	657
Number of Saudi Almarai Academy participants	291	271	301	1,214
Number of Saudi Graduate Professional Trainee participants	22	19	0	25
Number of Saudi Almarai Future Leaders participants	21	0	0	0
Number of Saudi Dairy & Food Polytechnic participants	505	425	227	537
Number of Saudi Almarai Driving School participants	126	91	129	113
Total number of Saudi nationals in professional development programs	965	806	657	1,889

Community Investment

Total CSR spending (SAR million) - GCC only	39.55	35.14	41.55	40.94
Total CSR spending as a percentage of net profit (%) -GCC only	2.00%	1.80%	2.66%	2.33%
Product donations - GCC only				
Number of schools provided with snacks for students	0	0	63	411
Snacks for school children (Number of servings)	0	0	50,540	354,120
Number of low income families provided with food baskets	0	0	1,355	566
Number of charities provided with food donations	0	0	183	318
Product donations for charities (Number of servings)	0	0	345,847	426,668
Total product servings donated	0	0	396,387	780,788
Total financial value (SAR million)	0.00	0.39	0.53	1.50

	2018	2020	2021	2022
Total financial value (SAR million)	0.00	0.39	0.53	1.50
Support for vulnerable groups - GCC only				
Number of lower income couples provided with weddings	1,200	0	0	0
Number of children at orphanages and charities provided with Iftars	40	0	0	40
Charity, orphanage and other association event sponsorships (Number of beneficiaries)	80	45	0	0
Total financial value (SAR million)	0.38	0.01	0.52	0.012
Support for learning and technical, vocational and education training (TVET) - GCC only				
Number of TVET beneficiaries! (Dairy & Food Polytechnic)	505	425	288	450
University student groups sponsored (Number of beneficiaries)	70	95	188	950
Braille booklets (Number of books donated)	N/A	0	0	0
Dental students grad program in Princess Noura Uni. (Number of students supported)	20	0	4	60
Dental students grad program in King Saud Uni (Number of students supported)	NIA	NIA	NIA	60
Dental care campaign (Number of schools attended)	20	0	4	10
Almarai site visit program (Number of visitors)	73,286	23,089	0	15,655
Sponsorship of Food Loss and Waste Index and awareness campaign (value in SAR).	N/A	0	5,380,815	0
Sponsorship of Qaderoon documentary (value in SAR)	N/A	135000	0	0
Total financial value (SAR million)	35.32	31.85	37.1	36
Sponsorship of awards - GCC only				
Number of award winners (Veterinarian Award, Scientific Award, Best Mother Award, GCC General Education Award, and Sheikha Latifa)	0	0	18	10
Total financial Value (SAR million)	0.00	0.00	3.40	3.40



Protecting the Planet

Our sustainability performance

	2018	2020	2021	2022
Water management				
Water withdrawal (m3)	11,357,042	12,159,498	11,049,898	12,981,506
GCC	11,357,042	12,159,498	11,049,898	12,981,506
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Water recycling and reuse (m3)	2,077,701	3,363,978	2,319,571	2,832,210
GCC	2,077,701	3,363,978	2,319,571	2,832,210
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 (%)	18.3%	27.7%	21.0%	21.8%
GCC	18.3%	27.7%	21.0%	21.8%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Total water consumption (m3)	13,434,743	15,523,476	13,369,469	15,813,718
GCC	13,434,743	15,523,476	13,369,469	15,813,718
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Water discharge (m3)	8,142,212	7,284,188	8,676,103	9,731,669
GCC	8,142,212	7,284,188	8,676,103	9,731,669
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	5.0	5.5	5.90	6.5
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

	2018	2020	2021	2022
Packaging innovation				
Percentage of card board coming from recycled materials used as an input material (%)				
GCC	65%	65%	67%	70%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Plastics removed from packaging (tons)	283	440	174	174
GCC	283	440	174	713
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Paper removed from packaging (tons)	128	484	312.2	312
GCC	128	484	312	74
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Total packaging removed from the consumer waste stream (tons)	411	924	486	788
GCC	411	924	486	788
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

	2018	2020	2021	2022
Climate Change				
Direct stationary energy usage (in thousands kWh)	863,453	716,451	669,148	617,619
GCC	863,382	716,450	669,107	617,304
USA	0	0	0	0
Argentina	71	1	41	314
Indirect stationary energy usage (in thousands kWh)	946,882	1,089,202	1,194,497	1,152,349
GCC	881,525	1,003,241	1,106,941	1,062,164
USA	55,359	71,268	71,149	77,910
Argentina	9,999	14,693	16,407	12,275

	2018	2020	2021	2022
Total stationary energy usage (direct and indirect, in thousands kWh)	1,810,335	1,805,653	1,863,645	1,769,968
GCC*(excludes transport fuel)	1,744,907	1,719,691	1,776,047	1,679,468
USA	55,359	71,268	71,149	77,910
Argentina	10,069	14,694	16,448	12,589
Total solar energy usage (in thousand kWh)	2,409	31,317	40,980	59,949
GCC	2,409	31,317	40,980	59,949
USA	0	0	0	0
Argentina	0	0	0	0
Percentage of electricity consumption from solar (%)				
GCC	0.2%	2.5%	2.3%	3.7%
USA	0%	0%	0%	0%
Argentina	0%	0%	0%	0%
Almarai owned refrigerators in stores (in thousands kWh)	906,305	982,890	991,540	1,004,403
GCC	906,305	982,890	991,541	1,004,403
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	512.3	523.8	560.3	563.8
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)	412,802	268,207	259,780	218,726
GCC	404,329	262,306	253,896	217,617
USA	7,609	4,594	4,546	469
Argentina	864	1,306	1,338	640
Scope 1 (direct) emissions (metric tons CO2e)	1,160,272	788,324	794,241	938,126
GCC	1,149,005	780,057	778,938	925,847
USA	10,093	6,550	11,756	7,898

	2018	2020	2021	2022
Argentina	1,174	1,718	3,548	4,381
Scope 2 (indirect) emissions (metric tons CO2e)	688,198	810,400	984,406	836,020
GCC	660,558	774,107	947,343	801,084
USA	23,721	30,533	30,633	29,067
Argentina	3,919	5,759	6,431	5,869
Scope 3 emissions from Almarai refrigerators in stores (metric tons CO2e)	780,088	846,008	853,454	864,525
GCC	780,088	846,008	853,454	864,525
USA	NIA	NIA	NIA	NIA
Argentina	NIA	NIA	NIA	NIA
Total emissions (metric tons CO2e)	2,628,559	2,444,732	2,632,101	2,638,671
GCC	2,589,652	2,400,173	2,579,735	2,591,456
USA	33,814	37,083	42,389	36,965
Argentina	5,093	7,476	9,978	10,250
Manufacturing emissions intensity (metric tons CO2e/metric ton of finished product)				
GCC	0.30	0.29	0.32	0.36
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)	167,686	225,443	216,795	15,655
GCC	167,686	225,346	216,795	15,655
USA	NIA	NIA	NIA	NIA
Argentina	NIA	97	0	0

2018 2020 2021 2022

Waste Management				
Food waste resold for animal feed (Store returns and operational) (metric tons)	32,175	41,081	47,937	51,721
GCC	32,175	41,081	47,937	51,721
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

	2018	2020	2021	2022
Recycled waste (metric tons)	21,372	28,777	27,147	52,942
GCC	21,149	28,499	26,894	52,660
USA	183	188	212	157
Argentina	40	90	41	125
Total waste generated (metric tons)	177,606	172,738	157,780	165,289
GCC	177,606	171,484	157,078	165,177
USA	NIA	1,254	650	76
Argentina	NIA	NIA	52	36
Waste sent to landfill (metric tons)	124,282	102,970	83,397	81,608
GCC	124,282	101,904	82,948	81,100
USA	NIA	1,066	438	479
Argentina	NIA	NIA	11	29
Percentage of waste sent to landfill (%)	70%	60%	53%	49%
GCC	70%	59%	53%	49%
USA	NIA	15%	67%	0%
Argentina	NIA	NIA	21%	0%

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	0	0
Arable farming land under production (hectares)	32,154	26,810	55,168	25,313
USA	7,840	8,301	36,958	7,690
Argentina	24,314	18,509	18,210	17,623



Producing Responsible Products

Our sustainability performance

2018 2020 2021 2022

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 (%)				
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				
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				
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 (%)				
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 (%)				
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				
GCC	10	11	12	12

	2018	2020	2021	2022
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	1	2	3	12
GCC	1	2	3	N/A
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	1	2	12	12
GCC	1	2	12	12
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 (%)	10%	18%	100%	100%
GCC	10%	18%	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	585	497	519	539
GCC	585	497	519	539
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

	2018	2020	2021	2022
Animal welfare				
Number of cows	188,071	171,983	172,012	174,962
GCC	188,071	171,983	172,012	174,962
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Number of chickens processed	157,372,110	195,846,876	198,001,451	185,873,965
GCC	157,372,110	195,846,876	198,001,451	185,873,965
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

	2018	2020	2021	2022
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

	2018	2020	2021	2022
Ethical Sourcing				
Percentage of locally based suppliers engaged (%)	63%	62%	62%	64%
GCC	50%	50%	49%	51%
USA	NIA	73%	57%	62%
Argentina	99%	98%	95%	100%k
Percentage of spending on locally based suppliers (%)				
GCC	45%	38%	40%	35%
USA	NIA	87%	76%	76%
Argentina	98%	85%	0%	100%
Total number of suppliers engaged	2,361	2,320	2,848	2,704
GCC	1,717	1,645	4,090	1,768
USA	NIA	183	484	236
Argentina	644	492	700	40%

	2018	2020	2021	2022
Total number of local suppliers engaged	1,495	1,431	3,038	1,742
GCC	858	815	821	895
USA	NIA	134	276	147
Argentina	637	482	665	700
Percentage of purchased volume from suppliers compliant with company's sourcing policy				
GCC	NIA	100%	100%	100%
USA	NIA	100%	100%	100%
Argentina	NIA	NIA	N/A	100%
Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards				
GCC	NIA	100%	100%	56%
USA	NIA	100%	100%	100%
Argentina	NIA	NIA	N/A	10
New suppliers that were screened using social and/or environmental criteria	0	42	173	36
GCC	0	0	0	0
USA	NIA	42	173	36
Argentina	NIA	NIA	0	0
Number of negative social and/or environmental impacts in the supply chain and actions taken	NIA	NIA	0	0
GCC	NIA	NIA	0	0
USA	NIA	NIA	0	0
Argentina	NIA	NIA	0	0

Doing better every day

Sustainability Report 2022



| GRI content index



GRI content index

Home > GRI Content Index

GRI Standard

Statement of use	Almarai Company has reported in accordance with the GRI Standards for the period 1st January 2022 to 31st December 2022.
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	About this report
2-5 External assurance	About this report
2-6 Activities, value chain and other business relationships	About this report Annual Report 2022, 82-83
2-7 Employees	Employee talent and diversity , Employee talent and diversity data , Annual Report 2022, 32 and 65-67
2-8 Workers who are not employees	Employee talent and diversity , Employee talent and diversity data Annual Report 2022, 32 and 65-67
2-9 Governance structure and composition	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 74-81
2-10 Nomination and selection of the highest governance body	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 74-81
2-11 Chair of the highest governance body	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 74-81
2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 74-81
2-13 Delegation of responsibility for managing impacts	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 74-81
2-14 Role of the highest governance body in sustainability reporting	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 74-81

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 Annual Report 2022, 119
2-17 Collective knowledge of the highest governance body	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 74-81
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 Annual Report 2022, 110-111
2-20 Process to determine remuneration	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 110-111
2-21 Annual total compensation ratio	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 131-135
2-22 Statement on sustainable development strategy	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 68
2-23 Policy commitments	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 68, 90, 119
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 Annual Report 2022, 58-62
2-26 Mechanisms for seeking advice and raising concerns	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 119
2-27 Compliance with laws and regulations	Sustainability governance , Managing sustainability at Almarai data Annual Report 2022, 58-62
2-28 Membership associations	Sustainability governance , Managing sustainability at Almarai data
2-29 Approach to stakeholder engagement	Stakeholder engagement Sustainability governance Annual Report 2022, 82-84 and 95
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 , Annual Report 2022, 68
3-2 List of material topics	Defining and prioritizing the issues that matter the most Our sustainability strategy Annual Report 2022, 68-69

GRI 201: Economic Performance 2016

GRI Disclosure

Location and Notes

3-3 Management of material topics	Not applicable - Not identified as a material topic
201-1 Direct economic value generated and distributed	Annual Report 2022 ,

	44-47
201-2 Financial implications and other risks and opportunities due to climate change	Information unavailable
201-3 Defined benefit plan obligations and other retirement plans	Annual Report 2022 , 151
201-4 Financial assistance received from government	Information unavailable

GRI 202: Market Presence 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Information unavailable
202-2 Proportion of senior management hired from the local community	Annual Report 2022 78-79

GRI 203: Indirect Economic Impacts 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
203-1 Infrastructure investments and services supported	Not applicable - Not identified as a material topic
203-2 Significant indirect economic impacts	Not applicable - Not identified as a material topic

GRI 204: Procurement Practices 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Ethical sourcing , Ethical sourcing data
204-1 Proportion of spending on local suppliers	Ethical sourcing , Ethical sourcing data

GRI 205: Anti-corruption 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
205-1 Operations assessed for risks related to corruption	Not applicable - Not identified as a material topic
205-2 Communication and training about anti-corruption policies and procedures	Not applicable - Not identified as a material topic
205-3 Confirmed incidents of corruption and actions taken	Not applicable - Not identified as a material topic

GRI 206: Anti-competitive Behaviour 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Not applicable - Not identified as a material topic

GRI 207: Tax 2019	
GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
207-1 Approach to tax	Annual Report 2022 , 147,175-177
207-2 Tax governance, control, and risk management	Annual Report 2022 , 147,175-177
207-3 Stakeholder engagement and management of concerns related to tax	Information unavailable
207-4 Country-by-country reporting	Information unavailable

GRI 301: Materials 2016	
GRI Disclosure	Location and Notes
3-3 Management of material topics	Packaging innovation , Packaging innovation data
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

GRI 302: Energy 2016	
GRI Disclosure	Location and Notes
3-3 Management of material topics	Climate change , Climate change data
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 , Climate change data
302-4 Reduction of energy consumption	Climate change , Climate change data
302-5 Reductions in energy requirements of products and services	Climate change , Climate change data

GRI 303: Water and Effluents 2018	
GRI Disclosure	Location and Notes
3-3 Management of material topics	Water management , Water management data
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

GRI 304: Biodiversity 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Community investment
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Information unavailable
304-2 Significant impacts of activities, products and services on biodiversity	Information unavailable
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

GRI 305: Emissions 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Climate change , Climate change data
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
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Information unavailable

GRI 306: Waste 2020

GRI Disclosure	Location and Notes
3-3 Management of material topics	Waste management , Waste management data
306-1 Waste generation and significant waste-related impacts	Waste management , Waste management data
306-2 Management of significant waste-related impacts	Waste management , Waste management data
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

GRI 308: Supplier Environmental Assessment 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Ethical sourcing , Ethical sourcing data
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 401: Employment 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Employee talent and diversity
401-1 New employee hires and employee turnover	Employee talent and diversity
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

GRI 402: Labor/Management Relations 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
402-1 Minimum notice periods regarding operational changes	Almarai notifies employees of operational changes within a reasonable time, provided the changes do not affect terms and conditions. Where the changes materially affect the employee, written consent from the employee is obtained.

GRI 403: Occupational Health and Safety 2018

GRI Disclosure	Location and Notes
3-3 Management of material topics	Health and safety , Health and safety data
403-1 Occupational health and safety management system	Health and safety , Health and safety data
403-2 Hazard identification, risk assessment, and incident investigation	Health and safety , Health and safety data
403-3 Occupational health services	Health and safety , Health and safety data
403-4 Worker participation, consultation, and communication on occupational health and safety	Health and safety , Health and safety data
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 , Health and safety data
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety , Health and safety data
403-8 Workers covered by an occupational health and safety management system	Health and safety , Health and safety data
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

GRI 404: Training and Education 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Employee talent and diversity
404-1 Average hours of training per year per employee	Employee talent and diversity

404-2 Programs for upgrading employee skills and transition assistance programs	Employee talent and diversity
404-3 Percentage of employees receiving regular performance and career development reviews	Employee talent and diversity

GRI 405: Diversity and Equal Opportunity 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Employee talent and diversity
405-1 Diversity of governance bodies and employees	Employee talent and diversity , Annual Report 2022, 74-81
405-2 Ratio of basic salary and remuneration of women to men	Information unavailable

GRI 406: Non-discrimination 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Employee talent and diversity
406-1 Incidents of discrimination and corrective actions taken	Employee talent and diversity

GRI 407: Freedom of Association and Collective Bargaining 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not Applicable - KSA Labour Law presently contains no provisions on collective bargaining
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not Applicable - KSA Labour Law presently contains no provisions on collective bargaining

GRI 408: Child Labor 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
408-1 Operations and suppliers at significant risk for incidents of child labor	Not applicable - Not identified as a material topic

GRI 409: Forced or Compulsory Labor 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Not applicable - Not identified as a material topic

GRI 410: Security Practices 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
410-1 Security personnel trained in human rights policies or procedures	Not applicable - Not identified as a material topic

GRI 411: Rights of Indigenous Peoples 2016

--	--

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
411-1 Incidents of violations involving rights of indigenous peoples	Not applicable - Not identified as a material topic

GRI 413: Local Communities 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Community investment
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 , Community investment data

GRI 414: Supplier Social Assessment 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Ethical sourcing , Ethical sourcing data
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

GRI 415: Public Policy 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
415-1 Political contributions	Not applicable - Not identified as a material topic

GRI 416: Customer Health and Safety 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Quality and food safety , Quality and food safety data
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

GRI 417: Marketing and Labeling 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Nutrition and wellbeing , Nutrition and wellbeing data
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

GRI 418: Customer Privacy 2016

GRI Disclosure	Location and Notes
3-3 Management of material topics	Not applicable - Not identified as a material topic
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not applicable - Not identified as a material topic

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 2022



| Our Subsidiaries



Our Subsidiaries

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



Beyti



Teeba



Our Subsidiaries

Beyti

“ Beyti, a subsidiary of Almarai Company, is one of the largest producers of milk, juice, and yoghurt products in Egypt. As a leader in the Egyptian market, Beyti is committed to sustainability, and has established an environmental and sustainability function to manage sustainability companywide. ”



This report outlines Beyti’s approach to sustainability and the achievements it has made in 2022, such as reducing its carbon footprint and increasing its use of renewable energy sources. Beyti is dedicated to continuing its sustainability efforts in the year ahead, with the goal of becoming an even more sustainable business.

Environmental performance

At Beyti, we are dedicated to reducing our environmental footprint. We understand our role in combatting global challenges such as climate change and are committed to taking action. To bring transparency about our efforts, we have implemented an environmental policy which outlines our commitment to supporting and preserving the environment. This policy includes initiatives such as environmental management systems, compliance, carbon and energy management, water conservation, operational and food waste management, and supplier and contractor environmental performance management. We are proud to continue to enhance our ISO14001, Environmental Management certification, which demonstrates our commitment to sustainability.

Beyti has continued to invest in sustainability initiatives that reduce its environmental impact. The company has installed and commissioned a 20 MWp solar array, and is expected to draw 19% of its total electricity demand from clean energy. Additionally, Beyti has successfully replaced diesel with natural gas boilers, reducing the carbon intensity of its manufacturing facilities.

Beyti has modified its plastic and paper packaging to ensure high-quality products, while minimizing environmental impact. In 2022, the company achieved 72% of cardboard packaging from recycled materials, helping to reduce the environmental impact of their products and move towards a circular economy. Beyti is committed to finding new and innovative ways to reduce its environmental footprint and continue to be an industry leader in corporate sustainability.



Community engagement

Beyti is committed to furthering solidarity among individuals and the wider society. To this end, Beyti has supported initiatives that seek to provide aid to those in need and will continue to do so in order to improve the lives of individuals and the wider society. Beyti is committed to continuing its efforts to ensure that individuals and society benefit from its support and solidarity. The company also strives to support local producers and improve their efficiency in order to meet the requirements of the National Food Safety Authority. Beyti is dedicated to the health and safety of its consumers and is committed to providing the highest standards of international quality in all of its products. The company is actively working on improving supply chains related to milk collection centers and minor breeders and is also committed to encouraging minor farmers and milk producers in line with the state's strategy. Beyti believes in the important role of the private sector in improving local producers' competitive edge.



Employee development



In 2022, Beyti continued to demonstrate its commitment to corporate sustainability by providing its employees with a safe and secure working environment. The company maintained its Code of Conduct and set up a system for employees to report any issues related to corruption, racism, and violations of the code. All management and supervisory employees now have bespoke performance objectives with access to leadership and development programs and e-learning courses. To further enhance employee learning, an extensive training and development program was offered to employees. This program included over 22,300 hours of training and 100% of staff were given performance and career development reviews. As a result of these initiatives, Beyti was able to maintain a safe and secure work environment for its employees in 2022.

Health and safety



In 2022, Beyti took a further step towards protecting their employees by completing the fire trace system project, which covered all electrical panels in the plant. Our employees received over 16,000 hours of health and safety trainings, which is nearly 17% more than 2021. This was part of their larger commitment to ensure the health and safety of their employees, which was also reflected in the company's achievement of the OHSAS 18001 Occupational Health and Safety certification. This certification was achieved through the company's strategy of maintaining the highest standards of health and safety. Beyti is committed to continuing to invest in health and safety initiatives to ensure the safety of their employees.

Quality and food safety



Beyti is committed to delivering only the highest quality products, and to ensure that, it follows the same quality audit process as Almarai. In 2022, Beyti maintained Almarai's quality management system and achieved the latest FSSC 22000, the GFSI recognized certification, and completed the ISO 9001 certification. To maintain high quality products, the company maintains its daily quality reporting system and leadership strategies. Moreover, there were zero incidences of non-compliance for health and safety of products, and our products were assessed for food safety impacts, thus ensuring that the products are safe for consumption. Beyti is dedicated to upholding the company's motto, 'Quality you can trust', and is committed to delivering only the best quality products to its customers.

Responsible marketing and communications



All nutritional information for Beyti's product portfolio is printed on packaging labels, and consumers inquiring about product nutritional information are answered transparently. Any consumer complaint on quality is thoroughly investigated and the findings are shared with the consumer. Beyti has developed a unit specifically for managing consumer complaints where complaints are traced and followed until the issue is resolved. To further support transparent consumer relations, we invite consumers who have filed a complaint to our manufacturing facilities to provide a hands-on understanding of our quality control procedures. We also strive to ensure that our products are compliant with the latest regulations and standards. In 2022, Beyti conducted a comprehensive review of all significant product categories to ensure compliance with product information and labelling. We also implemented a system of regular reviews to ensure that our products and processes remain compliant with the latest regulations and standards. This system of reviews is designed to ensure that our products meet the highest standards of quality and safety.



Managing Sustainability at Beyti

Our sustainability performance

	2018	2020	2021	2022
Number of incidents of non-compliance with environmental laws and regulations	1	0	0	0



Caring for People

Our sustainability performance

	2018	2020	2021	2022
Nutrition and wellbeing				
Number of incidents of non-compliance concerning product information and labeling	1	74	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	4	4	0	8
Contractor lost-time injuries	0	0	0	1
Employee lost-time injury rate (per 1 Million man-hours)	2	2	3.22	7
Contractor lost-time injury rate (per 1 Million man-hours)	0	0	0	0
Hours of employee health and safety training	9,603	11,259	13,739	16,012
Hours of contractor health and safety training	5,396	725	3,377	1,656
Average hours of health and safety training per employee	3	4	5	5
Average hours of health and safety training per contractor	11	1	2.7	1.3
Employee absenteeism rate (%)	1.70%	1.80%	1.75%	1.45%

Employee talent and diversity				
Number of employees	3,181	2,800	2,957	3,162
Male employees	3,138	2,760	2,842	3,090
Female employees	43	40	49	72

	2018	2020	2021	2022
Full time, male employees	3,138	2,760	2,908	3,090
Full time, female employees	43	40	49	72
Part time, male employees	0	0	0	0
Part time, female employees	0	0	0	0
Senior management employees	22	18	41	43
Middle management employees	136	150	175	197
Non-management employees	2,959	2,632	2,741	2,965
New employee hires	563	404	573	608
New employee hires, age 18-30	343	218	369	410
	60.9%	54.0%	64.4%	67.4%
New employee hires, age 31-50	220	184	201	198
	39.1%	45.5%	35.1%	32.6%
New employee hires, age 51+	0	2	3	0
	0%	0.5%	0.5%	0.0%
New employee hires, male	554	395	557	581
	98.4%	97.8%	97.2%	95.6%
New employee hires, female	9	9	16	27
	1.6%	2.2%	2.8%	4.4%
Voluntary employee turnover	684	707	300	205
	21.5%	25.3%	10.1%	6.6%
Voluntary employee turnover, age 18-30	297	229	165	117
	43.4%	32.4%	55.0%	57%
Voluntary employee turnover, age 31-50	362	447	131	87
	52.9%	63.2%	43.7%	42%
Voluntary employee turnover, age 51+	25	31	4	1
	3.7%	4.4%	1.3%	0.5%

	2018	2020	2021	2022
Voluntary employee turnover, male	674	697	294	202
	98.5%	98.6%	98.0%	98.5%
Voluntary employee turnover, female	10	10	6	3
	1.5%	1.4%	2.0%	1.5%
Female employment rate (%)	1.4%	1.4%	1.7%	2.3%
Women in senior management	6	6	6	9
	27.3%	33.3%	14.6%	20.9%
Women in middle management	18	16	16	24
	13.2%	10.7%	9.1%	12.2%
Women in non-management positions	19	18	27	39
	0.6%	0.7%	1.0%	1.3%
Board seats occupied by women	0	0	0	0
	0%	0%	0%	0%
Number of employees with a disability	55	57	57	95
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	2	2	2	1
Number of female employees that took parental leave	2	1	2	1
Number of female employees that returned to work in the reporting period after parental leave ended	1	1	1	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	0	1	1
Female employee return to work rate of employees that took parental leave (%)	50%	100%	50%	100%
Female employee retention rate of employees that took parental leave (%)	0%	0%	50%	100%
Total hours of training provided	28,701	45,114	18,872	22,300
Average hours of training per employee	9.0	16.1	6.4	7.1
Percentage of employees receiving regular performance and career development reviews (%)	NIA	100%	100%	100%

Community Investment

Total CSR Spending (SAR)	N/A	963000	200000	175,000
--------------------------	-----	--------	--------	---------

	2018	2020	2021	2022
Number of school and university visitors hosted	N/A	N/A	27	85
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



Protecting the Planet

Our sustainability performance

	2018	2020	2021	2022
Water management				
Water withdrawal (m3)	1,117,040	1,620,992	1,603,872	1,846,224
Water recycling and reuse (m3)	739	0	0	216,000
Percentage of water recycled and/or reused (%)	0.1%	0.0%	0.0%	11.7%
Total water consumption (m3)	1,117,779	1,620,992	1,603,872	2,062,224
Water discharge (m3)	657,706	1,012,525	697,966	952,000
Manufacturing water intensity (m3/metric ton of finished product)	3.1	4.6	3.7	3.3

	2018	2020	2021	2022
Packaging innovation				
Percentage of card board coming from recycled materials used as an input material (%)	57%	70%	100%	72%
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

	2018	2020	2021	2022
Climate Change				
Direct stationary energy usage (in thousands kWh)	53,690	46,881	46,579	74,853
Indirect stationary energy usage (in thousands kWh)	53,079	65,711	67,147	68,570
Total stationary energy usage (direct and indirect, in thousands kWh)	106,768	112,593	113,726	143,423
Total solar energy usage (in thousand kWh)	0	0	8,071	12,137
Percentage of electricity consumption from solar (%)	0	0	7%	8%

	2018	2020	2021	2022
Almarai owned refrigerators in stores (in thousands kWh)	NIA	NIA	N/A	N/A
Manufacturing energy intensity (kWh/metric ton of finished product)	283.1	309.6	256.2	256.8
Total vehicle fuel consumption (thousands of liters)	3,774	2,683	1,374	2,710
Scope 1 (direct) emissions (metric tons CO ₂ e)	19,879	5,337	25,880	27,771
Scope 2 (indirect) emissions (metric tons CO ₂ e)	23,188	28,706	29,333	27,397
Scope 3 emissions from Almarai refrigerators in stores (metric tons CO ₂ e)	NIA	NIA	NIA	N/A
Total emissions (metric tons CO ₂ e)	43,067	34,043	55,213	55,168
Manufacturing emissions intensity (metric tons CO ₂ e/metric ton of finished product)	0.10	0.08	0.13	0.08
Emissions from refrigerant leakage and replacement (metric tons CO ₂ e)	23	824	2	1,627

Waste Management

Food waste resold for animal feed (Store returns and operational) (metric tons)	0	0	0	0
Recycled waste (metric tons)	15,040	3,000	9,042	4,250
Total waste generated (metric tons)	24,240	8,880	19,395	22,702
Waste sent to landfill (metric tons)	9,200	5,880	10,353	11,295
Percentage of waste sent to landfill (%)	38%	66%	53%	53%



Producing Responsible Products

Our sustainability performance

	2018	2020	2021	2022
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 (%)	85%	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%

	2018	2020	2021	2022
Total number of manufacturing plants	1	2	2	2
Number of Food Safety System Certification (FSSC) 22000 certified plants	1	2	2	2
Number of Global Food Safety Initiative (GFSI) certified plants	1	2	2	2
Percentage of plants that are GFSI certified (%)	100%	100%	100%	100%
Number of food safety and quality assurance employees	72	60	72	94

Animal welfare

Number of cows	N/A	N/A	N/A	N/A
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	N/A	N/A	N/A	N/A
Percentage of cows in enclosed housing with resting areas (%)	N/A	N/A	N/A	N/A
Percentage of chickens in enclosed cage free housing (%)	N/A	N/A	N/A	N/A

Ethical Sourcing

Percentage of locally based suppliers engaged (%)	81%	71%	59%	68%
Percentage of spending on locally based suppliers (%)	40%	72%	71%	68%
Total number of suppliers engaged	588	260	75	374
Total number of local suppliers engaged	478	185	44	254
Percentage of purchased volume from suppliers compliant with company's sourcing policy	NIA	100%	99%	100%
Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards	NIA	100%	100%	100%
New suppliers that were screened using social and/or environmental criteria	0	0	3	0
Number of negative social and/or environmental impacts in the supply chain and actions taken	NIA	NIA	0	0



Our Subsidiaries

Teeba

“ Teeba is committed to embedding sustainability into its operations and is working to ensure that sustainability is managed in a coordinated and decentralized manner. ”



The Quality and Regulatory Department is responsible for coordinating sustainability management. In 2022, Teeba has made progress on its sustainability efforts. The company has implemented a number of initiatives to reduce its environmental footprint, such as increasing the use of renewable energy sources and reducing water consumption. Teeba has also taken steps to reduce its waste output, including introducing a comprehensive recycling program. Additionally, Teeba has invested in training and development for its employees to ensure that they are equipped with the skills and knowledge to work in a sustainable manner. Teeba is also working with its suppliers to ensure that they support the company’s sustainability efforts. This commitment to sustainability has enabled Teeba to become a leader in the Jordanian market and a key player in the Almarai Company’s joint venture, IDJ.



Environmental performance

Over the past year, Teeba has implemented several initiatives to optimize energy and water consumption from process and equipment modifications. These initiatives have been successful in reducing annual water withdrawal by 104,710 m³ and total stationary water usage and increasing our total solar energy usage by 433,000 kWh. Additionally, Teeba has had zero incidences of non-compliance with environmental laws and regulations. These results demonstrate Teeba’s commitment to sustainability and environmental stewardship. Going forward, Teeba will continue to strive for further improvements in energy and water consumption, vehicle fuel consumption, and waste reduction.

Community engagement

Teeba is committed to making a positive impact in the local community and beyond. In 2022, we donated nearly 200,000 product servings to schools, governmental agencies, and other charities in Jordan and provided support to engagement and education campaigns. We began to roll out and implement the plan for CSR activities that was developed in 2021. This plan is an important step forward in formalizing our approach to investing in the community, and we have identified different sectors that we will focus our efforts on. We are dedicated to continuing to make a positive difference in the lives of those around us, and we look forward to the impact that our CSR activities will have in the years to come.



Employee development



Teeba invests in the training, development, and wellbeing of its employees and seeks to create a working environment that allows people to thrive. In 2022, Teeba provided a range of activities to support its employees, such as promoting ongoing training and career progression. Over 12,439 hours of training were delivered, and 100% of employees received employment development reviews. Additionally, the business has a strong and positive culture, as demonstrated by the fact that there were zero incidences of discrimination or malpractice in 2022. Teeba also provides a range of other benefits to its employees, such as flexible working arrangements and health and wellbeing initiatives. The company is committed to continuing to invest in its employees, ensuring that they have the skills and support they need to succeed.

Health and safety



Teeba promotes a culture of health and safety, and in 2022, the company was proud to have achieved impressive results. There were 4 employees and no contractor lost time injury occurred, which is a testament to the strong health and safety measures that Teeba has implemented. To ensure that employees and contractors have ownership of health and safety, a total of 421 hours of health and safety training was conducted for employees and 231 hours for contractors.

Quality and food safety



Teeba is committed to providing a safe and healthy environment for its customers and employees and has worked hard to achieve the FSSC 22000 Food Safety Certificate. This commitment was further demonstrated during a recent AIB inspection, where Teeba scored highly. Teeba has achieved a high score on an international level multiple times. AIB inspections are comprehensive, covering all aspects of food safety, pre-manufacturing requirements and good practices, such as physical inspections of the facility, manufacturing methods and personal practices, preventative maintenance programs to ensure product safety, cleaning and sanitizing practices, and pest control. Additionally, AIB audits internal systems and documents, making it a leader in food safety inspection and training. Teeba is proud to have achieved such a high score and will continue to strive for excellence and provide customers with quality products and exceptional services.

Responsible marketing and communications



In 2022, Teeba also took steps to ensure that their products were compliant with the Jordan Food and Drug Administration (JFDA) regulations. To further promote their products, they launched targeted marketing activities, such as cause marketing partnerships, influencer campaigns, and nutritionist collaborations. Additionally, they provided online and digital support for both their core products and new product developments. Teeba are also committed to responsible marketing and communication guidelines, ensuring that their consumers received accurate information about the health and nutritional benefits of their products. As a result, Teeba experienced no non-compliance with regulations or voluntary codes in 2022, and all of their products were assessed for compliance with the required procedures. This commitment to quality and safety is a testament to Teeba's dedication to providing consumers with the highest level of care.



Managing Sustainability at Teeba

Our sustainability performance

	2018	2020	2021	2022
Number of incidents of non-compliance with environmental laws and regulations	0	0	0	0



Caring for People

Our sustainability performance

	2018	2020	2021	2022
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	23	32	8	4
Contractor lost-time injuries	0	0	0	0
Employee lost-time injury rate (per 1 Million man-hours)	9.48	12.55	7.7	3.71
Contractor lost-time injury rate (per 1 Million man-hours)	0	0	0	0
Hours of employee health and safety training	507	318	391	421
Hours of contractor health and safety training	50	57	0	231
Average hours of health and safety training per employee	0.8	0.4	0.37	0.35
Average hours of health and safety training per contractor	1.7	0.3	0.0	0.9
Employee absenteeism rate (%)	1.7	0.3	1%	1%
Employee talent and diversity				
Number of employees	837	877	1065	1188
Male employees	816	854	1039	1160
Female employees	21	23	26	28

	2018	2020	2021	2022
Full time, male employees	816	854	962	1160
Full time, female employees	21	23	26	28
Part time, male employees	0	0	0	178
Part time, female employees	0	0	0	26
Senior management employees	22	15	16	9
Middle management employees	99	28	28	32
Non-management employees	716	834	944	1147
New employee hires	14	27	252	371
New employee hires, age 18-30	9	21	188	269
	64.3%	77.8%	74.6%	72.5%
New employee hires, age 31-50	5	6	64	100
	35.7%	22.2%	25.4%	27.0%
New employee hires, age 51+	0	0	0	2
	0%	0%	0%	1%
New employee hires, male	14	26	314	362
	100%	96.3%	124.6%	97.6%
New employee hires, female	0	1	3	9
	0%	4%	1%	2%
Voluntary employee turnover	177	3	55	107
	21.1%	0.3%	5.2%	9.0%
Voluntary employee turnover, age 18-30	134	3	52	78
	75.7%	100.0%	94.5%	72.9%
Voluntary employee turnover, age 31-50	40	0	3	28
	22.6%	0.0%	5.5%	26.2%
Voluntary employee turnover, age 51+	176	0	0	1
	99.4%	0.0%	0.0%	0.9%

	2018	2020	2021	2022
Voluntary employee turnover, male	176	2	54	5
	99.4%	66.7%	98.2%	4.7%
Voluntary employee turnover, female	1	1	1	7
	0.6%	33.3%	1.8%	6.5%
Female employment rate (%)	2.6%	2.7%	2.7%	2.4%
Women in senior management	2	1	0	2
	9.1%	6.7%	0.0%	22.2%
Women in middle management	8	7	6	8
	8.1%	25.0%	21.4%	25.0%
Women in non-management positions	11	15	17	20
	1.5%	1.8%	1.8%	1.7%
Board seats occupied by women	0	2	2	1
	0%	25.0%	25.0%	12.5%
Number of employees with a disability	17	15	15	15
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 (%)	<1%	0	0	0
Number of female employees entitled to maternity leave	15	15	10	16
Number of female employees that took parental leave	2	0	0	0
Number of female employees that returned to work in the reporting period after parental leave ended	2	0	0	0
Number of female employees that returned to work after parental leave ended that were still employed 12 months after their return to work	2	0	0	1
Female employee return to work rate of employees that took parental leave (%)	100%	0%	0%	0%
Female employee retention rate of employees that took parental leave (%)	100%	0%	0%	0%
Total hours of training provided	1600	306325	9584	12439
Average hours of training per employee	1.91	349.29	9.00	10.47
Percentage of employees receiving regular performance and career development reviews (%)	NIA	100%	100%	100%

	2018	2020	2021	2022
Community Investment				
Total CSR spending (SAR)	40,280	279,635	691,298	827,751
Number of school and university visitors hosted	N/A	0	0	726
Product donations (Number of servings)	NIA	NIA	174,405	199,385



Protecting the Planet

Our sustainability performance

	2018	2020	2021	2022
Water management				
Water withdrawal (m3)	164,310	201,897	372,250	267,540
Water recycling and reuse (m3)	107,800	154,171	178,191	159,597
Percentage of water recycled and/or reused (%)	66%	76%	48%	60%
Total water consumption (m3)	272,110	356,068	387,070	427,137
Water discharge (m3)	122,987	167,594	184,515	170,797
Manufacturing water intensity (m3/metric ton of finished product)	6	6	9	6

Packaging innovation				
Percentage of card board coming from recycled materials used as an input material (%)	NIA	NIA	N/A	N/A
Plastics removed from packaging (tons)	NIA	NIA	N/A	N/A
Paper removed from packaging (tons)	NIA	NIA	N/A	N/A
Total packaging removed from the consumer waste stream (tons)	NIA	NIA	N/A	N/A

Climate Change				
Direct stationary energy usage (in thousands kWh)	8,527	9,564	12,331	3853.305
Indirect stationary energy usage (in thousands kWh)	9,439	10,120	12,985	10,002
Total stationary energy usage (direct and indirect, in thousands kWh)	17,966	19,684	25,316	13,855
Total solar energy usage (in thousand kWh)	0	735	167	600
Percentage of electricity consumption from solar (%)	0	0	1%	4%
Almarai owned refrigerators in stores (in thousands kWh)	NIA	NIA	N/A	N/A

	2018	2020	2021	2022
Manufacturing energy intensity (kWh/metric ton of finished product)	535	486	456	415
Total vehicle fuel consumption (thousands of liters)	1,983	3,081	950	3,520
Scope 1 (direct) emissions (metric tons CO ₂ e)	5,744	6,862	5,949	5,608
Scope 2 (indirect) emissions (metric tons CO ₂ e)	7,344	7,874	10,102	11,542
Scope 3 emissions from Almarai refrigerators in stores (metric tons CO ₂ e)	N/A	N/A	N/A	N/A
Total emissions (metric tons CO ₂ e)	13,088	14,736	16,051	17,150
Manufacturing emissions intensity (metric tons CO ₂ e/metric ton of finished product)	0.26	0.23	0.37	0.20
Emissions from refrigerant leakage and replacement (metric tons CO ₂ e)	20	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	0	0	274
Total waste generated (metric tons)	4,242	4,214	250	2,624
Waste sent to landfill (metric tons)	4,242	4,214	250	2,350
Percentage of waste sent to landfill (%)	100%	100%	100%	90%



Producing Responsible Products

Our sustainability performance

	2018	2020	2021	2022
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

	2018	2020	2021	2022
Number of Food Safety System Certification (FSSC) 22000 certified plants	0	0	1	2
Number of Global Food Safety Initiative (GFSI) certified plants	0	0	1	1
Percentage of plants that are GFSI certified (%)	0%	0%	100%	100%
Number of food safety and quality assurance employees	2	3	22	3

Animal welfare

Number of cows	2,373	3,050	3,200	3,596
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%	N/A	N/A	1%
Percentage of chickens in enclosed cage free housing (%)	N/A	N/A	N/A	N/A

Ethical Sourcing

Percentage of locally based suppliers engaged (%)	91%	95%	93%	100%
Percentage of spending on locally based suppliers (%)	57%	86%	90%	90%
Total number of suppliers engaged	349	351	700	719
Total number of local suppliers engaged	319	334	650	719
Percentage of purchased volume from suppliers compliant with company's sourcing policy	100%	100%	100%	100%
Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards	N/A	N/A	100%	25%
New suppliers that were screened using social and/or environmental criteria	0	0	3	3
Number of negative social and/or environmental impacts in the supply chain and actions taken	N/A	N/A	0	3



Almarai Company

Exit 7, North Ring Road

Al Izdihar District

PO Box 8524

Riyadh, 11492

Saudi Arabia

sustainability@almarai.com

www.almarai.com