



Doing better every day

Almarai Sustainability Report 2021



Managing
Sustainability
at Almarai



Caring
for People



Protecting
the Planet



Producing
Responsible
Products

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Management Messages

Message from our Chairman

“ Welcome to our 2021 sustainability report. As with the previous years, the foundation of this report is our philosophy of sustainability and responsibility. ”

We believe that we are caretakers of our resources and that we have a responsibility to ensure stability, security, and continuity in our operations so that they can be passed onto the next generation as thriving operations.

The ensuing Covid-19 pandemic continued to challenge our operations in 2021, but particularly on the livelihoods of the many associates within our value chain throughout the world. I am pleased to report that our operations have continued to support staff throughout this crisis, and I am also enormously proud of the way that our operations teams have stepped up to make a real difference in their respective communities. There are many examples to mention; however, to summarize, our responses included providing food as donations or at reasonable prices where local prices have soared, promoting health and wellbeing for the benefit of the local community where needed, and sponsoring training and development for our employees and wider partnership networks.

This year our Doing better every day strategy was once again put to the test. It has prompted us to think differently, prioritize differently, act differently, and bring empathy and compassion to the forefront of our decision-making. Throughout this volatile year, we continued to ask ourselves: How can we be better? How can we better support one another? How do we continue to move forward as a smarter, more resilient business?

As we navigated 2021 with care, our values of being adaptable, sharing, passionate, innovative, respectful, and excellent shone through during this challenging year. Our values grounded us as we navigated our response, planned for the short and long-term, and continued to put our vision to serve quality and nutritious food for wellbeing of our consumers and communities.

At the core of our Doing better every day strategy is our ambition to create shared value. This sustainability report provides insights and transparency to our stakeholders whilst holding ourselves accountable to our sustainability targets. We are proud of our achievements in 2021 and the report highlights our various successes and opportunities as we continue with enhanced resilience to progress against our 25 strategic sustainability targets. By putting our people first and focusing on what mattered most, we ended 2021 stronger and ready for the future.



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

Message from our CEO

“ Entering into the fourth year of our Doing better every day strategy, we continued to work tirelessly towards the 25 sustainability targets that are aligned with the Saudi Vision 2030 and the United Nations Sustainable Development Goals. ”

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. Entering into the fourth year of our Doing better every day strategy, the Covid-19 pandemic continued to affect our daily business operations. While continuing to navigate through challenges with strength and resilience, we continued to work tirelessly towards the 25 sustainability targets that are aligned with the Saudi Vision 2030 and the United Nations Sustainable Development Goals. I am proud of our accomplishments in 2021 as we continued to implement new initiatives and embed a culture of sustainability throughout our organization.

We are committed to 'Caring for people,' a culture that has been exemplified throughout the challenging Covid-19 period. We have been responsive to continual changes and supported our employees and consumers by prioritizing health, safety, and wellbeing through a variety of measures. This includes actively promoting vaccinations through awareness campaigns and sponsoring vaccine centers for use by employees and the communities we serve. Providing this support was just one of the many ways that we invest in our communities. In 2021, we continued to support over 300 charities close to our operations through sponsorships, events, awareness campaigns, and the donation of over 500,000 products. We are proud to have donated 2.7M healthy servings by 2021, which far exceeds our 2025 goal of 2.5M healthy servings.

Working in the farming, agriculture, and manufacturing sectors, our people recognize the importance of maintaining a balanced ecosystem. We remain committed to 'Protecting the planet' by putting in place continued measures to achieve our environmental goals. In 2021, Almarai was proud to be ranked fourth globally in the list of Kantar Research Company in achieving sustainability for the environment. This was a testament to the hard work and dedication of our people as they implement efficiencies, savings, and protection measures across the many environmental aspects of our business including energy, water, waste, refrigerants, transport, and farming. Our focus stretches further than just our direct operations with initiatives to reduce our packaging for consumers and the investment into environmental protection schemes.

Our commitments towards people and the environment are connected to our commitment to 'Producing responsible products.' We want our consumers to lead enriched and healthy lives with access to products that are produced at the highest safety and environmental standards. In 2021, Almarai Manufacturing Facilities achieved Food Safety certification according to FSSC 22000, a standard recognized by the Global Food Safety Initiative (GFSI). In 2021, Almarai also achieved international animal wellness certification for farms and operations by NSF International to become first company globally for dairy and first company in Saudi Arabia for poultry. These certifications are the latest assurance for customers and consumers that food produced by Almarai has been assured for quality, safety, and animal wellness.

Our achievements this year could not have been realized without the dedication of our employees. I would like to thank them for all their hard work in what has been a continually challenging year, further affected by the Covid-19 pandemic. Without their support our Doing better every day strategy would not be such a success. As we continue our journey to a more sustainable 2025, I welcome you to learn more about our company and progress in this report.



Abdullah Albader
CEO



About this report

“ Welcome to our fifth 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 2021.

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’) and our operations in Argentina and the USA as Fondomonte and 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. The ESG performance data from our operations in Egypt (Beyti) and Jordan (Teeba) under our joint venture International Dairy and Juice (IDJ) are only included in their designated reporting sections.

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 2021 to 31 December 2021, unless otherwise indicated.

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 Almarai®

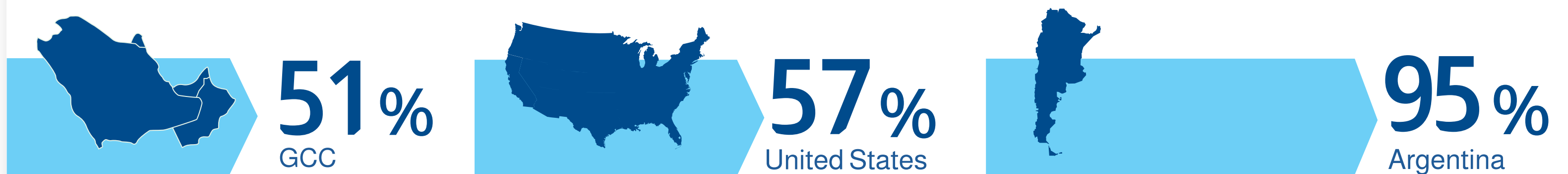
“ Almarai Company is a Saudi publicly traded joint-stock company listed on Tadawul, the Saudi Stock Exchange.”

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 countries. 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.

Our value chain – Quality you can trust

Procurement

Percentage of locally based suppliers across our countries of operation:



Farming



were raised on our farms in Saudi Arabia.



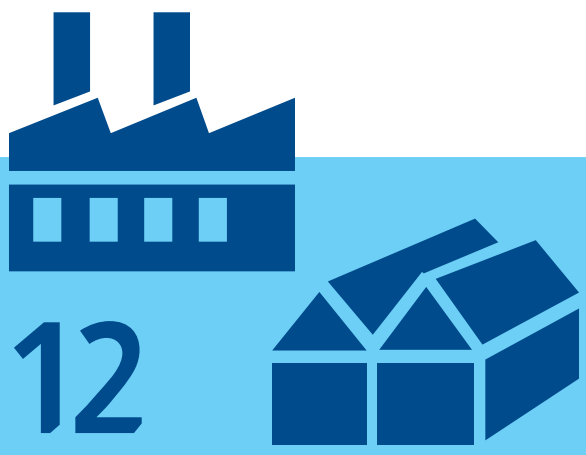
are cared for on our farms in Saudi Arabia.



of land under production in Argentina and USA to grow feed for our cows.

Manufacturing

Read more about [our brands](#).



manufacturing facilities

in total across Saudi Arabia, produce and package our wide range of products.



Dairy

Juice

Bakery

Poultry

Infant Nutrition

Sales, distribution & logistics

Almarai has over

9000

vehicles

on the roads at any given time.



From our manufacturing facilities, our products are transported to

110

depots in

7

countries

across the GCC.



Consumers

Almarai has

680+

products

which are sold to



73,400+

customers in

5

countries

across the GCC.

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



40,213 *

employees across our global operations

*Based on the reporting boundary





Doing better every day

Almarai Sustainability Report 2021

Managing Sustainability at Almarai

Sustainability Management at Almarai

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

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

Alignment to national and international development frameworks

Saudi Arabia's Vision 2030 and National Transformation Program (NTP) provide a clear roadmap for Saudi Arabia's future, guiding economic, social and environmental development over the coming decade; while the Sustainable Development Goals (SDGs) provide governments and businesses with a framework to achieve sustainable development, as they represent a universal call to action to end poverty, protect the planet, and ensure prosperity for all. In this report we have identified where our initiatives work towards contributing to targets of the NTP and SDGs. This is represented by the appropriate icons preceding those correlating 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 12
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





Sustainability Management at Almarai

Sustainability governance

“ Almarai believes that a sound governance system is an important tool for the long-term growth of the company’s business and investments ”

Our approach

Almarai believes that a sound governance system is an important tool for the long-term growth of the company’s business and investments, which is consistent with our commitment to quality in all processes and products. We have implemented an effective corporate governance strategy which sets the rules and procedures to ensure compliance with the best governance practices that cover the protection of our shareholders’ rights. Our strategy has ensured that we consistently rank as a leading company for governance, ranking number one in the Middle East and the GCC.

Our Executive Vice President of Quality, Regulatory, Health, Safety, Security & Sustainability reports directly to our CEO and Executive Management on sustainability during bi-monthly management meetings, while our Head of Sustainability plays a coordinating role to ensure progress against our strategic goals and targets. Executive Vice Presidents are ultimately accountable for achieving the strategic sustainability goals and targets relevant to their divisions.



For fiscal year 2021, Almarai ranked as the **No. 1 issuer on the Saudi Stock Exchange** for ESG performance.

Source: ESG Invest by Sustainability Excellence



Almarai was ranked among the **top ten companies** in the Kingdom’s Non-Financial Corporate Governance Index traded in the Saudi market.

Source: General Investment Authority in cooperation with Al-Faisal University



Almarai won the “**Excellence in Governance Award 2020**”, awarded to the best companies listed in the Saudi capital market, for successfully completing 150 governance standards.

Source: Third Global Conference on Governance activities with Al-Faisal University



Sustainability Management at Almarai

Stakeholder engagement

“ We understand that balancing the needs and expectations of our stakeholders is essential to delivering on our commitments ”

Our approach

At Almarai, we understand that balancing the needs and expectations of our stakeholders is essential to delivering on our commitments and creating maximum shared value. We engage in regular dialogue with our stakeholders (our consumers, shareholders/investors, employees, government regulatory bodies, and civil society organizations), through various communication channels to ensure we consider and respond to their needs and expectations, on the issues that matter to each of our key stakeholder groups.

The table below identifies our most important stakeholders, their relevance to Almarai, their needs and expectations, channels of engagement, and examples of specific response measures.

Stakeholders	Importance	Needs and expectations	Almarai engagement channels	How Almarai is responding
Shareholders/ Investors	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

Defining and prioritizing the issues that matter the most

“ We use the principle of materiality to identify the economic, social, and environmental issues that matter most to our business and our stakeholders. ”

Our materiality processes

By considering the concerns of our stakeholders, alongside the risks and opportunities that face our business, materiality helps us prioritize where to focus our efforts to enhance stakeholder value and our sustainability performance. Materiality also guides us on what we should report on publicly.

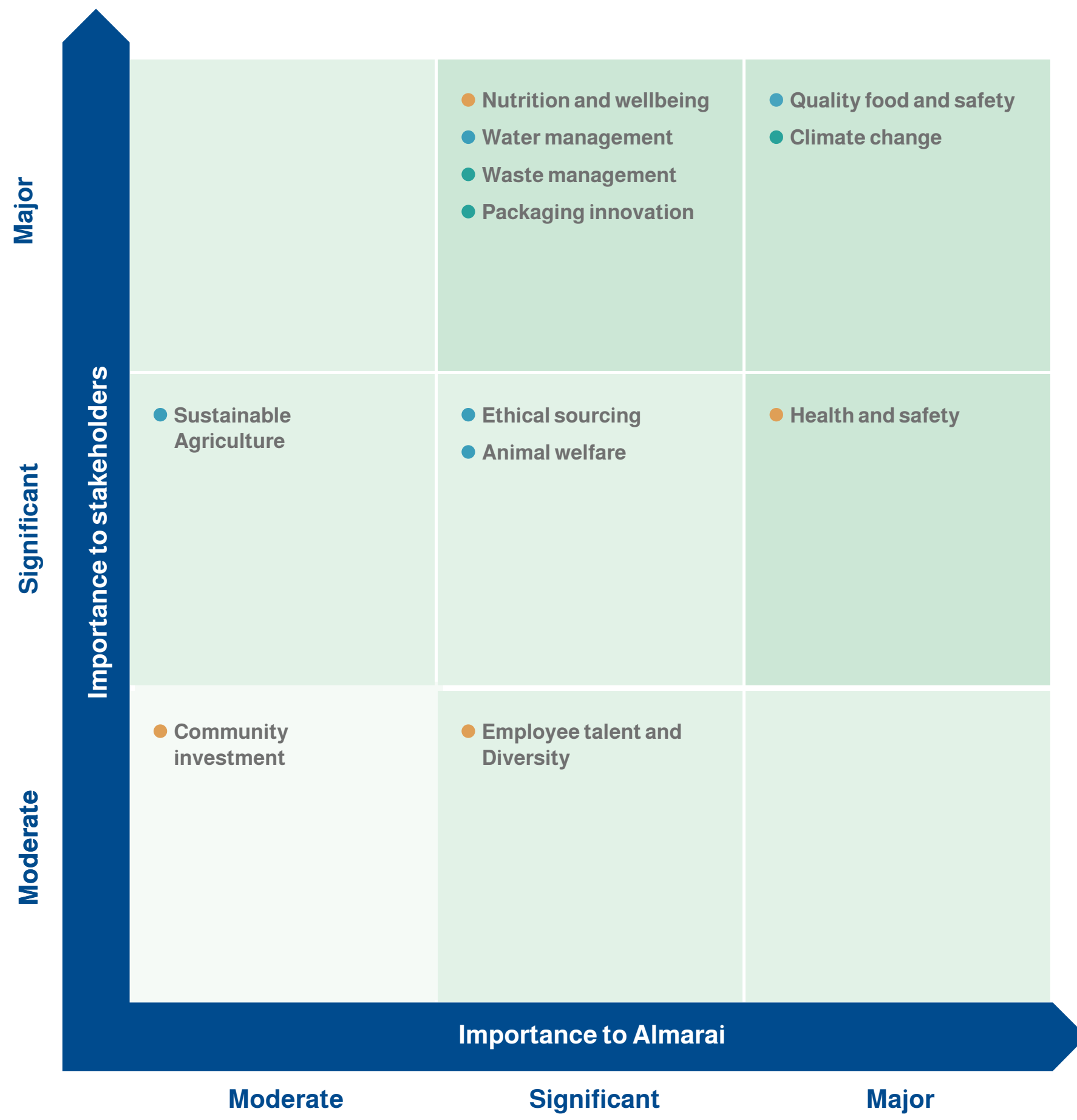
In 2019, we conducted an internal review of materiality and continued to monitor priority issues considering internal and external factors during 2020. We have initiated another formal materiality assessment with internal and external stakeholders in 2021, and the results will be available in 2022.

Our approach to materiality is consistent with the GRI Standards.

Our 2019 materiality assessment

In 2019, we reviewed our list of 20 material issues from 2018 against international industry guidelines, frameworks, and industry peers, along with analysis of our operating market and regulatory landscape. We engaged internal stakeholders to supplement our market analysis. Based on internal feedback and external considerations, we have consolidated our list of material issues from 20 to 12 issues and replotted them on the matrix below. We consider governance to be material and interwoven throughout our sustainability framework rather than a standalone topic. We continue to address governance vis a vis our annual report and GRI-based disclosures. Our materiality update was validated by our executive management.





Pillar theme key:

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



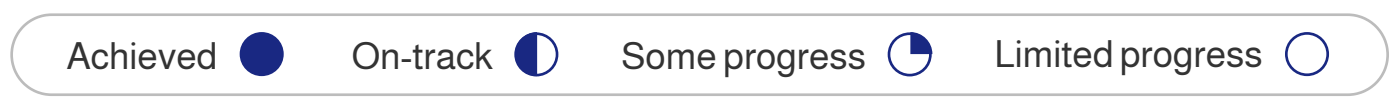
Sustainability Management at Almarai

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.

Progress:



Goal/Target	Progress
-------------	----------

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



Protecting the planet

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



Producing responsible products

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 operation 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, as well as Premier Foods and Pure Breeds 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

Almarai Sustainability Report 2021

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 and nutritious living every day. ”


Our approach

Almarai is committed to providing healthy, quality, and nutritious food and beverages to consumers to enrich their lives and ensure that they can maintain a healthy lifestyle. Innovation is at the forefront of our approach to nutrition and wellbeing, and we continuously invest in and develop new technologies and competencies to ensure we remain competitive whilst providing consumers with healthy, nutritious choices. We strive to incorporate health and nutrition criteria in all our products and place it at the center of future innovation.


We believe that we have an active role to play in supporting consumers to have happy, healthy lifestyles that maximize nutrition and wellbeing. The way we brand and market our products play an important role in people’s lives and we acknowledge our responsibility to market responsibly. In 2021, we worked to draft a responsible marketing policy that will outline our commitments to providing consumers with clear, transparent, and accurate labelling and communications. This policy will seek to empower the consumer, giving them greater awareness of the products health and nutritional values, quality, and safety. By providing accurate and credible information, we can build strong brand trust with the consumer whilst also educating them through product labelling, outlining nutritional and safe storage information, as well as serving size and number of servings per item.

Our responsible marketing policy will also cover our other communication channels. We run awareness campaigns to promote knowledge and understanding of nutrition and wellbeing in partnership with healthcare community. Our communication channels aim to reach a wider audience and empower a greater pool of individuals to make better-informed choices regarding nutrition.




Almarai products contain **no artificial colors.**



Almarai products contain **no trans fats.**



All our fresh juices in our biggest market contain **zero added sugar.**

Almarai remains committed to breastfeeding

Human Milk is not only key to a good start in life, it also provides an abundance of lifelong benefits. Breastfeeding is a critical need for the health of the population and one of the most effective preventive health measures for children and mothers regardless of where they live. Breast milk provides babies with complete nutrition and strengthens the bond between mother and child providing enhanced wellbeing and numerous benefits for both. The WHO and UNICEF recommend exclusive breastfeeding for six months. Almarai fully supports this recommendation and outlines that all commercial practices are guided and fully in compliance with the WHO code and regulated by the rules of the Saudi Breastfeeding Law. Promoting healthy habits and best nutrition for moms and babies, including breastfeeding, is at the core of Almarai Infant Nutrition principles.

2021 performance and initiatives

To promote and enhance wellbeing of all our customers and clients, we have a robust nutrition policy and framework that is designed to outline our strategy for enriching the lives of our stakeholders. This policy and framework are supported by a set of visionary internal targets based upon the eight pillars of the framework: product reformulation, innovation, food fortification, marketing to children, food security, corporate social responsibilities, nutrition, and food regulations. During 2021, we conducted a series of activations and awareness campaigns to communicate the importance of nutrition, health, and wellbeing to our employees, customers, and other stakeholders. In doing so, we engaged various individuals in the opportunity for learning how to lead healthy lives. We further seek to help others through our community investment programs, which support thousands of individuals. Our food donations are nutritionally balanced.

As a part of Almarai's corporate responsibility towards the health and wellbeing of consumers, we have implemented a nutrient profiling system, which forms the core of our nutrition policy. This system aims to systemize the classification of our products and to continuously support nutritional improvements across our product lines. The criteria are based on Saudi Food and Drug Authority (SFDA) 2333:2019 Permitted Health and Nutrition Claims standard, international dietary guidelines, and will be periodically reviewed by an independent international scientific committee. This in turn is based upon global standards for salt, sugar, fat content and nutritional information. By providing transparency to our consumers, we are aiding in their ability to lead healthy lives.

Our highlight stories

“ Almarai remains committed to health awareness

Almarai seeks to build awareness of key nutrition and health information using various digital channels. In 2021, we built on the success of 2020 by continuing to expand our online audiences through new digital platforms including publishing health and nutrition social media posts, and providing updated nutrition information on our website. One of our greatest engagement successes came from the growth of our various social media channels, particularly YouTube which we use to run various campaigns and awareness events. Our YouTube channel achieved a record in 2021 as the first Saudi brand to hit one billion video views., Almarai has achieved great interaction and circulation of its awareness and advertising campaigns, with more than 6.9 million followers on social media, Almarai is locally ranked the largest audience FMCG corporate page on Twitter and Facebook. On global rankings, Almarai is the first largest audience FMCG corporate page on Twitter.

In collaboration with various organizations, Almarai has used its platform to support health and nutritional awareness in Saudi Arabia. In 2021, we engaged in the following projects:

- **Supported anti-drug campaigns in partnership with the Narcotics control administration.**
- **Supported an awareness campaign of rheumatic diseases organized by the Saudi Society of Rheumatology.**

-  **1st Saudi brand to hit 1 billion video views on YouTube**
-  **100% of significant product categories are covered by and assessed for compliance with product information and labeling procedures**
-  **Winner of 12 awards at local, regional and national levels.**
-  **Zero incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications**



- Supported awareness campaigns for International Arthritis Day.
- Supported oral and dental health care campaigns.
- Supported blood donation campaigns in collaboration with the association of Facilitate Marriage and Family Care in Al-Ahsa.
- Sponsored anti-smoking campaigns rolled out by Saudi Arabian charity Naqa (Purity) under the tagline “Live it Pure”.

Consumer Recognition and awards

During the year 2021, Almarai won more than 12 awards and rankings at local, regional, and international levels in various financial, administrative, marketing, quality, safety, consumer satisfaction, and sustainability fields to reinforce our commitment to our motto, “Quality you can trust.” Almarai’s rankings varied during the year to top six in various fields such as measuring consumer satisfaction and its brand image. Almarai Also won six local, regional, and international awards these include:

- Topping the list for the most preferred brands by consumers in Saudi Arabia and the United Arab Emirates according to Kantar Research.
- Topping the list for the dairy and juice sectors with L’uisne, ranked first in the food sector by consumer behavior studies.
- Farm Select juices won first prize “Super Star” as the best innovative product in the Saudi market according to Nielson.
- Topping the list for international food companies’ best health brands in 2021 in the United Arab Emirates by a YouGov ranking. Almarai has topped the Brand Index list previously in 2015, 2016, 2017 and 2018.
- Topping the list for the most preferred brands by consumers in Saudi Arabia and the United Arab Emirates in 2020 according to Kantar Research.



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 make sure we foster a health and safety culture among our people every day. ”

Our approach

We recognize safety as one of our salient human rights issues and put the safety of people, from our employees to contractors and customers, first. We aim to protect anyone who engages with Almarai by applying stringent international health and safety standards, empowering colleagues through awareness and training, and encouraging wider awareness through campaigns and events.

Our health and safety management systems are built around The Almarai Health and Safety Policy. The four pillars that define our approach and safe management are: 'Safe Person, Safe Place, Safe Practice and Safe Productivity Strategy.' Our strategy governs our approach and is owned by all members of the Almarai community. Our strategy includes plans enhancing our safety standards, as well as regular training for employees in applicable areas. The strategy is reviewed and updated regularly by our group health, safety, and security forum that is responsible for the performance, standards, and guidelines we have in place. Its members play an integral part in implementing our strategy across the business and remain key stakeholders for maintaining our high standards.

While standardizing safety processes, we are also developing an occupational health and wellbeing program for our employees. This program will include training on various safety topics relevant to specific personnel and will provide a variety of training resources digitally. Employees will be able to take part in awareness campaigns, interventions, and events to improve health, safety, and wellbeing.

To track and analyze health, safety, and security incidents and risks, we have implemented an incident reporting system, which is accessible to all employees. Our incident reporting system enables us to prevent incidents more effectively from occurring.

2021 performance and initiatives

Our occupational mobile health unit forms an integral part of reaching our strategic sustainability goal, to institute an occupational health and wellbeing program accessible to all employees by 2025. During the COVID-19 pandemic, we reinforced our health and safety measures and focused on physical, emotional, and economic wellbeing of our employees. We prioritized safe operations for our teams to




enable our business to continue operating during this challenging time. We also loaned our expertise and facilities to support healthcare systems, increased our community investment to support struggling communities and collaborated closely with key stakeholders. The pandemic highlighted the need for strong and efficient health and safety systems. We rigorously enhanced our rules and procedures on an ongoing basis to maintain the highest standards throughout this difficult period.

In 2021, we continued with the roll-out of our occupational health and wellbeing program to proactively support our people’s wellbeing through health screenings. We maintained the deployment of our mobile health unit on-site at our main manufacturing site to screen employees, contractors, and visitors. In addition, we launched an internal campaign to vaccinate employees against Coronavirus at their production and manufacturing sites. The campaign cooperated with the Ministry of Health and its directorates in areas where the company’s facilities are located, such as Hail, Al-Kharj, and Almarai’s Head Office. This came as part of Almarai’s efforts to increase safety factors within the work environment. As a result, Almarai won Wa’ai award for the best health initiative for e8787memployees. The award was organized by the Ministry of Health in partnership with the Health Insurance Council, and Almarai also committed on the social media platforms to promote a healthy culture. Following previous accreditations of our Farming and our Sales, Distribution and Logistics divisions, we have been working to achieve the ISO45001 certification across our other business units in 2021. Our strategic sustainability target is to achieve the certification across 100% of our sites by 2025 to ensure that best practice is embedded in every area of our operations.

Technology can play an important role in helping us to manage and mitigate risks, promote best practice, and make training more accessible. In 2021, we continued to implement various digitalization projects including a near miss reporting web form that makes near miss and hazard reporting more accessible to our employees. These have been brought in to complement the suite of other digital systems such as an online incident reporting system run on the cloud that can be accessed by all employees using a smartphone and digital awareness channels and events.


Our highlight stories

Maintaining our covid 19 response

Almarai employs more than 35,000 people worldwide, with majority residing in company accommodations either on-site or nearby. Responding to the pandemic in a timely and safely fashion was paramount to maintain our business and reduce the risk of infection. In 2021, we continued with various measures to limit the spread of infection and protect our staff. Personal protective equipment and tests continued to be available to all staff, and heightened sanitization was continued throughout our operations. Staff continued to have the option to work remotely or through hybrid working where possible and physical distancing requirements continued in line with government advice. Almarai was the first company globally to be awarded the ‘Pandemic Prepared Certification’ in 2020 through AIB International, which validated our efforts, and we have continued to demonstrate that we are doing the right thing by recertifying our operations and making Almarai a leading business in putting its employee’s safety first. The multifaceted assessment rigorously examined our management systems including crisis protocols, supply chain, operations, and health crisis mitigation.

The pandemic has highlighted the importance of health and safety amongst a wider population and particularly showed the need for communities to be vaccinated to protect the vulnerable and allow businesses to continue. In cooperation with the Ministry of Health, Almarai sponsored a number of vaccination centers across the Kingdom of Saudi Arabia. Almarai demonstrated its national role and a sense of social responsibility to immunize citizens and residents from Coronavirus. Almarai also encouraged those unvaccinated to get vaccinated to protect themselves and the community. Besides the vaccination centers, the company also ran, through its Social Media pages, an awareness campaign to remind the public of the importance of being vaccinated. Through these efforts, the health and safety of not only our employees could be improved but also our wider communities.

-  **150,284 hours** of employee health and safety training.
-  Awarded **‘Best Employee Health Initiative’** at the Saudi Arabian Awards Health
-  **Achieved ISO45001 certification** across manufacturing sites.
-  Supported all staff with **vaccinations** and sponsored the vaccine roll out in local communities

-  **Protecting our employees**
-  Providing **safe, quality products**
-  **Maintaining production and food security**
-  Creating **effective communication channels**
-  Managing **exposure risks**

Progress on our strategic goals and targets

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

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



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 30,000 employees working in its various sectors. At Almarai, we recognize that we are only as strong as our employees, and we are committed to 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. We have an internal culture centered around the employees’ progress and evolution. A process of continual feedback is well-established, which delivers constructive guidance for strengthening work culture.

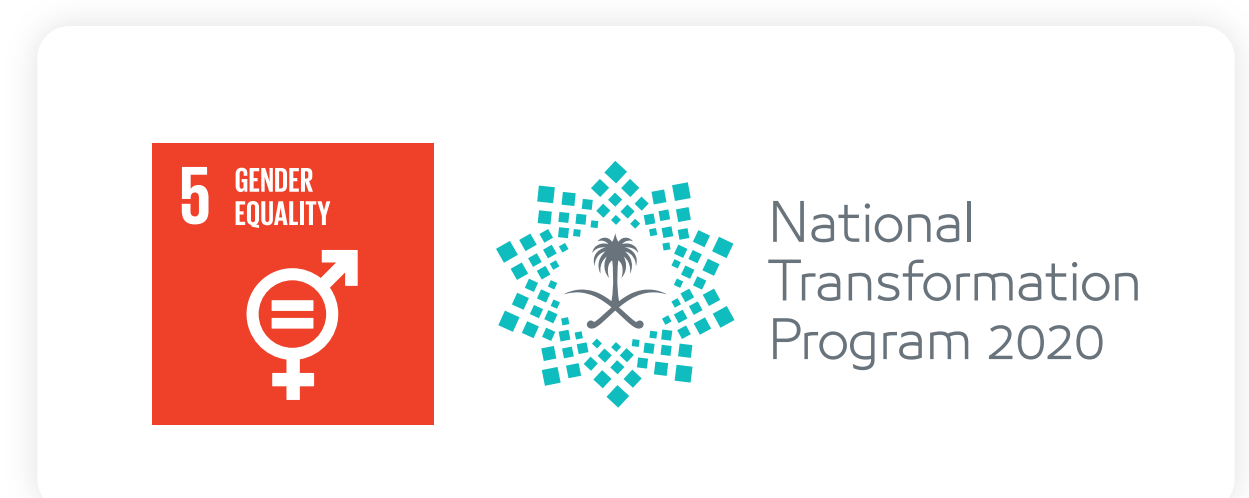
To ensure our employees have the required knowledge and skills to perform their roles effectively, Almarai has a comprehensive training policy. Our training policy addresses all key elements in an annual training cycle, including training needs assessment, training plan, training delivery, training evaluation, and new employee induction. It also addresses education assistance for employees, study leave, and summer and co-op trainee programs.

Our comprehensive Talent Management Process (Project Horizon) enables Almarai to understand its talent portfolio and build a pool of successors for our future business opportunities and challenges. Using leadership potential psychometrics assessments, Talking Talents discussions, and calibration sessions, Almarai targets specific and tailored training needs for its talent.

Established in 2014, the Almarai Academy focuses on leadership development for all management levels. Almarai Academy collaborates with local and global providers to deliver the best-in-class leadership development programs for its employees.

To signify and strengthen our culture, we instituted the ‘WE@Almarai’ initiative which is based on the following pillars derived from our values:

- **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, including:

- **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**
- **Personalized appreciation and celebratory emails to all employees**



2021 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. 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, nondiscrimination, and other arrangements to support an inclusive workplace.

Committed to continuous learning for our people, we continued to transition key trainings from face-to-face to online platforms, to not let learning stop due to pandemic restrictions. Our e-learning platforms, which employees at all levels can access at any time, continue to have high participation.

The total number of employees trained remains high despite the challenges of the pandemic. The shift to more self-paced online learning is also a move towards higher responsibility of each employee for their own learning and development. As we look at 2022 and beyond, we will leverage this opportunity and continue to build new ways of learning and development.



Zero incidents of discrimination reported.



100% of employees received regular performance and career development reviews



275,596 training hours provided to staff.



2,319 participants of the Almarai Driving School and the Almarai Academy Partners.

Digitalization forms part of our ongoing strategy to create a more efficient and resilient business. We continued to support employees with our app to reduce communication gaps and promote our 'We @ Almarai' programs, especially for our workforce working remotely across GCC. This was particularly useful to push forward internal initiatives and information such as our promotion of vaccinations for Covid-19 through our health program.

Individual development plans continued to be of high importance for senior management grades. This followed the successful roll out to junior management and all supervisory and managerial grades at Almarai. The plans are an important part of career development and focus on individual pathways to training, career enhancement, and feedback. To advance the offering to our staff, the employees' development programs are being built in cooperation with the best educational and training institutions locally and internationally. 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.

Our approach to Human Rights is fully aligned with the UN Guiding Principles on Business and Human Rights and includes a strong commitment, due diligences, remediation measures, and regular engagement with stakeholders at local and global levels. In 2021, we worked to draft our Human Rights Policy, which will outline our expectations and standards applicable in every country where we operate, with action plans to mitigate any issues that are identified. The policy will focus on respecting fundamental human rights including freedom, education and health.

Our 2021 Highlights

Award winning employment

Almarai firmly believes that the employees are an essential element in the success of the company every day and their efforts have resulted in Almarai obtaining many awards and honors over the past years that crown the excellent relationship between our company and our employees. Almarai was proud and humbled to be awarded with several awards for human resources including being ranked in fourth place in Forbes list of "World Best Employers" in 2021 among 11 companies in the Middle East, 316th in the global ranking among 750 multinational companies and ranked on LinkedIn list of the top 10 employers in achieving career development for professionals. We feel these awards reflect the nature of the professional environment in Almarai, and the company will continue to provide development opportunities to all employees at all job levels.



Progress on our strategic goals and targets

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

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



Caring for people

Community investment

“ We are working to leverage our resources to create a positive impact every day. ”

Our approach

Almarai realize the important role we can play in creating a positive impact on society by supporting local communities. We have deeply-established and long-running community programs, which we run directly as well as in collaboration with local organizations through education, training and development, investments, charitable donations, sponsorships, and many more. Every year we support over 300 organizations that focus on helping those in need through health, sport, education, sponsorships or other initiatives, and this forms a key pillar of our Doing Better Every Day strategy.

Building our strategy for community investment

Community investment forms a key part of our Caring For People pillar in our overall sustainability strategy. As such we have developed a strategic community investment framework to ensure there is strategic governance for how Almarai manages its community investments and partnerships. The framework provides a clear guide for our areas of focus: training and development, health, sport, and donations and sponsorships. The framework provides more context and demonstrates how Almarai lives up to its community investment commitments. As part of this work, we conducted an initial analysis of our community investment activities to better understand their impact potential and to structure an approach for assessment. We intend to build off this work to support our ability to measure the outcomes of our 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 projects, organizations and events that develop skills, promote education, reward educational excellence, and empower	We support projects, organizations and events that develop skills, promote education, reward educational excellence, and empower young people	We support projects, organizations and events that promote sports.	We support projects, organizations, events and campaigns dedicated to creating a lasting impact in our communities through both financial and non-financial support.
<p>Our flagship initiatives</p> <ul style="list-style-type: none"> • Moments • Dairy & Food Polytechnic • GCC Academic Excellence Award • Almarai Award for Scientific Innovation • Almarai Veterinarian Award 	<p>Our initiatives include</p> <ul style="list-style-type: none"> • Almarai dental campaign • #Almarai Better Health • School-based programs • Almarai site visit program • Sponsoring World Anti-Drug Day. 	<p>Our flagship initiatives</p> <ul style="list-style-type: none"> • Almarai Golf Tournaments • Hail International Rally • Kafeef Championship for goalball • Marathon for people with disabilities • Zubaidah trail 	<p>Our flagship initiatives</p> <ul style="list-style-type: none"> • Almarai Award for the Ideal Mother • Collective wedding ceremony • Product donation program • Alzheimer's Association • 'Saudi ADHD Society (Ishraq)

Almarai provides a wide variety of donations throughout the year as part of its social responsibility and its desire to continue its constant support. In 2021 Almarai launched its Charity Support Program within its citizenship initiatives that aim to contribute food to the beneficiary families in need. This initiative comes in partnership with hundreds of charities in various regions of the Kingdom. The program donated around 400,000 free products to the beneficiary societies in 2021, which reach more than 300 institutions annually in various regions in the Kingdom. Many of these charities have been supported by Almarai for many years given our focus on long term sustainable partnerships and often run-in conjunction with a wider awareness event, national platform or supportive network.

Almarai believes we have an active role to play in enhancing the natural environment for the protection of biodiversity and the wellbeing of communities and it is expected that we direct part of our community investments to promote the enhancement of the environmental protection practices, and its effectiveness. In 2021, Almarai provided a donation of 8 million Saudi Riyals to support the national afforestation campaign launched this year by the National Center for Vegetation Cover Development of the Ministry of Environment, Water, and Agriculture. The campaign aims to plant 10 million trees to empower The Kingdom's vision 2030 by preserving the environment and natural resources. The donation by Almarai had a particular focus on species that are vulnerable or with a high threat of extinction. As a part of the community investment initiatives, Almarai has supported the National Center for Wildlife Development with 3.4 million Saudi riyals in a 10-year partnership to promote and protect the environment and push for better environmental practices to preserve natural habitats and enhance biodiversity.

In 2021, we were proud to support a new program by participating in the voluntary afforestation initiative in King Salman Wilderness Park. The initiative was launched by the Royal Commission of Riyadh City as part of Green Riyadh program. The participation comes in coincidence with the celebration of the Kingdom's 91st National Day and focuses on protecting and enhancing the local environment.

The donations reflect Almarai's beliefs in the need to develop natural vegetation cover, reduce the effects of desertification, restore biodiversity in natural environments, and rehabilitate degraded vegetation sites, in addition to promoting positive behaviors to preserve the home environment, protect the ground, and improve quality of life.

-  **41.6million SAR** spent on CSR projects
-  Over **300 organizations** supported through donations and sponsorships.
-  Around **400,000 products** donated throughout the year.
-  **Sponsored** vaccination clinics and awareness campaigns.

Our Highlight Stories

The following are the highlights from our 2021 efforts:

Training and development

Almarai supports the education sector. Almarai has long supported education initiatives including the Technical and Vocational Training Corporation which commenced in 2011. This project supports robust technical and vocational educational training (TVET) programs, such as the Dairy and Food Polytechnic (DFP) 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.

Almarai is also keen to empower the next generation of females through educational opportunities. In 2021, we sponsored the summer camp held by Prince Nora Bint Abdulrahman University, which provides various skill programs for female students to invest their abilities in creating projects to improve health.

The pandemic has affected many of our typical educational activities which include tours of our manufacturing facilities for the public, schools, and families. Typically, we offer free tours to guests who are interested in learning more about our production and manufacturing processes. Tours of our facilities offer an important opportunity to show case our facilities and engage directly with our consumers.

Despite the temporary suspension of these services, we have sought to respond to other educational challenges including supporting the Learn From Your Home initiative which supports students from low-income families. In 2021, Almarai donated 100,000 SAR to buy 500 tablets to benefit students in Al-Kharj, to ensure they can continue learning remotely. In addition, as part of our wider donations program, we supported many educational facilities with donations of products to provide relief.

Health

Almarai realize the important role we can play in supporting health initiatives to ensure people lead longer, healthier lives. We continued to support various health programs including vaccinations for our staff and communities, events and awareness campaigns in 2021. Some of our notable highlights include supporting:

- **World Anti-Drug Day, Almarai sponsored the event of the Narcotics Control Administration to educate the community about the danger of using drugs and its negative effects on the nation's economic, scientific and professional capabilities.**
- **The awareness campaign of rheumatic diseases organized by the Saudi Society of Rheumatology to encourage early detection of rheumatic diseases and provide medical and in-kind assistance to patients. This included running awareness campaigns for International Arthritis Day.**
- **Gulf Oral and Dental Health Week", Almarai has supported Al-Burj Medical Hospital and the Primary Health Care Center in the Northern Borders by providing several free products to help activate the program.**
- **Health awareness initiatives, including the Health Endowment Fund with 2 million riyals given to King Khalid Hospital in Al-Kharj.**
- **The annual oral and dental health awareness campaign at a ceremony held at Al-Izdihar Hall in Riyadh to educate the community about the importance of oral and dental health and its effects on the individual's general health, also providing methods on how to maintain a healthy life.**
- **The International Day of Blood Donors, Almarai sponsored Al-Ahsa public campaign for blood donation organized by the association of Facilitate Marriage and Family Care in Al-Ahsa.**



- **The World No Tobacco Day, Almarai sponsored the anti-smoking campaign rolled out by Saudi Arabian charity Naqa (Purity) under the tagline “Live it Pure”..**
- **The fourth edition of Almarai Award for the Ideal Mother for People with Disabilities. The Almarai Award for the Ideal Mother, the first of its kind in the Kingdom, was launched in 2017.**
- **A cooperation agreement with the Friends of the Disabled Association to support beneficiaries identified by the association and support the international events for people with special needs, lasting for one year.**

Sports

Almarai recognizes the important role that sports play in promoting wellbeing, inclusion, and positive impacts on human health. In 2021, Almarai sponsored multiple sporting activities including:

- **An indoor ski camp in partnership with the Saudi Federation for Adventure Sports to develop and qualify junior and young players.**
- **The “Six Years of Riyadh Pedestrian” event held to promote the culture of walking in the community and raise their awareness of positive impact on human health**
- **The Kingdom’s Taekwondo Championships held under the umbrella of the Saudi Taekwondo Federation.**
- **2021 Open Sailing Championships held under the umbrella of the Saudi Sailing Navigation Federation.**
- **The Media Professionals Volleyball Championship in collaboration with the Saudi Volleyball Federation.**
- **The Fakhr Program initiative, organized by the Saudi Paralympic Committee and under the Quality-of-Life Program, towards achieving vision 2030 targets.**
- **The idea of the “Fakhr Program” initiative, sponsored and supported by Almarai, is based on the rehabilitation of persons with disabilities, the discovery and development of their sporting abilities, improving their quality of life and enhancing their community participation in sports activities, and making sports heroes from them at the local and international levels.**
- **The third Gulf volleyball festival for youngsters, hosted and organized by the Saudi Volleyball Federation at the Hall of Ministry of Sports in Riyadh. The Elite Championship of Prince Faisal bin Fahd’s Cup for Premier Handball Champions.**
- **The first gymnastics championship for girls in the Kingdom, which was held under the umbrella of the Saudi Gymnastics Federation**

Donations and Sponsorship

Awarding those that are making a difference

As a socially responsible business, we support several awards in partnership with other organizations to reward achievement in society. These include:

- **Almarai Scientific Innovation Award - The award was launched in 2001 in collaboration with the King Abdulaziz City for Science and Technology and aims to strengthen scientific capability through supporting scientists and researchers in the fields of fundamental science, applied and developmental sciences, and innovation in Saudi Arabia.**
- **Almarai Academic Excellence Award – Launched in 2006, it provides support to students who are enrolled in the public education system in GCC countries. The award aims to encourage outstanding students, developing their abilities and talent, and supporting their achievements.**

- **Almarai Veterinarian Award** - Launched in 2010, the award supports the veterinary profession and aims at reinforcing the importance of the veterinarian's role in protecting the general health of the GCC's livestock which is so crucial to supporting food security. We work in collaboration with the Saudi Veterinary Medical Society and King Faisal University.
- **Almarai Award for Ideal Mother** - Almarai launched this award in 2017 in partnership with the Disabled Children's Association. It aims to honor mothers who support their children with disabilities in the process of treatment, education, and rehabilitation.

Progress on our strategic goals and targets

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

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



Doing better every day

Almarai Sustainability Report 2021

Protecting the Planet

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



Protecting the Planet

Water Management

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

Our approach




As a company highly reliant on agriculture to produce the ingredients and materials we need, we recognize that the proper stewardship of watersheds where we operate is critical to ensure long-term sustainability of our business. Water forms a key part of the Saudi Arabia Vision 2030, which outlines the importance of managing and mitigating the water challenges and the need for water stewardship. Due to these needs, water is at the forefront of our environmental goals to stay aligned with the emerging best practices for companies to set goals on freshwater.

In 2019, we formed a water steering group as part of our sustainability strategy development process. The group was instrumental in setting our water management targets and action plan for improving water efficiency across our operations over the coming years. 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 in the coming years.

To help govern our water stewardship efforts, Almarai has been a member of the Alliance for Water Stewardship (AWS) since 2018. 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 us 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 will continue to learn within our supply chain and drive performance whilst reducing our overall water use.



2021 performance and initiatives

 <p>7% reduction in overall water consumption compared to the previous year.</p>	 <p>Active internal engagement on AWS to develop water stewardship implementation plan.</p>	 <p>An assessment of major water uses within dairy and juice manufacturing operations to identify conservation opportunities</p>
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In 2021, we worked to draft our water position statement that will outline our commitment to greater water stewardship emphasizing efficient use of water sources, greater recycling, and reductions of withdrawal and use in our operations. The statement will set out longer term strategy in line with our wider sustainability goals and will act as a system of governance for years to come by engaging our workers and business units in best practice thinking and culture.

Our water position statement will be one of many ways to engage our employees to drive a culture of sustainable behavior change across Almarai. We have promoted a sustained effort to encourage greater awareness about the importance of water conservation throughout our operations.

Promoting a positive culture was further benefitted through the use of technology to improve efficiencies, reduce leaks, and increase recycling. We have been using comprehensive monitoring systems across our sites for a few years to highlight where our systems are inefficient. Upgrades to our supervisory control and data acquisition systems along with new metering systems have allowed us to have a greater understanding of our water usage, disposal, and risks of leaks. By using this technology our teams can quickly respond to leaks and inefficiencies providing faster responses. In 2021, we finished our second clean-in-place optimization project at a second site. As cleaning operations represent a significant portion of our water consumption, these projects are an important part of our overall strategy to reduce water, and energy, consumption across our operations.

Progress on our strategic goals and targets

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

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



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

To reduce our impact on the environment and ensure that we are providing the services that our customers deserve, Almarai is committed to reduce the impact of our packaging as part of our doing Better Every Day strategy. We are focusing on innovation as the key method for reducing potential packaging waste using only the essential material needed to protect and preserves our products. We are aiming to strike a balance between finding packaging solutions that reduce our impact without compromising on the freshness, taste, and quality 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 are actively seeking to reduce our overall packaging with particular focus placed on paper and plastic packaging. We have set the ambitious goal of preventing 9000 metric tons of plastic waste entering the waste streams by 2025. This goal will be achieved through the replacement, upgrading and innovation of new techniques.

2021 performance and initiatives

We have continued to optimize our plastic and paper packaging to ensure that the quality of our products remain highest whilst reducing the impact on the environment. Regarding our target to prevent our goal of 9,000 metric tons of waste by 2025, we achieved a total of 5,667 metric tons to date. In 2021, we removed 173.75 metric tons of plastics and 312.2 annualized metric tons of paper weight. Key projects that contributed to these reductions includes:

- Downgauging of packaging
- Specification cases
- Optimization of packaging, providing a bespoke solution for Foodservice customers
- Taking advantage of latest technologies and packaging equipment, which allowed us to optimize the use of packaging materials



5,667 metric tons of packaging reduction since 2018



3,842 metric tons in total of plastic packaging reduction since 2018



1,826 metric tons of paper packaging since 2018



67% of cardboard packaging from recycled materials.

Progress has also been made in the removal of hard to recycle packaging materials , and a glue optimization project

Where possible we are incorporating recycled paper into our transit packaging. Across our GCC operations, 67% of cardboard packaging came from recycled materials. Through investments at our manufacturing sites, we were able to deliver reductions in the amount of board consumed through redesigning our outer boxes to be more resource efficient as well. In addition, the palletization of finished products from Premier Foods was reviewed and modified, thus increasing pallet efficiency and reducing the number of pallet movements throughout the supply chain.

In 2021, we worked to draft Environmental Impact of Packaging Position Statement.

Progress on our strategic goals and targets

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

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



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 understands the climate change related challenges and our greenhouse gas emissions associated with various aspects of operations. We are conscious of the inherent risks of climate change on food production, so we continually work to reduce the environmental impact of our business for long term sustainability. Climate change can challenge agricultural production through drought, pest, and diseases and threaten maintaining and increasing production levels over the long term. We therefore look to adjust our practices to enable us to meet our production needs now and in the future.

In 2020, Almarai’s energy team developed an ‘Energy Roadmap,’ outlining how Almarai will improve its energy performance through efficient energy consumption and generation from sustainable sources. This had the aim of reducing our impacts on climate change whilst reducing operational costs. The energy roadmap was linked to our energy strategy, which focuses on reducing our overall energy use through greater energy monitoring, reduced consumption, operational efficiencies, and reducing reliance on fossil fuels. This strategy and roadmap require an energy culture that is embedded in every employee.

Developing energy culture is a foundational element of our overall energy management strategy and ability to capitalize on technological solutions. We are striving to establish an energy center of excellence to serve as a collaborative knowledge sharing platform and to play an important role in driving initiatives as we work towards our strategic goals. Our energy culture focuses on three core elements: awareness, regular equipment maintenance and optimization, and continual process improvement. This culture is made accessible to our staff and is promoted through training sessions, governance structures, and the implementation of best practices.

One of the greatest impacts food production, manufacture, processing, and transportation can have on climate change comes through the use of refrigerant gases such as Chlorofluorocarbons (CFCs) that have a much larger impact on climate change than other emissions. Our cold chain distribution system relies upon refrigeration at all stages, from farm to shelf. We feel it is our duty to actively manage our use of refrigerants and have put in place an active program to limit, reduce, and replace harmful refrigerants, wherever possible. As part of this active program, we are seeking to replace the



harmful CFCs refrigerants with alternatives such as HCFCs and HFCs, which not only perform better, but also reduce atmospheric emissions that contribute to global warming. Our refrigeration systems undergo continuous maintenance and monitoring to actively prevent leaks and improve response times should leakages occur.

2021 performance and initiatives

In 2021, we continued the development of our energy management systems as part of our desire to achieve the ISO 50001 certification. We have been working on developing an ISO roadmap and conducted an audit by an external vendor to identify gaps. The identified gaps are used to develop a roadmap to set energy goals and commitment to comply with ISO 50001 requirements. Progress has been made in the head office and dairy and juice manufacturing sites, and we aim to certify all sites including Administration, Manufacturing, Sales, Distribution, and Logistics Divisions by 2025.

We have developed and implemented Almarai Energy Monitoring Systems (AEMS) across the GCC. In total, we have connected 75 locations to AEMS. Phase 1 of AEMS is helping us to record and monitor energy consumption across sales distribution centers, manufacturing facilities, and head office buildings. The systems give us a better understanding of our electrical energy use and trends, thus, enabling a more efficient decision-making. These systems work in conjunction with other energy efficiency projects including a steam efficiency project and a pilot project on combined evaporative cooling systems commenced in our dairy and juice operations

As part of our roadmap towards using cleaner energy, we have committed to not only reduce our direct emissions, but also to lower the indirect emissions from the electricity we use ('scope 2' emissions). We have been steadily upgrading our lighting systems to LED across two phases. Phase I of the LED upgrade program has been implemented with reductions on our lighting load at nearly 70%. Phase II of the program is at a planning phase. Once completed, we will have replaced more than 70,000 lights across our facilities.

We strive to accomplish our 2025 target to explore and trial alternative fuel vehicles for our sales fleet. In 2021, we used biofuel in over 400 vehicles to deliver our products across the UAE. Initially, we had planned to increase the size of our biofuel sales fleet within this market; however, we have faced challenges in securing a biofuel supply to meet our requirements. The introduction of biofuel vehicles remains dependent in large part on market biofuel supply as a result. In addition, we have set a target of increasing the share of electricity from clean energy sources across our Administration, Manufacturing, Sales, Distribution and Logistics Divisions to 20% by 2025. To reach this objective, we are exploring opportunities to install renewable energy facilities across our sites and increase our share of renewable energy from the grid. For example, since 2018 we have installed solar energy generation capacities at a number of sites, including 12 MVp solar project at our manufacturing site in Hail (KSA). As we approach 2022, we will continue to invest in our solar electricity network whilst also exploring new ways to utilize solar power to produce hot water.

Our highlight stories

Reducing refrigeration impacts

In 2021, we continued to upgrade our sales depot cold store sites to be CFCs free and achieved our target of 100% CFCs free sales depots cold stores by 2025. Reducing CFC's has a direct benefit on our overall emissions and helps to reduce the harmful effects on climate change. Our trials of alternatives to standard refrigerants have continued with the introduction of R290, a non-toxic refrigerant with zero ozone depletion potential and a low global warming potential. We plan to standardize our operations in 2022 to use this replacement gas if it is found to be effective. This will significantly reduce our impact.

Investing in sustainable logistics

In 2017, we started using biodiesel in a few sales vans in selected depots of our UAE operations. Just over a year later, in 2018, we expanded the project to cover all sales vans. Today, all of UAE sales routes, 406 vans to be exact, use biodiesel with a 5% blend into the regular filling, reaching 339,051 per year. In addition to use of biodiesel, we installed SDL trucks routing system, which enables us to optimize the distance travelled and save fuel. This initiative contributed to our reaching the target to increase the fuel efficiency of our sales, distribution, and logistics vehicles by 10% by 2025.



30% increase in solar energy usage from 2020



70% decrease in lighting load from LED installations



3.70% clean energy as a percentage of total electricity consumption



Achieved **ISO14001 Certification** for our farming, poultry, sales, distribution, and logistics sites.







Going green in our Bakery operations







We implemented our energy awareness program, 'Go Green' at our site in Jeddah (KSA) in 2021. The same program has been operational at our manufacturing sites in Al Kharj and Hail (KSA). The key objectives of this program are to raise employee awareness for energy conservation, identify high energy use areas, conduct process improvements, and engage employees in energy conservation.

Our approach is built upon four pillars:

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

Achieved  On-track  Some progress  Limited progress 

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



Protecting the Planet

Waste Management

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

Our approach

Everything, from people to plants, relies on a thriving environment for survival. However, resources are getting increasingly scarce and preserving natural capital and biodiversity is critical.

We are increasingly minimizing our waste and visioning waste as a valuable resource. Through process efficiencies in our operations, we are encouraging waste recycling and diverting waste away from landfill. One of the most effective ways of reducing food waste is prevention. To this end, we are working hard to ensure that our demand forecasting is highly accurate to avoid food waste generation and unnecessary cost to the business and the environment. Where possible, we also seek to recycle as much packaging and process waste as we can from both our manufacturing and distribution facilities. We have maintained partnerships with waste management companies that specialize in the recycling of challenging materials, such as shrink wrap, into various other materials, diverting them from landfill.

We have been conscious of understanding where our waste goes and reviewing this against the waste hierarchy. In the GCC, we have been working on several initiatives that look to, where possible, keep waste in the more favored prevention category on the waste hierarchy, treating it as food surplus and avoiding disposal to landfill. Our waste steering group serves as a collaborative knowledge sharing platform and plays an important role in driving initiatives as we work towards our strategic goal, to reduce waste going to landfill across all our divisions by 50% by 2025 (against a 2018 baseline).

2021 performance and initiatives

In 2021, our waste efforts continued with improvements across our various waste reduction targets. In 2021, total waste generated decreased by 6.92%, waste recycled increased by 6.82%, and 33% food waste diverted from landfill compared to 2020. As a result of these improvements, we accomplished 40% reduction in waste going to landfill across all our divisions by 2021 (against a 2018 baseline).



National Transformation Program 2020



7% decrease in total waste generated compared to 2020.



7% increase in recycling rate compared to 2020.



33% increase in food waste diverted from landfill since 2020.



40% reduction in waste going to landfill across all our divisions (against a 2018 baseline).

We commenced a new partnership with a third-party provider in Dubai, who recycles packaging and recovers water for reuse. This provider redirects a significant element of surplus products to ensure the plastic is recycled, the water recovered, fats are converted into biofuels, and proteins sent for animal feed. We have also continued to expand our procurement efforts for additional partnerships with public and private sector entities currently being explored

Producing organic fertilizer

Almarai's poultry litter charring operations in Hail has started producing 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. The product itself consist 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 as the premium version of biochar, can increase the crop yields, boost the agriculture, and has a variety of other uses, including animal feed supplements, bedding, and use as a water filtration medium.



Progress on our strategic goals and targets

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

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 owns Fondomonte, who operate our arable farms located in primarily Argentina and the United States. Ensuring that we produce the highest quality feed for our dairy herds in Saudi Arabia is as important as our commitment to ensuring sustainable agricultural practices.

We utilize best land-use practices to ensure land productivity on our arable farms and continue to adopt regenerative farming practices where possible. Regenerative farming practices are important for the long-term sustainability of our arable farms through contributing to the health and vitality of the soil through microbial development and topsoil regeneration, while also supporting bio and carbon sequestration, soil structure, and overall ecological biodiversity. In California, we participate in a land conservation program, where around 15% of the land lays fallow at any given time to support soil regeneration. In Argentina, environmental impact assessments are conducted on a regular basis on alfalfa farms. We carefully monitor the application of fertilizer and pesticides in line with local regulations and maintain ongoing dialogue with local environmental regulatory bodies in both countries.

Our arable farming operations, based in the United States and Argentina, utilize irrigation methods most suitable for the environment. We have invested heavily in irrigation infrastructure since acquiring the farms in the United States. For example, our arable farms in Arizona use a combination of highly efficient subsurface drip and pivot irrigation. In California, where we rely on irrigation canals, we have ongoing work to line them with concrete to increase flow and reduce water loss from both evaporation and aquatic plant life. All canals are gravity fed and rely on no energy for pumping. In our United States and Argentina operations, we monitor water use in line with local regulations and maintain ongoing dialogue with local bodies governing water management.

Feed is transported from our arable farms in the United States to port for shipping by train. This mode of inland freight reduces the associated carbon footprint of our export operations. Most of electricity that powers our arable farming operations in the United States comes from renewable, hydroelectric, power sources. In addition, where irrigation pumping is required, such as in Arizona, all pumps are electric. This further contributes to a lower operational carbon footprint and the long-term sustainability of our operations.



All our operational Fondomonte USA sites are SHARPs (Safety & Health Achievement Recognition Program) certified, an OSHA (Occupational Safety and Health Administration) accreditation program. The SHARPs certification recognizes small and medium business employers who have used OSHA's On-Site Consultation program services and operate exemplary safety and health programs.

2021 performance and initiatives

 Zero incidents of non-compliance with environmental laws and regulations	 26,552 hectares under production.	 All USA sites are SHARPs certified for Health and Safety.
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Supporting young farmers

We provide ongoing support to several activities such as 4-H (Young Farmers of America), a program administered by the National Institute of Food and Agriculture of the United States Department of Agriculture. The program works to inspire youth to enter agricultural careers, providing them with awareness and skill building through applied projects.

Progress on our strategic goals and targets

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

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



Doing better every day

Almarai Sustainability Report 2021

Producing Responsible Products

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



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 promise to all stakeholders is to deliver ‘Quality you can trust.’ Since 1977, we have been committed to delivering products and services that are manufactured to global best practice standards for quality and food safety. This also forms a key part of our Doing better every day strategy.

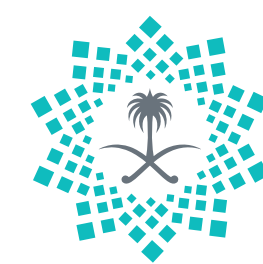
The integrity of the Almarai food safety and quality systems is the shared responsibility of all Almarai employees to ensure ‘Quality you can trust’ in all our products and services. The integrity, capability, and effectiveness of our systems is supported by training and various multilevel internal audit programs, independently verified by globally recognized certification and inspection bodies who carry out both announced and unannounced system audits and physical inspections at our sites.

In 2021, all our manufacturing operations have achieved the Food Safety System Certification (FSSC) 22000 v 5.1, which is a Global Food Safety Initiative (GFSI) recognized scheme. Our operations also hold ISO 9001 quality management system certifications.

To maintain our strong quality and food safety performance, we recognize that it is also important that our employees are well trained within a culture of quality. Employees are provided with tailored training on an annual basis provided by international experts such as AIB International and Campden BRI (UK). We also have a recognition program in place to support the development of our quality culture.

2021 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 2020



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 sites certified to the Food Safety System Certification 22000, recognized by GFSI



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

Our highlight stories

Safety assured

Almarai takes the health, safety, and wellbeing of our customers seriously and strives to ensure that all our food items are safe and nutritious. Almarai Manufacturing Facilities achieved Food Safety certification according to FSSC 22000 v5.1, a standard recognized by the Global Food Safety Initiative (GFSI), an alliance of world-leading consumer goods companies to ensure safe food for all. With this certification, our customers and clients can rest assured that the food they are purchasing has been assured for quality and safety. In addition to our achievement in adopting FSSC 22000 Standard, Almarai’s manufacturing facilities obtained the highest rating (A+) from the Saudi Food and Drug Authority as part of a program for evaluating food establishments in the Kingdom.

Partnering for safety

For the fourth consecutive year, Almarai hosted the Food Safety Conference in 2021. The conference is an opportunity for public and private sector representatives to come together to meet and discuss innovative practices that ensure food safety for a sustainable future. The 2021 conference was conducted with safety and accessibility in mind and was hosted entirely virtually in the presence of representatives from the Food and Drug Authority in Saudi Arabia, the Ministry of Health, the Ministry of Environment and Water and Agriculture, the US Food and Drug Authority, the Food and Drug Authority of Jordan, and Dubai Municipality.

Celebrating World Quality Day 2021

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

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

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



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 Almarai, we are passionate about animal wellness, and its role in creating a more sustainable business and supply chain. As a part of our *Doing better every day* strategy, we ensure that our customers are receiving quality and ethical products. Our aim will always be to support and encourage the improvement of animal welfare throughout our business. To do this, we work closely with our teams and partners to maintain our high standards, and always strive to raise them. We ensure that the animals we raise to produce our products are properly and humanely treated throughout their lifecycle. We follow the World Organization for Animal Health (OIE) guiding principles on animal welfare, as well as the universally recognized ‘Five Freedoms’ for animals under human control to upkeep the mental and physical wellbeing of animals. All livestock that provides our fresh meat, poultry and eggs must be reared with these five freedoms:

- **Freedom from hunger and thirst**
- **Freedom from discomfort**
- **Freedom from pain, injury or disease**
- **Freedom to express normal behaviors**
- **Freedom from fear and distress**

We work closely with various veterinary organizations to maintain the health of our animals and seek to provide our livestock with exceptionally high standards of living, to ensure maximum yields and quality. Our Holstein dairy herds have 24-hour support from professional veterinary teams, year-round shaded housing, and air cooling and showering. Cows are fed a healthy diet that is specifically formulated for their needs.



To produce the best quality products, we must ensure that the feed we give our livestock is also of the highest quality, sourced from well managed locations and that they are fed the correct amount. Poultry flocks receive best-in-class care, ensuring that health consistently exceeds global standards. Such standards are achieved by focusing on high levels of husbandry and nutrition for our birds. For example, we have a unique air filtration system in our broiler farms. Broilers are housed in climate-controlled barns and are provided with a healthy diet. Almarai also does not use cages on any of our poultry farms.

Therapeutic antimicrobials are not used in our cows as an alternative to good management. We have a health plan to continually improve our cows' health with an emphasis on effective vaccination, good animal husbandry and best hygiene practices. During treatment, our cows are removed from production until treatment has been completed and they test negative for antibiotics in their milk. With our broiler chickens, we do not use antimicrobials (antibiotics) ever.

2021 performance and initiatives

In 2021, we worked to draft our Animal Welfare Policy that will formalize and govern our approach to animal welfare. This policy will cover all livestock and animals throughout our group and safeguards them against malpractice by focusing on best practice approaches to management, living conditions, transportation, food, nutrition, health, and wellbeing. This policy will form a part of our journey towards achieving the NSF Global Animal Wellness Standards, which we feel demonstrates our care and compassion to our livestock. This journey commenced in 2020 with the update of our standard operating procedures to align to the standards, conducted training for site employees, and identified an Animal Welfare team.

Our highlight stories

Achieving global animal welfare

Through our ambition to lead our sector in best animal welfare practices possible, we have now become the first company globally to obtain the international certificate for animal wellness for dairy farms and operations. This recognition has been provided by the NSF International according to International Animal Wellness standards. Almarai has also become the first company in Saudi Arabia to be certified to the poultry hatchery, transport, and operation.

Partnering for Veterinary Medicine

Almarai has renewed the cooperation and partnership agreement with the Saudi Veterinary Medical Association for three more years, from 2021 until 2024. The agreement stated that the company is exclusively sponsoring the award, which is "Almarai Veterinary Medicine Award for the Gulf Cooperation Council Countries," by being committed to cover the annual value of the award, which is five hundred thousand Saudi riyals (500,000 SAR).

The award was originally launched in 2009 under the name of "Almarai Veterinary Award for the Gulf Cooperation Council Countries" before changing the name. The awards have reached 62 winners from doctors and researchers since launching and has seen remarkable successes as it attracts hundreds of veterinary doctors and researchers who have a great impact on enriching the Saudi veterinary medical movement. The award is consistent with the comprehensive vision pursued by Almarai in supporting various professions and enriching them in 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
- 

Almarai has become the first company globally to obtain the **international certificate for animal wellness for dairy farms and operations**. This recognition has been provided by NSF International according to International Animal Wellness standards.
- 

Almarai has also become the first company in Saudi Arabia to be **certified in the poultry hatchery, transport, and operation**. This recognition has been provided by NSF International according to International Animal Wellness standards.

Progress on our strategic goals and targets

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

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

Almarai is committed to grow sustainably and acting responsibly at each phase of our value chain. From protecting and respecting human rights in a complex supply chain to upholding high food safety standards and championing consumer choice and transparency, our vision to be Doing better every day is deeply embedded in our culture. At Almarai, we also use our global reach to create positive impact. In the communities where we work, we are investing and working to implement better labor practices, foster economic resilience, drive sound agricultural practices and ensure ethical practice.

We believe it is our duty to consumers to ensure that the food and beverages we serve are sourced with the highest safety, environmental, and ethical standards. We have been working to ensure that our supply chain is transparent and free from malpractice through the continual implementation of new policies and guidelines. Almarai suppliers are expected to comply with our risk assessments, supplier code of conduct, and provide transparent information in self-assessment questionnaires. This ensures that we can mitigate risk to ourselves and stakeholders through the knowledge that our products are produced and manufactured to the highest standards regarding workers, resource use and traceability.

As a market leader in the food and beverage industry in the region, and the world's largest vertically integrated dairy company, we understand that our suppliers need to behave in an ethically responsible manner, so we continuously strive for disclosure and improvements throughout the value chain.



2021 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

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

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
- 
3,462 **locally** based suppliers.
- 
51.3% of suppliers engaged are locally based



Doing better every day

Almarai Sustainability Report 2021

Performance Data



Performance data



Managing Sustainability at Almarai

Our sustainability performance

2018 2019 2020 2021

	2018	2019	2020	2021
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

Note: NIA stands for no information available; N/A stands for not applicable.



Caring for People

Our sustainability performance

2018 2019 2020 2021

Nutrition and wellbeing				
Number of incidents of non-compliance with environmental laws and regulations	0	1	7	3
GCC	1	1	7	3
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

	2018	2019	2020	2021
Health and safety				
Number of employee lost time injuries	256	226	180	228
GCC	256	195	153	176
USA	NIA	14	16	37
Argentina	NIA	17	11	15
Contractor lost-time injuries	0	3	3	3
GCC	NIA	NIA	0	3
USA	NIA	3	3	0
Argentina	NIA	0	0	0
Employee lost-time injury rate (per 1 million man-hours)				
GCC	1.72	1.87	1.38	1.68
USA	NIA	NIA	20.00	70.60
Argentina	NIA	29.71	24.24	19.2
Contractor lost-time injury rate (per 1 million man-hours)				
GCC	NIA	NIA	0	0.82
USA	NIA	NIA	37.00	0
Argentina	NIA	0	0	0
Hours of employee health and safety training	155,320	363,991	62,965	167,915
GCC	155,320	352,338	56,582	150,284
USA	NIA	11,544	6,163	17,160
Argentina	NIA	109	220	471
Hours of contractor health and safety training	0	3,036	984	19
GCC	NIA	1,289	0	0
USA	NIA	1,711	984	984
Argentina	NIA	36	0	3
Average hours of health and safety training per employee	4.0	9.6	1.7	4.7
GCC	4.0	9.5	1.5	4.3
USA	NIA	29.7	19.1	45.9
Argentina	NIA	0.5	1.1	2.2

	2018	2019	2020	2021
Average hours of health and safety training per contractor	6.1	4.5	0.5	0.2
GCC	N/A	2.1	0	0
USA	10.6	4.8	0.8	0.6
Argentina	1.7	1.7	0.3	0.05
Employee absenteeism rate (%)				
GCC	6.5%	4.9%	5.0%	3.1%
USA	NIA	NIA	7.0%	12,2%
Argentina	NIA	5.0%	3.6%	6.7%

Our sustainability performance				
Employee talent and diversity				
Number of employees	38,953	37,821	37,066	35,386
GCC	38,416	37,231	36,534	34,801
USA	366	389	323	374
Argentina	171	201	209	211
Male employees	38,953	36,870	36,198	34,539
GCC	38,416	36,462	35,768	34,059
USA	366	248	263	310
Argentina	171	160	167	170
Female employees	821	865	868	847
GCC	750	769	766	742
USA	42	55	60	64
Argentina	29	41	42	41
Full time, male employees	38,110	36,860	36,196	34,449
GCC	37,662	36,456	35,768	34,059
USA	306	245	261	220
Argentina	142	159	167	170
Full time, female employees	821	865	867	845
GCC	750	769	766	742
USA	42	55	59	62
Argentina	29	41	42	41

	2018	2019	2020	2021
Part time, male employees	22	10	2	3
GCC	4	6	0	0
USA	18	3	2	3
Argentina	0	1	0	0
Part time, female employees	0	0	1	2
GCC	0	0	0	0
USA	0	0	1	2
Argentina	0	0	0	0
Senior management employees	243	271	253	254
GCC	243	248	229	234
USA	NIA	8	10	8
Argentina	NIA	15	14	12
Middle management employees	1,272	1,319	1,240	1,250
GCC	1,272	1,266	1,190	1,196
USA	NIA	31	28	31
Argentina	NIA	22	22	23
Non-management employees	36,901	36,230	35,573	33,882
GCC	36,901	35,717	35,115	33,371
USA	NIA	350	285	335
Argentina	NIA	163	173	176
New employee hires	6,693	5,316	2,352	4,521
GCC	6,693	4,964	2,007	4,075
USA	NIA	281	323	381
Argentina	NIA	71	22	65
New employee hires, age 18-30	4,677	3,498	1,479	2,826
	69.9%	65.8%	62.9%	62.5%
GCC	4,677	3,320	1,373	2,616
	69.9%	66.9%	68.4%	64.2%
USA	NIA	150	90	163
	NIA	53.4%	27.9%	42.8%
Argentina	NIA	28	16	47
	NIA	39.4%	72.7%	72.3%

	2018	2019	2020	2021
New employee hires, age 31-50	2,003	1,761	763	1,625
	29.9%	33.1%	32.4%	35.9%
GCC	2,003	1,617	627	1,440
	29.9%	32.6%	31.2%	35.3%
USA	NIA	101	131	167
	NIA	35.9%	40.6%	43.8%
Argentina	NIA	43	5	18
	NIA	60.6%	22.7%	27.7%
New employee hires, age 51+	13	57	110	70
	0.2%	1.1%	4.7%	1.5%
GCC	13	27	7	19
	0.2%	0.5%	0.3%	0.5%
USA	NIA	30	102	51
	NIA	10.7%	31.6%	13.4%
Argentina	NIA	0	1	0
	NIA	0%	4.5%	0.0%
New employee hires, male	6,542	5,098	2,214	4,410
	97.7%	95.9%	94.1%	97.5%
GCC	6,542	4,786	1,932	4,006
	97.7%	96.4%	96.3%	98.3%
USA	NIA	258	263	346
	NIA	91.8%	81.4%	90.8%
Argentina	NIA	54	19	58
	NIA	76.1%	86.4%	89.2%
New employee hires, female	151	218	138	267
	2.3%	4.1%	5.9%	5.9%
GCC	151	178	75	69
	2.3%	3.6%	3.7%	1.7%
USA	NIA	23	60	191
	NIA	8.2%	18.6%	50.1%
Argentina	NIA	17	3	7
	NIA	23.9%	13.6%	10.8%
Voluntary employee turnover	4,360	4,215	2,446	4,568
	11.2%	11.1%	6.6%	12.9%
GCC	4,360	3,999	2,322	4,422
	11.3%	10.7%	6.4%	12.7%
USA	NIA	200	111	93
	NIA	51.4%	34.4%	24.9%
Argentina	NIA	16	13	53
	NIA	8.0%	6.2%	25.1%

	2018	2019	2020	2021
Voluntary employee turnover, age 18-30	1,890	1,824	938	2,917
	43.3%	43.3%	38.3%	63.9%
GCC	1,890	1,708	874	2,832
	43.3%	42.7%	37.6%	64.0%
USA	NIA	112	56	53
	NIA	56.0%	50.5%	57.0%
Argentina	NIA	4	8	32
	NIA	25.0%	61.5%	60.4%
Voluntary employee turnover, age 31-50	2,326	2,173	1,338	2,976
	53.3%	51.6%	54.7%	65.1%
GCC	2,326	2,098	1,301	2,931
	53.3%	52.5%	56.0%	66.3%
USA	NIA	63	32	24
	NIA	31.5%	28.8%	25.8%
Argentina	NIA	12	5	21
	NIA	75.0%	38.5%	39.6%
Voluntary employee turnover, age 51+	144	218	170	270
	3.3%	5.2%	7.0%	5.9%
GCC	144	193	147	254
	3.3%	4.8%	6.3%	5.7%
USA	NIA	25	23	16
	NIA	12.5%	20.7%	17.2%
Argentina	NIA	0	0	0
	NIA	0%	0%	0%
Voluntary employee turnover, male	4,270	4,068	2,379	4,449
	97.9%	96.5%	97.3%	97.4%
GCC	4,270	3,871	2,271	4,335
	97.9%	96.8%	97.8%	98.0%
USA	NIA	185	98	61
	NIA	92.5%	88.3%	65.6%
Argentina	NIA	12	10	53
	NIA	75.0%	76.9%	100.0%
Voluntary employee turnover, female	90	147	67	95
	2.1%	3.5%	2.7%	2.1%
GCC	90	128	51	87
	2.1%	3.2%	2.2%	2.0%
USA	NIA	15	13	8
	NIA	7.5%	11.7%	8.6%
Argentina	NIA	4	3	0
	NIA	25.0%	23.1%	0.0%

	2018	2019	2020	2021
Female employment rate (%)	2.1%	2.3%	2.3%	2.4%
GCC	2.0%	2.1%	2.1%	2.1%
USA	11.5%	14.1%	18.6%	17.1%
Argentina	17.0%	20.4%	20.1%	19.4%
Women in senior management	2	4	7	5
	0.8%	1.5%	2.8%	2.0%
GCC	2	2	2	1
	0.8%	0.8%	0.9%	0.4%
USA	NIA	0	3	2
	NIA	0%	30.0%	25.0%
Argentina	NIA	2	2	2
	NIA	13.3%	14.3%	16.7%
Women in middle management	45	43	33	39
	3.5%	3.3%	2.7%	3.1%
GCC	45	31	26	29
	3.5%	2.4%	2.2%	2.4%
USA	NIA	8	3	6
	NIA	25.8%	10.7%	19.4%
Argentina	NIA	4	4	4
	NIA	18.2%	18.2%	17.4%
Women in non-management positions	703	813	828	803
	1.9%	2.2%	2.3%	2.4%
GCC	703	736	738	712
	1.9%	2.1%	2.1%	2.1%
USA	NIA	42	54	56
	NIA	12.0%	18.9%	16.7%
Argentina	NIA	35	36	35
	NIA	21.5%	20.8%	19.9%
Board seats occupied by women	0	1	1	1
	0.0%	11.1%	11.1%	11.1%
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%

	2018	2019	2020	2021
Number of employees with a disability	468	436	421	404
GCC	468	436	421	404
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	410	428	561
GCC	327	333	360	352
USA	NIA	38	28	169
Argentina	NIA	39	40	40
Number of female employees that took parental leave	44	42	43	45
GCC	44	38	38	34
USA	NIA	2	2	1
Argentina	NIA	2	3	10
Number of female employees that returned to work in the reporting period after parental leave ended	39	34	36	33
GCC	39	30	34	29
USA	NIA	2	2	1
Argentina	NIA	2	0	3
Number of female employees that returned to work after parental leave ended that were still employed 12 months after their return to work	39	32	36	24
GCC	39	30	34	23
USA	NIA	1	2	0
Argentina	NIA	1	0	1

	2018	2019	2020	2021
Female employee return to work rate of employees that took parental leave (%)	89%	81%	84%	73%
GCC	89%	79%	89%	85%
USA	NIA	100%	100%	100%
Argentina	NIA	100%	0%	30%
Female employee retention rate of employees that took parental leave (%)	89%	76%	84%	53%
GCC	89%	79%	89%	68%
USA	NIA	50%	100%	0%
Argentina	NIA	50%	0%	10%
Percentage of working time lost due to industrial disputes, strikes and/or lock-outs (%)	375,258	588,365	407,612	419,202
GCC	375,258	579,152	399,698	275,596
USA	NIA	8,346	6,514	12,042
Argentina	NIA	867	1,400	7,462
Average hours of training per employee	9.6	15.6	11.0	8.3
GCC	9.8	15.6	10.9	7.9
USA	NIA	21.5	20.2	32.2
Argentina	NIA	4.3	6.7	35.4
Percentage of employees receiving regular performance and career development reviews (%)				
GCC	NIA	NIA	100%	100%
USA	NIA	NIA	NIA	100%
Argentina	NIA	NIA	NIA	3%
Learning and development programs (GCC only)	933	1,949	1,365	1,681
Number of Almarai Academy participants (National and non-national)	520	565	388	863
Number of Almarai Driving School participants (National and non-national)	413	1,384	977	818
Saudization (GCC only)				
Number of Saudi employees	8,766	8,466	8,653	8,626
Percentage Saudization among total workforce	26%	26%	27%	25%
Percentage Saudization of middle management	25%	24%	25%	26%
Percentage Saudization of senior management	16%	17%	20%	23%
Number of Saudi female employees	645	635	634	608

	2018	2019	2020	2021
Number of Saudi Almarai Academy participants	291	265	271	301
Number of Saudi Graduate Professional Trainee participants	22	23	19	0
Number of Saudi Almarai Future Leaders participants	21	0	0	0
Number of Saudi Dairy & Food Polytechnic participants	505	486	425	227
Number of Saudi Almarai Driving School participants	126	133	91	129
Total number of Saudi nationals in professional development programs	965	907	806	657

Community Investment				
Total CSR spending (SAR million) - GCC only	39.55	34.72	35.14	41.55
Total CSR spending as a percentage of net profit (%) -GCC only	2.00%	1.90%	1.80%	2.66%
Product donations - GCC only				
Number of schools provided with snacks for students	0	0	0	63
Snacks for school children (Number of servings)	0	0	0	50,540
Number of low income families provided with food baskets	0	0	0	1,355
Number of charities provided with food donations	0	0	0	183
Product donations for charities (Number of servings)	0	0	0	345,847
Total product servings donated	0	0	0	396,387
Total financial value (SAR million)	0.00	0.00	0.39	0.53
Support for vulnerable groups - GCC only				
Number of lower income couples provided with weddings	1,200	1,400	0	0
Number of children at orphanages and charities provided with Iftars	40	58	0	0
Charity, orphanage and other association event sponsorships (Number of beneficiaries)	80	172	45	0
Total financial value (SAR million)	0.38	0.51	0.01	0.52
Support for learning and technical, vocational and education training (TVET) - GCC only				
Number of TVET beneficiaries (Dairy & Food Polytechnic)	505	486	425	288
University student groups sponsored (Number of beneficiaries)	70	340	95	188
Braille booklets (Number of books donated)	N/A	500	0	0
Dental care campaign (Number of schools attended)	20	32	0	4
Almarai site visit program (Number of visitors)	73,286	88,030	23,089	0
Sponsorship of Food Loss and Waste Index and awareness campaign (value in SAR).	N/A	100,000	0	5,380,815

	2018	2019	2020	2021
Sponsorship of Qaderoon documentary (value in SAR)	N/A	113,000	135000	0
Total financial value (SAR million)	35.32	30.22	31.85	37.1
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	0	18
Total financial Value (SAR million)	0.00	0.00	0.00	3.40



Our sustainability performance

	2018	2019	2020	2021
Water management				
Water withdrawal (m3)	11,357,042	11,325,452	12,159,498	11,049,898
GCC	11,357,042	11,325,452	12,159,498	11,049,898
USA	NIA	NIA	NIA	N/A
Argentina	NIA	NIA	NIA	N/A
Water recycling and reuse (m3)	2,077,701	2,158,804	3,363,978	2,319,571
GCC	2,077,701	2,158,804	3,363,978	2,319,571
USA	NIA	NIA	NIA	N/A
Argentina	NIA	NIA	NIA	N/A
Percentage of water recycled and/or reused (%)	18.3%	19.1%	27.7%	21.0%
GCC	18.3%	19.1%	27.7%	21.0%
USA	NIA	NIA	NIA	N/A
Argentina	NIA	NIA	NIA	N/A
Total water consumption (m3)	13,434,743	13,484,256	15,523,476	13,369,469
GCC	13,434,743	13,484,256	15,523,476	13,369,469
USA	NIA	NIA	NIA	N/A
Argentina	NIA	NIA	NIA	N/A
Water discharge (m3)	8,142,212	8,946,156	7,284,188	8,676,103
GCC	8,142,212	8,946,156	7,284,188	8,676,103
USA	NIA	NIA	NIA	N/A
Argentina	NIA	NIA	NIA	N/A
Manufacturing water intensity (m3/metric ton of finished product)				
GCC	5.0	5.1	5.5	5.90
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

	2018	2019	2020	2021
Climate Change				
Direct stationary energy usage (in thousands kWh)	863,453	839,565	716,451	669,148
GCC	863,382	839,563	716,450	669,107
USA	0	0	0	0
Argentina	71	2	1	41
Indirect stationary energy usage (in thousands kWh)	946,882	1,012,184	1,089,202	1,194,497
GCC	881,525	933,598	1,003,241	1,106,941
USA	55,359	67,300	71,268	71,149
Argentina	9,999	11,286	14,693	16,407
Total stationary energy usage (direct and indirect, in thousands kWh)	1,810,335	1,851,749	1,805,653	1,863,645
GCC	1,744,907	1,773,161	1,719,691	1,776,047
USA	55,359	67,300	71,268	71,149
Argentina	10,069	11,288	14,694	16,448
Total solar energy usage (in thousand kWh)	2,409	14,313	31,317	40,980
GCC	2,409	14,313	31,317	40,980
USA	0	0	0	0
Argentina	0	0	0	0
Percentage of electricity consumption from solar (%)	0.2%	1.1%	2.5%	2.3%
GCC	0.2%	1.1%	2.5%	2.3%
USA	0%	0%	0%	0%
Argentina	0%	0%	0%	0%
Almarai owned refrigerators in stores (in thousands kWh)	906,305	961,093	982,890	991,540
GCC	906,305	961,093	982,890	991,541
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)	512.3	546.0	523.8	560.3
GCC	512.3	546.0	523.8	560.3
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

	2018	2019	2020	2021
Total vehicle fuel consumption (thousands of liters)	412,802	279,338	268,207	259,780
GCC	404,329	273,814	262,306	253,896
USA	7,609	4,428	4,594	4,546
Argentina	864	1,096	1,306	1,338
Scope 1 (direct) emissions (metric tons CO₂e)	1,160,272	896,859	788,324	794,241
GCC	1,149,005	889,527	780,057	778,938
USA	10,093	5,974	6,550	11,756
Argentina	1,174	1,358	1,718	3,548
Scope 2 (indirect) emissions (metric tons CO₂e)	688,198	744,270	810,400	984,406
GCC	660,558	710,960	774,107	947,343
USA	23,721	28,886	30,533	30,633
Argentina	3,919	4,423	5,759	6,431
Scope 3 emissions from Almarai refrigerators in stores (metric tons CO₂e)	780,088	827,246	846,008	853,454
GCC	780,088	827,246	846,008	853,454
USA	NIA	NIA	NIA	NIA
Argentina	NIA	NIA	NIA	NIA
Total emissions (metric tons CO₂e)	2,628,559	2,468,375	2,444,732	2,632,101
GCC	2,589,652	2,427,733	2,400,173	2,579,735
USA	33,814	34,860	37,083	42,389
Argentina	5,093	5,782	7,476	9,978
Manufacturing emissions intensity (metric tons CO₂e/metric ton of finished product)	0.30	0.32	0.29	0.32
GCC	0.30	0.32	0.29	0.32
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	200,094	225,443	216,795
GCC	167,686	200,036	225,346	216,795
USA	NIA	NIA	NIA	NIA
Argentina	NIA	58	97	0

	2018	2019	2020	2021
Waste Management				
Food waste resold for animal feed (Store returns and operational) (metric tons)	32,175	39,897	41,081	47,937
GCC	32,175	39,897	41,081	47,937
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Recycled waste (metric tons)	21,372	25,503	28,777	27,147
GCC	21,149	25,265	28,499	26,894
USA	183	178	188	212
Argentina	40	60	90	41
Total waste generated (metric tons)	177,606	201,732	172,738	157,780
GCC	177,606	201,732	171,484	157,078
USA	NIA	NIA	1,254	650
Argentina	NIA	NIA	NIA	52
Waste sent to landfill (metric tons)	124,282	136,570	102,970	83,397
GCC	124,282	136,570	101,904	82,948
USA	NIA	NIA	1,066	438
Argentina	NIA	NIA	NIA	11
Percentage of waste sent to landfill (%)	70%	68%	60%	53%
GCC	70%	68%	59%	53%
USA	NIA	NIA	15%	67%
Argentina	NIA	NIA	NIA	21%

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	32,367	26,810	55,168
USA	7,840	8,269	8,301	36,958
Argentina	24,314	24,098	18,509	18,210



Producing Responsible Products

Our sustainability performance

2018 2019 2020 2021

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	10	11	12
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

	2018	2019	2020	2021
Number of Food Safety System Certification (FSSC) 22000 certified plants	1	2	2	3
GCC	1	2	2	3
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	2	12
GCC	1	2	2	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%	20%	18%	100%
GCC	10%	20%	18%	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	487	497	519
GCC	585	487	497	519
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

Animal welfare				
Number of cows	188,071	180,504	171,983	172,012
GCC	188,071	180,504	171,983	172,012
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	191,103,518	195,846,876	198,001,451
GCC	157,372,110	191,103,518	195,846,876	198,001,451
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Number of incidents of non-compliance with laws regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic mammals	0	0	0	0
GCC	0	0	0	0
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

	2018	2019	2020	2021
Percentage of cows in enclosed housing with resting areas (%)	100%	100%	100%	100%
GCC	100%	100%	100%	100%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A
Percentage of chickens in enclosed cage free housing (%)	100%	100%	100%	100%
GCC	100%	100%	100%	100%
USA	N/A	N/A	N/A	N/A
Argentina	N/A	N/A	N/A	N/A

Ethical Sourcing				
Percentage of locally based suppliers engaged (%)	63%	64%	62%	62%
GCC	50%	51%	50%	49%
USA	N/A	73%	73%	57%
Argentina	99%	99%	98%	95%
Percentage of spending on locally based suppliers (%)				
GCC	45%	41%	38%	40%
USA	N/A	85%	87%	76%
Argentina	98%	97%	85%	0%
Total number of suppliers engaged	2,361	2,498	2,320	2,848
GCC	1,717	1,672	1,645	1,664
USA	N/A	233	183	484
Argentina	644	593	492	700
Total number of local suppliers engaged	1,495	1,610	1,431	3,038
GCC	858	854	815	821
USA	N/A	171	134	276
Argentina	637	585	482	665
Percentage of purchased volume from suppliers compliant with company's sourcing policy				
GCC	N/A	N/A	100%	100%
USA	N/A	100%	100%	100%
Argentina	N/A	N/A	N/A	N/A

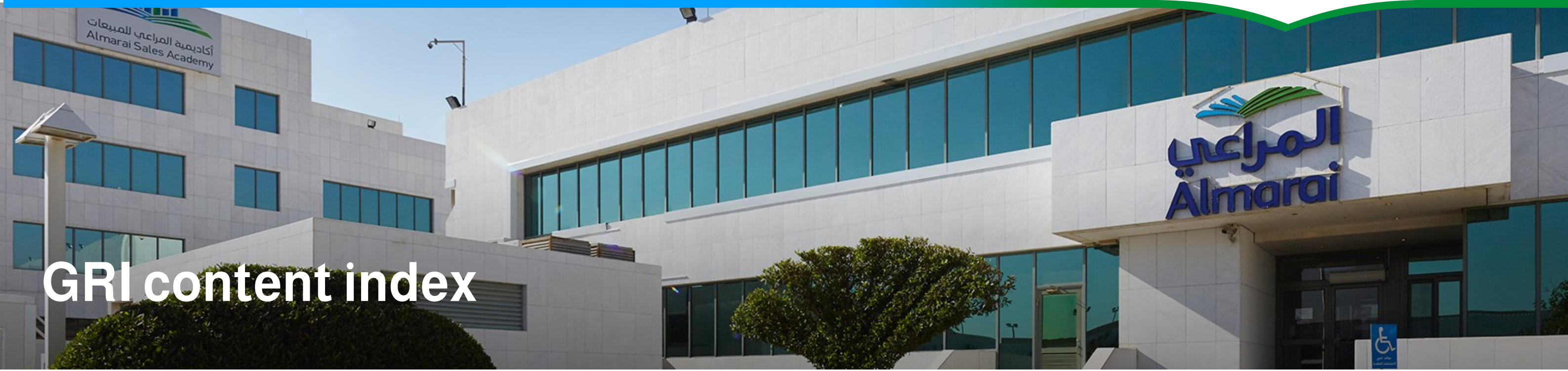
	2018	2019	2020	2021
Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards				
GCC	NIA	NIA	100%	100%
USA	NIA	100%	100%	100%
Argentina	NIA	NIA	NIA	NIA
New suppliers that were screened using social and/or environmental criteria	0	45	42	173
GCC	0	0	0	0
USA	NIA	45	42	173
Argentina	NIA	NIA	NIA	0
Number of negative social and/or environmental impacts in the supply chain and actions taken	NIA	NIA	NIA	0
GCC	NIA	NIA	NIA	0
USA	NIA	NIA	NIA	0
Argentina	NIA	NIA	NIA	0



Doing better every day

Almarai Sustainability Report 2021

GRI content index



GRI content index

GRI 102: General Disclosures 2016

Organizational profile	
102-1 Name of the organization	Almarai Company
102-2 Activities, brands, products, and services	Annual Report 2021 pg. 6-9, 38-48
102-3 Location of headquarters	Riyadh, Saudi Arabia
102-4 Location of operations	Saudi Arabia, Oman, UAE, Bahrain, Kuwait, Jordan, Egypt, USA, and Argentina
102-5 Ownership and legal form	Annual Report 2021 pg. 88-93
102-6 Markets served	Primary markets served: Saudi Arabia, Oman, UAE, Bahrain, Kuwait, Jordan, Egypt
102-7 Scale of the organization	About this report Annual Report 2021 pg. 4-5, 8-9, 32-33, 125-130
102-8 Information on employees and other workers	Employee talent and diversity data
102-9 Supply chain	About Almarai Ethical Sourcing
102-10 Significant changes to the organization and its supply chain	Annual Report 2021 pg. 76
102-11 Precautionary Principle or approach	Sustainability management at Almarai Climate change
102-12 External initiatives	GRI, World Organization for Animal Health, Alliance for Water Stewardship
102-13 Membership of associations	National Dairy Committee under the Council of Saudi Chamber, National Bakery Committee under the Council of Saudi Chamber, National Poultry Committee under the Council of Saudi Chamber, National Transportation Committee under the Council of Saudi Chamber, National Labor Market Committee under the Council of Saudi Chamber, Agricultural Committee under the Riyadh Chamber of Commerce, Human Resources and Labor Market Committee under the Riyadh Chamber of Commerce, Saudi CODEX Committee, Food and Beverage Association (Dubai), Agriculture and Food Security Council (Riyadh Chamber of Commerce)
Strategy	
102-14 Statement from senior decision-maker	Management messages
102-15 Key impacts, risks, and opportunities	Sustainability management at Almarai

GRI Disclosure

Location and Notes

Ethics and integrity

102-16 Values, principles, standards, and norms of behavior	Annual Report 2021 pg. 9, 18, 50-62
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Governance

102-18 Governance structure	Annual Report 2021 pg. 68-78, 88-93
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102-19 Delegating authority	Annual Report 2021 pg. 89-90
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102-22 Composition of the highest governance body and its committees	Annual Report 2021 pg. 68-74, 89-91
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102-23 Chair of the highest governance body	Chair is a non-executive member.
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102-24 Nominating and selecting the highest governance body	Annual Report 2021 pg. 89-90
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102-26 Role of highest governance body in setting purpose, values, and strategy	Annual Report 2021 pg. 89-90
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102-30 Effectiveness of risk management processes	Annual Report 2021 pg. 52-57
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102-35 Remuneration policies	Annual Report 2021 pg. 88, 94, 103-104
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Stakeholder engagement

102-40 List of stakeholder groups	Stakeholder engagement
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102-41 Collective bargaining agreements	Trade unions are not allowed in the GCC. Employees in Argentina are represented by trade unions. Employees in the USA, Jordan and Egypt are not members of trade unions.
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102-42 Identifying and selecting stakeholders	Stakeholder engagement
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102-43 Approach to stakeholder engagement	Stakeholder engagement
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102-44 Key topics and concerns raised	Stakeholder engagement Defining and prioritizing the issues that matter the most
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Reporting practice

102-45 Entities included in the consolidated financial statements	Annual Report 2021 pg. 120-130
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102-46 Defining report content and topic Boundaries	About this report Defining and prioritizing the issues that matter the most Sustainability strategy boundaries
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102-47 List of material topics	Defining and prioritizing the issues that matter the most
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102-48 Restatements of information	Health and safety data , Community investment data , Water management data , Climate change data , Waste management data
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102-49 Changes in reporting	Employee talent and diversity goal has been amended to further align with the NTP and it now focuses on ensuring gender equality in our workforce. Our JV operations of Beyti and Teeba are now better reflected separately under subsidiaries.
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102-50 Reporting period	About this report
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102-51 Date of most recent report	2020
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GRI Disclosure	Location and Notes
102-52 Reporting cycle	Annual
102-53 Contact point for questions regarding the report	About this report
102-54 Claims of reporting in accordance with the GRI Standards	About this report
102-55 GRI content index	GRI content index
102-56 External assurance	Assurance Statement

GRI 200 Economic Standard Series

Economic Performance	
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Annual Report 2021 pg. 26-30
103-3 Evaluation of the management approach	Annual Report 2021 pg. 34-48
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	Annual Report 2021 pg. 125-127
201-2 Financial implications and other risks and opportunities due to climate change	Climate change
201-3 Defined benefit plan obligations and other retirement plans	Annual Report 2021 pg. 146
201-4 Financial assistance received from government	Annual Report 2021 pg. 148, 163, 173-174

Market Presence	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity. About this report
103-2 The management approach and its components	Employee talent and diversity.
103-3 Evaluation of the management approach	Employee talent and diversity. Employee talent and diversity data
GRI 202: Market Presence 2016	
202-2 Proportion of senior management hired from the local community	Employee talent and diversity data

Indirect Economic Impacts	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity. Community investment About this report
103-2 The management approach and its components	Employee talent and diversity. Community investment
103-3 Evaluation of the management approach	Employee talent and diversity. Community investment Employee talent and diversity data Community investment data

GRI Disclosure	Location and Notes
203-1 Infrastructure investments and services supported	Zero
GRI 203: Indirect Economic Impacts 2016	
203-2 Significant indirect economic impacts	Employee talent and diversity data Community investment data

Procurement Practices	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing. CoC pg. 4-5
103-3 Evaluation of the management approach	Ethical sourcing. Ethical sourcing data
GRI 204: Procurement Practices 2016	
204-1 Proportion of spending on local suppliers	Ethical sourcing

Anti-corruption	
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Annual Report 2021 pg. 50-62 See our Global Anti-Bribery & Corruption Policy and Procedures for full details. Almarai has a Policy for Reporting Violations, which is designed to help stakeholders (including employees, suppliers and third parties) to report any acts or practices which violate the Almarai Code of Conduct (CoC), laws, rules, and regulations. See our CoC and Policy for Reporting Violations for full details. In line with the above, Almarai has a model for ethics and compliance reporting and resolution duly approved by the Senior Management and the Audit Committee. The ethics and compliance model are also supported by a reporting website, NAVEX EthicsPoint, which is linked directly to Almarai's corporate website. Employees, customers, any concerned third parties, essentially anyone, can use the website and report violations safely and anonymously.
	In Egypt, a CoC was developed in 2020 and NAVEX EthicsPoint is being used for the reporting of suspected violations.
103-3 Evaluation of the management approach	Annual Report 2021 pg. 50-62
205-1 Operations assessed for risks related to corruption	Annual Report 2021 pg. 52-57
GRI 205: Anti-corruption 2016	
205-2 Communication and training about anti-corruption policies and procedures	Almarai requires all employees to acknowledge that they understand our CoC and to disclose any conflict of interest on an annual basis. In 2021, a communications campaign, has been ongoing to spread awareness and to embed the CoC and Global Anti- Bribery & Corruption Policy and Procedures within the organization. This is to ensure that employees are aware of the available tools they have access to and to ensure compliance with Almarai's ethical framework. A digital course on the CoC is underdevelopment and will include information on the Global Anti-Bribery & Corruption Policy and Procedures. The course launched in 2021 and is mandatory of all existing employees and new employees..

Anti-competitive Behavior	
GRI 103: Management Approach 2016	

GRI Disclosure	Location and Notes
103-2 The management approach and its components	Annual Report 2021 pg. 50-62
103-3 Evaluation of the management approach	Annual Report 2021 pg. 50-62 CoC pg. 4-5
GRI 206: Anti-competitive Behavior 2016	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices GRI 300 Environmental Standards Series	Zero

GRI 300 Environmental Standards Series	
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Annual Report 2021 pg. 50-62
103-3 Evaluation of the management approach	Annual Report 2021 pg. 50-62 CoC pg. 4-5
GRI 206: Anti-competitive Behavior 2016	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices GRI 300 Environmental Standards Series	Zero

GRI 300 Environmental Standards Series

Materials	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Packaging innovation About this report
103-2 The management approach and its components	Packaging innovation
103-3 Evaluation of the management approach	Packaging innovation Packaging innovation data
GRI 301: Materials 2016	
301-2 Recycled input materials used	Packaging innovation data
301-3 Reclaimed products and their packaging materials	No reclaimed products are used to produce our products.

Energy	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Climate change About this report
103-2 The management approach and its components	Climate change
103-3 Evaluation of the management approach	Climate change Climate change data
GRI 302: Energy 2016	
302-1 Energy consumption within the organization	Climate change data
302-2 Energy consumption outside of the organization	Climate change data
302-3 Energy intensity	Climate change data

GRI Disclosure	Location and Notes
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302-4 Reduction of energy consumption	Climate change data
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Water and Effluents	
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GRI 303: Management Approach 2018	
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303-1 Interactions with water as a shared resource	Water management
303-2 Management of water discharge-related impacts	Water management

GRI 303: Water and Effluents 2018	
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303-3 Water withdrawal	Water management data
303-4 Water discharge	Water management data
303-5 Water consumption	Water management data

Biodiversity	
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GRI 103: Management Approach 2016	
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103-1 Explanation of the material topic and its Boundary	Sustainable agriculture
103-2 The management approach and its components	About this report Sustainable agriculture
103-3 Evaluation of the management approach	Sustainable agriculture Sustainable agriculture data

GRI 304: Biodiversity 2016	
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304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	In Argentina, there are protected forests adjacent to farms.
304-2 Significant impacts of activities, products, and services on biodiversity	Zero to our knowledge.
304-3 Habitats protected or restored	Zero to our knowledge.
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Zero to our knowledge.

Emissions	
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GRI 103: Management Approach 2016	
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103-1 Explanation of the material topic and its Boundary	Climate change About this report
103-2 The management approach and its components	Climate change
103-3 Evaluation of the management approach	Climate change Climate change data

GRI 305: Emissions 2016	
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305-1 Direct (Scope 1) GHG emissions	Climate change data
305-2 Energy indirect (Scope 2) GHG emissions	Climate change data

GRI Disclosure	Location and Notes
305-3 Other indirect (Scope 3) GHG emissions	Climate change data
305-4 GHG emissions intensity	Climate change data
305-6 Emissions of ozone-depleting substances (ODS)	Climate change data

Waste	
GRI 306: Management Approach 2020	
306-1 Waste generation and significant waste-related impacts	Waste management
306-2 Management of significant waste-related impacts	Waste management
GRI 306: Waste 2020	
306-3 Waste generated	Waste management data
306-4 Waste diverted from disposal	Waste management data
306-5 Waste directed from disposal	Waste management data

Environmental Compliance	
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Annual Report 2020 pg. 40-45 Sustainability governance
103-3 Evaluation of the management approach	Sustainability governance, Managing sustainability at Almarai data
GRI 307: Environmental Compliance 2016	
307-1 Non-compliance with environmental laws and regulations	Managing sustainability at Almarai data

Supplier Environmental Assessment	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing
103-3 Evaluation of the management approach	Ethical sourcing, E Ethical sourcing data
GRI 308: Supplier Environmental Assessment 2016	
308-1 New suppliers that were screened using environmental criteria	Ethical sourcing data
308-2 Negative environmental impacts in the supply chain and actions taken	Ethical sourcing data

GRI 400 Social Standards Series

Employment	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Employee talent and diversity

GRI Disclosure	Location and Notes
103-3 Evaluation of the management approach	Employee talent and diversity , Employee talent and diversity data
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	Employee talent and diversity data
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	All employees are entitled to benefits, such as medical insurance (life assurance is provided for senior management), annual leave, and full-time employees receive housing or a housing allowance and transportation.
401-3 Parental leave	Employee talent and diversity data
Labor/Management Relations	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Employee talent and diversity
103-3 Evaluation of the management approach	Employee talent and diversity Employee talent and diversity data
GRI 402: Labor/Management Relations 2016	
402-1 Minimum notice periods regarding operational changes	We do not have a minimum notice period by which we must communicate operational changes ahead of time.
Occupational Health and Safety	
GRI 403: Management Approach 2018	
403-1 Occupational health and safety management system	Health and safety
403-2 Hazard identification, risk assessment, and incident investigation	Health and safety
403-3 Occupational health services	Health and safety
403-4 Worker participation, consultation, and communication on occupational health and safety	Health and safety
403-5 Worker training on occupational health and safety	Health and safety
403-6 Promotion of worker health	Health and safety
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety
GRI 403: Occupational Health and Safety 2018	
403-9 Work-related injuries	Health and safety
Training and Education	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Annual Report 2021 pg. 50-62 Employee talent and diversity data

GRI Disclosure	Location and Notes
103-3 Evaluation of the management approach	Annual Report 2021 pg. 50-62 Employee talent and diversity Employee talent and diversity data
GRI 404: Training and Education 2016	
404-1 Average hours of training per year per employee	Employee talent and diversity data
404-2 Programs for upgrading employee skills and transition assistance programs	We do not currently have any transition assistance programs. Common practice within our GCC operations is to train and redeploy workers within the business.
404-3 Percentage of employees receiving regular performance and career development reviews	Employee talent and diversity data
Diversity and Equal Opportunity	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Employee talent and diversity CoC pg. 4-5
103-3 Evaluation of the management approach	Employee talent and diversity Employee talent and diversity data
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	Employee talent and diversity data
Non-discrimination	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Employee talent and diversity CoC pg. 4-5
103-3 Evaluation of the management approach	Employee talent and diversity Employee talent and diversity data
GRI 406: Non-discrimination 2016	
406-1 Incidents of discrimination and corrective actions taken	Employee talent and diversity data
Freedom of Association and Collective Bargaining	
GRI 407: Freedom of Association and Collective Bargaining 2016	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Trade unions are not allowed in the GCC. Employees in Argentina are represented by trade unions. Employees in the USA, Jordan and Egypt are not members of trade unions. No information is available for suppliers.
Child Labor	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing CoC pg. 4-5 Annual Report 2021 pg. 50-62

GRI Disclosure	Location and Notes
103-3 Evaluation of the management approach	Ethical sourcing. Annual Report 2021 pg. 50-62
GRI 408: Child Labor 2016	
408-1 Operations and suppliers at significant risk for incidents of child labor	To our knowledge our operations face no significant risk for incidents of child labor. No information is available for suppliers.
Forced or Compulsory Labor	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing. About this report
103-2 The management approach and its components	Ethical sourcing CoC pg. 4-5 Annual Report 2021 pg. 50-62
103-3 Evaluation of the management approach	Ethical sourcing Annual Report 2021 pg. 50-62
GRI 409: Forced or Compulsory Labor 2016	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	To our knowledge our operations face no significant risk for incidents of forced or compulsory labor. No information is available for suppliers.
Security Practices	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Health and safety About this report
103-2 The management approach and its components	Health and safety CoC pg. 4-5
103-3 Evaluation of the management approach	Health and safety
GRI 410: Security Practices 2016	
410-1 Security personnel trained in human rights policies or procedures	All security guards in our GCC operations receive our standard manned guarding course. This course covers effective conflict management proportionate to the risk level as identified by the High Commission for Industrial Safety of the Ministry of Interior in Saudi Arabia. Similar conflict management training is conducted in Egypt, Jordan, USA, and Argentina.
Rights of Indigenous Peoples	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	ethical sourcing About this report
103-2 The management approach and its components	ethical sourcing CoC pg. 4-5 Annual Report 2021 pg. 50-62
103-3 Evaluation of the management approach	Ethical sourcing Annual Report 2021 pg. 50-62
GRI 411: Rights of Indigenous Peoples 2016	

GRI Disclosure	Location and Notes
411-1 Incidents of violations involving rights of indigenous peoples	Zero
Human Rights Assessment	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing CoC pg. 4-5 Annual Report 2021 pg. 50-62
103-3 Evaluation of the management approach	Ethical sourcing Annual Report 2021 pg. 50-62
GRI 412: Human Rights Assessment 2016	
412-1 Operations that have been subject to human rights reviews or impact assessments	Zero to our knowledge.
412-2 Employee training on human rights policies or procedures	Zero
412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Zero
Local Communities	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Community investment About this report
103-2 The management approach and its components	Community investment
103-3 Evaluation of the management approach	Community investment Community investment data
GRI 413: Local Communities 2016	
413-1 Operations with local community engagement, impact assessments, and development programs	Community investment
413-2 Operations with significant actual and potential negative impacts on local communities	Throughout our operations, we recognize that these operations could pose a potential negative impact on surrounding communities.
Supplier Social Assessment	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing
103-3 Evaluation of the management approach	Ethical sourcing Ethical sourcing data
GRI 414: Supplier Social Assessment 2016	
414-1 New suppliers that were screened using social criteria	Ethical sourcing data

GRI Disclosure	Location and Notes
414-2 Negative social impacts in the supply chain and actions taken	Ethical sourcing data
Customer Health and Safety	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Quality and food safety About this report
103-2 The management approach and its components	Quality and food safety
103-3 Evaluation of the management approach	Quality and food safety Quality and food safety data
GRI 416: Customer Health and Safety 2016	
416-1 Assessment of the health and safety impacts of product and service categories	Quality and food safety data
Marketing and Labeling	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Nutrition and wellbeing About this report
103-2 The management approach and its components	Nutrition and wellbeing
103-3 Evaluation of the management approach	Nutrition and wellbeing Nutrition and wellbeing data
GRI 417: Marketing and Labeling 2016	
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	
417-3 Incidents of non-compliance concerning marketing communications	Nutrition and wellbeing data
Customer Privacy	
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Almarai has a data loss prevention strategy in place and provides awareness training to employees on how to prevent data losses from occurring. Almarai is also ISO 27001:2013 Information Security Management System certified. Annual Report 2021 pg. 50-62 CoC pg. 12-13
103-3 Evaluation of the management approach	Almarai regularly reviews its data loss prevention strategy to ensure its effectiveness and actively monitors its information management system to identify risks and data breaches. Our information and information rights classification systems provide automated controls to prevent information and data leakage. Almarai is audited for ISO 27001 recertification on a biennial basis to assure the effectiveness of the controls in place. Employee awareness training takes place every three months. Annual Report 2021 pg. 50-62
GRI 418: Customer Privacy 2016	

Sector Specific Disclosures - Food Processing

GRI Disclosure	Location and Notes
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Zero
Socioeconomic Compliance	
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Annual Report 2021 pg. 50-62
103-3 Evaluation of the management approach	Annual Report 2021 pg. 50-62
GRI 419: Socioeconomic Compliance 2016	
419-1 Non-compliance with laws and regulations in the social and economic area	Zero
Procurement/Sourcing Practices	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing
103-3 Evaluation of the management approach	Ethical sourcing Ethical sourcing data
Procurement/Sourcing Practices	
FP1 Percentage of purchased volume from suppliers compliant with company's sourcing policy	Ethical sourcing data
FP2 Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards	Ethical sourcing data
Labor/Management Relations	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Employee talent and diversity
103-3 Evaluation of the management approach	Employee talent and diversity Employee talent and diversity data E
Labor/Management Relations	
FP3 Percentage of working time lost due to industrial disputes, strikes and/or lockouts	Employee talent and diversity data
Customer Health and Safety	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Quality and food safety About this report

GRI Disclosure	Location and Notes
103-2 The management approach and its components	Quality and food safety
103-3 Evaluation of the management approach	Quality and food safety Quality and food safety data
Customer Health and Safety	
FP5 Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	Quality and food safety data

Animal Welfare	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Animal welfare About this report
103-2 The management approach and its components	Animal welfare
103-3 Evaluation of the management approach	Animal welfare Animal welfare data
Animal Welfare	
FP9 Percentage and total of animals raised and/or processed, by breed type	Animal welfare data
FP10 Percentage and total animals raised and/or processed, per housing type	Animal welfare data
FP 12 Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type	Animal welfare
FP 13 Total number of incidents of significant non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals	Animal welfare data
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Annual Report 2020 pg. 22 and 34
103-3 Evaluation of the management approach	Annual Report 2020 pg. 36-37
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	Annual Report 2020 pg. 124-128
201-2 Financial implications and other risks and opportunities due to climate change	Climate change
201-3 Defined benefit plan obligations and other retirement plans	Annual Report 2020 pg. 145
201-4 Financial assistance received from government	SAR 428.7 was received in government grants total

Market Presence	
GRI 103: Management Approach 2016	

GRI Disclosure	Location and Notes
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Employee talent and diversity
103-3 Evaluation of the management approach	Employee talent and diversity Employee talent and diversity data
GRI 202: Market Presence 2016	
202-2 Proportion of senior management hired from the local community	Employee talent and diversity data

Indirect Economic Impacts	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity , Community investment About this report
103-2 The management approach and its components	Employee talent and diversity , Community investment
103-3 Evaluation of the management approach	Employee talent and diversity , Community investment Employee talent and diversity data , Community investment data
GRI 203: Indirect Economic Impacts 2016	
203-1 Infrastructure investments and services supported	Zero
203-2 Significant indirect economic impacts	Employee talent and diversity data , Community investment data

Procurement Practices	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing CoC pg. 4-5
103-3 Evaluation of the management approach	Ethical sourcing , Ethical sourcing data
GRI 204: Procurement Practices 2016	
204-1 Proportion of spending on local suppliers	Ethical sourcing data

Anti-corruption	
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Annual Report 2020 pg. 40-45 See our Global Anti-Bribery & Corruption Policy and Procedures for full details. Almarai has a Policy for Reporting Violations, which is designed to help stakeholders (including employees, suppliers and third parties) to report any acts or practices which violate the Almarai Code of Conduct (CoC), laws, rules and regulations. See our CoC and Policy for Reporting Violations for full details. In line with the above, Almarai has a model for ethics and compliance reporting and resolution duly approved by the Senior Management and the Audit Committee. The ethics and compliance model are also supported by a reporting website, NAVEX EthicsPoint, which is linked directly to Almarai's corporate website. Employees, customers, any concerned third parties, essentially anyone, can use the website and report violations safely and anonymously. In

GRI Disclosure	Location and Notes
	Egypt, a CoC was developed in 2020 and NAVEX EthicsPoint is being used for the reporting of suspected violations.
103-3 Evaluation of the management approach	Annual Report 2020 pg. 40-45
GRI 205: Anti-corruption 2016	
205-1 Operations assessed for risks related to corruption	All divisions conduct a quarterly risk assessment, and the Risk Committee conducted 5 reviews of Almarai's top risks in 2020. Annual compliance risk assessments with the Risk Committee cover corruption. Operations in Egypt and Jordan were not assessed in 2020. No information available for USA and Argentina.
205-2 Communication and training about anti-corruption policies and procedures	Almarai requires all employees to acknowledge that they understand our CoC and to disclose any conflict of interest on an annual basis. In 2020, a communications campaign, which will continue into 2021, has been ongoing to spread awareness and to embed the CoC and Global Anti-Bribery & Corruption Policy and Procedures within the organization. This is to ensure that employees are aware of the available tools they have access to and to ensure compliance with Almarai's ethical framework. A digital course on the CoC is underdevelopment and will include information on the Global Anti-Bribery & Corruption Policy and Procedures. The course is scheduled to launch in 2021 and will be mandatory of all existing employees and new employees.

Anti-competitive Behavior	
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Annual Report 2020 pg. 40-45
103-3 Evaluation of the management approach	Annual Report 2020 pg. 40-45 CoC pg. 4-5
GRI 206: Anti-competitive Behavior 2016	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Zero

GRI 300 Environmental Standards Series

Materials	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Packaging innovation About this report
103-2 The management approach and its components	Packaging innovation
103-3 Evaluation of the management approach	Packaging innovation, Packaging innovation data
GRI 301: Materials 2016	
301-2 Recycled input materials used	Packaging innovation data
301-3 Reclaimed products and their packaging materials	No reclaimed products are used to produce our products.

Energy	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Climate change About this report
103-2 The management approach and its components	Climate change

GRI Disclosure	Location and Notes
103-3 Evaluation of the management approach	Climate change , Climate change data
GRI 302: Energy 2016	
302-1 Energy consumption within the organization	Climate change data
302-2 Energy consumption outside of the organization	Climate change data
302-3 Energy intensity	Climate change data
302-4 Reduction of energy consumption	Climate change data
Water and Effluents	
GRI 303: Management Approach 2018	
303-1 Interactions with water as a shared resource	Water management
303-2 Management of water discharge-related impacts	Water management
GRI 303: Water and Effluents 2018	
303-3 Water withdrawal	Water management data
303-4 Water discharge	Water management data
303-5 Water consumption	Water management data
Biodiversity	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Sustainable agriculture
About this report	
103-2 The management approach and its components	Sustainable agriculture
103-3 Evaluation of the management approach	Sustainable agriculture , Sustainable agriculture data
GRI 304: Biodiversity 2016	
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	In Argentina, there are protected forests adjacent to farms.
304-2 Significant impacts of activities, products, and services on biodiversity	Zero to our knowledge.
304-3 Habitats protected or restored	Zero to our knowledge.
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Zero to our knowledge.
Emissions	
GRI 103: Management Approach 2016	

GRI Disclosure	Location and Notes
103-1 Explanation of the material topic and its Boundary	Climate change About this report
103-2 The management approach and its components	Climate change
103-3 Evaluation of the management approach	Climate change , Climate change data
GRI 305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	Climate change data
305-2 Energy indirect (Scope 2) GHG emissions	Climate change data
305-3 Other indirect (Scope 3) GHG emissions	Climate change data
305-4 GHG emissions intensity	Climate change data
305-6 Emissions of ozone-depleting substances (ODS)	Climate change data
Waste	
GRI 306: Management Approach 2020	
306-1 Waste generation and significant waste-related impacts	Waste management
306-2 Management of significant waste-related impacts	Waste management
GRI 306: Waste 2020	
306-3 Waste generated	Waste management data
306-4 Waste diverted from disposal	Waste management data
306-5 Waste directed from disposal	Waste management data
Environmental Compliance	
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Annual Report 2020 pg. 40-45 Sustainability governance
103-3 Evaluation of the management approach	Sustainability governance , Managing sustainability at Almarai data
GRI 307: Environmental Compliance 2016	
307-1 Non-compliance with environmental laws and regulations	Managing sustainability at Almarai data
Supplier Environmental Assessment	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing
103-3 Evaluation of the management approach	Ethical sourcing , Ethical sourcing data
GRI 308: Supplier Environmental Assessment 2016	

GRI Disclosure

Location and Notes

308-1 New suppliers that were screened using environmental criteria	Ethical sourcing data
308-2 Negative environmental impacts in the supply chain and actions taken	Ethical sourcing data

GRI 400 Social Standards Series

Employment

GRI 103: Management Approach 2016

103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Employee talent and diversity
103-3 Evaluation of the management approach	Employee talent and diversity , Employee talent and diversity data

GRI 401: Employment 2016

401-1 New employee hires and employee turnover	Employee talent and diversity data
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	All employees are entitled to benefits, such as medical insurance (life assurance is provided for senior management), annual leave, and full-time employees receive housing or a housing allowance and transportation.
401-3 Parental leave	Employee talent and diversity data

Labor/Management Relations

GRI 103: Management Approach 2016

103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Employee talent and diversity
103-3 Evaluation of the management approach	Employee talent and diversity , Employee talent and diversity data

GRI 402: Labor/Management Relations 2016

402-1 Minimum notice periods regarding operational changes	We do not have a minimum notice period by which we must communicate operational changes ahead of time.
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Occupational Health and Safety

GRI 403: Management Approach 2018

403-1 Occupational health and safety management system	Health and safety
403-2 Hazard identification, risk assessment, and incident investigation	Health and safety
403-3 Occupational health services	Health and safety
403-4 Worker participation, consultation, and communication on occupational health and safety	Health and safety
403-5 Worker training on occupational health and safety	Health and safety
403-6 Promotion of worker health	Health and safety

GRI Disclosure	Location and Notes
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403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety
GRI 403: Occupational Health and Safety 2018	
403-9 Work-related injuries	Health and safety data

Training and Education

GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Annual Report 2020 pg. 40-45 Employee talent and diversity
103-3 Evaluation of the management approach	Annual Report 2020 pg. 40-45 Employee talent and diversity , Employee talent and diversity data
GRI 404: Training and Education 2016	
404-1 Average hours of training per year per employee	Employee talent and diversity data
404-2 Programs for upgrading employee skills and transition assistance programs	We do not currently have any transition assistance programs. Common practice within our GCC operations is to train and redeploy workers within the business.
404-3 Percentage of employees receiving regular performance and career development reviews	Employee talent and diversity data

Diversity and Equal Opportunity
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GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Employee talent and diversity CoC pg. 4-5
103-3 Evaluation of the management approach	Employee talent and diversity , Employee talent and diversity data
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	Employee talent and diversity data

Non-discrimination

GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Employee talent and diversity CoC pg. 4-5
103-3 Evaluation of the management approach	Employee talent and diversity , Employee talent and diversity data
GRI 406: Non-discrimination 2016	

GRI Disclosure	Location and Notes
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406-1 Incidents of discrimination and corrective actions taken	Employee talent and diversity data
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Freedom of Association and Collective Bargaining
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GRI 407: Freedom of Association and Collective Bargaining 2016
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407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Trade unions are not allowed in the GCC. Employees in Argentina are represented by trade unions. Employees in the USA, Jordan and Egypt are not members of trade unions. No information is available for suppliers.
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Child Labor

GRI 103: Management Approach 2016

103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing CoC pg. 4-5 Annual Report 2020 pg. 40-45
103-3 Evaluation of the management approach	Ethical sourcing Annual Report 2020 pg. 40-45

GRI 408: Child Labor 2016

408-1 Operations and suppliers at significant risk for incidents of child labor	To our knowledge our operations face no significant risk for incidents of child labor. No information is available for suppliers.
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Forced or Compulsory Labor

GRI 103: Management Approach 2016

103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing CoC pg. 4-5 Annual Report 2020 pg. 40-45
103-3 Evaluation of the management approach	Ethical sourcing Annual Report 2020 pg. 40-45

GRI 409: Forced or Compulsory Labor 2016
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409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	To our knowledge our operations face no significant risk for incidents of forced or compulsory labor. No information is available for suppliers.
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Security Practices

GRI 103: Management Approach 2016

103-1 Explanation of the material topic and its Boundary	Health and safety About this report
103-2 The management approach and its components	Health and safety CoC pg. 4-5
103-3 Evaluation of the management approach	Health and safety

GRI 410: Security Practices 2016

GRI Disclosure	Location and Notes
410-1 Security personnel trained in human rights policies or procedures	All security guards in our GCC operations receive our standard manned guarding course. This course covers effective conflict management proportionate to the risk level as identified by the High Commission for Industrial Safety of the Ministry of Interior in Saudi Arabia. Similar conflict management training is conducted in Egypt, Jordan, USA and Argentina.
Rights of Indigenous Peoples	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing CoC pg. 4-5 Annual Report 2020 pg. 40-45
103-3 Evaluation of the management approach	Ethical sourcing Annual Report 2020 pg. 40-45
GRI 411: Rights of Indigenous Peoples 2016	
411-1 Incidents of violations involving rights of indigenous peoples	Zero
Human Rights Assessment	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing CoC pg. 4-5 Annual Report 2020 pg. 40-45
103-3 Evaluation of the management approach	Ethical sourcing Annual Report 2020 pg. 40-45
GRI 412: Human Rights Assessment 2016	
412-1 Operations that have been subject to human rights reviews or impact assessments	Zero to our knowledge.
412-2 Employee training on human rights policies or procedures	Zero
412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Zero
Local Communities	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Community investment About this report
103-2 The management approach and its components	Community investment
103-3 Evaluation of the management approach	Community investment , Community investment data
GRI 413: Local Communities 2016	
413-1 Operations with local community engagement, impact assessments, and	Community investment

GRI Disclosure	Location and Notes
development programs	
413-2 Operations with significant actual and potential negative impacts on local communities	Throughout our operations, we recognize that these operations could pose a potential negative impact on surrounding communities.
Supplier Social Assessment	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing
103-3 Evaluation of the management approach	Ethical sourcing , Ethical sourcing data
GRI 414: Supplier Social Assessment 2016	
414-1 New suppliers that were screened using social criteria	Ethical sourcing data
414-2 Negative social impacts in the supply chain and actions taken	Ethical sourcing data
Customer Health and Safety	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Quality and food safety About this report
103-2 The management approach and its components	Quality and food safety
103-3 Evaluation of the management approach	Quality and food safety , Quality and food safety data
GRI 416: Customer Health and Safety 2016	
416-1 Assessment of the health and safety impacts of product and service categories	Quality and food safety data
Marketing and Labeling	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Nutrition and wellbeing About this report
103-2 The management approach and its components	Nutrition and wellbeing
103-3 Evaluation of the management approach	Nutrition and wellbeing , Nutrition and wellbeing data
GRI 417: Marketing and Labeling 2016	
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	4 incidents related to artwork compliance and 1 incident related to product information compliance in the GCC with the Saudi Food and Drug Authority (SFDA) specifications. Corrective actions were taken, and financial penalties were paid to the amount of SAR 32,000. 2 incidents related to artwork compliance in the GCC with the SFDA specifications: the outcome of one of these incidents is still pending, and for the other incident, feedback has been submitted to the SFDA with no financial penalty issued. In total, there were 7 incidents of non-compliance. 1

GRI Disclosure	Location and Notes
	incident related to artwork compliance with the Egyptian Standards Specification. Corrective actions and the necessary revisions were implemented. Financial penalties were paid to the amount of EGP 660,000.
417-3 Incidents of non-compliance concerning marketing communications	Nutrition and wellbeing data

Customer Privacy	
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Almarai has a data loss prevention strategy in place and provides awareness training to employees on how to prevent data losses from occurring. Almarai is also ISO 27001:2013 Information Security Management System certified. Annual Report 2020 pg. 40-45 CoC pg. 12-13
103-3 Evaluation of the management approach	Almarai regularly reviews its data loss prevention strategy to ensure its effectiveness and actively monitors its information management system to identify risks and data breaches. Our information and information rights classification systems provide automated controls to prevent information and data leakage. Almarai is audited for ISO 27001 recertification on a biennial basis to assure the effectiveness of the controls in place. Employee awareness training takes place every three months. Annual Report 2020 pg. 40-45
GRI 418: Customer Privacy 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Zero

Socioeconomic Compliance	
GRI 103: Management Approach 2016	
103-2 The management approach and its components	Annual Report 2020 pg. 40-45
103-3 Evaluation of the management approach	Annual Report 2020 pg. 40-45
GRI 419: Socioeconomic Compliance 2016	
419-1 Non-compliance with laws and regulations in the social and economic area	Zero

Sector Specific Disclosures - Food Processing

Procurement/Sourcing Practices	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Ethical sourcing About this report
103-2 The management approach and its components	Ethical sourcing
103-3 Evaluation of the management approach	Ethical sourcing , Ethical sourcing data
Procurement/Sourcing Practices	
FP1 Percentage of purchased volume from suppliers compliant with company's sourcing policy	Ethical sourcing data
FP2 Percentage of purchased volume which is verified as being in accordance with	Ethical sourcing data

GRI Disclosure	Location and Notes
credible, internationally recognized responsible production standards	
Labor/Management Relations	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Employee talent and diversity About this report
103-2 The management approach and its components	Employee talent and diversity
103-3 Evaluation of the management approach	Employee talent and diversity , Employee talent and diversity data
Labor/Management Relations	
FP3 Percentage of working time lost due to industrial disputes, strikes and/or lockouts	Employee talent and diversity data
Customer Health and Safety	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Quality and food safety About this report
103-2 The management approach and its components	Quality and food safety
103-3 Evaluation of the management approach	Quality and food safety , Quality and food safety data
Customer Health and Safety	
FP5 Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	Quality and food safety data
Animal Welfare	
GRI 103: Management Approach 2016	
103-1 Explanation of the material topic and its Boundary	Animal welfare About this report
103-2 The management approach and its components	Animal welfare
103-3 Evaluation of the management approach	Animal welfare , Animal welfare data
Animal Welfare	
FP9 Percentage and total of animals raised and/or processed, by breed type	Animal welfare data
FP10 Percentage and total animals raised and/or processed, per housing type	Animal welfare data
FP 12 Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type	Animal welfare
FP 13 Total number of incidents of significant non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals	Animal welfare data



Doing better every day

Almarai Sustainability Report 2021

Our subsidiaries



Our subsidiaries

Beyti

“ Beyti is one of the largest producers of milk, juice, and yoghurt products in Egypt, and a subsidiary of Almarai Company, under the joint venture IDJ. ”



As a leader in the Egyptian market, Beyti is working to embed sustainability within its operations. To this end, Beyti has established an environmental and sustainability function responsible for managing sustainability companywide.

This section of the report outlines Beyti’s approach to managing sustainability and highlights the achievements it has made in 2021 and its plans for the year ahead.

Environmental performance

Beyti is committed to minimizing its negative impact on the environment. Its activities have direct and indirect environmental impacts and it can play an important role in combatting global issues such as climate change. Beyti has an environmental policy that sets out the company’s commitment to support and preserve the environment in which it operates, responding to its key environmental impact areas as a business. This policy forms the basis of a roadmap that ensures the policy is put into practice. The policy covers the following areas: environmental management systems and compliance; carbon and energy; water; operational and food waste; and supplier and contractor environmental performance management. The roadmap and policy have allowed Beyti to achieve an ISO 14001 Environmental Management certification.

Beyti has focused on reducing its environmental impact through the installation and commissioning of a solar power project. The project aims to complete a 20 MWp solar power plant that will draw an estimated 19% of its total electricity demand from clean energy. To date, a 6.7 MWp solar power plant has been completed at its manufacturing site, this provides more than 30% of peak electricity demand. Beyti also successfully switched from diesel to natural gas boilers which significantly reduced the carbon intensity of its manufacturing facilities.

Beyti has continued to innovate its plastic and paper packaging to ensure that the quality of its products remain whilst reducing the impact it has on the environment. In 2021, the company achieved 100% of cardboard packaging from recycled materials, greatly reducing the environmental impact of their products and moving towards the circular economy.



Community engagement

Beyti realizes the importance of entrenching the true meaning of solidarity among individuals and societal institutions, especially during the ensuing pandemic and its health and economic impacts. Beyti supports efforts addressed for the neediest families and expanding the number of aids recipients. In 2021, Beyti announced its participation in the convoys of fasting people's iftar organized by Misr El-Kheir Foundation with donations reaching to Egyptian £3.5 million that are provided in the form of food products, milk, and juices from the company's products reaching to 1,030,515 packs. Beyti further launched an initiative of supporting the health sector requirements in cooperation with the Ministry of Health and Population to provide the company's products to patients, medical staff, and employees in quarantine hospitals.

Beyti believes that the private sector has an important role in improving local producers' competitive edge and efficiency in line with the National Food Safety Authority requirements. It continually seeks to support local producers, minor farmers, and milk producers, and is working on improving supply chains related to milk collection centers and minor breeders. Health and wellbeing of consumers is a high priority for Beyti, and it is committed to provide highest standards of international quality in all its products.



Employee development



Beyti issued its code of conduct and set up a system for employees to report issues related to corruption, racism, and violations of the code. All management and supervisory employees now have customized performance objectives and access to leadership and development programs and e-learning courses. In 2021, Beyti had zero reported incidents of discrimination because of robust employee engagement systems. In 2021, over 14,000 hours of training were given to Beyti employees, furthermore 100% of staff were given performance and career development reviews.

Health and safety



In 2021, Beyti completed the fourth phase of the fire trace system project to cover all electrical panels in the plant, which is one of many commitments to protect employees through enhanced health and safety practices. Beyti is proud to have been certified to OHSAS18001 Occupational Health and Safety certification, which signifies its commitments to maintaining the highest standards of health and safety. In 2021, the company had zero lost time injuries across all employees and contractors.

Quality and food safety



Beyti also believes in 'Quality you can trust.' To deliver quality products, Beyti follows strict quality audit process. In 2021, Beyti incorporated Almarai's quality management system that has achieved the FSSC 22000, the GFSI recognized, and ISO9001 certifications. The company maintains its daily quality reporting system and leadership strategies to serve high quality products. There were zero incidences of non-compliance for health and safety of products and 100% of products were assessed for health and safety impacts.

Responsible marketing and communications



Nutritional information for all Beyti's product is printed on packaging labels, and consumers inquiring about product nutritional information receive transparent answers.

All consumer quality complaints are thoroughly investigated, and the findings are shared with the consumer. Beyti has setup a specific team for reviewing, investigating, and responding to consumer complaints that traces and follows them until they are resolved. To further ensure transparent consumer relations, Beyti invite consumers, who have filed a complaint, to its manufacturing facilities to help understand its quality control procedures. In 2021, 100% of significant product categories were covered and assessed for compliance with product information and labelling.



Our sustainability performance

2018 2019 2020 2021

Animal welfare				
Number of incidents of non-compliance with environmental laws and regulations	1	1	0	0

Performance data: Beyti



Our sustainability performance

2018 2019 2020 2021

	2018	2019	2020	2021
Nutrition and wellbeing				
Number of incidents of non-compliance concerning product information and labeling	1	25	74	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	7	4	0
Contractor lost-time injuries	0	0	0	0
Employee lost-time injury rate (per 1 mln man-hours)	2	3	2	3.22
Contractor lost-time injury rate (per 1 mln man-hours)	0	0	0	0
Hours of employee health and safety training	9,603	11,058	11,259	13,739
Hours of contractor health and safety training	5,396	4,215	725	3,377
Average hours of health and safety training per employee	3	3	4	5
Average hours of health and safety training per contractor	11	5	1	2.7
Employee absenteeism rate (%)	1.70%	1.90%	1.80%	1.75%
Employee talent and diversity				
Number of employees	3,181	3,265	2,800	2,957
Male employees	3,138	3,224	2,760	2,842
Female employees	43	41	40	49
Full time, male employees	3,138	3,224	2,760	2,908
Full time, female employees	43	40	40	49
Part time, male employees	0	0	0	0
Part time, female employees	0	1	0	0
Senior management employees	22	24	18	41
Middle management employees	136	151	150	175

	2018	2019	2020	2021
Non-management employees	2,959	3,090	2,632	2,741
New employee hires	563	730	404	573
New employee hires, age 18-30	343	505	218	369
	60.9%	69.2%	54.0%	64.4%
New employee hires, age 31-50	220	220	184	201
	39.1%	30.1%	45.5%	35.1%
New employee hires, age 51+	0	5	2	3
	0%	0.7%	0.5%	0.5%
New employee hires, male	554	723	395	557
	98.4%	99.0%	97.8%	97.2%
New employee hires, female	9	7	9	16
	1.6%	1.0%	2.2%	2.8%
Voluntary employee turnover	684	661	707	300
	21.5%	20.2%	25.3%	10.1%
Voluntary employee turnover, age 18-30	297	363	229	165
	43.4%	54.9%	32.4%	55.0%
Voluntary employee turnover, age 31-50	362	293	447	131
	52.9%	44.3%	63.2%	43.7%
Voluntary employee turnover, age 51+	25	5	31	4
	3.7%	0.8%	4.4%	1.3%
Voluntary employee turnover, male	674	654	697	294
	98.5%	98.9%	98.6%	98.0%
Voluntary employee turnover, female	10	7	10	6
	1.5%	1.1%	1.4%	2.0%
Female employment rate (%)	1.4%	1.3%	1.4%	1.7%
Women in senior management	6	6	6	6
	27.3%	25.0%	33.3%	14.6%
Women in middle management	18	18	16	16
	13.2%	11.9%	10.7%	9.1%
Women in non-management positions	19	19	18	27
	0.6%	0.6%	0.7%	1.0%
Board seats occupied by women	0	0	0	0
	0%	0%	0%	0%
Number of employees with a disability	55	55	57	57
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	4	2	2

	2018	2019	2020	2021
Number of female employees that took parental leave	2	4	1	2
Number of female employees that returned to work in the reporting period after parental leave ended	1	3	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	1	0	1
Female employee return to work rate of employees that took parental leave (%)	50%	75%	100%	50%
Female employee retention rate of employees that took parental leave (%)	0%	25%	0%	50%
Total hours of training provided	28,701	37,230	45,114	18,872
Average hours of training per employee	9.0	11.4	16.1	6.4
Percentage of employees receiving regular performance and career development reviews (%)	NIA	NIA	100%	100%

Community Investment

Total CSR Spending (SAR)	N/A	23,329	963000	200000
Number of school and university visitors hosted	N/A	735	N/A	27
School bag donations (Number of bags donated to students)	N/A	20,000	N/A	N/A
Hours of employee volunteering	N/A	800	N/A	N/A



Managing
Sustainability
at Almarai data



Caring
for People data



Protecting
the Planet data



Producing
Responsible
Products data

Our sustainability performance

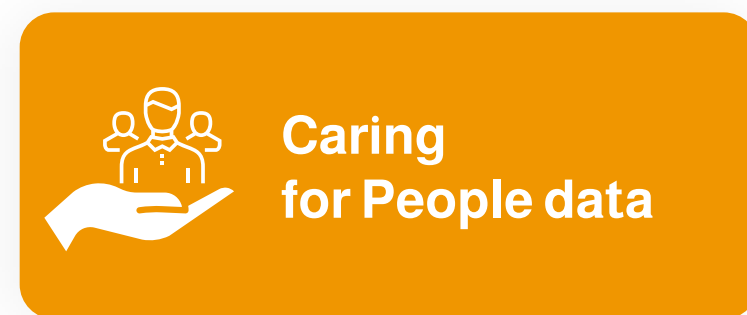
	2018	2019	2020	2021
Community Investment				
Water withdrawal (m3)	1,117,040	1,221,571	1,620,992	1,603,872
Water recycling and reuse (m3)	739	73,000	0	0
Percentage of water recycled and/or reused (%)	0.1%	6.0%	0.0%	0.0%
Total water consumption (m3)	1,117,779	1,294,571	1,620,992	1,603,872
Water discharge (m3)	657,706	NIA	1,012,525	697,966
Manufacturing water intensity (m3/metric ton of finished product)	3.1	3.7	4.6	3.7

2018 2019 2020 2021

Packaging innovation				
Percentage of card board coming from recycled materials used as an input material (%)	57%	70%	70%	100%
Plastics removed from packaging (tons)	NIA	NIA	NIA	N/A
Paper removed from packaging (tons)	NIA	NIA	NIA	N/A
Total packaging removed from the consumer waste stream (tons)	NIA	NIA	NIA	N/A

Climate Change				
Direct stationary energy usage (in thousands kWh)	53,690	64,787	46,881	46,579
Indirect stationary energy usage (in thousands kWh)	53,079	66,436	65,711	67,147
Total stationary energy usage (direct and indirect, in thousands kWh)	106,768	131,223	112,593	113,726
Total solar energy usage (in thousand kWh)	0	0	0	8,071
Percentage of electricity consumption from solar (%)	0	0	0	7%
Almarai owned refrigerators in stores (in thousands kWh)	NIA	NIA	NIA	N/A
Manufacturing energy intensity (kWh/metric ton of finished product)	283.1	398.6	309.6	256.2
Total vehicle fuel consumption (thousands of liters)	3,774	2,793	2,683	1,374
Scope 1 (direct) emissions (metric tons CO ₂ e)	19,879	18,061	5,337	25,880
Scope 2 (indirect) emissions (metric tons CO ₂ e)	23,188	29,022	28,706	29,333
Scope 3 emissions from Almarai refrigerators in stores (metric tons CO ₂ e)	NIA	NIA	NIA	NIA
Total emissions (metric tons CO ₂ e)	43,067	47,083	34,043	55,213
Manufacturing emissions intensity (metric tons CO ₂ e/metric ton of finished product)	0.10	0.13	0.08	0.13
Emissions from refrigerant leakage and replacement (metric tons CO ₂ e)	23	286	824	2

Packaging innovation				
Food waste resold for animal feed (Store returns and operational) (metric tons)	0	0	0	0
Recycled waste (metric tons)	15,040	NIA	NIA	NIA
Total waste generated (metric tons)	24,240	4,894	4,894	4,894
Waste sent to landfill (metric tons)	9,200	4,894	4,894	4,894
Percentage of waste sent to landfill (%)	38%	NIA	NIA	NIA



Our sustainability performance

2018

2019

2020

2021

	2018	2019	2020	2021
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%	85%	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	2	2	2
Number of Food Safety System Certification (FSSC) 22000 certified plants	1	1	2	2
Number of Global Food Safety Initiative (GFSI) certified plants	1	1	2	2
Percentage of plants that are GFSI certified (%)	100%	100%	100%	100%
Number of food safety and quality assurance employees	72	72	60	72
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%	69%	71%	59%
Percentage of spending on locally based suppliers (%)	40%	69%	72%	71%
Total number of suppliers engaged	588	111	260	75
Total number of local suppliers engaged	478	77	185	44
Percentage of purchased volume from suppliers compliant with company's sourcing policy	NIA	100%	100%	99%
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	0	3
Number of negative social and/or environmental impacts in the supply chain and actions taken	NIA	NIA	NIA	0



Our subsidiaries

Teeba

“ Teeba is one of the largest producers of dairy products in Jordan, and a subsidiary of Almarai Company, under the joint venture IDJ. ”



As a leader in the Jordanian market, Teeba is working to embed sustainability within its operations. Sustainability management is currently decentralized but coordinated by Teeba’s Quality and Regulatory Department.

This section of the report outlines Teeba’s approach to managing sustainability and highlights the achievements it has made in 2021.

Environmental performance

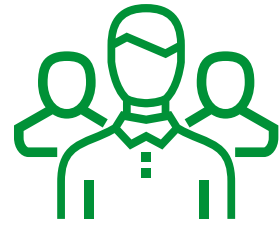
Over the past year, Teeba has implemented several initiatives to optimize energy and water consumption from process and equipment modifications. Overall water consumption reduced from 1.6 million cubic meters to 1.1 million cubic meters, as a result of water saving measures throughout the production processes. Similarly, savings were made on vehicle fuel consumption, where consumption reduced from about 3 million liters to 950 thousand liters. Total waste generated also decreased from 4,214 to 250 metric tons. Teeba had zero incidences of non-compliance with environmental laws and regulations.

Community engagement

Teeba works to support the local communities through various events throughout the year. During 2021, Teeba donated over 1800 products to schools and governmental agencies throughout Jordan and supported engagement and education campaigns on the pandemic precautions. The total investment for these projects amounted to 13,718 SAR. These projects followed a new budget and plan for CSR activities that was developed in 2021, which will be rolled out in the coming year. This plan represents a step forward to formalizing its approach to investing in the community, and it has identified different sectors of focus.



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. Teeba invests in its employees through promoting ongoing training and career progression. In 2021, over 9,500 hours of training were delivered and 100% of employees received employment development reviews. There were also zero incidences of discrimination or malpractice representing the strong and positive culture in the business.

Health and safety



Teeba promotes a culture of health and safety. In 2021, there were 8 employee and zero contractor lost time injury hours, low figures that highlight the strong health and safety measures that operate throughout the company. Overall, 139 hours of health and safety training were conducted with employees and 80 with contractors ensuring ownership amongst various business units. The company is proud that 100% of employees received two doses of the coronavirus vaccine in 2021 ensuring that we could maintain high health, safety, and wellbeing standards.

Quality and food safety



Teeba is inspired by a vision for excellence and driven by a commitment to provide consumers with quality products and exceptional services, the company has worked hard to provide a safe and healthy environment and achieved FSSC 22000 food safety certification. During a recent AIB inspection, Teeba scored 920, the second unannounced consecutive inspection in which Teeba proudly got high scores on an international level. It is worth mentioning that AIB inspection pertains to food safety, pre-manufacturing requirements, and good practices, and anything that can affect the products or consumers' health, directly or indirectly. The inspections are conducted through a thorough physical checking of the facility as well as studying the manufacturing methods, personal practices, and preventative maintenance program, which supports product safety, cleaning and sanitizing practices, pest control, in addition to a comprehensive audit of the internal systems and documents.

Responsible marketing and communications



Teeba only promotes product benefits and descriptions that are approved by the Jordan Food and Drug Administration (JFDA) and does not launch or import any products that are not 100% compliant with JFDA regulations. In 2021, Teeba conducted targeted marketing activities to continue building equity through cause marketing partnerships and using influencers and nutritionists to raise awareness on nutrition. They also provided online and digital support for core products and new product developments. Teeba follow responsible marketing and communication guidelines to ensure that consumers receive clear wellbeing, health, and nutritional information. In 2021, there were zero incidences of non-compliance with regulations or voluntary codes regarding labelling and 100% of products were assessed for compliance with required procedures.

Performance data: Teeba

Managing Sustainability at Almarai data

Caring for People data

Protecting the Planet data

Producing Responsible Products data

Our sustainability performance

	2018	2019	2020	2021
Animal welfare				
Number of incidents of non-compliance with environmental laws and regulations	0	0	0	0



**Managing
Sustainability
at Almarai data**



**Caring
for People data**



**Protecting
the Planet data**



**Producing
Responsible
Products data**

Our sustainability performance

2018

2019

2020

2021

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
	100%	100%	100%	100%

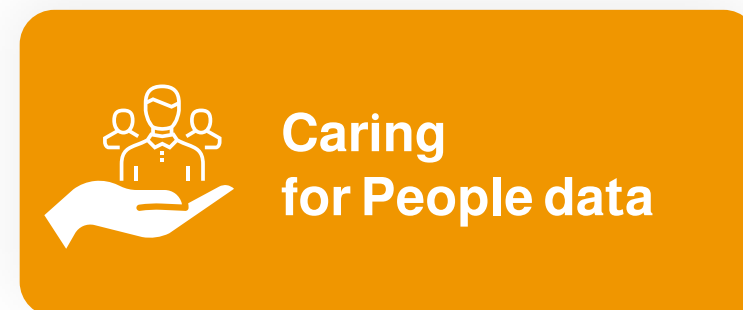
Health and safety				
Number of employee lost time injuries	23	15	32	8
Contractor lost-time injuries	0	0	0	0
Employee lost-time injury rate (per 1 million man-hours)	9.48	8.68	12.55	7.7
Contractor lost-time injury rate (per 1 million man-hours)	0	0	0	0
Hours of employee health and safety training	507	883	318	391
Hours of contractor health and safety training	50	100	57	0
Average hours of health and safety training per employee	0.8	1.1	0.4	0.37
Average hours of health and safety training per contractor	1.7	1.7	0.3	0.0
Employee absenteeism rate (%)	1.7%	1.7%	0.3%	1%

	2018	2019	2020	2021
Employee talent and diversity				
Number of employees	837	798	877	1065
Male employees	816	775	854	1039
Female employees	21	23	23	26
Full time, male employees	816	775	854	962
Full time, female employees	21	23	23	26
Part time, male employees	0	0	0	0
Part time, female employees	0	0	0	0
Senior management employees	22	15	15	16
Middle management employees	99	14	28	28
Non-management employees	716	769	834	944
New employee hires	14	19	27	252
New employee hires, age 18-30	9	14	21	188
	64.3%	73.7%	77.8%	74.6%
New employee hires, age 31-50	5	5	6	64
	35.7%	26.3%	22.2%	25.4%
New employee hires, age 51+	0	0	0	0
	0%	0%	0%	0%
New employee hires, male	14	14	26	314
	100%	73.7%	96.3%	124.6%

	2018	2019	2020	2021
New employee hires, female	0	0	1	3
	1.6%	1.0%	2.2%	2.8%
Voluntary employee turnover	177	9	3	55
	21.1%	1.1%	0.3%	5.2%
Voluntary employee turnover, age 18-30	134	3	3	52
	75.7%	33.3%	100%	94.5%
Voluntary employee turnover, age 31-50	40	5	0	3
	22.6%	55.6%	0.0%	5.5%
Voluntary employee turnover, age 51+	176	1	0	0
	99.4%	11.1%	0.0%	0.0%
Voluntary employee turnover, male	176	9	2	54
	99.4%	100%	66.7%	98.2%
Voluntary employee turnover, female	1	0	1	1
	0.6%	0%	33.3%	1.8%
Female employment rate (%)	2.6%	3.0%	2.7%	2.7%
Women in senior management	2	1	1	0
	9.1%	6.7%	6.7%	0.0%
Women in middle management	8	4	7	6
	8.1%	28.6%	25.0%	21.4%
Women in non-management positions	11	17	15	17
	1.5%	2.2%	1.8%	1.8%
Board seats occupied by women	0	1	2	2
	0%	12.5%	25.0%	25.0%
Number of employees with a disability	17	17	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	11	15	10
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	0
Female employee return to work rate of employees that took parental leave (%)	100%	N/A	0%	0%
Female employee retention rate of employees that took parental leave (%)	100%	N/A	0%	0%
Total hours of training provided	1600	4956	306325	9584
Average hours of training per employee	1.91	6.21	349.29	9.00
Percentage of employees receiving regular performance and career development reviews (%)	NIA	NIA	100%	100%

2018 2019 2020 2021

Community Investment				
Total CSR Spending (SAR)	40,280	53,593	279,635	13,719
Number of school and university visitors hosted	N/A	438	0	0
Product donations (Number of servings)	NIA	7,583	NIA	1,806



Our sustainability performance

2018 2019 2020 2021

Water Management				
Water withdrawal (m3)	164,310	175,272	201,897	372,250
Water recycling and reuse (m3)	107,800	120,416	154,171	14,820
Percentage of water recycled and/or reused (%)	66%	69%	76%	4%
Total water consumption (m3)	272,110	295,688	356,068	387,070
Water discharge (m3)	122,987	135,096	167,594	184,515
Manufacturing water intensity (m3/metric ton of finished product)	6	6	6	9

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

Climate Change				
Direct stationary energy usage (in thousands kWh)	8,527	9,624	9,564	12,331
Indirect stationary energy usage (in thousands kWh)	9,439	9,349	10,120	12,985
Total stationary energy usage (direct and indirect, in thousands kWh)	17,966	18,972	19,684	25,316
Total solar energy usage (in thousand kWh)	0	298	735	167
Percentage of electricity consumption from solar (%)	0	0	0	1%
Almarai owned refrigerators in stores (in thousands kWh)	NIA	NIA	NIA	N/A

	2018	2019	2020	2021
Manufacturing energy intensity (kWh/metric ton of finished product)	535	575	486	456
Total vehicle fuel consumption (thousands of liters)	1,983	215	3,081	950
Scope 1 (direct) emissions (metric tons CO2e)	5,744	2,859	6,862	5,949
Scope 2 (indirect) emissions (metric tons CO2e)	7,344	7,273	7,874	10,102
Scope 3 emissions from Almarai refrigerators in stores (metric tons CO2e)	NIA	NIA	NIA	NIA
Total emissions (metric tons CO2e)	13,088	10,132	14,736	16,051
Manufacturing emissions intensity (metric tons CO2e/metric ton of finished product)	0	0	0	0
Emissions from refrigerant leakage and replacement (metric tons CO2e)	20	NIA	NIA	NIA

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	0
Total waste generated (metric tons)	4,242	3,508	4,214	250
Waste sent to landfill (metric tons)	4,242	3,508	4,214	250
Percentage of waste sent to landfill (%)	100%	100%	100%	100%



Managing
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Our sustainability performance

	2018	2019	2020	2021
Quality and food safety				
Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standard (%)	100%	100%	100%	100%
Number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services	0	0	0	0
Number of recalls	0	0	0	0
Percentage of significant product categories covered by and assessed for compliance with product information and labeling procedures (%)	100%	100%	100%	100%
Percentage of products which health and safety impacts are assessed for improvement (%)	100%	100%	100%	100%
Total number of manufacturing plants	1	1	1	1
Number of Food Safety System Certification (FSSC) 22000 certified plants	0	0	0	1
Number of Global Food Safety Initiative (GFSI) certified plants	0	0	0	1

	2018	2019	2020	2021
Number of Global Food Safety Initiative (GFSI) certified plants	0	0	0	1
Percentage of plants that are GFSI certified (%)	0%	0%	0%	100%
Number of food safety and quality assurance employees	2	2	3	22

Animal welfare

Number of cows	2,373	2,841	3,050	3,200
Number of chickens processed	N/A	N/A	N/A	N/A
Number of incidents of non-compliance with laws regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic mammals	0	0	0	0
Percentage of cows in enclosed housing with resting areas (%)	100%	100%	NIA	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 (%)	91%	97%	95%	93%
Percentage of spending on locally based suppliers (%)	57%	88%	86%	90%
Total number of suppliers engaged	349	330	351	700
Total number of local suppliers engaged	319	320	334	650
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	NIA	40%	NIA	100%
New suppliers that were screened using social and/or environmental criteria	0	3	0	3
Number of negative social and/or environmental impacts in the supply chain and actions taken	NIA	NIA	NIA	0



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