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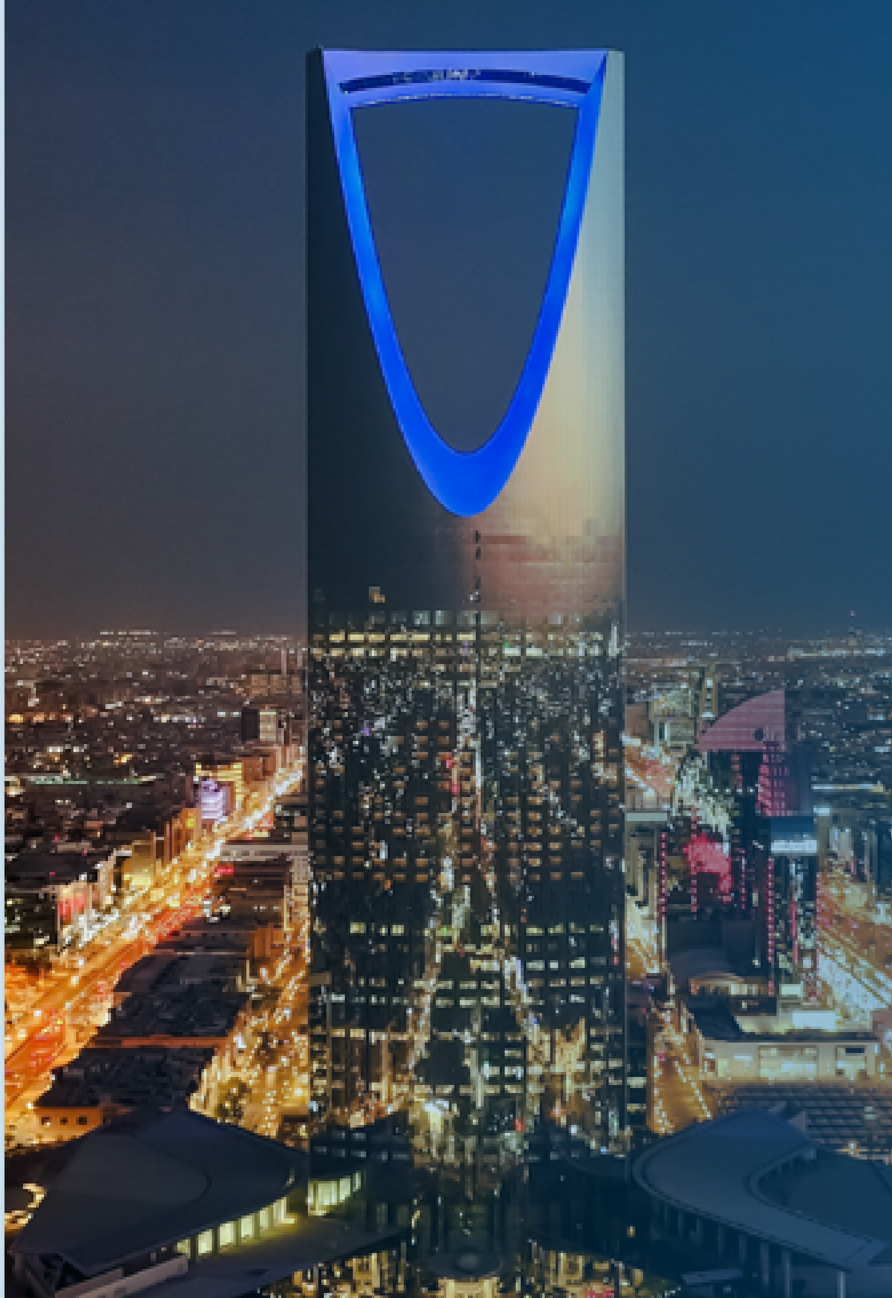
Sustainability Report 2024

Driving Innovation
Creating Experiences



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Chairman's Message

Yousef Ali Zaid Al Quraishi

Dear Esteemed Stakeholders,

I am pleased to present our 2024 Sustainability Report, marking an important step in our commitment to long-term value creation and responsible business leadership.

In 2024, eXtra delivered our strongest financial results in its history, with revenue reaching SAR 6,781 million, and net income increasing by 36.9% to SAR 534.4 million. These achievements are a reflection of our robust omnichannel strategy, customer-focused mindset, and operational excellence, all aligned with the economic diversification and digital transformation goals of Saudi Vision 2030.

Beyond our financial performance, we recognize the growing importance of embedding environmental, social, and governance (ESG) principles into our business model. This year, we took meaningful steps to lay the groundwork for our sustainability journey, starting with our participation in the Sustainability Champions Program, led by the Ministry of Economy and Planning. Being selected as one of the participating companies in this national initiative reflects our commitment to aligning with the Kingdom's sustainability ambitions and reinforces our intention to build a structured, credible ESG approach from the ground up.

As part of this effort, we updated our sustainability materiality assessment, developed a company-wide ESG framework, and began integrating sustainability into our governance structures and strategic planning processes. These foundational actions are designed to ensure we create value not only for our shareholders, but for our people, customers, communities, and the environment.

Our successful IPO of United International Holding Company (UIHC) further illustrates our ability to unlock value through transparency, sound governance, and investor trust.

Looking ahead, the Board remains focused on overseeing the integration of ESG into our long-term strategy, while ensuring alignment with global best practices and national priorities. We believe that this direction will enhance our resilience, drive innovation, and position eXtra as a responsible corporate leader in Saudi Arabia's evolving retail and consumer landscape.

On behalf of the Board, I thank our employees, customers, and shareholders for their continued trust. Together, we are building a stronger, more sustainable future for eXtra and all those we serve.

MD & CEO Message

Mohamed Galal Ali Fahmy

Dear Valued Stakeholders,

It is with great pride and purpose that I present eXtra 2024 Sustainability Report, an important milestone that reflects how we are embedding sustainability across our operations while continuing to create long-term value for our stakeholders. In 2024, eXtra advanced significantly in aligning business performance with responsible growth. Our operational excellence was demonstrated through the expansion of our omnichannel model, enhanced customer service delivery, and continued investment in digital innovation. The launch of our digitally enriched store formats, the growing success of our "Clix" partnership with Panda, and the evolution of our consumer finance arm, United International Holding Company (UIHC), are key examples of how we continue to adapt to changing customer needs while strengthening our market presence.

This year also marked a turning point in our sustainability journey. Through our participation in the Ministry of Economy and Planning's Sustainability Champions Program, we took deliberate steps to institutionalize sustainability as a core pillar of our corporate strategy. This included completing our revised sustainability materiality assessment, which defined our top nine ESG priorities, and formalizing our sustainability framework under five strategic pillars. We translated our commitments into tangible results across key areas:

- **Environmental stewardship:** We eliminated diesel usage in all Material Handling Equipment (MHE) by switching entirely to electric models across our stores and warehouses. We also reduced total e-waste generation by 69% since 2022 through enhanced repair, recovery, and reuse initiatives.
- **Social inclusion and talent development:** We increased female workforce participation to 14% and achieved a Saudization rate of 51%, demonstrating progress on national talent development and inclusion.
- **Customer experience:** Customer complaints decreased by nearly 50% over two years, and our Net Promoter Score (NPS) rose to 51%, reflecting our sustained focus on service quality and customer loyalty.
- **Community impact:** Our Ertiqaa Initiative continues to refurbish and donate used electronics to schools and NGOs, promoting digital inclusion and supporting underserved communities.
- **Workplace culture:** eXtra was proudly certified as a "Best Place to work" in 2024, affirming our commitment to employee well-being, engagement, and development.
- **Local sourcing:** We increased procurement from local suppliers to 87%, up from 80% in 2022, supporting Saudi Arabia's Vision 2030 and reinforcing our national economic contribution.

As we look to the future, our focus is on scaling these efforts leveraging innovation to further reduce our environmental footprint, deepening community partnerships, and integrating ESG into all strategic decisions. We remain fully committed to aligning with Saudi Vision 2030 and contributing to the United Nations Sustainable Development Goals (UN SDGs).

To our employees, customers, partners, and shareholders—thank you. Your trust and support fuel our ambition to lead with purpose and create a more sustainable and inclusive future.

About this **Report**

This is United Electronics Company (eXtra) Sustainability Report, covering the reporting period from 1 January 2024 to 31 December 2024. The report provides an overview of our sustainability performance, initiatives, and progress during this period, reflecting our commitment to transparency and accountability.

The report has been prepared in alignment with the Global Reporting Initiative (GRI) Standards, it also considers Saudi Arabia's Vision 2030 and the UNSDGs, ensuring our efforts are aligned with both national and global sustainability agendas.

The reporting boundary for quantitative data encompasses our operations within Saudi Arabia. Qualitative data, unless otherwise stated, reflects all our operations across the region. This approach ensures a comprehensive understanding of our sustainability journey.

This report has been reviewed and approved by United Electronics Company (eXtra) Board of Directors, demonstrating our commitment to ensuring the accuracy and integrity of the information presented.

We value feedback from our stakeholders to continuously improve our sustainability practices and reporting. For any inquiries, suggestions, or comments, please contact us at: Compliance@eXtra.com

About eXtra

United Electronics Company (eXtra) is a leading consumer electronics and home appliances retailer headquartered in Khobar, Saudi Arabia. Established in 2003, eXtra has grown into one of the most trusted and recognized brands in the region, serving customers through a wide network of stores and an online platform.

Ownership and Operations | eXtra is a publicly listed company on the Saudi Exchange, reflecting its commitment to transparency and governance. With a prominent presence across Saudi Arabia, Bahrain, and Oman, eXtra operates 55 stores and a leading e-commerce platform, offering a seamless omnichannel experience with a wide range of electronics, appliances, and services tailored to customer needs.

Products and Services | eXtra specializes in providing a wide selection of consumer electronics, home appliances, IT products, and personal care items. The Company also offers innovative services, including extended warranties, delivery and installation, and financing solutions through its subsidiary, United International Holding Company (UIHC) and its subsidiaries.

Business Model and Strategy | eXtra business model centers on delivering exceptional value to customers through a seamless shopping experience, both in-store and online. The company is committed to leveraging technology, enhancing customer satisfaction, and driving operational excellence as part of its long-term strategy.

VISION

To be the leading retailer of consumer electronics, appliances and communication solutions in the region.

MISSION

We enhance consumers L.I.F.E. by providing innovative quality products, services and solutions which meet or exceed our customers' expectations. Through collaborative relationships and driving operational excellence we will be mutually rewarded.

VALUES

Our behavior are guided by the following values:

- **Ownership:** We think as business owners and hold ourselves accountable on our decisions.
- **Integrity:** We strive for fairness and adhere to the highest ethical standards.
- **Excellence:** We do the right things right by evaluating and then acting to deliver operation excellence.
- **Teamwork:** We work collaboratively to achieve our objectives.

Our Operating Principles:

- We put customers first
- We encourage open communication
- We accept accountability for all our promises, actions and our commitments.
- We respect the individual.
- We are eager to learn and make a difference in our environment.

Achievements and Scale

In 2024, eXtra demonstrated its robust business model and commitment to sustainable growth, achieving a highly successful year with revenues reaching SAR 6.8 billion and a net profit of SAR 534.4 million. This strong financial performance was underpinned by our unwavering focus on customer centricity and a deep commitment to operational excellence, ensuring efficient resource management and value creation for our stakeholders. Our consumer financing subsidiary, Tasheel Finance, continued its high growth trajectory, significantly contributing to eXtra profitability and reinforcing our capacity for sustainable expansion by providing accessible and responsible financial solutions.

Moreover, eXtra employs over 3,000 dedicated professionals across our expanding network in KSA, reflecting our commitment to job creation and local economic development. Our scale and reach enable us to amplify our positive impact, embedding responsible practices throughout our operations and value chain as we continue to grow our footprint and capabilities.

Subsidiaries and Value Chain

eXtra subsidiary, UIHC, fully owns United Company for Financial Services (Tasheel Finance), which plays a key role in offering innovative financing solutions. This strengthens eXtra value chain across sourcing, logistics, retail, and after-sales services, ensuring quality and reliability.

Awards and Memberships

As a leading retailer in the region, eXtra continues to be recognized for its commitment to excellence, innovation, and responsible business practices. Our dedication to sustainable growth, employee well-being, and community impact has earned us several prestigious accolades, including:

Ranked 105 in Fortune 500 Arabia | Acknowledged among the top-performing companies in the Arab world, reflecting our financial strength, business impact, and regional leadership.

Top 10 Strongest Brands in Saudi Arabia | Recognized for brand value, customer trust, and market presence, affirming eXtra status as a trusted name in retail across the Kingdom.

Innovation & Setting New Standards in Retail | Awarded for our forward-thinking retail strategies and for leading the way in redefining customer experience, digital transformation, and operational efficiency

Best electronic waste Initiative | Honored for our sustainability efforts in electronic waste management through initiatives that promote responsible recycling and support the circular economy.

Best Places to Work | This recognition underscores our commitment to creating a positive, inclusive, and empowering workplace culture for all employees.

These recognitions not only validate our current efforts but also inspire us to continue raising the bar in corporate responsibility, customer engagement, and innovation.

Our Approach to Sustainability

Our Approach to **Sustainability**

As a proud participant in the Ministry of Economy and Planning's Sustainability Champions Program, eXtra took a significant step forward in its sustainability journey by conducting our revised comprehensive materiality assessment. This exercise was a key milestone within the program, enabling us to identify and prioritize the sustainability topics most relevant to our business operations and stakeholders.

Stakeholder Engagement and Mapping

We engage with a diverse group of stakeholders, including employees, customers, investors, suppliers, regulators and our community, to ensure their interests and concerns are reflected in our sustainability approach. Through structured engagement activities and mapping their interests, we aim to address their expectations and create shared value.

Stakeholder	Focus Areas	Stakeholder Priorities	Engagement Methods
Customers	To focus on understanding and meeting customer needs, and exceeding their expectations	• Product and service excellence • Transparency and accountability • Data privacy	• Customer satisfaction surveys • Customer experience department • Website and social media platforms
Investors	To ensure sustainable and profitable growth and deliver attractive investment returns	• Sustainable profits and returns • Transparency and accountability • Corporate governance and business ethics	• Public reports and periodic disclosures • IR Website • Investor relations meetings • Annual General Meetings
Community	To engage with community members, non-profit organizations (NGOs), charities, employees, suppliers, and other stakeholders using new initiatives and long-standing programs that garner a positive impact and enhance community well-being	• Investment in local communities • Corporate social responsibility (CSR) activities and initiatives • Sponsorships and donations	• Local procurement • Community Interventions and Partnerships • In-kind contributions, sponsorships, and donations
Regulators	To operate according to applicable laws and regulations, and to work in a responsible manner that contributes to the country's advancement	• Compliance with applicable laws and regulations • Support Saudi Vision 2030	• Compliance and governance implementation • Periodic reports and disclosures • Regular meetings
Suppliers	To invest in long-term relationships with our suppliers, establish strategic supplier partnerships which ensure value creation across all stages of the value chain	• Clear description of work scope • Competitive bidding • Smooth invoicing and payment processes • Fair and ethical practices	• Strengthening relationships with our business partners • Adherence to eXtra code of conduct and ethical values • Support local suppliers • Supplier grievance mechanism
Employees	To work continuously towards creating a work culture of approachability, communication, and performance for our valued employees	• Job Security • Training and development programs • Reward and recognition programs • Competitive remuneration and benefits	• Inhouse training • Performance management and evaluation • Employee satisfaction surveys • Medical services and check-ups • Health insurance, annual leave, social security • Open dialogue with employees over numerous channels

Material Topics

In 2024, eXtra conducted a materiality assessment to update and prioritize the sustainability topics most relevant to its business and stakeholders. The material topics identified serve as the foundation for our sustainability strategy and reporting. Below is the list of material topics identified, highlighting their importance to both our stakeholders and eXtra business strategy:

- Environmental Management
- Electronic Waste Management and Recycling
- Human Capital Management
- Responsible Relationships with Customers
- Community Impact and Engagement
- Digitalization and Innovation
- Corporate Governance and Business Ethics
- Data Privacy and Security
- Supply Chain Management

Sustainability Framework

Vision: We are committed to integrating responsible practices that positively impact our customers, communities, and the environment.

Our framework is built on **five core pillars** aligned with our corporate values and strategic goals to ensure a holistic and focused approach to sustainability

Environmental Stewardship

eXtra focuses on minimizing its environmental footprint by implementing electronic waste reduction initiatives, promoting resource conservation, and collaborating with recycling providers to manage electronic waste responsibly. The company also aims to set targets for carbon emission reductions to optimize energy use and logistics efficiency.

Empowering Our People

eXtra is committed to fostering a supportive, inclusive, and safe work environment that encourages professional and personal growth. This includes workplace safety programs, diversity and inclusion initiatives, continuous learning opportunities, and work-life balance support.

Customer Experience and Product Responsibility

Ensuring exceptional customer experiences is a priority for eXtra. The company upholds transparency in marketing and labelling, prioritizes customer trust, and leverages digital tools to enhance service efficiency. Additionally, eXtra promotes sustainable products and services to encourage responsible consumer choices.

Community Impact and Engagement

eXtra actively contributes to local communities through partnerships, social responsibility projects, and educational support programs. The company refurbishes and donates computers, collaborates with educational institutions, and encourages employee volunteering to address critical social issues.

Governance, Ethics, & Responsible Sourcing

Upholding high standards of governance, ethics, and transparency is central to eXtra operations. The company enforces strict anti-corruption policies, ensures data privacy and cybersecurity compliance, and promotes responsible sourcing through a Supplier Code of Conduct covering environmental, labour, and ethical standards.

Sustainability Governance

To ensure effective oversight and accountability, eXtra has established a robust sustainability governance structure. The Board of Directors serves as the highest governing body, providing strategic direction on sustainability matters. Executive management oversees the implementation of sustainability initiatives, ensuring alignment with the company's objectives. This structure reinforces eXtra commitment to responsible business practices and long-term value creation.

Sustainability Strategy

eXtra sustainability strategy is built around five core pillars, each aligned with the company's sustainability framework and commitment to responsible growth, stakeholder value creation, and long-term sustainability.

Environmental Stewardship

- Minimize environmental impact by reducing emissions and promoting sustainable resource use.
- Enhance electronic waste management and recycling initiatives.
- Work toward establishing measurable targets for carbon footprint reduction and energy efficiency improvements as part of our ongoing environmental commitment

Empowering Our People

- Foster a safe, inclusive, and diverse workplace that supports professional and personal growth.
- Promote employee well-being through comprehensive health, safety, and work-life balance initiatives.
- Invest in continuous learning and leadership development to empower employees.

Customer Experience & Product Responsibility

- Deliver exceptional customer service and ensure transparency in marketing and product information.
- Utilize digital innovation to enhance customer interactions and streamline service efficiency.
- Offer sustainable products and services to encourage environmentally conscious consumer choices.

Community Impact & Engagement

- Support local communities through meaningful partnerships, social responsibility initiatives, and education programs.
- Collaborate with educational institutions to provide skills training and career development opportunities.
- Encourage employee volunteering and community engagement in addressing social challenges.

Governance, Ethics & Responsible Sourcing

- Maintain the highest standards of corporate governance, ethics, and accountability.
- Implement strict anti-corruption policies and enforce transparency in business operations.
- Promote responsible sourcing by adhering to a Supplier Code of Conduct that upholds environmental, labour, and ethical standards.

Through these pillars, eXtra embeds sustainability into its operations, reinforcing a long-term commitment to the environment, people, customers, communities, and ethical governance. As we continue refining our strategy, we remain committed to strengthening our data, setting clear performance indicators, and reporting transparently on progress.

2024 **Key Highlights**

ECONOMIC

- **9.4% year-on-year revenue growth reaching SAR 6,781 million and a 36.9% increase in net income to SAR 534.4 million** — supporting the company's continued investment in sustainable practices, employee development programs, and responsible growth initiatives.
- **Revenue from digital platforms surged by 30.4%, reflecting our commitment to digital transformation and enabling more energy-efficient, accessible, and customer-centric services** as part of our broader ESG strategy.

ENVIRONMENTAL

- **Eliminated diesel usage in all Material Handling Equipment (MHE) across stores and warehouses, reinforcing our transition** to low-emission logistics and improved energy efficiency.
- **Reduced total e-waste generation by 69% since 2022, through repair, recovery, and redistribution programs –** advancing our commitment to circular economy practices.

SOCIAL

- **Percentage of Female Workforce: 14%**
- **Saudization Rate: 51%**
- **Customer complaints dropped by nearly 50% over two years (from 24K in 2022 to 12K in 2024),** driven by proactive service improvements and enhanced issue resolution mechanisms.
- **Net Promoter Score (NPS) increased from 44% in 2023 to 51% in 2024, and also surpassed the 2022 level of 47.3%,** indicating strengthening customer loyalty and advocacy.
- **Invested SAR 2.3 million in community programs, benefiting over 500 individuals and institutions,** particularly through the donation of refurbished devices and digital inclusion efforts
- **Procurement from local suppliers reached 86%, supporting national economic and reinforcing our long-standing commitment to local sourcing.**

GOVERNANCE

- Maintained full compliance with the Saudi PDPL, **supported by robust policies and governance.**
- Achieved a 90/100 cybersecurity maturity score, **reflecting strong digital risk resilience.**
- 100% of all new third party vendors signed **Data Processing Agreements (DPAs) (since Dec 2024 covered and exciting suppliers still work in progress).**
- Over 1,000 fake brand instances removed **from online platforms to protect brand integrity.**
- All whistle-blowing cases fully resolved, **reinforcing our accountability framework.**

Environmental Stewardship

Our Environmental Stewardship pillar reflects our deep commitment to minimizing our environmental footprint and advancing sustainable resource use throughout our operations. Through proactive management of key areas such as environmental management and electronic waste management and recycling, we aim to create a lasting positive impact on the environment, enhance resource efficiency, and contribute meaningfully to a more sustainable future.

By focusing on these areas, we aim to reduce greenhouse gas emissions (GHG), optimize energy consumption, and promote circular economy practices through responsible electronic waste management. Aligning our efforts with Saudi Vision 2030 and the UN SDGs, particularly those related to climate action, responsible consumption, and sustainable industry practices.

Material Topics Covered

Environmental Management

Electronic Waste Management and Recycling

VISION 2030

- **National Environment Strategy |** Promoting sustainable resource management and reducing environmental impact
- **Saudi Green Initiative |** Enhancing electronic waste management and reducing carbon emissions

SUSTAINABLE DEVELOPMENT GOALS

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Environmental **Management**

At eXtra, we recognize that effective environmental management is essential to long-term business sustainability and our contribution to national and global climate action. Central to our approach is the proactive management of GHG emissions and energy consumption across our operations. Our strategy focuses on improving energy efficiency and transitioning toward cleaner technologies. Our Executive Management provides ongoing oversight to ensure alignment with regulatory requirements and corporate sustainability objectives. Our actions are framed within national priorities, and the UNSDGs.

In 2024, eXtra continued implementing initiatives to reduce emissions and enhance resource efficiency across operations. A key achievement was the complete elimination of diesel consumption in all Material Handling Equipment (MHE) within our stores and warehouses, maintaining our full transition to electric-powered models—a shift first completed in 2021.

To improve fuel efficiency in logistics, we launched a vehicle replacement program aimed at retiring older, less efficient models. As part of this, petrol vehicles are being gradually replaced with newer diesel models, which typically deliver 20–30% better fuel economy than petrol equivalents, as diesel fuel contains more energy per liter and modern diesel engines operate more efficiently under load. This means one liter of diesel can cover significantly more distance than a liter of petrol. This higher efficiency directly translates into lower carbon dioxide emissions per kilometer traveled, particularly for long-distance and high-load operations, making diesel vehicles more suitable for our delivery requirements. Furthermore, the newer diesel models adopted meet advanced emission standards. This contributed to a 13% reduction in petrol usage across our fleet between 2022 and 2024, driven by improved operational efficiency, while diesel consumption increased by 26% during this period due to business growth and expanded last-mile delivery services. Electricity usage rose by 8.6%, in line with the expansion of our footprint and overall business growth.

We continuously review our fleet's performance and remain committed to identifying and pursuing any opportunities for further enhancement in efficiency and environmental impact reduction.

Our Environmental Management framework is focused on:

- **Reducing GHG emissions**
- **Enhancing energy efficiency across all facilities and operations**
- **Transitioning to cleaner, more sustainable technologies**
- **Strengthening and improving emissions tracking and reporting mechanisms.**

	Units	2022	2023	2024
Petrol consumption from vehicles	Liters	482,000	448,000	420,000
Diesel consumption from vehicles	Liters	666,000	730,000	838,000
Electricity consumption from non-renewable sources	kWh	44.5M	45.4M	48.3M
eXtra KSA locations	#	52	51	53
Direct GHG emissions (Scope 1)	tonnes CO2eq	2900	3000	3200
Indirect GHG emissions (Scope 2)	tonnes CO2eq	25,200	25,800	27,400
Total GHG emissions (Scope 1 & 2)	tonnes CO2eq	28,100	28,800	30,600
GHG emissions intensity	tonnes CO2eq/employee	11.4	11.3	10.4

Looking Ahead

- **Exploring renewable energy adoption** in our stores and warehouses.
- **Partnering with suppliers to** promote sustainable logistics solutions.

As part of our continuous improvement, we are also assessing opportunities to set formal emissions reduction targets and disclose performance against those benchmarks in future reporting cycles.

Electronic Waste **Management and Recycling**

At eXtra, managing electronic waste (e-waste) responsibly is a key part of our commitment to environmental stewardship and sustainable operations. With the rapid turnover of electronic products, we recognize the importance of minimizing the environmental impact of our operations by reducing waste and ensuring proper recycling and disposal of obsolete or damaged items.

Our Electronic Waste Management Approach focuses on:

- Reducing total e-waste generation across all operations,
- Enhancing e-waste segregation and recycling practices,
- Enhancing compliance with environmental regulations and standards,
- Promoting awareness of sustainable electronic waste practices across our workforce.

Executive oversight ensures strategic alignment, resource allocation, and the consistent evaluation of performance against our environmental goals.

In 2024, we intensified our efforts to reduce e-waste generation and improve material recovery across our value chain through several strategic actions:

Centralized Repair and Parts Recovery Initiative

We began centralizing scrap items in a single location to facilitate parts recovery and enable the repair of complete units. This approach increases efficiency in resource use and reduces the volume of waste sent for disposal.

Daily Monitoring and Compliance Checks

All inbound scrap items are subject to daily inspections. Non-compliant materials are promptly returned to the Technical Center to prevent improper handling or disposal.

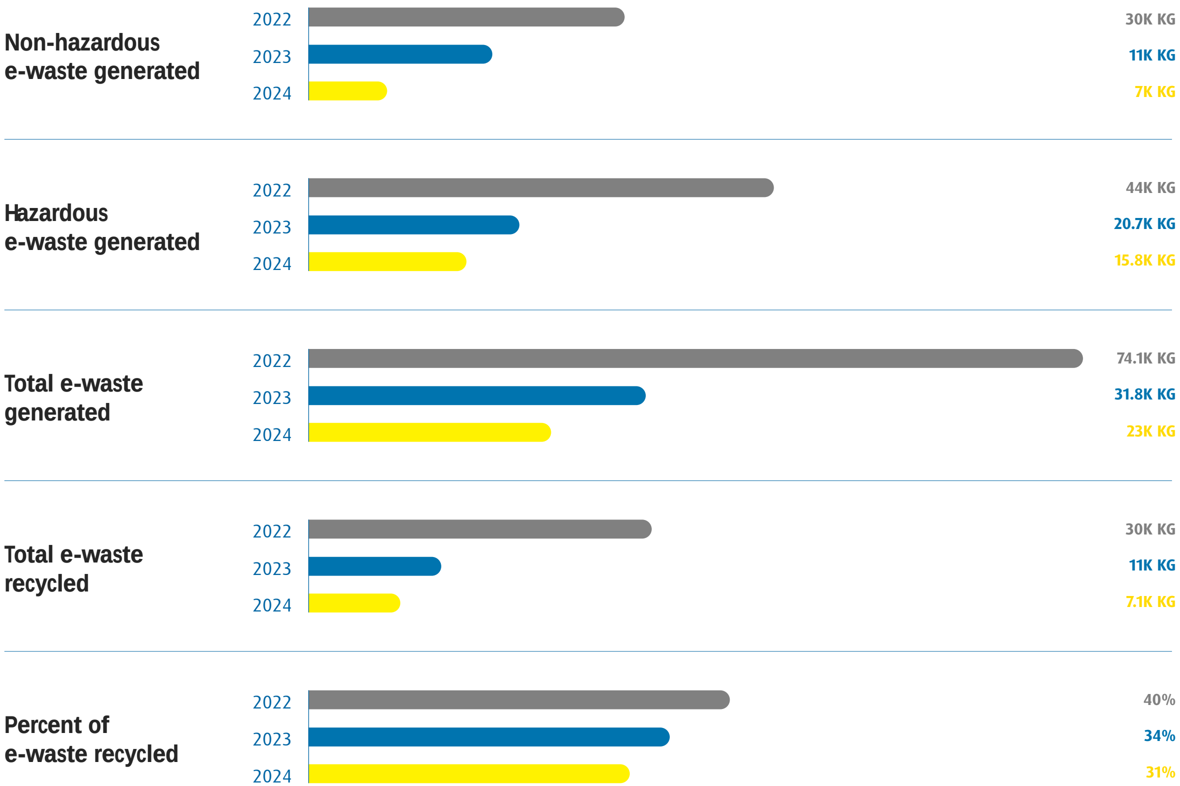
Strengthened Supplier Return Process

In line with our Defective Return to Vendor (DRTV) agreements, we initiated the return oof rejected items to suppliers. These efforts support waste reduction at the source.

Partnership with a Leading E-Waste Recycler

eXtra works closely with one of the leading companies in the Kingdom of Saudi Arabia specializing in e-waste recycling and disposal. This partnership ensures that all e-waste is processed in accordance with national environmental regulations and global best practices, enabling safe, secure, and responsible recycling.

These initiatives are integral to our broader sustainability approach and directly support our goals of resource conservation, circular economy promotion, and compliance with national environmental frameworks.



Looking Ahead

eXtra remains committed to continuous improvement in electronic waste management.
Future plans include:

- **Expanding data tracking to include electronic waste per site,**
- **Increasing partnerships with local recyclers for more diversified electronic waste streams,**
- **Introducing circular economic principles into product life cycle management.**

By embedding electronic waste reduction and recycling into our operational culture, we continue to demonstrate our environmental responsibility and contribute to national and global sustainability goals.

We have achieved a

69% reduction

in total e-waste generation since 2022, **driven by stronger repair, return, and recovery initiatives.**

Empowering Our People

This pillar represents our commitment to building a supportive, inclusive, and safe work environment that fosters personal and professional growth for all employees. It encompasses key topics such as human capital management, which are vital to driving social well-being, employee engagement, and long-term organizational success.

By focusing on these areas, we aim to prioritize workplace safety, promote diversity and inclusion, invest in continuous learning, and enhance employee well-being, aligning our efforts with Saudi Vision 2030 and the UN Sustainable Development Goals (SDGs), particularly those related to decent work, economic growth, and reduced inequalities.

Material Topics Covered

Human Capital Management

VISION 2030

- **Human Capability Development Program |** Fostering skills development and lifelong learning
- **Quality of Life Program** | Enhancing employee well-being and work-life balance

SUSTAINABLE DEVELOPMENT GOALS

Human Capital **Management**

At eXtra, we believe our people are our greatest asset. Managing human capital effectively is central to our ability to grow sustainably, remain competitive, and uphold our Sustainability commitments. Our human capital management approach is grounded in policies that prioritize talent development, national workforce localization, diversity and inclusion, employee well-being, and workplace safety. These policies are overseen by the Human Resource department with regular input from senior management, ensuring strategic alignment with business goals.

Strategic HR Framework

eXtra HR strategy is built around four core pillars:

Integrating HR solutions to support business objectives:
The Company fully aligns its HR practices with its long-term business goals in order to integrate strategic decision-making with efforts to secure human capital.

Enhancing the Employee Experience
eXtra is committed to continuously developing and enhancing the employee experience through both physical and digital channels. In 2024, enhancements were made to Phase 1 of SAP SuccessFactors, which includes Employee Central, onboarding/offboarding, payroll, and time tracking. These improvements aim to streamline HR operations and elevate the overall employee journey. Strategic upgrades to these core modules have contributed to greater efficiency, improved user experience, and better workforce management across the organization.

Investing in talent development
the Company works on executing effective investments aimed at enhancing its employees' talents and supporting them in acquiring new skills

Introducing best-in class HR practices
eXtra consistently upholds the highest standards of HR practices to maintain the Company competitive market edge and its status as an employer of choice.

Workforce Growth

In 2024, eXtra's workforce expanded significantly in line with its growth strategy, reaching over 3,000 full-time employees, up from more than 2,500 the previous year. This expansion supported the company's broader operational footprint, including the rollout of new retail formats and services. Notably, over 750 new hires joined the company in 2024—eXtra's highest annual recruitment figure to date.

Workforce	Units	2022	2023	2024
Total Full-Time Employees	#	2,400+	2,500+	3,000+
New Hires	#	380+	580+	770+
Employees Who Left the Company	#	600+	560+	800+

*Note: Data covers full-time employees in Saudi Arabia. Oman, Bahrain, offshore, and outsourced labor are excluded.

VISION رؤية 2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

These achievements reflect eXtra's commitment to inclusive growth and alignment with Saudi Vision 2030's workforce development priorities.

Diversity and Equal Opportunity

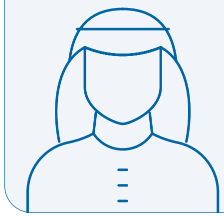
eXtra is committed to fostering a diverse, inclusive, and nationally representative workforce. In 2024, the company achieved a 51% Saudization rate, maintaining its Platinum Nitaqat status, a reflection of its strong alignment with national workforce localization goals.

eXtra's efforts were formally recognized by H.E. Eng. Ahmad bin Sulaiman AlRajhi, Minister of Human Resources and Social Development, for its contributions to Saudi talent development. Additionally, female representation in the workforce rose to 14%, up from 12% in 2022, underscoring ongoing efforts to advance gender diversity and equal opportunity across all levels of the organization.

Female Workforce (%)

2022	12%
2023	13%
2024	14%

Saudization Rate



2022	50%
2023	48%
2024	51%

Training & **Development**

eXtra continues to foster a strong workplace culture that values employee well-being, development, and recognition. In 2024, eXtra upgraded its Learning Management System (LMS) to enhance accessibility and support a more flexible, digital learning environment. The upgraded platform enables self-paced learning, allowing employees to engage with training content at their convenience and better integrate continuous development into their daily work routines. This shift reflects eXtra's commitment to leveraging technology to promote a culture of lifelong learning and scalable talent development.

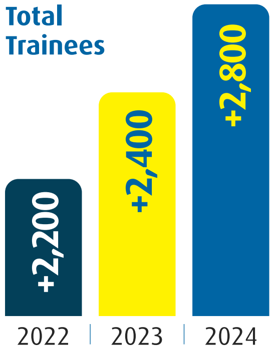
over 85,000
total training hours delivered.

over 2,800
employees trained, representing 92% of the total workforce

over 1,000
training sessions across a diverse set of 170+ topics

While the average training hours per employee declined slightly—from 35 hours in 2022 and 34 in 2023 to 28 hours in 2024—this is due to the company's growing workforce, not a reduction in learning investment. In fact, the number of employees trained increased significantly, and training coverage reached a record 92%. This underscores eXtra's strong commitment to inclusive talent development and equitable access to learning opportunities across all departments and job levels.

Total Trainees



Customer Satisfaction Score	Units	2022	2023	2024
Total Training Hours	Hours	+88,000	+86,000	+85,000
Total Trainees	#	+2,200	+2,400	+2,800
Total Training sessions	#	+700	+1,100	+1,000
Training Coverage	%	89%	94%	92%
Average Training Hours per Employee	Hours	35	34	28

In 2024, eXtra continued its investment in developing national talent through the Tamheer Internship Program, training over 200 interns across various departments. The program serves as a key pathway for young Saudi graduates to gain practical, hands-on experience in the retail and technology sectors. Notably, 20+ interns were hired upon completion of the program, reflecting a conversion rate of 11%. This demonstrates eXtra's commitment to empowering local talent and supporting workforce nationalization in line with Saudi Vision 2030.

Employee **Health, Safety and Well-being**

eXtra maintains a strong commitment to health, safety, and overall employee well-being, underpinned by a proactive approach to workplace safety. For the third consecutive year (2022–2024), the company recorded zero employee fatalities, reflecting the effectiveness of its safety protocols and risk management practices. Regular awareness campaigns and targeted workplace safety training are conducted across all sites to reinforce a culture of prevention, responsibility, and continuous improvement in occupational health and safety.

At eXtra, employee well-being is a core priority, supported by a wide range of initiatives designed to promote health, engagement, and a positive work environment. In 2024, we organized Wellness Days, on-site health check-ups, and national and cultural celebrations, including Saudi National Day and company-wide sports events, fostering a sense of community and belonging.

Key Development Programs:

- **"Proud of You" Recognition Program –** Introduced in 2024, this initiative reimburses employees for qualifying professional certifications and training courses. In its first year, 13 employees were recognized for their efforts to upskill and grow their careers.
- **"Adaa" Sales Recognition Program –** Also launched in 2024, this performance-based program rewarded 279 employees, reinforcing a culture of excellence and achievement in sales performance.

BEST PLACES TO WORK

In recognition of our strong workplace culture, high levels of employee engagement, and dedication to development, In 2024, eXtra was certified as a Best Place to Work and ranked 6th among large companies in Saudi Arabia, reflecting our strong workplace culture, employee engagement, and commitment to well-being and development.

Key Benefits

Our comprehensive benefits package reflects our commitment to supporting both the professional and personal lives of our employees. Key benefits include:

- **Life insurance**
- **Employee Stock Ownership Plan**
- **Schooling allowance**
- **Car loan and employee retention programs**
- **Additional financial and well-being support programs**

Looking Ahead

In 2025 and beyond, eXtra will advance its human capital strategy through key priorities:

- **Increase female leadership representation**
- **Strengthen partnerships for national workforce development**
- **Enhance health and safety through training and awareness**
- **Upgrade learning systems for personalized development**
- **Integrate ESG into talent practices**
- **Revamp grading, rewards, and performance systems**
- **Launch programs for high-potential talent and succession planning**

Through these efforts, eXtra aims to build a resilient, empowered, and future-ready workforce that drives sustainable business success and stakeholder value.

Customer Experience and **Product Responsibility**

This pillar represents our commitment to delivering exceptional customer experiences that exceed expectations while ensuring transparency, integrity, and responsible business practices. It encompasses key topics such as responsible relationships with customers and digitalization and innovation, which are vital to driving customer trust, sustainable business growth, and ethical consumer engagement.

By focusing on these areas, we aim to enhance customer satisfaction, provide accurate and transparent product information, and leverage digital technologies to create seamless and personalized experiences, aligning our efforts with Saudi Vision 2030 and the UN Sustainable Development Goals (SDGs), particularly those focused on industry innovation, responsible consumption, and economic growth.

Material Topics Covered

Responsible Relationships with Customers

Digitalization and Innovation

VISION 2030 رؤية المملكة العربية السعودية KINGDOM OF SAUDI ARABIA

- **National Industrial Development and Logistics Program (NIDLP) |** Supporting digital transformation and innovation in retail
- **Quality of Life Program |** Enhancing customer experiences through responsible business practices

SUSTAINABLE DEVELOPMENT GOALS

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Responsible Relationships with Customers **and Digitalization & Innovation**

At eXtra, customers are at the heart of everything we do. Our business strategy is rooted in building responsible, transparent, and responsive relationships that prioritize customer satisfaction, trust, and long-term engagement. We are committed to delivering seamless and personalized experiences through innovation and digital transformation, while maintaining the highest standards of ethics and integrity.

Customer-Centric Strategy

Our approach to customer relationships is built on understanding evolving needs, ensuring service excellence, and leveraging digital technology to enhance every stage of the customer journey. Whether online or in-store, our goal is to provide fast, reliable, and engaging interactions that exceed expectations. Digital transformation is a cornerstone of our customer experience and operational strategy. Through continuous innovation, we have introduced several digital initiatives that improve service delivery and operational efficiency:

eXtra.com E-Commerce Platform: eXtra continues to lead in Saudi Arabia's online retail sector. In 2024, e-commerce contributed 23.2% of total revenue, supported by a user-friendly platform and mobile app that offer rich media, peer reviews, smart search, and flexible fulfillment options, including click-and-collect and same-day delivery.

Digitally Enhanced Store Experiences: Our physical stores now feature electronic displays replacing traditional banners, improving sustainability and enabling a more dynamic and informative shopping environment.

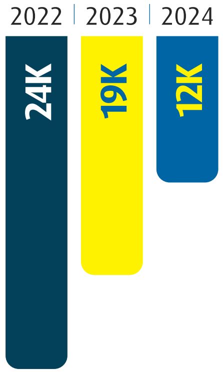
Digital Document Management: We have transitioned from paper-based systems to a comprehensive digital document management platform. This shift has minimized paper usage, reduced environmental impact, and improved document accessibility, further supporting our sustainability efforts.

Multi-Channel Customer Support: eXtra offers 24/7 customer support across various platforms including live chat, WhatsApp, and Google Maps, providing real-time responses and improved accessibility.

eXtra's performance across key customer metrics in 2024 highlights the impact of its customer-centric initiatives and ongoing service enhancements. The Customer Satisfaction Score rose to 8.80, reflecting the company's focus on consistently exceeding customer expectations.

Over a two-year period, customer complaints dropped by nearly 50%, falling from 24K in 2022 to 12K in 2024, demonstrating the success of proactive issue management and service quality improvements. Notably, the issue resolution rate remained at 100% for the third consecutive year, underscoring strong operational efficiency and accountability. Additionally, the Net Promoter Score (NPS) increased from 44% in 2023 to 51% in 2024, surpassing the 2022 level of 47.3% and indicating rising customer trust and loyalty.

Customer Complaints Received



Customer Satisfaction Score	Units	2022	2023	2024
Customer Complaints Received	Number	24,000	19,000	12,000
Resolution Rate	%	100%	100%	100%
Net Promoter Score (NPS)	%	47.3%	44%	51%

Looking Ahead

As part of our 2025 strategy, eXtra will continue to evolve its customer-centric and digital capabilities by:

- **Continuing investment in omnichannel innovation** to unify the online and in-store experience.
- **Expanding mobile app capabilities** to offer personalized experiences and faster support.
- **Enhancing data analytics** to better anticipate customer needs.

Community Impact and Engagement

This pillar represents our commitment to contributing to the well-being of local communities through meaningful partnerships, social responsibility, and educational support. It encompasses key topics such as community impact and engagement, which are vital to driving social well-being, inclusive growth, and educational empowerment.

By focusing on these areas, we aim to engage with local communities, support education through employability training and career development initiatives, and promote employee volunteerism, aligning our efforts with Saudi Vision 2030 and the UNSDGs, particularly those focused on quality education, sustainable communities, and economic growth.

Material Topics Covered

Community Impact and Engagement

- **Human Capability Development Program |** Supporting employability training and career development
- **Quality of Life Program |** Encouraging community participation and volunteerism

Community Impact **and Engagement**

At eXtra, we are deeply committed to fostering positive and sustainable relationships with the communities we serve. Our community engagement efforts are rooted in the principles of social responsibility, inclusivity, and the promotion of education and social welfare. We strive to create lasting impact and value through strategic investments, partnerships, and dedicated initiatives. These efforts are integral to our broader sustainability strategy and reflect our commitment to improving the well-being of individuals and communities across Saudi Arabia.

eXtra's community engagement approach is managed through a series of collaborative partnerships with local authorities, educational institutions, and social organizations. Our focus areas include supporting individuals with disabilities, contributing to educational development, and providing assistance to underserved communities.

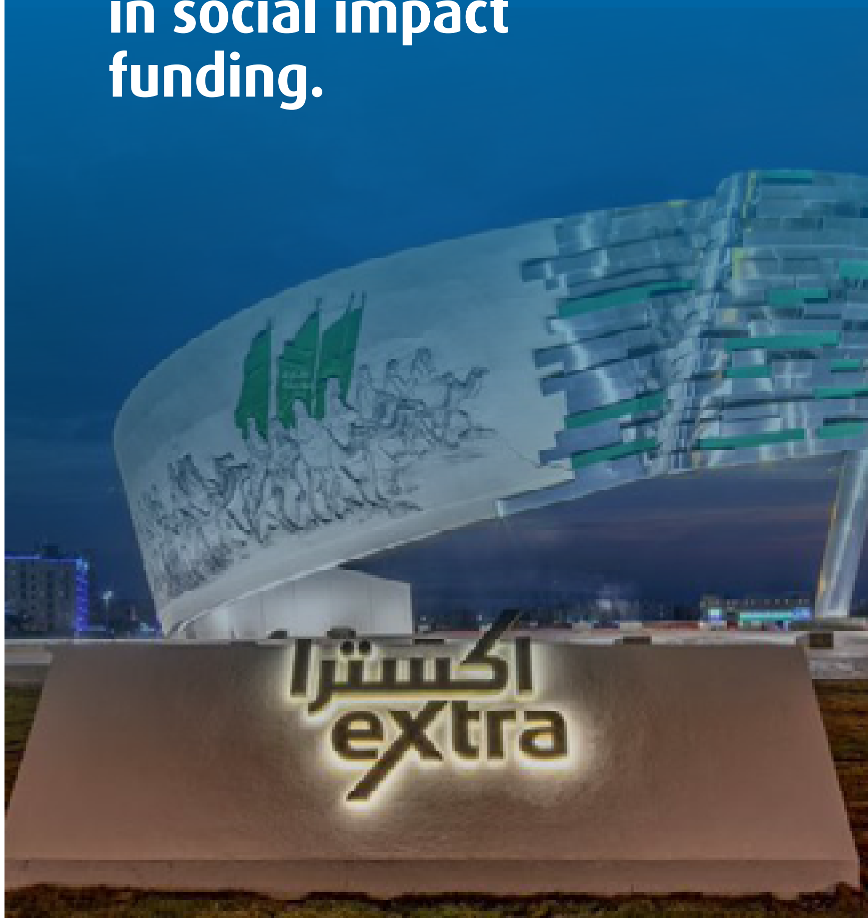
A dedicated team oversees these initiatives, ensuring they are impactful, sustainable, and aligned with the evolving needs of the communities we serve. We maintain a holistic approach, focusing on social empowerment, inclusivity, and environmental responsibility.

In 2024, eXtra invested SAR 2.3 million in community-focused initiatives, building on previous years and reflecting a steady increase in social impact funding.

Through its e-waste and refurbishment programs (Ertiqaa Initiative), eXtra collected 49,000 electronic devices, of which 16,000 were refurbished and donated to support digital inclusion, benefiting over 500 individuals and institutions. Additionally, 150,000 devices were recycled, contributing to environmental sustainability by diverting electronic waste from landfills. These efforts underscore eXtra's growing commitment to responsible consumption, digital access, and meaningful community engagement.

Community Investment	Units	2022	2023	2024
Community Investment (SAR)	SAR	2M	2.2M	2.3M

In 2024, eXtra invested SAR 2.3 million in community-focused initiatives, building on previous years and reflecting a steady increase in social impact funding.



Community Initaitves

In 2024, over 500 institutions benefited from our community programs in 2024, including the distribution of refurbished computers, demonstrating the broad reach of our initiatives.

Ertiqaa Initiative: In collaboration with the Al Fozan Social Foundation and the Ministry of Human Resources and Social Development, Ertiqaa focuses on collecting, refurbishing, and distributing used computers to educational and social institutions. This initiative helps bridge the digital divide by providing essential technology to underserved communities.

Support for People with Disabilities: Through initiatives like the Purple Saturday campaign, eXtra collaborates with the Authority of People with Disabilities to raise awareness and promote the integration of individuals with disabilities into society.

Halala Program: In partnership with the Efaa Association for the Care of People with Disabilities, we have implemented the Halala Program, enabling customers to donate small amounts from their invoices to support disability-related initiatives.

Community Investments: In 2024, we increased our community investment to SAR 2.3 million, demonstrating our growing commitment to making a positive impact on society.

Local Economic Impact:

A critical part of our community impact strategy is supporting the local economy through our procurement practices:

In 2024, eXtra spent SAR 5.8 billion in total procurement, with SAR 5B directed towards local suppliers.

This reflects a consistent commitment over the past three years, maintaining over 80% local procurement spend, which reinforces our role in strengthening local businesses and economic resilience.

Topic name	Units	2022	2023	2024
Total Procurement Spending	SAR	5B	5.4B	5.8B
Procurement Spending on Local Suppliers	SAR	4B	4.8B	5B
% of Procurement to Local Suppliers	%	80%	88%	87%

Looking Ahead

As we look to the future, eXtra remains committed to expanding its community engagement efforts. We will continue to strengthen partnerships and programs that promote digital inclusion, support people with disabilities, and advance education and environmental sustainability.

Building on our current momentum, we aim to increase the scale and impact of our initiatives, integrate more inclusive practices across our operations, and explore new ways to contribute to local economic development. Through these efforts, we reaffirm our dedication to creating shared value and driving sustainable, community-focused growth across the Kingdom.

Governance, Ethics, and Responsible Sourcing

This pillar represents our commitment to upholding the highest standards of governance, transparency, and ethical conduct across all business operations. It encompasses key topics such as corporate governance and business ethics, data privacy and security, as well as responsible supply chain management, which are vital to driving long-term business sustainability, stakeholder trust, and ethical corporate behaviour.

By focusing on these areas, we aim to ensure robust governance structures, enforce strict anti-corruption policies, promote ethical behaviour, and safeguard customer and employee data. Our efforts align with Saudi Vision 2030 and the UNSDGs, particularly those related to promoting just and accountable institutions and fostering responsible business practices.

Material Topics Covered

- Corporate Governance & Business Ethics
- Data Privacy and Security
- Supply Chain Management – Responsible Sourcing

VISION 2030 رؤية المملكة العربية السعودية KINGDOM OF SAUDI ARABIA

- **National Transformation Program (NTP) |** Enhancing corporate governance and regulatory compliance
- **Financial Sector Development Program (FSDP) |** Strengthening transparency, accountability, and ethical financial practices

SUSTAINABLE DEVELOPMENT GOALS

8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Corporate Governance **& Business Ethics**

At eXtra, we are committed to upholding the highest standards of governance, integrity, and ethical behavior across all areas of our business. Our comprehensive governance framework ensures transparency, accountability, and responsible oversight at every level of the organization.

Our governance framework is anchored in core policies that reflect our commitment to ethical conduct and responsible decision-making. These include:

- **Code of Conduct**
- **Conflict of Interest Policy**
- **Whistleblowing Policy**

These policies are integrated into our Governance Manual, which serves as a practical guide for ethical behavior and corporate compliance. Governance responsibilities are overseen by the Board of Directors, Internal Audit Department, and the Resource Protection Department, with 100% corruption risk assessments completed across all departments.

Ethics and anti-corruption practices are deeply embedded in our organizational culture. We enhance employee awareness through ongoing internal training, awareness campaigns, and policy communication. Our whistleblowing system provides a confidential and accessible platform for reporting misconduct without fear of retaliation.

Topic name	Units	2022	2023	2024
Corruption risk assessments completed	%	100%	100%	100%

In 2024, eXtra made important strides in strengthening its governance framework. A key milestone was the successful IPO of its wholly owned subsidiary, United International Holding Company (UIHC), on the Saudi Exchange (Tadawul)—a reflection of eXtra's commitment to transparency, strong governance, and long-term value creation. Additionally, the company reinforced its internal controls through a comprehensive annual risk and audit cycle, ensuring continued operational resilience and effective risk mitigation.

Whistleblowing System and Protection from Retaliation

We maintain a secure and confidential whistleblowing system that allows employees and stakeholders to report misconduct or unethical behavior without fear of retaliation. Reports can be submitted via dedicated email and hotline channels, managed independently to ensure objectivity. This year, this policy was broadened to include external stakeholders, suppliers, customers, and business partners—enhancing transparency and accountability across our value chain.

We enforce a strict non-retaliation policy, protecting anyone who reports concerns in good faith. Any retaliatory action is treated as a serious violation.

All reports are promptly investigated through dedicated teams as per the policy, with oversight from senior management. We also promote awareness of the system through regular training, communication, and policy updates to ensure employees understand their rights and how to report concerns safely and confidently.

Board Composition **& Oversight**

In 2024, eXtra announced the formation of a new Board of Directors, reinforcing its commitment to strong governance and strategic leadership. The Board now comprises nine members, including four independent directors (44%), carefully selected for their diverse expertise across sectors such as retail, finance, technology, and corporate governance. This collective experience enhances the Board's capacity to provide effective oversight, support eXtra's strategic direction, and drive long-term value creation. Consistent with global best practices, the roles of Chairman and CEO remain clearly separated, ensuring robust checks and balances.

Topic name	Units	2022	2023	2024
Number of male Board members	#	8	8	9
Total number of Board members	#	8	8	9
Number of independent Board members	#	4	4	4
Percentage of independent Board members	%	50%	50%	44%

While there is currently no female representation on eXtra's main Board, the company recognizes the importance of diversity and remains committed to enhancing inclusivity in future governance structures. Notably, a female director currently serves on the Board of eXtra's subsidiary, United International Holding Company (UIHC)—a positive step toward broader gender representation. Strengthening board diversity and promoting ethical leadership will remain key priorities across all levels of the organization.

Looking Ahead

Our governance priorities for 2025 and beyond focus on expanding ethical oversight and strengthening risk mitigation through:

- **Maintaining 100% corruption risk assessments** across all business functions.
- **launching an internal awareness campaign** on anti-bribery, anti-fraud, and whistleblower protection policies.
- **Enhancing sustainability oversight** by embedding environmental, social, and governance (ESG) matters into board discussions.
- **Strengthening internal controls** through continuous improvement and risk assessments.
- **Continuing governance-related training** for employees to ensure alignment with best practices and regulatory expectations.

Our long-term governance vision is to ensure that our culture of ethics and accountability drives sustainable growth and builds enduring trust with our stakeholders.

Data Privacy **and Security**

At eXtra, safeguarding personal and corporate data is central to our commitment to responsible business practices and customer trust. Our data privacy and cybersecurity program is anchored in full compliance with the Saudi Personal Data Protection Law (PDPL) and aligned with global standards for information security.

A comprehensive governance framework supports this commitment, including formal policies such as the Data Privacy Policy, Data Breach Management Procedure, Data Retention & Disposal Policy, and Third-Party Privacy Risk Management Procedure. These policies are backed by structured workflows, templates, and system controls that enable consistent implementation across departments.

Oversight is driven by a dedicated Data Privacy Team who in turn reports to the Cybersecurity committee. This ensures executive-level governance and accountability across all privacy-related activities.

We are fully compliant with the Saudi PDPL, and maintain active registration with the Saudi Data & Artificial Intelligence Authority (SDAIA).

Initiatives and Programs

Our privacy and cybersecurity program includes multiple active initiatives across customers, employees, systems, and suppliers:

1. **Data Subject Rights (DSR) Handling**
   - eXtra has established a dedicated privacy email address (Privacy@extra.com), published across all its digital and physical channels, enabling customers and stakeholders to exercise their rights under the PDPL. Requests received via this channel are actively processed in line with the PDPL.
2. **Internal Capabilities and Tools**
   - CTM360: Monitors and mitigates external cybersecurity threats.
   - Demark: Enhances domain protection against phishing.
   - Hakerview: Cybersecurity posture benchmarking (current rating: 90/100).
   - Privileged Access Management (PAM): Restricts and logs access to critical systems.
   - McAfee Trellix: Endpoint protection and Data Loss Prevention (DLP).
   - Full Disk Encryption: Protects company devices in case of loss or theft.
3. **Awareness and Training**
   - Full-day PDPL training sessions for stakeholders from all the company departments.
   - Ongoing awareness via the KnowBe4 platform, including phishing simulations and interactive training modules.
   - Designated Data Privacy Focal Points in each department managing their Records of Processing Activities (RoPA).
4. **Third-Party Oversight**
   - All suppliers handling personal data are required to sign Data Processing Agreements (DPAs) and undergo risk assessments.
   - Continuous monitoring and audit rights are enforced.
5. **Employee & Customer Data Protection**
   - Customers can exercise their rights (e.g., right to erasure) via a dedicated email: privacy@extra.com.
   - Internal workflows ensure employee data is collected, used, and retained transparently and with consent.
6. **Incident Response**
   - A dedicated Incident Response Team (IRT) is in place to manage all privacy and cybersecurity incidents in accordance with regulatory requirements and internal protocols. The team is supported by advanced cybersecurity tools that enhance our monitoring, detection, and response capabilities.
   - Over 1,000 fake brand instances have been identified and removed as part of our brand protection efforts.

7 Supply Chain Data Governance

eXtra has implemented a robust third-party data protection program to ensure all vendors and partners adhere to our privacy and security standards. This includes:

- Vendor privacy and security risk assessments
- Mandatory Data Processing Agreements (DPAs)
- Ongoing compliance monitoring and audit rights
- Data minimization and access controls

8 Internal and External Audits

- We conduct annual third-party audits to evaluate the effectiveness of our privacy and cybersecurity controls. Over the past four years, we have partnered with reputable firms such as PwC, Deloitte, and Sahara Net. These partners have conducted Vulnerability Assessments, Penetration Testing, and enterprise-wide audits, ensuring alignment with regulatory expectations and continuous improvement. Internal audits and control reviews are also conducted periodically to address specific risks and ensure operational readiness.

9 Strategic Goals

- We have developed an internal roadmap to pursue ISO/IEC 27001 certification, targeted for 2025, to formalize our information security management system.

Indicator	2024 Status	Notes
PDPL Compliance	100%	Full implementation of all required policies and safeguards
Cybersecurity Rating	90/100	Hakerview platform score (industry benchmark is 80%)
Simulated Phishing Tests	Ongoing	Conducted across all departments via KnowBe4
Employee Awareness Coverage	100%	PDPL workshop + KnowBe4 engagement
RoPA Coverage	100%	Maintained by privacy focal points
External Audits Conducted	Annually	Third-party audits to evaluate the effectiveness of our privacy and cybersecurity controls
Supplier DPAs	100%	100% of all new third party processors since Dec 2024 covered and exciting suppliers still work in progress
Fake Brand Takedowns	1,000+	Through brand protection tools

Looking Ahead

- **ISO 27001 Certification:** Formal assessment and certification planned for 2025.
- **Tech Investments:** continues encryption, access control, and breach detection tools.
- **Continuous PDPL Alignment:** Monitoring for legislative updates and evolving compliance requirements.
- **Strengthening Training:** Continued use of KnowBe4 and department-level privacy engagement.

These initiatives reflect eXtra's long-term commitment to responsible data governance, customer trust, and operational resilience in a digitally driven environment.

Supply Chain Management
Responsible Sourcing

At eXtra, we recognize that a sustainable and ethical supply chain is essential to delivering long-term value for our stakeholders and supporting our broader sustainability objectives. Our approach to supply chain management emphasizes transparency, local economic development, environmental stewardship, and ethical business conduct across our supplier network.

Our supply chain function is responsible for ensuring that sourcing decisions reflect our Company's values and sustainability goals. The following pillars define our responsible sourcing strategy:

Support for Local Suppliers:
We prioritize procurement from local suppliers to stimulate local economic growth and reduce carbon emissions from long-distance logistics.

Ethical Sourcing Policies:
All sourcing activities are guided by principles of fairness, accountability, and compliance with applicable labor and environmental standards.

Supplier Code of Conduct:
A policy document outlining expectations for suppliers regarding ethical labor practices, environmental compliance, anti-corruption, and business integrity.

Supplier Assessment Program:
A structured framework to evaluate supplier compliance through regular audits, questionnaires, and risk assessments.

Supplier Engagement:
We maintain open and collaborative relationships with our suppliers through regular communication, and performance reviews.

In 2024, eXtra continued to strengthen its commitment to local sourcing, with 87% of total procurement spending directed toward local suppliers, reinforcing its support for the national economy. The number of suppliers increased from 450+ in 2022 to 780+ in 2024, with local suppliers consistently making up a growing share—rising from 69% to 73% over the same period. This steady increase reflects eXtra's proactive supply chain strategy and sets a strong foundation for enhanced supplier management practices beginning in 2025.

	Units	2022	2023	2024
Total Procurement Spending	SAR	5B	5.4B	5.8B
Spending on Local Suppliers	SAR	4B	4.8B	5B
% of Procurement to Local Suppliers	%	80%	88%	87%
Total Number of Suppliers	#	450+	750+	780+
Total Number of Local Suppliers	#	300+	540+	570+
Percentage of Local Suppliers	%	69%	72%	73%

Looking Ahead

eXtra remains committed to fully integrating the Supplier Code of Conduct and Supplier Assessment Program across our supply chain operations in 2025 and beyond. We aim to ensure that all suppliers align with our sustainability and ethical standards, strengthening our resilience, transparency, and responsible sourcing performance in the coming years.

As we conclude our first standalone Sustainability Report, we take great pride in the progress we have made in laying the foundation for responsible, inclusive, and sustainable growth at eXtra.

This report reflects our achievements in 2024 and reinforces our commitment to embedding environmental, social, and governance principles across our operations.

Looking ahead, we will continue to enhance our ESG practices, increase transparency, and evolve our sustainability approach in alignment with stakeholder expectations and industry developments.

We are confident that our efforts will contribute to long-term value creation for our shareholders, employees, customers, communities, and the broader ecosystem we serve.

We thank all our stakeholders for their continued trust and support as we move forward on our sustainability journey.

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eXtra