



# SUSTAINABILITY REPORT 2024

الدرع Dabbagh





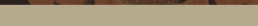
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# About This Report

GRI (2-2), (2-3), (2-4), (2-5)





# About this Report

We at Al-Dabbagh Group Holding (ADG) are pleased to present to our stakeholders our fifth consecutive annual sustainability report. As we progress in our sustainability journey and further integrate ESG into our core business practices, this reporting cycle reaffirms our alignment with the Global Reporting Standards (GRI). For more information on our previous reports, please visit the [Sustaining](#) section of our official website.

## Reporting Quality Principles

To ensure high-quality reporting, we apply the GRI principles and have identified data gaps and areas for improvement, which will be addressed in future reports.

Principle	Description
Accuracy	Data is collected using technology-driven processes, stakeholder input, multiple reviews, and an approval process to ensure precision.
Balance	The report adopts a neutral stance, offering a transparent view of our performance, including opportunities for improvement.
Clarity	Published in English and Arabic, our report is structured for accessibility and ease of understanding.
Comparability	Performance data for 2022, 2023 and 2024 wherever data is available. This facilitates year-over-year comparisons to track progress, subject to data availability.
Completeness	Beyond material topics, the report provides a holistic view of ADG’s sustainability performance.
Sustainability Context	Highlights sustainability integration into business operations, including environmental impact and global/local alignments.
Timeliness	As the fifth consecutive sustainability report, it follows an annual cycle to keep stakeholders updated on sustainability progress. Where data alignment differs by subsidiary, further details and updates are provided in each company’s standalone sustainability report to ensure accuracy and transparency.
Verifiability	Stringent data collection and verification process ensures accuracy and accountability across all levels of the organisation.

## Reporting Scope

Reporting Period	1 January 2024 to 31 December 2024.
Comparative Data	Performance data for 2024, with comparative figures for 2023 and 2022 when available. Restatements are clearly marked as footnotes and can be found on pages 46, 55 and 56. Notably, RSI’s data for this year includes both KSA and UAE operations, whereas last year’s report, particularly for HR-related figures, focused solely on KSA.
Terminology	<ul style="list-style-type: none"><li>Group – ADG Holding, ADG, The Group</li><li>Verticals – Packaging, Mobility, Housing, Food and Retail</li><li>Flagship Strategic Portfolio Companies included within this report: Flexible Packaging Solutions, Petromin Corporation, Red Sea International, Tanmiah Food Company, Dukan Retailing Company</li></ul>
Assurance Process	Internal assurance through departmental review and approval.
Entities Covered	<ul style="list-style-type: none"><li>This report covers Al-Dabbagh Group’s operations data in Saudi Arabia only, unless otherwise stated.</li><li>Subsidiaries’ data, included in chapter 5, covers their operations in different locations as stated.</li></ul>
Monetary Values	Presented in Saudi Riyal, unless otherwise stated.
Contact for report inquiries	For inquiries on our sustainability report and initiatives please send an email to <a href="mailto:info@dabbagh.com">info@dabbagh.com</a> .



# About Al Dabbagh Group

GRI (2-1), (2-6)

Our Legacy

Chairman's Message

Our Portfolio

2024 Highlights





## Our Legacy

Al-Dabbagh Group Holding Company Ltd., referred to as (ADG or the Group) throughout this report, is a private, family-owned business, founded in 1962 by His Excellency Sheikh Abdullah Al-Dabbagh, former Agriculture Minister of Saudi Arabia. It is a diversified, sharia-compliant industrial conglomerate, governed by our home-grown philosophy, Omnipreneurship. Guided by our values and driven by our vision, we developed our mission and goals to achieve by 2030.



### Our Vision

Through our Giving, Earning and Sustaining, we will be a positive global corporate citizen delivering impact for the greater good.



### Our Mission

By 2030, ADG will be listed amongst: the global top 30 wholly-owned family businesses; the global top 30 wholly-owned family businesses in terms of contribution to the SDGs and the global top 30 wholly-owned family businesses in terms of impactful giving.

ADG is composed of five strategic business verticals – Packaging, mobility, housing, food and retail – and an incubation vertical. While guided by a shared purpose and values, each vertical has a flagship company, Flexible Packaging Solutions, Petromin Corporation, Red Sea International, Tanmiah Food Company, & Dukan Retailing Company, respectively. All of which are covered in this report. Through our portfolio and business ventures we have established a global presence in 22 countries, with over 25,500 colleagues across 84 portfolio companies.

## What We Do

ADG operates as a strategic architect, undertaking the following functions, among others.

### Portfolio Management

- Identifying, acquiring, and divesting subsidiaries and associates based on strategic goals and financial performance.
- Analysing market trends, evaluating potential acquisitions, negotiating investment terms.
- Building and maintaining strong relations with investors, financial institutions, and industry partners.

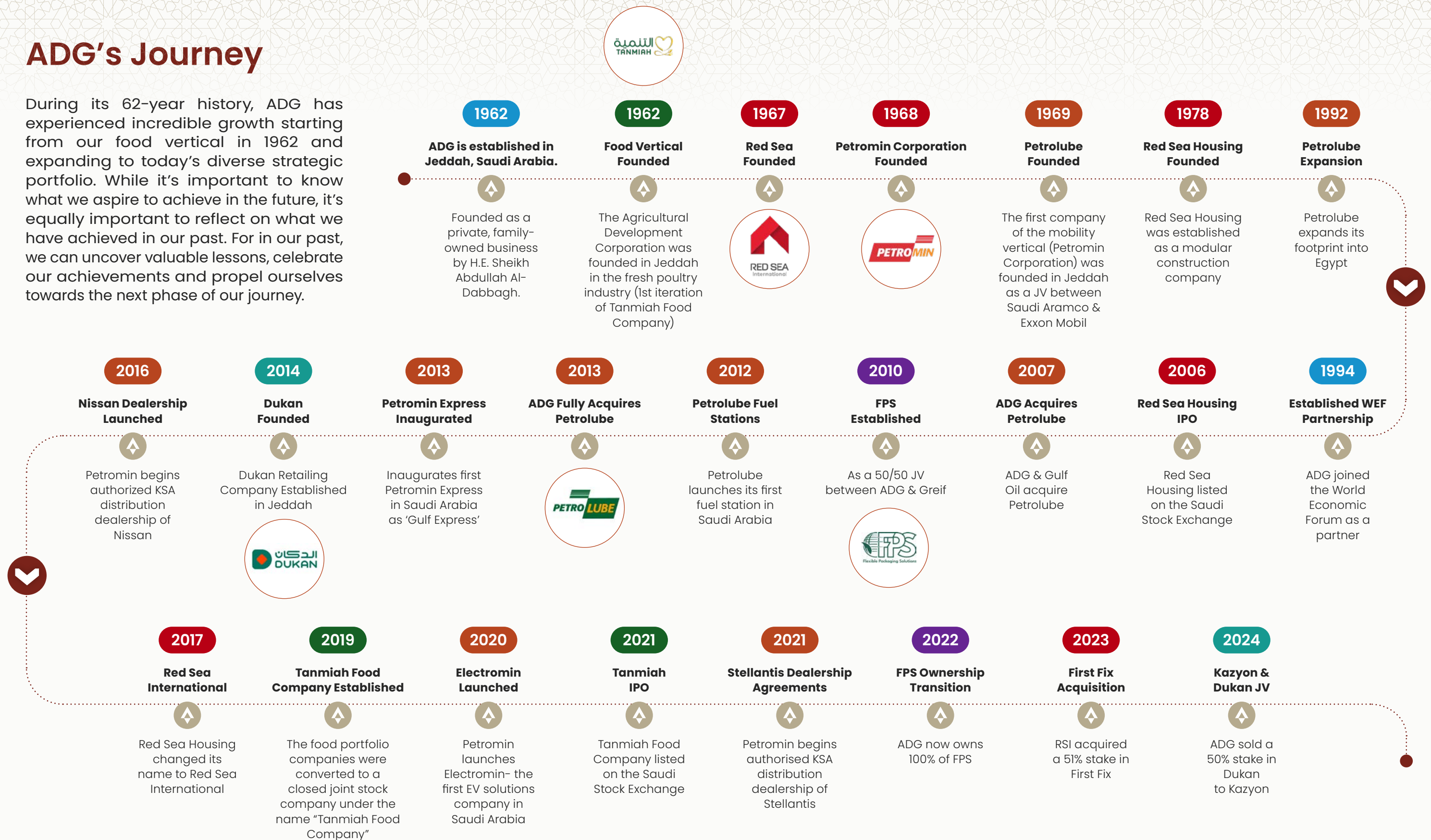
### Subsidiary Oversight

- Monitoring the performance of subsidiaries, providing guidance and support such as risk mitigation.
- Engaging in setting strategies for subsidiaries, selecting leadership, empowering subsidiaries' leadership with the needed tools, guidance and available resources to achieve their goals.
- Assisting subsidiaries in talent acquisition, training, and talent planning.



# ADG's Journey

During its 62-year history, ADG has experienced incredible growth starting from our food vertical in 1962 and expanding to today's diverse strategic portfolio. While it's important to know what we aspire to achieve in the future, it's equally important to reflect on what we have achieved in our past. For in our past, we can uncover valuable lessons, celebrate our achievements and propel ourselves towards the next phase of our journey.





# Omnipreneurship

## Al-Dabbagh Group, a family business rooted in a strong sense of purpose going back generations.

ADG would not exist as it currently does without the leadership of our founder, His Excellency Sheikh Abdullah Al-Dabbagh. An honest, compassionate and selfless man, he committed to his activities and causes wholeheartedly. During his career he was the third Minister of Agriculture in Saudi Arabia and the first Saudi agricultural engineer, and he continued to be passionately involved in public service after leaving office. His life was a constant process of finding ways to convert his activities – professional and personal – into outcomes that would benefit the people of Saudi Arabia.

In 1962, in the coastal city of Jeddah, Shaikh Abdullah founded the Al-Dabbagh Group, establishing a family business grounded in principles designed to create a lasting balance between earning, sustainability and philanthropy.

ADG's current chairman, H.E. Amr A. Al-Dabbagh built upon his father's legacy by synthesizing these teachings into the homegrown philosophy of Omnipreneurship. This philosophy reimagines entrepreneurship as more than just measuring financial profit. Omnipreneurship encourages us to combine entrepreneurial spirit with a holistic approach to sustainable value creation – an approach we share through our foundation, forums, and publications to inspire others to imagine a better future and the will to create it.

At the heart of the Group's Omnipreneurship philosophy are the three principles of **Giving, Earning and Sustaining**, with sustainability serving as a key pillar of value creation and reflecting the Group's commitment to generating long-term value in line with global efforts to build more resilient and responsible enterprises.



### GIVING

Giving is the purpose of life. It gives meaning to our existence here on earth. We give our compassion and love to others. We give resources, time and money as we are able. Giving is love.



### EARNING

Earning is energy. Gathering the fuel and resources we need to thrive. We earn knowledge, reputation, and wealth. We are stoking our fire and the fire of our community.



### SUSTAINING

Sustaining is about investing in those who will carry the torch. The case of resources and our planet. It is the verb that helps us focus on all stakeholders.

To accelerate the impact of Omnipreneurship across the Group, ADG applies a range of accelerators designed to guide innovation, drive efficiency, and strengthen stakeholder engagement in the form of **10 Golden Rules**:

**I aim, therefore, I am** | Begin with the end in mind to help set the most ambitious goals

**Delight the Stakeholder** | Exemplify servant leadership

**Design organically** | Gather resources from the ground up and empower initiatives by freeing them from any limitations

**No risk, no gain** | Manage risk intelligently by building safety nets to minimise the likelihood of failure

**The greatest among you** | Surround ourselves with those whose skills and gifts will enhance our own performance

**Exceptional Execution** | Oversee execution by clarifying what needs to be achieved, how will it be done, who is responsible and when is the deadline

**Collaborate to Accelerate** | Involve others to achieve our ambitious goals effectively and quickly

**Share your story** | Accelerate our success by sharing our stories and learning aggressively from other stories

**Honey as money** | Think beyond the value of financial currency. Embrace the value of ideas, expertise, community, events and crowds to achieve your goals

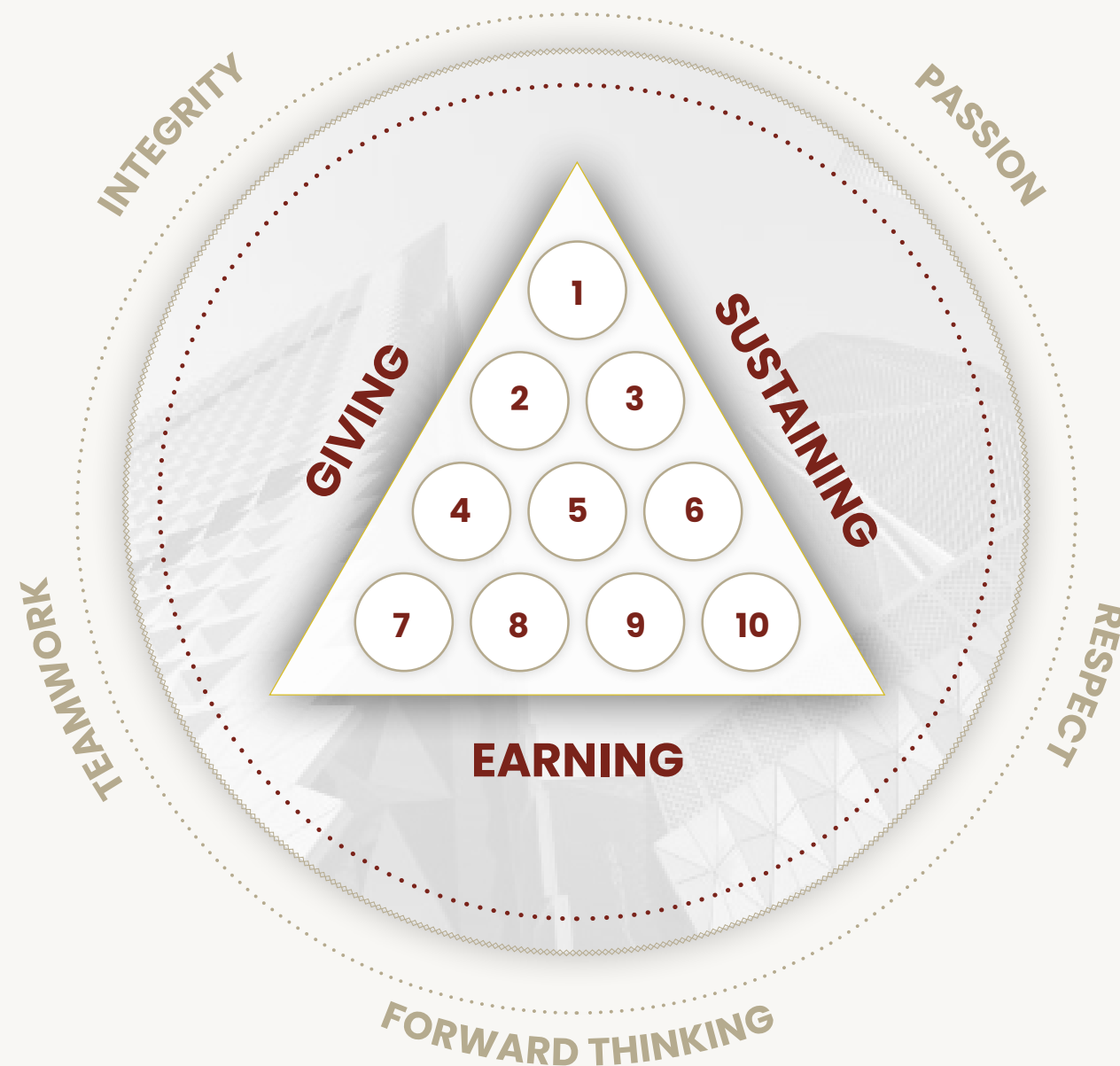
**Imagine the next big thing** | Links back to golden rule #1, "I aim, therefore, I am", by constantly thinking of the next step and how to innovate



These accelerators are guided by our **Five Core Values – Passion, Respect, Forward-thinking, Teamwork and Integrity**, which shape the culture and behaviour of everyone at ADG.

Together, these values and accelerators are cascaded across the Group and its portfolio companies through programmes that nurture talent, support entrepreneurial ventures, and invest in advanced technologies, ensuring a dynamic, and inclusive workplace for all colleagues.

For a deeper understanding of Omnipreneurship and its role in driving growth and long-term success, we invite you to explore Omnipreneurship: An Organized Way to Create Venture Growth and Success by H.E. Amr Al-Dabbagh.



## Omnipreneurship Value Training

We advanced our Omnipreneurship culture by launching an in-house training programme, inaugurated by H.E. Amr Al-Dabbagh and led by our Chief Omnipreneurship Officer, People & Culture, Hayfa Abuzabibah. Conducted virtually via Zoom, the four-hour session aimed to equip our Human Capital teams with practical strategies to integrate our core values into their organisations.

Our goal was to move Omnipreneurship from theory to practice, empowering leaders to act as carriers, coaches, and communicators of our culture. Through interactive discussions, we emphasised respectful communication, transparency and integrity.

To amplify impact, our Chief Human Resources Officers (CHROs) were tasked with delivering the training across our various entities. So far, we have conducted eight sessions, engaging 521 colleagues across multiple countries, with a target of reaching 2,200 leaders. Feedback has been overwhelmingly positive, with a 99% satisfaction rate and 100% of participants confirming that the course met their expectations.

This initiative continues to strengthen our culture and unify leadership practices across the Group.



# 99%

overall satisfaction rate



# 97%

rated the training as high quality



# 100%

agreed the sessions were engaging and relevant



# 2,200

leaders targeted for future rollout



# 521

colleagues trained to date





## Chairman and CEO Message

### Amr A. Al-Dabbagh

#### Dear Reader,

It is with immense pride that I present the fifth consecutive edition of Al-Dabbagh Group's Annual Sustainability Report. This milestone not only signifies our continued progress but also underscores our unwavering commitment to driving long-term value through sustainability-led transformation.

At ADG, we consider ourselves strategic architects—empowering our companies to lead with confidence and innovation. Across our Group, our companies are increasingly leveraging sustainability as a catalyst for performance, innovation, and competitive advantage. It is through their ambition and execution that we transform purpose into tangible results. Our role is to provide the strategic foundation, governance structures, and collaborative platforms that enable these businesses to scale their impact with clarity and confidence.

In 2024, this approach materialized in significant ways. We expanded ESG data coverage across our portfolio companies, advanced our internal sustainability frameworks, and aligned more closely with global standards such as the UN Global Compact, GRI, and the Sustainable Development Goals—all while continuing to support the national priorities of Saudi Vision 2030. Through these initiatives, we have positioned our Group to proactively manage ESG risks, capture emerging opportunities, and future-proof our value chains.

A key highlight this year was the increased cohesion and collaboration across our portfolio companies. By sharing insights, aligning on priorities, and exploring synergies, we have amplified our collective impact. Our Omnipreneurship ecosystem continues to serve as the guiding force behind how we think, act, and innovate together.

To our investors and partners: your continued trust is the foundation of our ambitions. As we look to the future, our focus remains unwavering—delivering resilient, sustainable growth through a distributed model that places empowered businesses at the forefront, with ADG providing strategic direction and support from behind the scenes. Thank you for being a part of this journey. Together, we are shaping a future where purpose and performance are seamlessly intertwined.

Best regards,

**Amr A. Al-Dabbagh**

**Chairman & CEO, Al-Dabbagh Group**



## Our Portfolio



Flexible Packaging  
Solutions **(LLC)**

Founded in  
**2010**

ADG Ownership (%)

**100%** direct ownership

Tadawul Listing

Not Listed

Profile

- **Main Activity:** Specialises in the production and distribution of flexible intermediate bulk containers (FIBCs) for industries such as food, chemicals, pharmaceuticals, and construction.
- **FTCs:** Over 4,000 colleagues.
- **Headquarters:** Amsterdam, Netherlands
- **Countries of Operation:** 19 countries.



Petromin  
Corporation **(CJSC)**

Founded in  
**1968**

**97.56%** direct ownership

**1.44%** indirect ownership

**1%** indirect ownership

Not Listed

- **Main Activity:** Provides petroleum products and automotive services.
- **FTCs:** Over 6,000 colleagues.
- **Headquarters:** Jeddah, Saudi Arabia
- **Countries of Operation:** Operates in 5 regions across 6 countries.



Red Sea International  
Company **(JSC)**

Founded in  
**1967**

**70%** direct ownership

(Ticker: 4230)

**Year of IPO:**  
November 4th, 2006

- **Main Activity:** Provides construction and modular building solutions, specialising in large-scale projects and support services across various industries.
- **FTCs\*:** Over 12,000 colleagues.
- **Headquarters:** Riyadh, Saudi Arabia.
- **Countries of Operation:** Saudi Arabia and United Arab Emirates

\*RSI's subsidiary, First Fix, accounts for 11,055 colleagues within this total.



Tanmiah Food  
Company **(JSC)**

Founded in  
**1962**

**70%** direct ownership

(Ticker: 2281)

**Year of IPO:**  
August 4th, 2021

- **Main Activity:** Leading agribusiness and food production company.
- **FTCs:** Over 3,000 full-time colleagues.
- **Headquarters:** Riyadh, Saudi Arabia
- **Countries of Operation:** 7 countries.



Al-Dukan  
Company **(MLLC)**

Founded in  
**2014**

**50%** direct ownership

Not Listed

- **Main Activity:** A rapidly growing convenience retail grocery chain in Saudi Arabia.
- **FTCs:** Over 390 colleagues.
- **Headquarters:** Jeddah, Saudi Arabia
- **Countries of Operation:** Saudi Arabia.



# 2024 Highlights

In 2024, our portfolio companies made significant gains, in both reducing their own environmental impact and establishing the infrastructure for more sustainable development in Saudi Arabia and other locations. For more details, please refer to each subsidiary section of this report.



## ENVIRONMENTAL

- Reduced electricity consumption by **11.50%** through LED upgrades
- Reduced water consumption by **3.85%**

- Reduced hazardous waste by **3.58%**
- Reduced non-hazardous waste by **2.81%**

- Introduced smart LED lightning, saving **SAR 140,000**
- Reduced total waste generated by **21%**

- Reduced electricity consumption by **45%** in KSA and **3%** in the UAE
- Reduced resource consumption by **60%** in the UAE

- Recorded **ZERO** environmental non-compliance for two consecutive years
- Reduced total waste generated by **12%**

- Replaced lighting and outdated AC units, achieving a **50%** reduction in energy consumption

## SOCIAL

- Achieved **100%** performance and career development reviews for three consecutive years
- Achieved a **1:1** female to male remuneration ratio for three consecutive years

- Achieved a **6%-POINT INCREASE** in female senior managers
- Achieved **96%** customer satisfaction score

- Achieved a **3%- POINT INCREASE** for colleague satisfaction
- Resolved **99%** of customer complaints

- Achieved a **7%- POINT INCREASE** in female leadership positions

- Maintained **ZERO** cases of child labour for two consecutive years
- Increased CSR spending by **320%** compared to the previous year

- Resolved **99%** of customer complaints

## OPERATIONAL

- Maintained **ZERO** incidents of non-compliance for two consecutive years
- Secured **ZERO** cybersecurity breaches for two consecutive years

- Maintained **ZERO** cybersecurity breaches for two consecutive years
- Delivered **52 TRAINING SESSIONS** to **14,461 PARTICIPANTS** enhancing cyber resilience

- Conducted **RISK-BASED** audit engagements for two consecutive years
- Maintained **ZERO** work-related fatalities during recent years

- Recorded **ZERO** incidents of cybersecurity breaches during the year
- Maintained **ZERO** fatalities across KSA and UAE operations for six consecutive years

- Recorded **ZERO** cases of anti-competitive behavior for two consecutive years
- Recorded **ZERO** cybersecurity breaches for two consecutive years

- Reported **ZERO** cybersecurity breaches during the year
- Recorded **ZERO** fatalities during the year



# Our Strategy

GRI (2-22)

Our Strategic Approach

Our Alignments





## Our Strategic Approach

Our strategy serves as the roadmap that guides our holding company and its portfolio companies' overall direction and decision-making approach. Built upon the Omnipreneurship philosophy, our strategy outlines how ADG aims to achieve its long-term goals and integrate sustainability into our core business. It considers factors such as competition, market trends, technological evolution, resource allocation and the diversity of our portfolio companies. Centred around our principles of Giving, Earning, and Sustaining, our strategy considers the diversity of our portfolio companies and is developed to enhance and guide the strategies of our subsidiaries. To do so we have identified three key strategic pillars, which will help focus our efforts.

### How Are We Acting on Our Strategy



#### Grow Revenue Through Sustainability

Integrate sustainability considerations into core business and growth strategies.



#### Build a Resilient Business

Consider E&S risks and opportunities into our business strategies and develop our ESG disclosure practices.



#### Reduce Environmental Impact

Measure, manage and reduce our Group's environmental footprint.

## Our Alignments GRI (2-28)

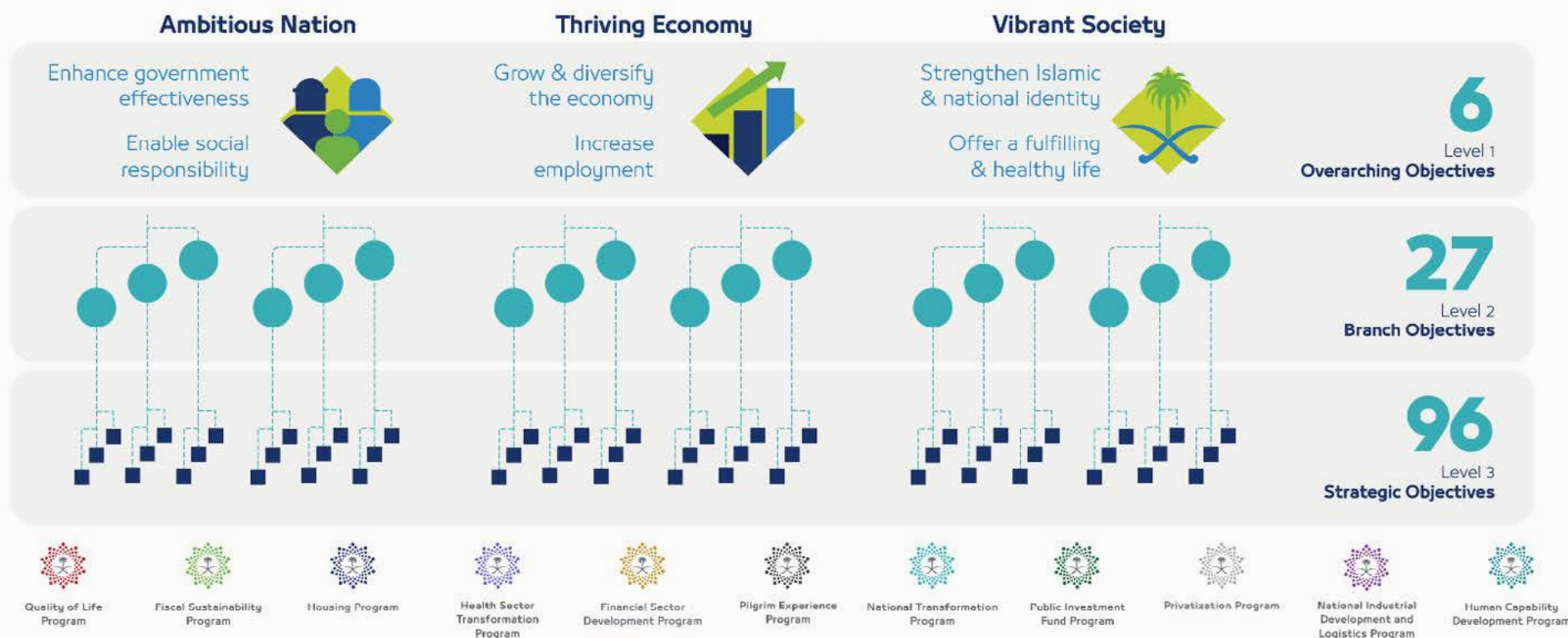
As we further embed sustainability into our core business and portfolio companies, we align our strategies with global and local frameworks to enhance their effectiveness. This supports our operations to meet international standards while addressing the needs of the communities we serve. Adopting these frameworks allow us to gain valuable insights into key environmental and social challenges, guiding our focus and actions.

### Saudi Vision 2030

In 2016, Saudi Arabia launched Vision 2030, a transformative roadmap leveraging the Kingdom's unique strengths—its leadership in the Arab and Islamic worlds, investment potential, and strategic location. Vision 2030 aims to diversify the economy, empower citizens, promote an investor-friendly environment, and establish Saudi Arabia as a global leader. Sustainability and ESG principles are integrated into its economic, environmental, and social objectives.



As ADG, we align our strategies and initiatives with Vision 2030, recognising the significant role our business and social activities play in advancing its objectives.





## United Nations Global Compact

A proud member of the UN Global Compact since 2021, we embed its principles into our core operations and ensure alignment across our portfolio companies, communicating this commitment to stakeholders through Omnipreneurship.

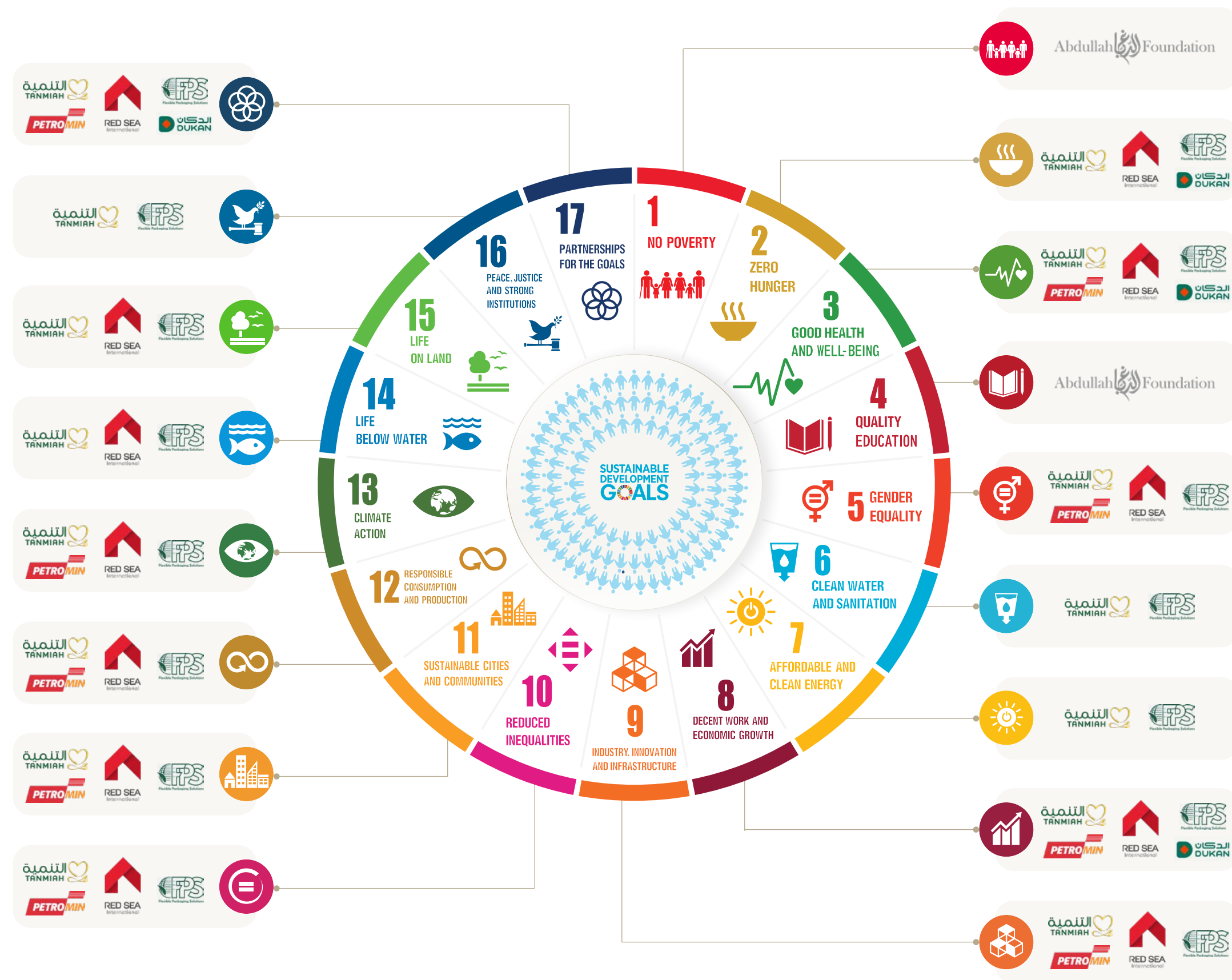


Theme	UNGC Principle	Description	Our Alignment
<b>HUMAN RIGHTS</b>	<b>Principle 1</b>	Support and respect protection of internationally proclaimed human rights	We create a culture of respect and ethical employment, as outlined in our Values Manual, reinforcing our five Omnipreneurship values. All ADG colleagues receive mandatory training to uphold these principles.
	<b>Principle 2</b>	Ensure and avoid human rights abuses	We enforce ethical standards through our Values Manual, ensuring fair treatment and non-discrimination across our operations and adhere to Saudi labour laws that are UN Human Rights Signatories.
<b>LABOUR</b>	<b>Principle 3</b>	Uphold the freedom of association and the effective recognition of the right to collective bargaining	Not applicable in KSA under the labour laws.
	<b>Principle 4</b>	Eliminate all forms of forced and compulsory labour	Our employment practices strictly prohibit forced or compulsory labour across the holding and portfolio-level; in full compliance with local and international laws.
	<b>Principle 5</b>	Effectively abolish child labour	We do not employ underage workers and strictly adhere to local employment laws.
	<b>Principle 6</b>	Eliminate the discrimination in respect to employment and occupation	Our policies support eliminating employment discrimination and supporting diversity and inclusion.
<b>ENVIRONMENT</b>	<b>Principle 7</b>	Support a precautionary approach to environmental challenges	We integrate sustainability at the holding and portfolio-level, guiding our portfolio companies to assess risk, improve resource efficiency, and implement best environmental practices.
	<b>Principle 8</b>	Undertake initiatives to promote greater environmental responsibility	We act as a strategic architect, ensuring our portfolio companies focus on energy efficiency, and waste reduction to minimise environmental impact.
	<b>Principle 9</b>	Encourage the development and diffusion of environmentally friendly technologies	We encourage our portfolio companies to explore green technologies where applicable to their business and focus our innovation activities to solve sustainability challenges.
<b>ANTI-CORRUPTION</b>	<b>Principle 10</b>	Work against corruption in all its forms, including extortion and bribery	We implement a robust governance framework, supported by policies and procedures such as whistleblowing; ensuring strict compliance to our ethical standards, in addition to training and awareness.



## United Nations Sustainable Development Goals

We also support the Sustainable Development Goals (SDGs), focusing on those where we can have the most impact, in alignment with our giving and sustaining principles. For more on our contributions to the SDGs and our giving philosophy, please visit our Giving Report on our website.





# Our Governance

Our Group Governance

Ethical Standards and Oversight

Data Privacy and Digitalisation

Sustainability Governance

ESG Risk Management





# Our Group Governance

GRI (2-9), (2-10), (2-11), (2-12), (2-13), (405-1)

At ADG, we uphold effective governance as a foundation to our long-term success. Managed by a Sole Director, also serving as CEO, and supported by executive and advisory committees of experts, our streamlined structure ensures accountability and informed decision-making.

Our governance framework, guided by our values and policies, undergoes regular reviews to align with corporate objectives. The dashboards on the next page showcase governance across at both the holding and the strategic vertical levels, emphasising our dedication to continuous improvement and stakeholder-focused practices.

## Our Leadership

Al-Dabbagh Group is a wholly-owned family business, with seven shareholders, the majority of whom are part of the second generation. The Al-Dabbagh family had the wisdom and foresight to create a detailed “Family Protocol” roughly 30-years ago. This protocol addresses key issues that are consequential in family enterprises such as succession, merit-based hiring, voting rights, etc. They shareholders’ council has appointed His Excellency, Amr Al-Dabbagh as acting Chairman and CEO of the Board. To achieve the Group’s 2030 goal of becoming one of the top 30 globally recognized wholly-owned family businesses, a professional leadership team with proven experience have been enabled to manage the business, at both the Holding company-level as well as the subsidiary-level. This leadership team is responsible for providing strategic guidance and insights, leveraging their diverse and versatile skillsets to ensure the achievement of our 2030 goals.

In accordance with the Family Protocol, the board is comprised of 1/3 family members, 1/3 independent directors and 1/3 of executive management. Each of the board of directors provides a specific area of expertise to guide the Holding leadership, which in turn impacts leaderships’ engagement with subsidiary boards and management teams. To learn more about the board’s expertise and background, please visit the [Leadership section](#) of our official [website](#).



**H.E. Amr Al-Dabbagh**  
Chairman & CEO



**Mohamed Jazeel**  
Executive Director



**Tariq Al-Abbadi**  
Executive Director



**Jamal Al-Dabbagh**  
Non-Executive Director



**Deya Al-Dabbagh**  
Non-Executive Director



**Paul Polman**  
Non-Executive Director  
(Independent)



**Wendy Lane**  
Non-Executive Director  
(Independent)



**Ozey Horton**  
Non-Executive Director  
(Independent)










































**Marcus Alexander**  
Non-Executive Director  
(Independent)





**At ADG, strong governance is an integral part of how we grow across our strategic business verticals. We promote key principles of diversity and oversight, ensuring each vertical reflects these values within its own governance structures.**

This dashboard offers a comprehensive view of governance practices across the Group, enabling us to track performance, promote accountability and encourage alignment with leading governance standards.

						
<b>Board Size</b>	9 	8 	4 	8 	10 	6 
<b>Board Independence</b>	4 	7 	1 	4 	5 	0 
<b>Female Board Members</b>	11% 	13% 	0% 	36% 	10% 	33% 
<b>Board Oversight of Sustainability</b>	Yes	Yes	Yes	Yes	Yes	Yes
<b>ESG Committee</b>	No	No	No	Yes	Yes	No
<b>Annual Ethics and Roles Update</b>	100% 	100% 	100% 	100% 	100% 	100% 
<b>ESG Risks Integration</b>						
<b>Labour Policies</b>	Yes	Yes	Yes	Yes	Yes	Yes

 Decreased performance compared to 2023
  No change in performance compared to 2023
  Improved performance compared to 2023

 Target achieved
  No data available



## Ethical Standards and Oversight

GRI (2-15), (2-16), (2-17), (2-23), (2-24), (2-25), (2-26), (2-27), (406-1)

### Compliance

At ADG, we prioritise compliance with relevant regulations, including anti-money laundering and anti-corruption. Our group-wide business ethics training, introduced in 2023, maintains ethical standards and regulatory adherence, ensuring all colleagues understand their responsibilities.

### Code of Conduct

In 2023, our Code of Conduct was revamped into the Values Manual to better reflect our Omnipreneurship Values of integrity, respect, passion, forward-thinking and teamwork and our commitment to a safe, professional, and respectful workplace. The Manual upholds essential labour rights, including non-discrimination and anti-harassment policies, ensuring all colleagues work in a positive and inclusive environment.

### Grievance Management and Whistleblowing

ADG is committed to upholding integrity and respect across all business operations. To ensure concerns are addressed effectively, we have established clear procedures, including our whistleblowing policy, which provides colleagues with a secure and confidential way to report misconduct.

The policy covers fraud, corruption, criminal acts, breaches of confidentiality, conflicts of interest, and unethical behaviour. To protect whistleblowers, we maintain confidentiality wherever practicable, safeguarding those who report concerns in good faith from any adverse actions, such as discrimination, demotion, or job loss. This policy supports us in maintaining a culture of accountability, transparency and ethical conduct.

For two consecutive years, we recorded zero incidents of non-compliance, highlighting the strength of our internal processes in upholding integrity and trust.

## Data Privacy and Digital Transformation

GRI (2-23), (2-24)

Protecting our information assets remains a top priority at ADG. We implement stringent data privacy and cybersecurity measures, including regular security assessments, vulnerability scans, and compliance with regulations such as GDPR, NCA KSA, NIST, and CMMC.

To strengthen our cybersecurity framework, we conducted an extensive awareness training programme for IT administrators and all ADG colleagues. This included a Security Awareness Proficiency Assessment (SAPA) covering email security, incident reporting, mobile devices, social media risks, and anti-phishing measures, as well as a Security Culture Survey (SCS) to evaluate overall security awareness. For two consecutive years, 43 colleagues from ADG's holding company participated in cybersecurity training, enhancing workforce proficiency in identifying and mitigating cyber threats.



Protecting our information assets remains a top priority at ADG.

### Risk Management

As a holding company with subsidiaries across multiple industries and jurisdictions, risk management is essential to our success and continuity. While we benefit from portfolio diversification and risk mitigation, we also face inherent challenges, including subsidiary management complexities, heightened compliance requirements, and limited access to traditional financing sources.

Despite these operational and financial risks, we remain dedicated to diligent risk management and strategic planning. Our approach involves continuous process improvements, regular risk assessments, implementing appropriate controls, and stakeholder engagement to ensure we navigate risks effectively.

### Digitisation and Innovation

#### OmniLab

OmniLab leads our digitisation journey, delivering the tools, frameworks, and best practices that empower our business verticals to operate with greater innovation and efficiency.

43

2023 | 2024

#### CYBERSECURITY TRAINING

Number of colleagues who attended the awareness training

00

2023 | 2024

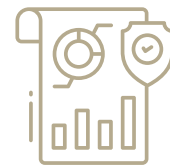
#### DATA BREACHES

Number of data breaches





## Our Achievements This Year



### Launched Innovation to Impact (i2i) Assessment

We collaborated with Boston Consulting Group (BCG) to benchmark our verticals against 10 innovation dimensions and a database of over 3,500 peer companies. With input from 258 leaders through surveys and interviews, the results will guide the Group's adoption of best practices and advance our innovation strategies.



### Delivered the First Sustainability Internal Award with Tanmiah

Partnered with Tanmiah Food Company to launch the inaugural internal award of the year on sustainability, receiving over 75 submissions. The top ideas are now contributing to Tanmiah's innovation roadmap, developed in partnership with Bain & Company.



### Introduced a Responsible Generative AI Policy and Workshop

Positioned ADG as one of the first companies in Saudi Arabia to implement a company-wide policy on the responsible use of Generative AI. Hosted a workshop with participation from ADG Holding and its verticals, leading to the integration of GenAI into customer experience, finance, and marketing operations.



### Advanced Cybersecurity and Data Protection

Delivered progress in cybersecurity, with all verticals completing the implementation of recommendations from the 2023 posture assessment, achieving a 2X improvement in the Information Security Maturity Score since 2021. Additionally, integrated PDPL law requirements into new digital services to assure the highest standards of data protection.

Driven by these achievements and the ongoing application of our Transformation Flywheel practices on the corporate transformation front, ADG continues to embed a culture of innovation, digitalisation, and long-term value creation across our flagship verticals.



# Sustainability Governance

GRI (2-14), (2-29)

ADG operates with a decentralised structure, functioning as a strategic architect rather than an owner-operator of its subsidiaries. This allows the subsidiaries significant decision-making independence. We provide guidance on sustainability integration through the engagement of key ADG colleagues as board of directors and ESG Committee member on several subsidiary boards.

Embedding sustainability into our governance frameworks at multiple levels allows us to ensure that we have a coordinated and integrated approach to achieving our sustainability goals and supporting Saudi Vision 2030.

## Our Sustainability Governance Structure

### Level 1: ADG Holding Sustainability Governance

Within the Holding Company, the Sustainability Director reports directly to the Group Chairman and CEO. Together, they set the sustainability strategy across the Group to ensure that the portfolios is progressing along the strategic pillars.

The Group's Board of Directors oversees sustainability at the highest level of the business and includes recognised sustainability specialists who bring proven expertise to support our journey.



### Level 2: Sustainability Council



## Sustainability leads from the strategic business portfolios in the Group.

The sustainability council is chaired by the Group Chairman and CEO and led by the Group's Sustainability Director.

It is comprised of the strategic portfolio's CEOs and Chief Sustainability Officers (CSOs).

Restructured in 2023 to operate as a working group, the Council initially brought together the CEOs and CSOs of FPS, Petromin, RSI, Tanmiah and Dukan, along with ADG's executive leadership team. In 2024, Petrolube, Barq Systems, and IPD were included in the working group, further enhancing cross-portfolio collaboration and supporting the shared advancement of sustainability across the Group.

In 2024, we conducted four quarterly Sustainability Council meetings, focusing on sustainability governance and communication strategies. These meetings help ensure alignment, progress, and accountability across the Group, while facilitating the exchange of learnings, insights, and resources between companies operating in diverse industries and at different stages of sustainability maturity.

### Level 3: Subsidiary Governance

ADG senior management is represented on subsidiary boards to ensure proper attention to sustainability and ESG. In 2024, the Group Sustainability Director was a board member on three subsidiary boards and on the ESG Committee of two of our listed companies. The CEOs and CSOs of each portfolio company are accountable to their board of directors for driving sustainability across their companies.

We launched a governance workstream across several boards to improve efficiency and integrate ESG topics into board-level discussions. As part of this ongoing effect, we are strengthening sustainability governance across the Group through the establishment of board-level ESG committees.

### Our 5 Strategic Business Portfolios

- Packaging**
- Mobility**
- Housing**
- Food**
- Retail**



## Board-Level ESG Committees

Red Sea International formed its first Safety & Sustainability Board Committee in 2024 as part of the new board cycle. As of 2024, there are now two board-level ESG/Sustainability committees, one at RSI and the other at Tanmiah Food Company. You may have noted that both companies are listed on Tadawul and signal to the market how seriously they are taking the ESG agenda.

## Sustainability Department

The Sustainability Department at ADG is a lean and strategic unit led by the Group Sustainability Director, who reports directly to ADG's Chairman and CEO. This lean structure is intentional to avoid bureaucratic complexity and ensure direct engagement with subsidiary sustainability departments to manage progress effectively.



### Our Sustainability Vision

To establish ADG and its subsidiaries as strategic, data-driven, and industry-leading sustainable businesses.



### Our Sustainability Mission

To support ADG's business verticals in creating value by optimising current business performance and resilience, sustainably scaling businesses, and fostering strategic partnerships.

# ESG Risk Management

In 2024, we advanced our high-level view of ESG risks across the Group, building on the foundation established the previous year. While an in-depth climate-related risk assessment has not yet been conducted, insights from the first round of our third-party ESG rating assessment have enabled us to identify the most common portfolio-wide ESG risks, impacting our strategic verticals and the holding company.

This work builds on our efforts in 2023, when we established a foundational ESG risk assessment framework at both the holding and vertical levels. Through an independent assessment, we identified key risks, benchmarked our management practices, and analysed financial statements to determine risk exposure by geography. This provided a quantitative baseline to ensure we address the most material ESG risks.

Our most common ESG risks across our portfolio include:

ESG Risks	Risk Area	Coverage Across Portfolio
Environmental	Carbon Emissions & Product Carbon Footprint	4 Verticals
	Packaging Materials & Waste	2 Verticals
	Opportunities in Clean Tech	2 Verticals
Social	Labour Management	4 Verticals
	Product Safety & Quality	3 Verticals
Governance	Corporate Governance	All Verticals
	Corporate Behaviour	All Verticals

To address these risks, we leverage our working group, facilitating collaboration across our portfolio to develop strategies and solutions. Moving forward, each vertical will focus on its own set of key issues in collaboration with its ESG board committee (where established) and its board of directors or management team. Where shared key issues exist across verticals, they will explore opportunities to collaborate and leverage synergies. However, these decisions will be made at the subsidiary level, in line with our strategic operating model. ESG issues specific to individual strategic verticals will continue to be addressed on a case-by-case basis.



# Our People

Diversity, Equity and Inclusion

Talent Development

Talent Engagement and Recognition





**At ADG, we are committed to creating an inclusive, equitable and engaging workplaces across our strategic business verticals.**

While each vertical tailors its Human Resources practices to its operational context, the Group maintains a shared focus on workforce diversity, leadership presentation, employee wellbeing, and retention. This dashboard highlights key people metrics across the Group, supporting data-driven insights and reinforcing our approach to building a resilient and empowered workforce.

						
<b>% of females in the workforce</b>	36% 	46% 	11% 	15% 	9% 	0 
<b>% females in leadership positions</b>	50% 	30% 	3% 	0% 	5% 	0% 
<b>Male to Female pay ratio</b>	1:1 	1:1 	1:1 	1:1 	1:1 	1:1 
<b>Average of training hours delivered</b>	0.19 Hours	N/A	N/A	0.5 Hours	20 Hours	6 Hours
<b>Retention Rate</b>	89%	73%	77%	81%	91%	69%
<b>Employee satisfaction Rate</b>	N/A	87% 	N/A	77% 	90% 	N/A
<b>H&amp;S training hours delivered</b>	N/A	N/A	6 Hours	N/A	2 Hours	N/A



Decreased performance compared to 2023



No change in performance compared to 2023



Improved performance compared to 2023

\*RSI's 2024 data includes figures from both KSA and UAE, whereas the 2023 data, particularly HR-related figures, reflects only KSA.



# Diversity, Equity and Inclusion

GRI (2-7), (2-23), (2-24), (401-1), (401-2)

Our Diversity and Inclusion Policy embodies our responsibility to creating a workplace that is fair, inclusive, and promotes personal and professional growth. We believe our colleagues are our greatest asset, as we strive to attract and retain individuals with diverse skills, experiences, and backgrounds, ensuring that we deliver high-quality products and services to our stakeholders.

A workforce that mirrors the diversity of our portfolio and communities enables us to better understand and meet their needs, enriching both our operations and communities we serve. We are dedicated to maintaining a discrimination-free workplace, upholding respect and equality for all.

For three consecutive years, we recorded zero cases of discrimination at the holding level, reinforcing our dedication to an inclusive environment where everyone feels valued and empowered.

## Female and Youth Empowerment

ADG remains focused on female and youth empowerment as part of our broader diversity efforts. We set a target to achieve 35% female representation across all four levels of the Group by the end of 2024.

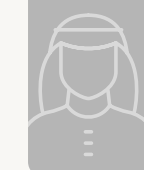
Alongside this, we continued our investment in young talent, offering internships to 17 individuals from diverse educational backgrounds in 2024. These opportunities provide valuable corporate experience, empowering the next generation of leaders.

As of this year, we have already reached **30% female representation group-wide** and **39% at the holding level.**

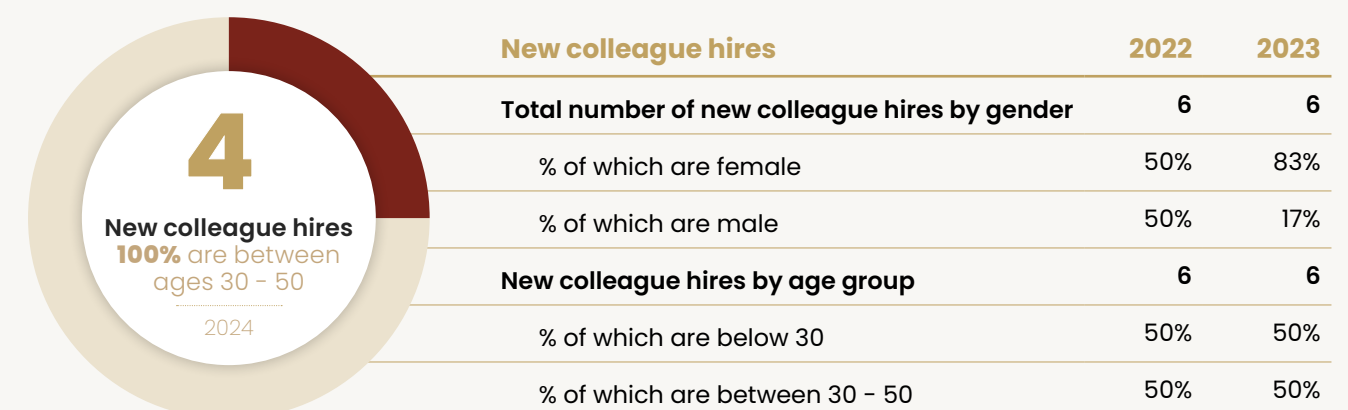


## Gender Breakdown

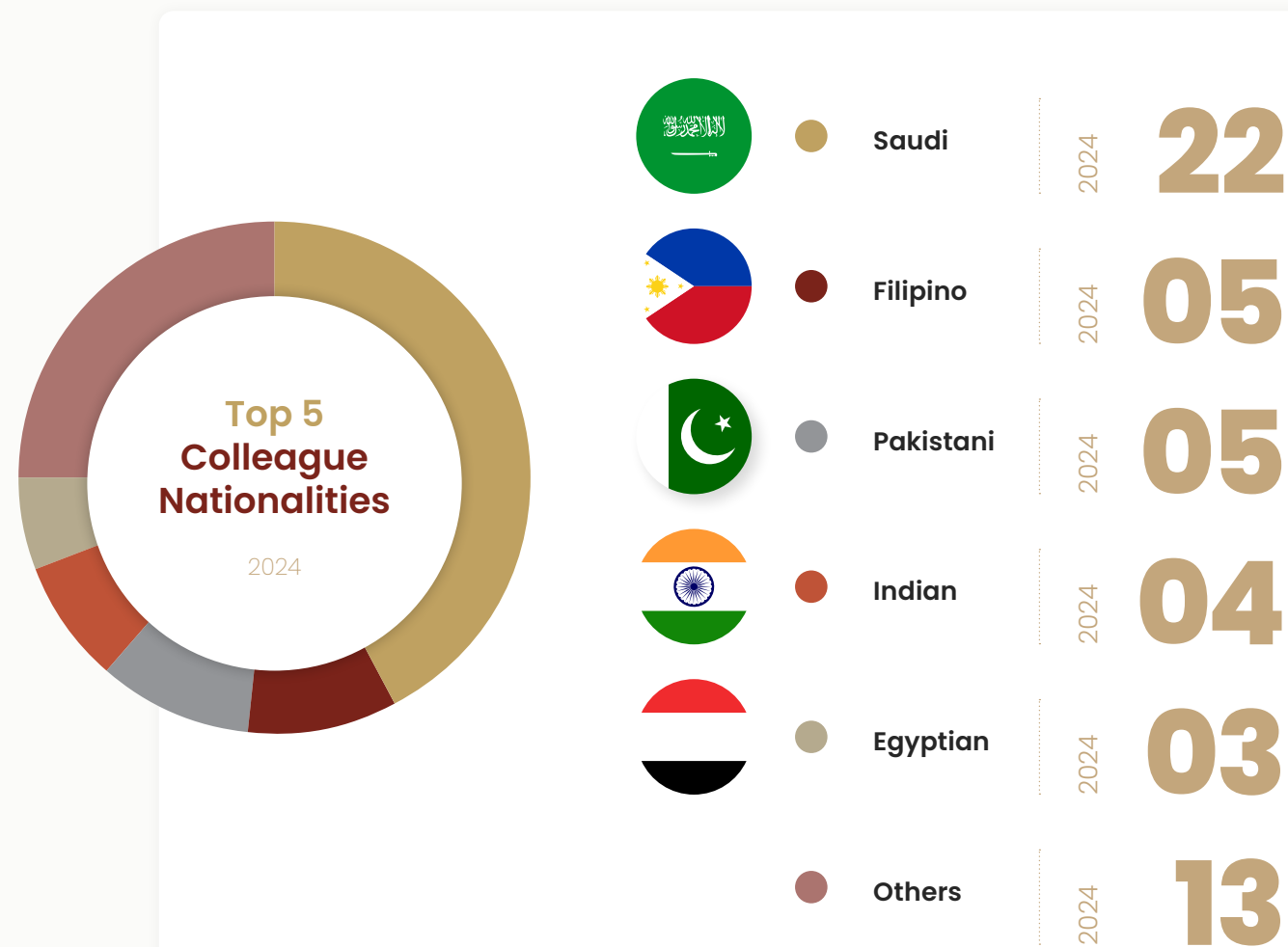
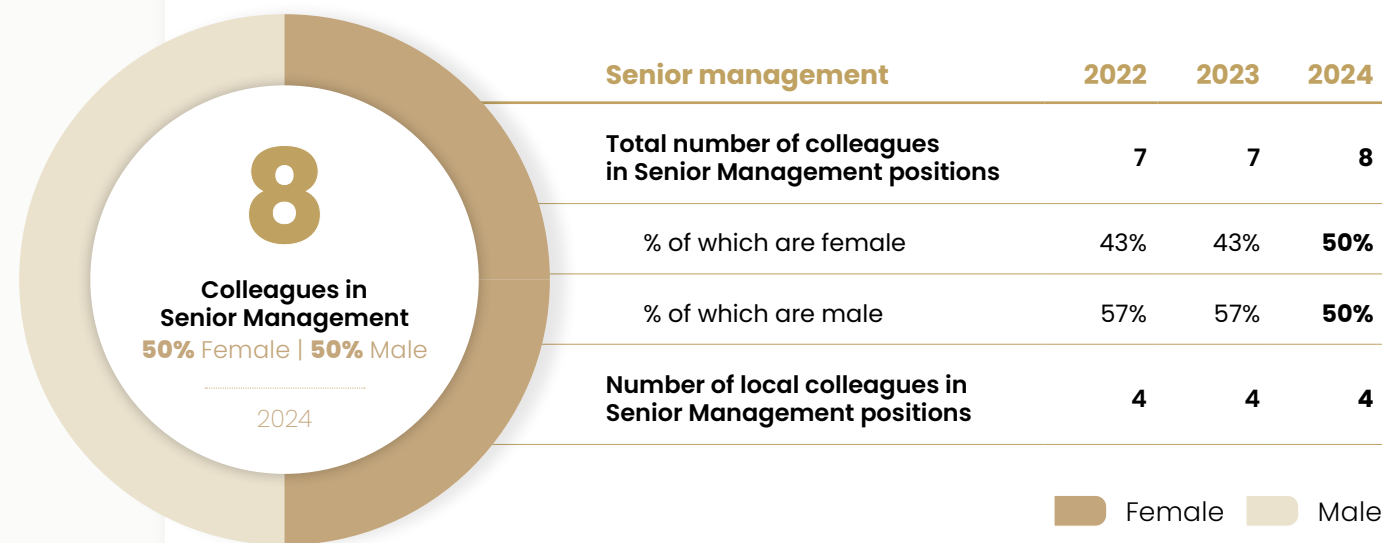
Female Male



Total number of local Full-time colleagues







## Colleagues categories

Executive/C-leader colleagues

2022 08 | 2023 08 | 2024 03

Executive/C-leader female colleagues

2022 03 | 2023 03 | 2024 04

Mid-level manager colleagues

2022 14 | 2023 11 | 2024 12

Mid-level female colleagues

2022 02 | 2023 02 | 2024 02

Frontline manger/supervisor colleagues

2022 06 | 2023 14 | 2024 06

Frontline manger/supervisor female colleagues

2022 02 | 2023 06 | 2024 05

Individual contributor colleagues

2022 25 | 2023 19 | 2024 12

Female contributor colleagues

2022 10 | 2023 07 | 2024 08



## Turnover Rate

By Gender (%)	2022	2023	2024
<b>All colleagues</b>	12	18	<b>11</b>
Female colleagues	16	31	<b>11</b>
Male colleagues	10	10	<b>12</b>

By Age Group (%)	2022	2023	2024
25 years or younger	40	0	<b>33</b>
26 to 34 years	13	8	<b>8</b>
35 to 44 years	8	10	<b>13</b>
45 to 54 years	13	4	<b>10</b>
55 years or older	9	2	<b>9</b>



Promoting and maintaining a healthy and safe work environment for our colleagues, customers and visitors remains a priority for us.

## Talent Development

GRI (2-19), (2-20), (2-23), (2-24), (401-3), (404-1), (404-2), (404-3), (405-2)

At ADG, we have always believed it is important to nurture the continuous development of our colleagues through various training and development programmes, which are designed to enhance their technical skills, promote personal and professional growth and ensure alignment with our goals.



**1:1**

**Ratio of basic salary and remuneration of women to men**

All colleagues at all levels received regular performance reviews and career development reviews for three consecutive years.



### OmniU Platform

Launched in September 2022, OmniU is our dynamic learning platform, providing access to online courses from leading companies, innovators, and universities, such as , Google, and IBM. Through OmniU, our colleagues can enhance their technical expertise in areas such as Finance, HR, data analysis, user experience design, programming, project management, digital marketing and AI.

These courses are structured under the ADG Competency Framework, aligning with our Omnipreneurship ecosystem targets set in our 2025 strategy. The table below summarises our key programmes introduced to the Group.



#### Omnipreneurship Value Training

Launched in 2024, the programme reinforces our Omnipreneurship culture through in-house training on core values. To date, we have conducted 23 sessions, reaching 1,572 colleagues, with a target to train 2,200 leaders by 2025.



#### Internal Mobility Programme

Launched in Q3 2023, the programme facilitates recruitment of internal candidates for new roles to retain our top talent and provide career progression within the Group.

## Human Rights Training

To uphold the highest standards of ethics and human rights, we have implemented in-depth training programmes for all colleagues. In 2023 and 2024, we mandated ethics and code of conduct training for all colleagues, ensuring compliance with our ethical standards.

ADG continues to invest in extensive programmes as we contribute to a culture of continuous learning and ethical behaviour, ensuring that our colleagues are well-equipped to meet the challenges of today and tomorrow.

## Health and Safety Training

Promoting and maintaining a healthy and safe work environment for our colleagues, customers and visitors remains a priority for us. We reflect our duty to health, safety and security through various measures and training we implement to ensure the safety and well-being of everyone within our premises:

- **Omnipreneurship Unit:** Oversees compliance with health and safety standards, conducting regular audits to identify and mitigate risks
- **Non-smoking Workplace:** ADG maintains a smoke-free environment, allowing smoking only in designated areas. We also offer smoking cessation programmes to support colleagues.
- **Security Officers:** Monitor premises, control access, and undergo emergency response training, conducting regular drills to ensure preparedness.
- **Fire Safety Protocols:** Require all colleagues to keep fire exits clear, with the Facilities department overseeing compliance and conducting regular evacuation drills.





## Sustainable Value Creation Training Programme

We took a proactive approach in deepening our commitment to sustainability by launching the Sustainable Value Creation Training Programme in August 2024. Designed by our Director of Sustainability, the programme equips teams with a clear understanding of how sustainability acts as a strategic value driver within ADG and across our subsidiaries.

The training consists of four tailored modules:

- **Sustainability 101:** Outlines the evolution of sustainability and clarifies the differences between CSR, ESG, and business sustainability, linking them to value creation.
- **Sustainable Departments:** Explores how every department contributes to sustainability, with an emphasis on inter-departmental collaboration and the Board's role in shaping sustainable outcomes.
- **Sustainability at ADG:** Provides insight into our group-wide sustainability governance and its alignment with the provisional ESG rating process, highlighting key challenges and opportunities.
- **Sustainable Business Strategy:** Introduces different strategy models and integrates sustainability thinking into business strategy development.

Participants have praised the training for making sustainability actionable within their roles and for connecting ADG's vision with global sustainability standards.

### IMPACT AT A GLANCE

- The programme has been provided to ADG colleagues
- 100% of attendees found the programme beneficial
- Launched the programme at Petromin Corporation
- Plans for subsidiary roll-out in 2025
- Linked sustainability concepts to corporate strategy using global frameworks

## Health and Wellbeing

Prioritising the health and well-being of our colleagues, we support this through a range of programmes designed to enhance their overall quality of life. Our Wellbeing Programmes Policy, revised in 2023, promotes physical health, encourages healthy habits, and celebrates personal milestones encouraging a supportive and engaging work environment. Below is a table summarising our key health and wellbeing programmes.



**Get Fit Programme** | Supports weight loss with specific targets and timelines. (SAR 2,500 for 10 kg in 3 months, SAR 5,000 for 20 kg in 6 months, SAR 10,000 for 30 kg in 1 year)



**Go Walk Programme** | Encourages walking 10,000 steps a day for a month with financial reward of SAR 2,500.



**Smoke Free Programme** | Raises awareness and supports quitting smoking with financial rewards. (SAR 10,000 for the first year, SAR 20,000 for the second year)



**Health Lounge** | Provides health assessments (blood sugar, blood pressure, optical, dental, full medical report) at the headquarters.



**The Youngest Omnipreneur** | Quarterly fitness competition with Garmin watches as prizes and a yearly winner receiving a trip to a resort in Dubai.



**Flexible Work (Flextime)** | Allows for flexible working arrangements twice a month, working remotely every other Thursday.



**Omni Peer Recognition** | A system for recognising colleague achievements, fostering a positive atmosphere and teamwork.



**PARENTAL LEAVE | MALE**

	2022	2023	2024
Colleagues who were entitled to parental leave*	34	34	<b>33</b>
Colleagues who took parental leave	4	2	<b>2</b>
Colleagues who returned to work after completion of parental leave	4	2	<b>2</b>
Colleagues who returned to work after parental leave ended and were still employed after their return to work	4	2	<b>2</b>
Retention rate for colleagues who went on parental leave	100%	100%	<b>100%</b>

**PARENTAL LEAVE | FEMALE**

	2022	2023	2024
Colleagues who were entitled to parental leave*	19	18	<b>19</b>
Colleagues who took parental leave	0	0	<b>0</b>
Colleagues who returned to work after completion of parental leave	0	0	<b>0</b>
Colleagues who returned to work after parental leave ended and were still employed after their return to work	0	0	<b>0</b>
Retention rate for colleagues who went on parental leave	0	0	<b>0</b>

\*All ADG Colleagues, both male and female are entitled to parental leave – whether they are expecting a child themselves, their spouse is expecting, or they are adopting. In accordance with Saudi Labour Law, parental leave may also be granted in the case of adoption, ensuring inclusive support for growing families. In 2024, only two male colleagues had newborns and utilised their parental leave benefits.

## Talent Engagement & Recognition

### Employee Engagement and Recognition

At ADG, we strive to create an exceptional work environment through engagement and recognition initiatives for our colleagues. Our annual Omni Culture Index survey measures alignment with our Omnipreneurship values while external surveys like the Great Place To Work (GPTW) help us identify areas for improvement. Our annual Omnipreneurship virtual event and the head-to-head programme strengthen understanding of our core values and provide colleagues with the opportunity to engage directly with our leadership. We aim to always create a positive and motivating work environment where colleagues feel valued and empowered to contribute to our shared success.

Recognising and celebrating the contributions of our colleagues is essential to maintaining a positive and motivating work environment. We honour colleagues with yearly salary increments and in 2024, our Chairman and CEO introduced the Yearly Financial Reward Bonus to acknowledge exceptional contributions from the previous financial year. This scheme reflects our dedication to valuing and rewarding excellence and hard work.





# Our Shared Value

Flexible Packaging Solutions (FPS)

Petromin Corporation

Red Sea International (RSI)

Tanmiah Food Company (TFC)

Dukan Retail Company





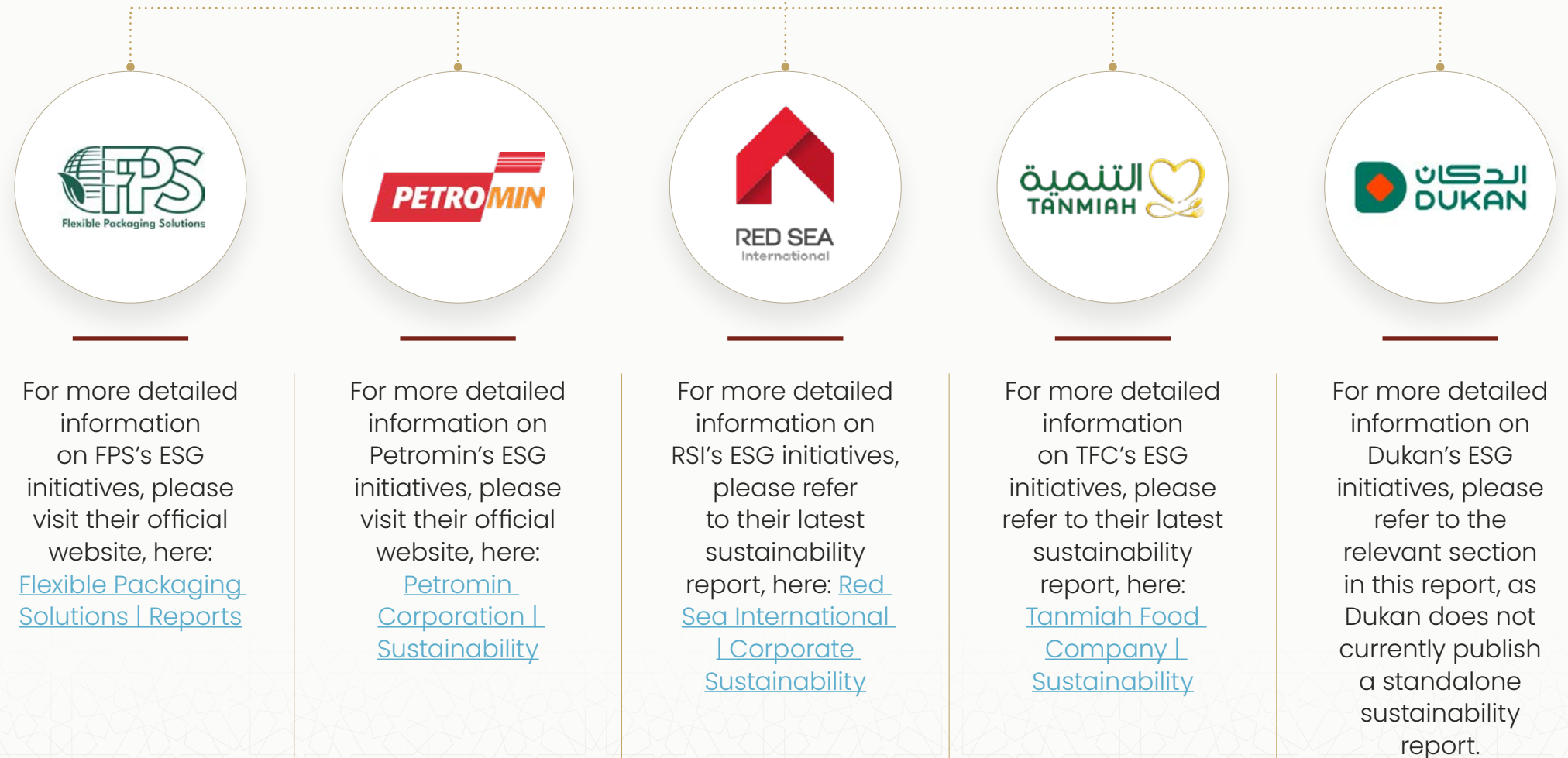
## Our Shared Value

Omnipreneurship is spread across the strategic business verticals of ADG, ensuring end-to-end integration and impact: Packaging, Mobility, Housing, Food, and Retail. By embedding these accelerators within their strategic framework and across these business verticals, ADG ensures that their commitment to sustainability and value creation is not only theoretical but also actionable and impactful. This holistic approach positions Omnipreneurship as a transformative model for businesses striving to achieve sustainable growth and societal progress.

### Management approach to our strategic portfolio

ADG engages with its subsidiaries at an arms-length manner. The subsidiaries are given independence and the ability to make business decisions. They are accountable to their individual board of directors, that has ADG management representation to ensure alignment with the portfolio strategy. The following section will provide a high-level look into each verticals' sustainability performance. This section does not substitute a full-blown sustainability report, for more details please refer to each company's independent sustainability report, where applicable. Due to differing schedules, these may be published at different times in the coming months.

الدباغ Dabbagh







## REPORTING SCOPE

The scope for the 2024 data covers global operations across The Netherlands (HQ), Turkey, China and Mexico, unless or otherwise specified. Due to differing reporting cycles for FPS and ADG, this section includes a detailed breakdown of specific 2024 data points for FPS available as of ADG's publishing date.

### About Flexible Packaging Solutions (FPS)

**Founding Date:** 2010

**Type of Company:** Production and distribution of flexible intermediate bulk containers (FIBCs).

**HQ:** Amsterdam, Netherlands

**Operations:** 13 countries (manufacturing activities); 19 countries in total

**FTCs:** 3,900+ colleagues

**ADG Ownership:** 100% direct ownership

**Website:** [Flexible Packaging Solutions](https://www.flexiblepackaging.com)

**Acquisition:** In 2010, Grief Inc. And ADG formed a 50/50 joint venture to establish FPS, and on April 1st, 2022, ADG acquired full ownership of the business.

**FPS's Vision:** Be the first, safest, and sustainable choice in flexible industrial packaging.

**FPS's Purpose:** To continuously support the wellbeing of stakeholders and communities we touch and improve the sustainability of our products.



### Awards & Accreditations

**RecyClass** Recycling Certification

**RecyClass** Recycled Content Traceability Certificate

**EcoVadis** – Platinum Rating

**ISO 14001:** Environmental Management System

**ISO 9001:** Quality Management System

**ISO 45001:** Occupational Health & Safety Management

**ISO 27001:** Information Security Management System

**ISO 50001:** Energy Management System

**ISO 15343:** Traceability and Assessment of Plastics Recycling

**BRC PM:** Packaging Materials Certifications

**FSSC 22000:** Food Safety System Certification

All certifications are available on FPS's website, detailing the certifications of operational, reconditioning and recycling sites. They can be accessed [here](https://www.flexiblepackaging.com).

## Sustainability at FPS

### Sustainability Governance

FPS's Sustainability Leadership Team (SLT) drives its sustainability vision, strategy and objectives, ensuring alignment with corporate priorities, and global ESG regulations. The team, comprising of senior executives, oversees initiatives, risk management, and compliance efforts.

Complementing the SLT, Climate Champions and Social Ambassadors are appointed across regions and functions. These representatives lead sustainability initiatives, engage colleagues in programmes such as Volunteer and Clean-Up days. They also promote awareness of sustainability topics, support carbon reduction efforts, advance circular economy practices, and enhance social impact initiatives across corporate and factory levels.



### Sustainability Vision

FPS is committed to driving meaningful change for the environmental wellbeing of our world; ensuring transparency and effective governance principles, and continuous improvement for the people and communities it impacts.

As a packaging solutions business, sustainability has always been an integral part of FPS' company culture; guiding growth, stakeholder value creation, and the transition to a more sustainable and inclusive world. FPS focuses on:

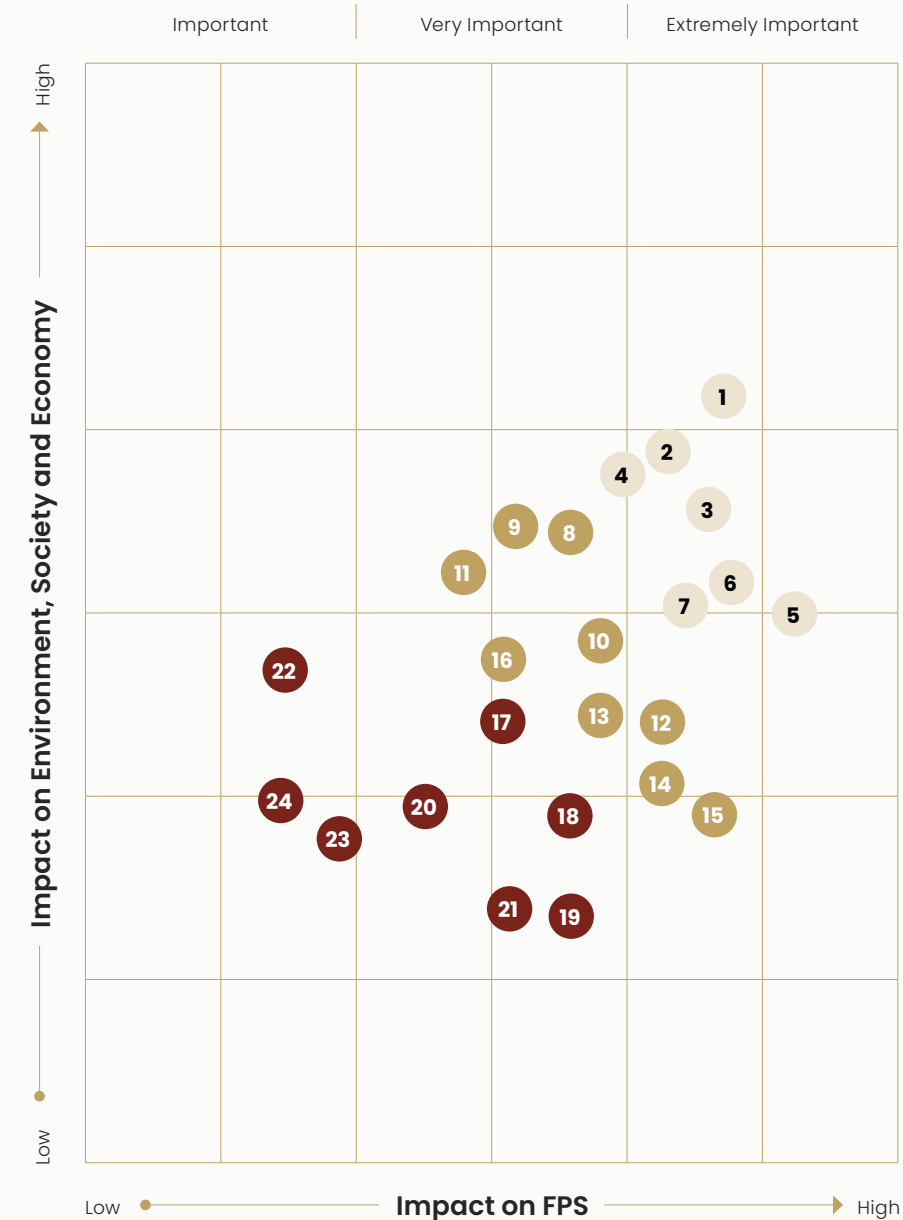
- Enhancing the sustainability of its products through investment, innovation, and design;
- Protecting, conserving, and preserving our natural ecosystems; and
- Creating a diverse and inclusive workplace that provides equal opportunities to all.





## Materiality

In 2024, FPS conducted a comprehensive materiality assessment, to evaluate the financial impacts of sustainability-related issues on our business and understand the impact our operations have on the environment and society. This dual approach aligns with global reporting standards and ensures that our sustainability strategy is well-informed, balancing both internal and external considerations.



### # Issue

1	Product design and lifecycle management
2	Human and labor rights
3	Business ethics, transparency and compliance
4	Occupational health and safety
5	Customer experience
6	Product quality and safety
7	Sustainable products and circularity
8	Climate action and resilience
9	Waste management
10	Corporate governance
11	Water and wastewater
12	Better working place
13	Integrated risk management
14	Diversity, inclusion and equal opportunity
15	Innovation
16	Data privacy and cybersecurity
17	Sustainable supply chain
18	Contribution to local communities
19	Talent attraction and retention
20	Business continuity
21	Learning and development
22	Biodiversity
23	Chemicals
24	Air Quality

## Code of Conduct

FPS's Code of Conduct sets clear ethical standards, enforcing legal compliance, protecting its reputation, and encouraging a positive organisational culture. The Code addresses integrity in business dealings, fairness among colleagues, adherence to laws, anti-corruption policies, and zero tolerance for harassment and discrimination. These principles are integrated into HR policies, performance reviews, and operational procedures.

The Code is accessible via FPS' [website](#) and is regularly updated to reflect changes in laws and internal policies.

**All colleagues have received communication on the Code of Conduct, with continued awareness supported by sessions and workshops throughout the year.**

## Grievances Management and Compliance

FPS prioritises ethical conduct through its 24/7 Ethics and Compliance Hotline, which is hosted by a trusted third-party provider. This platform enables colleagues to confidentially report concerns such as fraud, bribery, discrimination, and harassment without fear of retaliation. Managed by the HR and Legal Counsel, all reports are carefully reviewed, with appropriate actions taken based on the severity of the case.

FPS educates colleagues on the grievance process through training, handbooks, internal communications, offering multiple channels to support a fair, transparent, and accountable workplace.

## Data privacy and Cybersecurity

FPS protects data integrity, confidentiality, and availability through its Information Security Policy, supported by access controls, encryption, regular security audits, and vulnerability assessments. A risk-based approach and ISO-certified security measures ensure resilience and compliance with global data protection standards.

**In 2024, FPS recorded zero cybersecurity incidents for the year.**

In 2024, FPS strengthened its cyber resilience through 52 training sessions, covering topics including phishing prevention, incident response, password security, and safe remote working. These efforts support the protection of business-critical data and customer data while equipping colleagues to detect and respond to threats.





## FPS's People and Community

### Colleague Development

Investing in colleague development is imperative for maintaining high-quality products and services, as well as ensuring the team's skillset remains aligned with market developments, needs, and innovations. FPS continues to create a culture of sustainability by investing in ESG training programmes for colleagues across all levels. As part of its Great Place to Work assessment, FPS achieved a score of 87% for strong colleague engagement and alignment with organisational values. A detailed breakdown of training hours by colleague group, along with figures for 2024, will be provided in FPS's standalone sustainability report.

### Diversity and Equal Opportunity

FPS focuses on creating an inclusive and equitable workplace that values diversity and guarantees equal opportunity for all. Its human rights policy highlights FPS's efforts to maintaining a work environment free from harassment and discrimination based on race, sex, colour, nationality, religion, age, disability, or any other status protected by applicable law.

FPS recruitment practices ensure candidates are evaluated solely on their qualifications and suitability for the role. Furthermore, data on the number of FPS colleagues trained on human rights, business ethics, and the Code of Conduct is available in FPS's standalone sustainability report.

### Operational Health and Safety (OHS)

FPS maintains an effective Occupational Health and Safety (OHS) framework created to protect the wellbeing of its workforce. The OHS policy integrates risk assessment and management, emergency preparedness and comprehensive colleague training. It also promotes incident reporting, health and wellbeing programmes, and ongoing improvement, with active colleague engagement at its core.

To ensure continuous compliance and safety, FPS regularly monitors Medical Case Rate (MCR) each quarter, maintains effective Occupational Health and Safety Assessment Series (OHSAS) systems, and provides the necessary personal protective equipment.

For two consecutive years, FPS recorded zero colleague fatalities, thanks to rigorous safety protocols and proactive measures.

All new and existing colleagues receive tailored OHS training, covering workplace injury risks, emergency response, and proper equipment handling. Training includes an introductory session, a mandatory exam, and ongoing role-specific updates to maintain a safe working environment.

Medical Case Rate*	2023	2024
Q1	0.28	0
Q2	0.11	0.11
Q3	0.32	0
Q4	0.20	0.19
Total colleague fatalities	0	0

\*MCR - Number of medical cases x 200,000 / Man hours worked

### Colleague Reward and Recognition Programmes

FPS recognises colleague contributions through performance awards, appreciation events, and continuous engagement initiatives. High-performing colleagues receive financial incentives and annual bonuses, while recognition ceremonies and appreciation days celebrate outstanding contributions. To enhance workplace satisfaction, FPS conducts regular engagement surveys, maintaining continuous feedback and improvement in its recognition strategies.

### Wellbeing and Engagement

In 2024, FPS continued to integrate health and wellbeing, and community engagement into its corporate culture by creating a safe, supportive, and inclusive workplace. Its wellbeing strategy covers workplace safety, mental health support, and work-life balance, while also cultivating strong community connections through local initiatives.



#### Omniversal Life Impact Programme (OLIP)

Long-term initiative focused on community wellbeing, sustainability and social responsibility.



#### Climate Champions & Social Ambassadors

Colleague-led teams driving environmental initiatives, workplace inclusion and social engagement.



#### Sports & Wellness Events

Organised volleyball tournaments, photography contests, and cultural celebrations to enhance team spirit.



#### Colleague Feedback & Engagement

Regular surveys (GPTW) and town hall meetings to ensure two-way communication between colleagues & the management team.

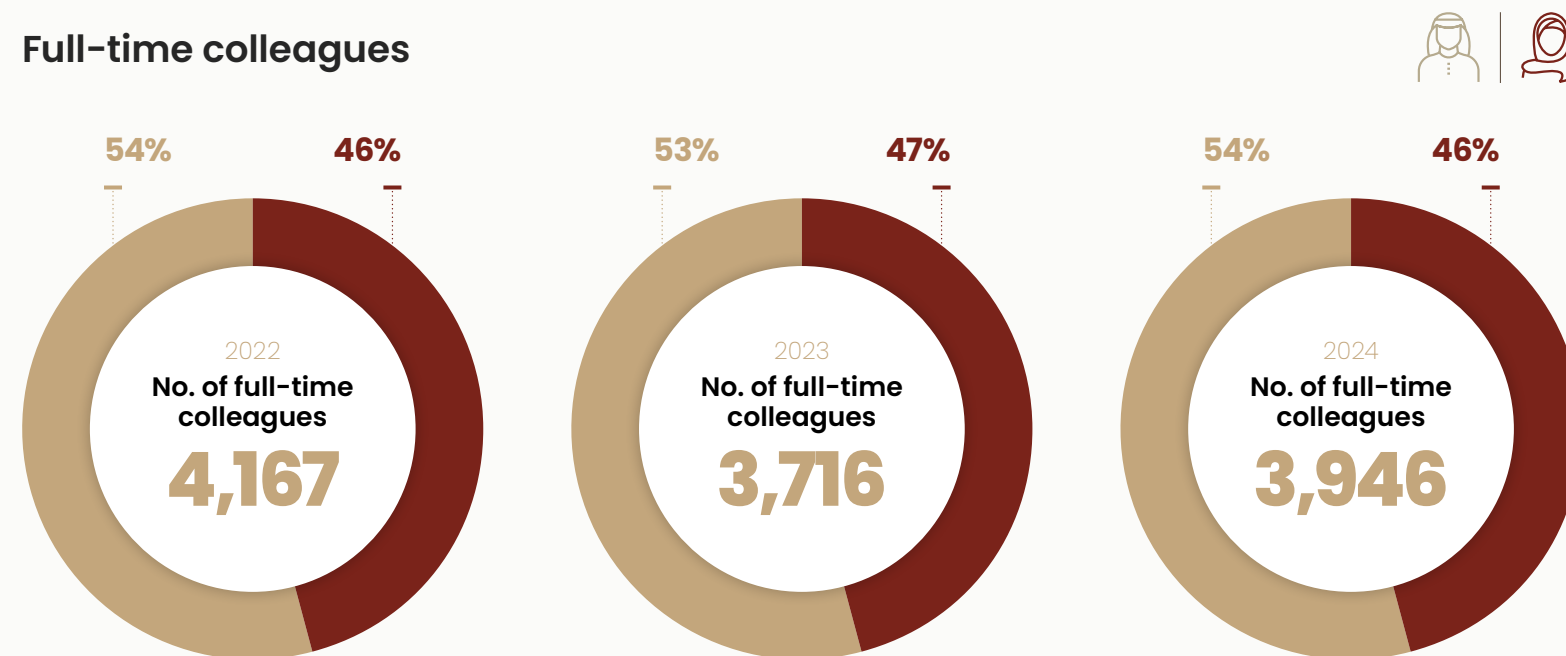




## FPS's people in numbers\*

\*Colleague figures cover their global operations.

### Full-time colleagues



#### Full-time colleagues by Colleague category

	2022	2023	2024
Number of white-collar colleagues	579	565	<b>564</b>
Number of blue-collar colleagues	3,636	3,175	<b>3,382</b>
Number of full-time colleagues in senior management	17	17	<b>23</b>
% of which are female	24%	24%	<b>30%</b>
% of which are male	76%	76%	<b>70%</b>
Number of countries from which FPS has colleagues	19	18	<b>18</b>
Number of expat full-time colleagues	N/A	28	<b>33</b>
<b>Part time colleagues</b>			
	<b>2022</b>	<b>2023</b>	<b>2024</b>
Number of part-time colleagues	58	25	<b>41</b>

Female colleagues represented **30% of senior management roles, compared to 70% held by male colleagues, showcasing FPS's ongoing commitment towards greater gender balance.**



New colleague hires	2022	2023	2024
Total number of colleague hires	601	590	<b>1,283</b>
Number of female colleague hires	279	218	<b>589</b>
Number of male colleague hires	322	372	<b>694</b>

Colleague turnover rate	2022	2023	2024
Turnover rate for all colleagues	12%	23%	<b>27%*</b>

\*The increase in turnover rate in 2024 is primarily attributed to order fluctuations and corresponding adjustments in production planning. Additionally, this year 42 female colleagues did not return from maternity leave, which contributed to the higher overall turnover rate.

Parental leave by gender*	2023	2024
Number of colleagues who were entitled to parental leave	101	<b>110</b>
Number of female colleagues that took parental leave	45	<b>58</b>
Retention rate of female colleagues who went on parental leave and were still employed	76%	<b>43%</b>
Number of male colleagues that took parental leave	56	<b>52</b>
Retention rate of male colleagues who went on parental leave and were still employed	92%	<b>90%</b>

\*All FPS colleagues are entitled to parental leave. In 2024, 58 female colleagues had newborns, and 52 male colleagues utilised their parental leave benefits.





## Colleague Satisfaction Score – FPS Trust Index 2023 2024

Colleague satisfaction score (0-100) 83% **87%\***

\*GPTW Score

## Customer Experience

FPS is committed to delivering exceptional customer experience by efficiently managing complaints and upholding quality standards. Its FPS-QS system ensures complaints are recorded by Account Managers or Customer Service Representatives (CSRs), with an acknowledgement letter sent within 24 hours. A cross-functional team then conducts a root cause analysis within two weeks, followed by a Corrective Action Report (CAR) review. A final closure letter is issued within four weeks, providing a resolution to customers.

**Thanks to rigorous processes and focus on product quality and customer satisfaction, FPS achieved a 96% customer satisfaction score in 2024, exceeding its 95% target for two consecutive years.**

## Customer Complaints

	2023	2024
Total number of customer complaints	<b>114</b>	<b>99</b>
Total number of customer complaints resolved	<b>114</b>	<b>99</b>
CSI Score	<b>96%</b>	<b>96%</b>

**100%** of customer complaints were resolved for two consecutive years.

## Sustainable Products and Services

FPS develops sustainable products and services that not only reduce risks but also create a positive ESG impact for its customers. Through prioritising recycled materials, energy efficiency, and carbon footprint assessments, FPS aims to align its offerings with global sustainability goals – a progress that will be further explored in FPS’ standalone sustainability report.

Solution	Description
<b>WaterSafe By FPS</b>	<p>Designed to provide a safer and more hygienic water storage solution for developing regions and disaster-affected areas, replacing traditional jerry cans that pose contamination risks.</p> <ul style="list-style-type: none"> <li>Sealed design maintains water purity</li> <li>Ergonomic straps reduce strain when transporting water</li> <li>Sustainable materials to minimise environmental impact</li> </ul>
<b>FlexiGreen by FPS</b>	<p>Developed eco-friendly packaging using recycled polypropylene (rPP) and polyethylene (rPE) to reduce plastic waste and lower carbon emissions. Utilized advanced manufacturing techniques, to further minimise environmental impact while ensuring high-quality, durable packaging solutions.</p>
<b>Reconditioning Business Unit (REBU)</b>	<p>Extended the lifecycle of packaging by reconditioning used materials for reuse, reducing the reliance on plastic.</p> <ul style="list-style-type: none"> <li>2024 Target: Recondition 300,000 bags</li> <li>2026 Target: Expand capacity to 600,000 bags</li> </ul>



## WaterSafe

### Tackling Water Insecurity Through Innovation

FPS continued to expand its WaterSafe initiative in 2024, building on progress made in 2023 to address water insecurity in underserved communities. Designed to ensure the safe transport, storage and dispensing of clean water, the WaterSafe backpack helps reduce exposure to waterborne diseases and physical strain caused by traditional water-carrying methods.

In 2023, FPS reached over 1,500 schools in Kenya, positively impacting 1 million lives. By 2024, the programme had scaled to 1,544 schools extending its reaching to 4.2 million people. The initiative now targets educational institutions, with each backpack benefiting approximately 30 students per classroom. FPS is also working with NGOs in India to expand the initiative globally, highlighting its commitment to community health, educational access, and the UN Sustainable Development Goals. WaterSafe embodies the Giving pillar of the Group’s Omnipreneurship philosophy, delivering scalable, sustainable impact where needed most.

## IMPACT AT A GLANCE

- 1,544 schools reached in Kenya** (up from 1,500 in 2023)
- 4.2 million lives positively impacted** (4x growth year-on-year)
- Health and safety improved** through safe water access
- Expansion underway in India** via NGO partnerships





# FPS' Environmental Performance

## Energy Consumption

FPS continues to enhance its manufacturing processes by implementing energy-efficient production methods that lower emissions and promote sustainable operations, consequently lowering its carbon footprint. In 2023, the company expanded the use of solar energy across its facilities in Vietnam, further diversified its renewable energy sources through the operation of two wind turbines at its Turkey site. It also, closely monitors its diesel and petrol consumptions, prioritising the use of biofuel blends to minimise environmental impact. This allows FPS to identify opportunities for efficiency improvements. Detailed 2024 energy and fuel consumption data will be available in FPS' standalone sustainability report.

## Waste Consumption

FPS systematically tracks and manages waste consumption to align with sustainability priorities and regulatory requirements. Waste is classified into three categories, with data aggregated at the facility, regional, company-wide levels for analysis.

In 2024, non-hazardous waste decreased by 3.6%, reflecting the impact of FPS's waste reduction mitigation plans, while hazardous waste declined by 2.8%, remaining at minimal levels. Monthly and annual waste trends are recorded, ensuring data accuracy and transparency through adherence to GRI 306, GHG Protocol, ISO 14064-1, and local regulations.

Disposal methods including landfill, recycling, and incineration are carefully documented, with internal audits and spot checks verifying reported figures. FPS also collaborates with waste management contractors to validate data, while senior management reviews final datasets to uphold reporting integrity and alignment with ESG objectives.

## TOP 3 SOURCES OF WASTE



### Non-Recyclable Non-Hazardous Waste

Replacing materials with recyclable or reusable alternatives, improving sorting at the source, and optimising production processes to minimise waste generation.



### Domestic Waste

Awareness campaigns and colleague training to ensure proper waste segregation. Eliminated single-use plastics in cafeterias, replacing them with reusable or compostable alternatives.



### Contaminated Waste

Minimising contamination by improving process controls, adopting safer cleaning methods, and ensuring proper labelling, storage, and disposal practices to prevent cross-contamination.

## MITIGATION EFFORTS

## Breakdown of hazardous and non-hazardous waste diverted from disposal (tonnes)

	NON-HAZARDOUS WASTE		
	2022	2023	2024
	6,406.43	8,900.66	8,581.94
	HAZARDOUS WASTE		
	2022	2023	2024
	547.16	29.50	28.67





## Recycling Hub

FPS has established a recycling hub in Romania to advance sustainable practices in the flexible industrial packaging sector. The facility promotes the circularity of Flexible Intermediate Bulk Containers (FIBCs) by collecting, shredding, washing, and re-granulating used materials, enabling the production of new FIBCs with at least 30% recycled content.

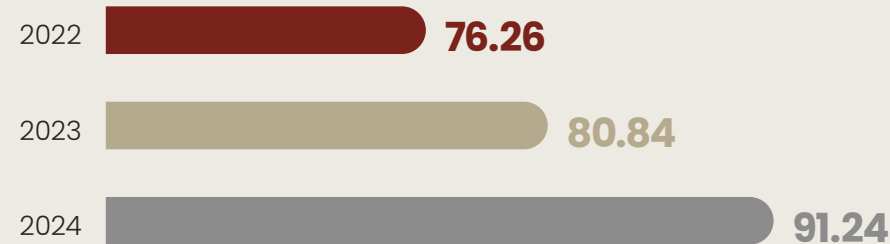
Equipped with an advanced water treatment system, the hub enhances resource efficiency while minimising waste. In 2024, FPS earned the RecyClass Recycling Process Certification and the RecyClass Recycled Content Traceability Certificate, highlighting its progress in material use, and circular production practices.

## Water Consumption

FPS tracks water usage across all manufacturing plants on a monthly basis and employs various strategies to reduce freshwater consumption. All facilities operate closed-loop water systems, requiring only the replacement of evaporated water, which supports conservation within a contained environment. Treated water is repurposed in manufacturing processes such as tape extrusion, with only 5% of total water use attributed to production. The remainder is linked to human consumption on site. To further reduce usage, FPS has installed water-saving sensors at selected handwash stations.

Recycling used FIBCs is a water-intensive process, requiring around 60,000 litres per tonne. To address this, FPS installed a three-stage water treatment system at its Romania recycling hub, enabling up to 98% of the water to be reused.

### UTILITY WATER CONSUMED IN (m3)



## Carbon Footprint

FPS calculates GHG emissions across Scope 1, 2 and 3 using internationally recognised standards to establish accuracy and transparency. Scope 1 and 2 emissions are based on actual fuel and electricity consumption from facilities, vehicles, and equipment, cross-checked with operational records and verified by third parties.

Scope 3 emissions, the largest share of FPS's carbon footprint, cover value chain activities such raw material procurement, business travel, waste disposal, transportation, and product end-of-life. FPS follows the GHG Protocol Value Chain Standard, prioritising critical impact areas through supplier reports, lifecycle analyses, and industry benchmarks.

As part of its long-term climate ambition, FPS is committed to aligning with the Science Based Targets initiative (SBTi) Net-Zero Standard, further integrating emissions reduction into its operational and strategic decisions. Emissions data for 2024 will be detailed in FPS's standalone sustainability report.

### FPS Commits to the SBTi Net-Zero Standard

In response to growing global climate pressures, FPS committed to the Science Based Targets initiative (SBTi) Net-Zero Standard, aligning with the Paris Agreement's 1.5°C goal and reinforcing its long-term climate leadership.

The packaging sector faces rising scrutiny over supply chain emissions and waste management, alongside tightening regulations such as the EU Green Deal, PPWR and CSRD. Recognising the need for credible action, FPS adopted a measurable net-zero roadmap to strengthen its position and support regulatory alignment.

This commitment not only enhances stakeholder trust but also drives innovation in low-emission and circular packaging, supporting the broader transition to a sustainable economy.

#### Impact at a Glance

- Aligned with SBTi's 1.5°C climate target
- Boosted trust among customers and regulators
- Prepared for EU sustainability regulations
- Driving innovation in circular packaging solutions



## Supply Chain & Due Diligence Process

FPS operates a resilient, globally integrated supply chain across 19 countries, collaborating with over 2,000 suppliers to facilitate efficiency, adaptability and sustainability. Its two key segments include raw material suppliers and external manufacturing partners, both are managed through strict procurement policies prioritising ethical sourcing, environmental responsibility, and high-quality standards.

FPS enforces a Supplier Code of Conduct and a Global Policy on Sustainable Procurement, assessing suppliers based on geographical risk, compliance, ESG performance, and sustainability certifications. These documents are accessible via the FPS website and are regularly updated to reflect changes in laws and internal policies. Additionally, FPS engages with regional teams to ensure supplier evaluations and transparency, encouraging partners to adopt renewable energy, reduce waste, and implement water conservation measures.







## REPORTING SCOPE

The scope of the 2024 data covers operations solely in Saudi Arabia. ESG data reflects the performance of Petromin and its leading subsidiary Petrolube, unless otherwise specified.

### About Petromin

**Founding Date:** 1968

**Type of Company:** Petroleum products and automotive services.

**HQ:** Jeddah, Saudi Arabia

**Operations:** Saudi Arabia, United Arab Emirates, Egypt, Pakistan, India and Malaysia.

**FTCs:** 6,000+ colleagues

**ADG Ownership:** 97.56% direct ownership, 1.44% indirect ownership, 1% indirect ownership

**Website:** [Petromin Corporation](https://www.petromin.com)

**Vision Statement:** By 2030, Petromin would be a leading global provider of comprehensive, end-to-end mobility solutions, delivering unparalleled convenience, value and professionalism.

**Mission Statement:** To be the most customer-centric mobility solutions leader in the Middle East, utilising the latest technology, services & parts networks sustainably.

**Petromin's Subsidiaries:** Petromin Corporation is a comprehensive mobility solutions provider with an extensive portfolio of 8 business verticals. We support customers throughout their automotive journey, from purchasing and maintaining a vehicle to selling and upgrading it, ensuring a seamless and future-ready experience.



## Awards & Accreditations

In 2024 Petromin and subsidiaries received a total of 49 awards and accreditations, we highlight a few below

### Petromin Corporation

#### Harvard Business Council Award

- Women Leader Award 2024

#### Middle East Management Excellence Awards 2024

- Executive of the Year – GCEO
- Team of the Year Automotive Services – Corporate Strategy Team
- Team of the Year – Automotive and Transport System, Electromin

#### Sustainability Innovation Awards 2024

- Innovation in Decarbonising Company of the Year

#### ESG Business Awards

- Gender Equality and Women Empowerment Award

### National Transportation Solutions Company

Global Recognition Award for Outstanding contributions to advanced fleet management and sustainable mobility solutions 2024

#### International Finance Award for:

- Most Innovative Auto Tech Solution Provider 2024
- Fastest growing Fleet Mobility Solutions Provider 2024

### National Car Maintenance Company:

#### Gulf Customer Experience Awards 2024

- Silver – Customers at the heart of everything
- Silver – Best CX Strategy

#### Stevie 2024 Award MENA

- Gold – Innovative Achievements in Sustainability
- Silver – Innovative Achievements in Diversity & Inclusion

#### Petromin Express

- Silver – Best Applied Technology
- Silver – Innovative Achievements in Diversity & Inclusion
- Bronze – Innovative Achievements in Science & Technology
- Petromin Auto Care IBXA 2024
- Best Company to Work







# Sustainability at Petromin

## Sustainability Governance

Petromin Corporation has established a sustainability framework that integrates ESG considerations across its operations. Its Sustainability Council, comprising representatives from all eight verticals, provides oversight and ensures the effective implementation of sustainability initiatives.

The Council holds quarterly meetings, attended by the Corporate Strategy team, to evaluate progress, address challenges, and share insights. Additionally, Petromin actively participates in ADG's quarterly Sustainability Council meetings to align strategies and enhance their impact. To enhance capabilities, nominees receive training and attend dedicated sessions as part of Petromin's continuous learning and development initiatives.

## Materiality

As an organisation operating in the mobility solutions ecosystem and with eight business verticals, Petromin Corporation understands that it needs to focus on specific ESG topics its value chain affects or is affected by the most i.e., ESG material topics. Following a third-party desktop materiality exercise, the corporation has defined the below topics as most material to its operations.

ENVIRONMENTAL	Product Carbon Footprint	Opportunities in Clean Technology	
SOCIAL	Labour Management	Chemical Safety	Privacy and Data Security
GOVERNANCE	Corporate Behaviour	Corporate Governance	

# Petromin's Governance

## Code of Conduct

Petromin's organisational culture and management approach are designed based on the philosophy of Omniprenuership. By upholding these values of integrity, respect and excellence, Petromin cultivates a strong workplace culture and strengthens relationships with clients, partners, and the community, securing its industry leadership position.

## Risk Management

Petromin's approach identifies key risks, including strategic, financial, operational, compliance, fraud, health & safety, and cybersecurity threats, ensuring a robust understanding of potential vulnerabilities across its operations.

### ESG considerations in risk management

Petromin's operations inherently involve environmental risks, such as potential land contamination from lubricant leaks during oil changes. To mitigate this, the company has implemented safety measures, including high-quality epoxy-coated floors designed to resist oil penetration and prevent long-term damage.

**For two consecutive years, Petromin has conducted risk-based audit engagements, assessing risk likelihood and impact.**

Insights from Petromin's third-party ESG rating assessment have also identified social and governance risks, including labour management practices, corporate governance, ethical conduct, and anti-corruption measures. Through integrating ESG considerations into its risk management approach, Petromin strengthens its commitment to sustainability, responsible business practices and long-term resilience.

## Grievances Management

Petromin's grievance management framework includes the "Speak-up" hotline, a confidential communication channel for colleagues to report incidents of sexual harassment, workplace violations, or other grievances. This platform enables colleagues to raise concerns without fear of retaliation, promoting a safe and supportive work environment. By maintaining this channel, Petromin maintains transparency and trust across the organisation.





## Petromin's People and Community

### Colleague Engagement

Petromin prioritises colleague wellbeing through initiatives that support engagement, inclusivity and health across the organisation. In 2024, several events were held to build a sense of community, support physical and mental health, and celebrate cultural and environmental awareness. These included physical wellness sessions, iftars, and awareness campaigns, with over 300 colleagues participating across the year. Petromin also continued the Wellbees programme in partnership with Bupa, offering virtual and in-person wellness sessions, and continued its internal Petromin Wellness initiative to encourage daily well-being habits across all teams.

Event	Description	Attendees
<b>Road to Better Self-Care</b>	A physical wellness session led by a certified fitness and wellness coach, focusing on everyday health habits.	50
<b>International Women's Day Event</b>	A luncheon and speaker session where female colleagues shared their career and success stories.	20
<b>Ramadan Iftar</b>	A company-wide gathering for colleagues to break fast together and connect outside of work.	All colleagues
<b>World Day for Culture Diversity Event</b>	An engaging event featuring traditional food, attire, and cultural activities like flag painting and storytelling.	100
<b>World Environment Day</b>	"Our Land, Our Future" campaign with plant giveaway to encourage sustainability and green habits.	175
<b>Wellbees Programme</b>	A series of wellness talks and sessions in collaboration with Bupa, covering topics like mental wellbeing and health awareness.	All colleagues
<b>Petromin Wellness</b>	An internal initiative where colleagues shared personal wellbeing practices to encourage healthier lifestyles across the company.	Ongoing
<b>Mazya Petromin</b>	A money-saving platform providing exclusive offers, coupons, gift cards, and exclusive discounts at more than 1000 merchants around the Kingdom in various fields.	All colleagues

### Health, Safety and Environment (HSE) Training

Petrolube, a subsidiary of Petromin, updates its Health, Safety, and Environment (HSE) training programme annually to address workplace risks effectively. Training topics are based on risk assessments and past incidents, ensuring relevance and impact. Given the operational hazards such as forklift movements, handling chemical activities, and spill risks, mitigation measures are implemented to keep risks As Low As Reasonably Practical (ALARP). The operations team actively reports and prevents potential incidents.

In 2024, Petrolube delivered over 3,824 training hours, an 88% increase from the previous year, with sessions in Arabic, English and Urdu. Training, delivered both internally and through third-party providers, covering essential topics like fire safety, first aid, forklift operation, confined space entry, emergency preparedness, work at height, and spill control. An HSE committee annually reviews training needs to ensure compliance, with effectiveness evaluated through quizzes and job performance checks.

### QHSE Policy and Safety Protocols

Guided by ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 standards, Petrolube's policy emphasises full compliance with Quality, Health, Safety, and Environmental regulations, providing superior products and services, and developing an effective integrated management system to reduce waste, occupational health and safety risks, and environmental impact.

Safety measures include reporting potential incidents, conducting daily huddle meetings and specialised trainings, adhering to detailed Standard Operating Procedures (SOPs), mandatory use of Personal Protective Equipment (PPE), and regular safety audits and inspections.

	2023	2024
Total colleague lost time injury (LTI)	2	2*
Total colleague fatalities	0	0

\* For the past two consecutive years, Petrolube reported only 2 lost time injury (LTI) accidents, one in the Jeddah Plant and one in the Technolube Plant.

**Petromin has not recorded any work related fatalities in the last two years.**



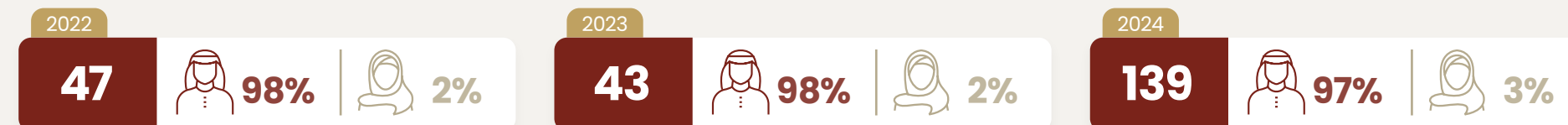


## Diversity and Equal Opportunity

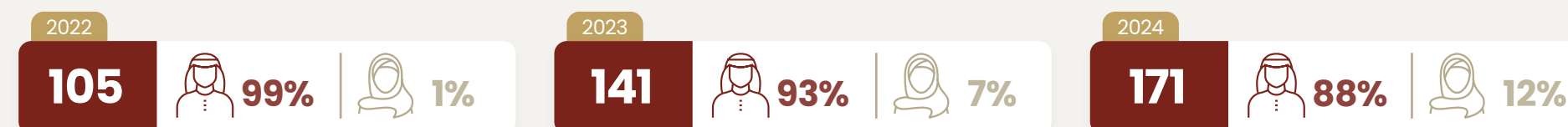
Petromin's Diversity and Inclusion Policy upholds equal employment opportunities, non-discrimination, and inclusion for all colleagues and candidates, regardless of their background. Aligned with legal requirements, it applies to job applicants, colleagues, and select third parties, covering all aspects of employment, from recruitment and compensation to development, promotions and recreational programmes.

Full-time colleagues	2022	2023	2024
Number of full-time colleagues	4,736	3,662	3,313
Number of local full-time colleagues	1,226	1,011	904
Number of expat full-time colleagues	3,510	2,651	2,409
Number of white-collar colleagues	1,103	1,206	1,101
Number of blue-collar colleagues	3,633	2,456	2,212

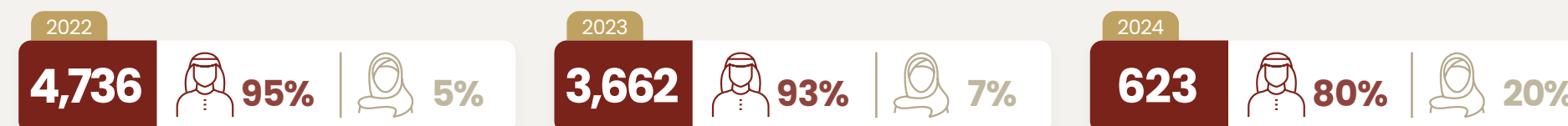
### Number of full-time colleagues in senior management



### Number of full-time colleagues in middle management



### Number of full-time colleagues



Colleagues by years of service	2022	2023	2024
0-4 years	2,262	1,640	1,465
5-9 years	1,875	1,643	1,416
10-14 years	394	239	316
15+ years	205	140	116

New colleague hires – by gender	2022	2023	2024
Total number of colleague hires	895	305	389
Number of female colleague hires	103	30	61
Number of male colleague hires	792	275	328

Colleague retention rate	2022	2023	2024
Retention rate for all colleagues	NA	100%	77%

Parental leave by gender	2022	2023	2024
Number of female colleagues that took parental leave	NA	0	2
Number of male colleagues that took parental leave	NA	31	30
Retention rate of colleagues who went on parental leave and were still employed	NA	100%	100%





## Customer Experiences

Petromin's complaint management system provides prompt and effective resolutions of customer concerns, maintaining high service standards. Customers can submit complaints through phone, email, or online channels, receiving an SMS with a reference number for tracking.

Upon submission, an agent categorises the complaint, assigns it to the relevant business unit, and the Complaint team initiates an investigation. Customers are kept informed throughout the process, and if unresolved, complaints escalate through three levels such as Unit Manager, Director, and Group CEO ensuring senior management oversight.

Once resolved, customers are notified, and all cases are document to improve service quality and address recurring issues.



### Submission

In 2024, Petromin resolved 99% of its customer complaints, with only one complaint unresolved related to its Stellantis workshop. Customer satisfaction increased by 2 percentage points, with complaints resolved in an average of three working days.



### Acknowledgement



### Categorisation & Ticketing



### Assignment



### Investigation and Resolution



### Follow-up



### Closure & Feedback

	2023	2024
Number of customer complaints	8,401	11,578
Number of complaints resolved	8,401	11,577
CSAT Scores*	94%	96%

\*As per Call Centre 2023 and 2024 Interactive Voice Response (IVR) Flow.

## Sustainable Products and Services

Petromin's commitment to sustainability can be seen through various initiatives across its subsidiaries. These efforts are aligned with Petromin's focus on ESG principles aiming to mitigate environmental impacts and to cultivate social responsibility and effective governance.

### Subsidiary

### Initiative

### Description

### Key Achievements

**National Car Maintenance Co. (Petromin Express)**

**Eco Steam Car Wash**

Offers high-efficiency steam-based vehicle cleaning, significantly reducing water usage and eliminating harsh chemicals.

4.35 million litres of water saved in 2024 across 48,289 washes in 220 stations.

**National Car Maintenance Co. (Petromin AutoCare)**

**EV Service Network**

Provides professional maintenance and diagnostics for electric vehicles, supporting the growing EV ecosystem.

First certified EV repair network in Saudi Arabia.

**Petrolube**

**Emissions Reduction in Logistics**

Introduced route optimisation and fuel-efficient practices across the supply chain.

- Electric Forklifts: A plan was initiated to change the Diesel forklifts to electric, in 2023 and 2024, Petrolube already replaced 26 forklifts to electric (37 % of all forklifts). This resulted in a reduction of around 180 tons of CO2 (Scope 1) emissions / year.
- Logistics Efficiency: Continuing the initiative of route optimization, Petrolube maintains the 25% reduction in KM / tons delivered comparing to the base year (2018).

**Electromin**

**Masar BRT (Makkah)**

Operates the region's first all-electric Bus Rapid Transit (BRT) system, set up in 2024 and integrating smart mobility features. The system will become operational in September 2025.

Designed to serve 20,000 passengers per hour and lower urban emissions.

**National Transportation Solutions Co.**

**Sustainable Mobility with Riyadh Air**

Partnership to supply electric buses for corporate transport, reducing reliance on fossil fuels.

First electric coach bus delivered to Riyadh Air, advancing green transport.

**Zero-Emission Truck Fleet**

Rolled out battery-electric trucks to replace diesel units in logistics, reducing carbon footprint.

50 trucks deployed-largest initiative of its kind in the Kingdom.





## Petromin's Community Initiatives

Petromin Nissan opened its first woman-run and led showroom in the Eastern Province, fully operated by Saudi female professionals including four exceptional sales executives and a dedicated branch manager. In 2024, the team achieved impressive results, with total sales reaching 584 units, reflecting a 23% growth compared to the previous year. Notably, Nissan Patrol models sales accounted for 273 units, marking a 21% increase year-on-year. Highlighting their dedication and performance, three sales executives each surpassed 100 units sold during the year, up from two in the previous year.

National Car Maintenance Company (NCMC), a subsidiary of Petromin, has been a pioneer in promoting gender diversity within the automotive industry. Recognising the surge in female drivers, the subsidiary integrated women into its automotive quick service portfolio. This initiative included hiring female technicians and service advisors, conducting comprehensive training programmes, and launching awareness programmes to educate female customers about vehicle maintenance.

### First Female-Run Petromin Nissan Showroom

As part of its commitment to fostering diversity and empowering women in the workforce, Petromin Nissan inaugurated Saudi Arabia's first all-female-run showroom in the Eastern Province. This initiative highlights the company's dedication to expanding its footprint while contributing to broader national objectives under Vision 2030.

The launch signifies more than network growth, but rather a cultural shift in the traditionally male-dominated automotive industry. Through creating meaningful roles for Saudi women in leadership, sales, and customer service, Petromin Nissan is enabling new career pathways and cultivating a more inclusive and progressive business environment. The showroom has been well received by customers and stakeholders, positioning the company as a forward-thinking and socially responsible brand.

### Developing Future Leaders Through Petrolube's Internship Programme

As part of its commitment to long-term sustainability, Petrolube – a subsidiary of Petromin, launched an internship programme aimed at equipping Saudi university students with the skills needed for a low-carbon, future-ready economy. Through partnering with local universities, the company offered structured placements across fields including engineering, supply chain, science and finance.

In 2024, the programme trained 26 students through 1–6-month internships, providing hands-on exposure to real industry challenges. This initiative supports national goals around youth employment, human capital development, and inclusive economic growth, illustrating Petromin's role in advancing sustainable development beyond its operations.

### IMPACT AT A GLANCE

- **First all-female-run** automotive showroom in Saudi Arabia
- **Located in the Eastern** Province
- **Supports Vision 2030** goals for women's workforce participation
- **Advances diversity, inclusion, and service excellence** in the sector

### IMPACT AT A GLANCE

- **26 interns trained** in 2024
- **Multi-disciplinary,** hands-on placements
- **Strengthened** university-industry collaboration
- **Supported youth capacity-building** for a sustainable future

## Petromin's Environmental Performance

### Energy Consumption

Electricity consumption (kWh)	2022	2023	2024
Total electricity consumed	9,320,065	8,115,647	<b>8,847,306</b>
Of which, was from PVs	0*	382,701	<b>741,400</b>

\*No solar power generated or consumed in 2022.

In 2024, Petromin's total electricity consumption increased by 9%, reaching 8,847,306 kWh, while solar generation nearly doubled to 741,400 kWh. This increase was largely due to the Technolube solar facility, which was commissioned in mid-2023 and became fully operational for the entire year in 2024. The expansion highlights Petromin's continued efforts to scale renewable energy adoption.

To further improve efficiency, Petrolube implemented an Energy Monitoring System at its Jeddah plant, enabling real-time tracking, control, and optimisation of energy usage in a central management dashboard. Additionally, the company continued transitioning to LED lighting across its facilities and offices. In 2024, they replaced 605 halogen, fluorescent and metal halide lights with LED alternatives, including smart LED lighting in warehouses. This initiative resulted in electricity savings of approximately 700,000 kWh and cost savings of SAR 140,000 for the year. With around 80% of conventional lighting now converted to LED, Petrolube are continuing efforts to complete the transition across remaining areas. Energy audits also supported further improvements, with identified measures being implemented to drive ongoing energy savings.





## Resource Consumption

In 2024, Petrolube's total diesel consumption rose by 36% to 4,417,307 litres, largely due to a 49% increase in outbound logistics fuel use. In contrast, diesel consumption in plant operations declined by 4%, reflecting improved efficiency. Petrolube continues to optimise its logistics, enhance fleet utilisation, and transition to electric forklifts to further reduce fuel consumption.

Water consumption	2022	2023	2024
Plant operations diesel consumed (litres)	740,465	825,377	<b>793,219</b>
Outbound logistics trucks (litres)	3,847,024	2,427,957	<b>3,624,088</b>
Total diesel consumed (litres)	4,587,489	3,253,334	<b>4,417,307</b>

## Waste Management

### TOP 3 SOURCES OF WASTE



#### Packaging Materials

Planning to return the packaging materials to the suppliers for reuse to reduce waste generated.



#### Additive Bags

Currently, the additive bags are disposed through a certified hazardous waste contractor for treatment.



#### Additive Drums

Currently, the drums are sold to third party contractors for reconditioning and reuse by other customers.

### MITIGATION EFFORTS

In 2024, Petrolube generated 1,710 tonnes of waste, with 98% classified as non-hazardous. The waste sent to landfill was decreased by 33% and the recycling of the total generated waste was 68% during 2024 (improved from 63% in 2023), highlighting improved waste segregation, recycling, and certified hazardous waste treatment. Petrolube maintains ISO 14001 certification across its Jeddah, Riyadh, and Dubai (Technolube) plants, ensuring best practices are met in waste management. All operational sites are also certified by the National Center of Environmental Compliance (NCEC), with regular audits conducted to uphold environmental standards.

Types of waste generated (tonnes)	2022	2023	2024
General waste to landfill	965	801	<b>541.50</b>
Lab chemical waste	4.63	2.30	<b>2.50</b>
Rework waste (oil)	11.50	3.2	<b>3.10</b>
Plastic waste	134	595	<b>158.30</b>
Paper waste	234	309	<b>299</b>
Wooden pallets waste	145	200	<b>251</b>
Metal scrap waste	111	241	<b>437.50</b>
Solid hazardous waste	4.38	21	<b>16.70</b>
Total waste generated	1,612	2,172	<b>1,710</b>

Breakdown of waste diverted from disposal (tonnes)	2022	2023	2024
Non-hazardous waste (98.9% of total waste)	1,606	2,151	<b>1,146</b>
Hazardous waste (Solid waste and lab chemical waste)	9*	23	<b>19.30**</b>

\*Restatement Note: The hazardous waste figure for 2022 has been restated due to the exclusion of laboratory chemical waste in the previous calculation. In the 2023 report, hazardous waste was reported as 4.38 tonnes; however, this figure did not account for lab chemical waste, which should have been included under hazardous waste. Solid waste was already included in the original figure. Following a review, the total hazardous waste for 2022 is now restated as 9 tonnes to accurately reflect all applicable waste streams under the updated classification.

\*\*Treated by a certified contractor.

### Petromin NCMC Top Waste Sources

Tires		Batteries		Oil filters		Air & Cabin Air Filters	
Unit	Kg	Unit	Kg	Unit	Kg	Unit	Kg
74,751	598,008	150,008	2,250,120	2,720,915	929,192	604,769	139,097

National Car and Maintenance Company (NCMC) is dedicated to improving its waste management practices and reduce its waste, this is done through the following actions:

- Used oil is already being collected by a third-party for recycling.
- Ongoing projects with Saudi Investment Recycling Company (SIRC) for numerous sustainability projects and Reverse Vending Machine opportunities.
- Eco wash targets the reduction of water usage for car washes.





### Omnipreneurship Campaign: Petromin and NCMC

Petromin's Corporate Strategy and NCMC teams launched the second internal round of ADG's Omnipreneurship Awards, targeting innovative waste management solutions aligned with Petromin's roadmap and Saudi Vision 2030. Grounded in principles of Giving, Earning and Sustaining, the campaign inspired ideas across recycling, data-driven optimisation, gamification, and colleague engagement. A total of 151 ideas were submitted at the end of the year, surpassing the previous record of 113. The campaign remains ongoing and will conclude in May 2025 as Petromin and NCMC continue to drive momentum into the year ahead.

### Looking Ahead: Circular Economy Partnership with SIRC

As part of its 2025 sustainability agenda, Petromin is preparing to launch a strategic collaboration with the Saudi Investment Recycling Company (SIRC), a wholly owned subsidiary of the Public Investment Fund (PIF). This partnership will focus on embedding sustainable waste management and circular economy practices across operations, beginning with NCMC. Scheduled to kick off in 2025, the partnership will target priority waste streams including used lubricant bottles, tyres, scrap batteries, automotive filters, and packaging. Opportunities such as reverse vending machines and recycling infrastructure are being explored to support waste reduction, resource recovery, and value creation.

## Carbon Footprint

Petromin strengthened its carbon reduction efforts, primarily for Petrolube focusing on energy efficiency, fleet optimisation, and waste management. Petrolube's scope 1 emissions primarily come from logistics operations and plant activities, including diesel-powered forklifts and oil heaters, while scope 2 emissions are linked to electricity consumption. Petrolube reduced 15% of its Carbon emissions (Scope 1 & 2) in 2024 compared to the Base year 2021 and reduced its energy consumption intensity (kwh/MT) by 9% comparing to base year 2021. To further reduce its environmental impact, Petrolube continues to implement energy-saving initiatives and operational efficiencies.

Key initiatives supporting these improvements included:

**Electric Forklifts:** Petrolube replaced 26 diesel forklifts accounting for 37% of its fleet, with electric models across 2023 and 2024. This shift is estimated to reduce approximately 180 tonnes of CO<sub>2</sub> emissions (Scope 1) annually.

**Logistics and Energy Efficiency:** Through ongoing route optimisation, Petrolube sustained a 25% reduction in kilometres per tonne delivered versus the 2018 baseline. Additionally, the 452 kWp solar PV system at Technolube generated 1,288 million kWh of renewable energy since its 2023 commissioning. This covered 42% of the plant's energy needs, preventing 500 tonnes of CO<sub>2</sub> emissions, equivalent to planting 47,600 trees and saving roughly AED 290,000 in energy costs.

Carbon Emissions	2022	2023	2024
<b>Direct emissions</b> Scope 1 (tco2e)	12,287	10,973	<b>11,485</b>
<b>Indirect emissions</b> Scope 2 (tco2e)	6,688	5,550	<b>6,155</b>

## Water consumption

In 2024, Petromin Corporation reduced its utility water consumption by 8.3% compared to the previous year. This reduction emphasises the effectiveness of Petromin's water management strategy, which includes colleague awareness campaigns and more efficient cleaning practices across its operations. Additionally, through its Eco-steam car wash initiative, the company saved 4.35 million litres of water during the year from 48,289 washes reinforcing its commitment to sustainable resource use.

Water consumption	2022	2023	2024
Utility Water consumed (m3)	8,340	10,500	<b>9,627</b>

## Supply Chain & Procurement Practices

Petrolube continued to elevate its supply chain in 2024 by enhancing its Supplier Code of Conduct, expanding supplier assessments, and increasing engagement with local vendors. The company assessed 40% of its major suppliers based on environmental criteria as it focuses on responsible sourcing. While ESG scores are not yet widely recognised in the KSA market.

Petromin has introduced a Supplier and Business Partners Code of Conduct that mandates compliance with environmental and labour regulations in their operating countries. This includes responsible waste and water management, adherence to environmental laws, and active stewardship of natural resources.

Looking ahead, Petromin plans to enhance compliance by requiring vendors to submit Saudization certificates as part of their profile updates for new registrations.

Over the years, Petromin has significantly expanded its network of local suppliers, achieving a 129% increase from 2023 to 2024. Local procurement spending also rose to SAR 516 million in 2024. As part of Petromin's growth strategy, the company aims to forge more local partnerships, support the national economy, and advance the objectives of Vision 2030.

Petromin's Suppliers	2022	2023	2024
Total number of suppliers	565	439	<b>986</b>
Number of local suppliers	483	374	<b>856</b>
Budget spent on local suppliers (SAR)	494,347,071	484,808,578	<b>516,555,757</b>





## REPORTING SCOPE

The scope for the 2024 data covers both UAE and KSA, whereas the 2023 data, particularly for HR numerical data, focused solely on KSA.

### About Red Sea International (RSI)

**Founding Date:** 1967

**Type of Company:** Real Estate Development & Other Activities

**HQ:** Riyadh, Saudi Arabia

**Operating Facilities:** United Arab Emirates & Kingdom of Saudi Arabia

**FTCs\*:** 12,000+ colleagues

**ADG Ownership:** 51% direct ownership, 10% indirect ownership, 9% indirect ownership

**IPO:** Saudi Exchange Ticker (4230) | November 4th, 2006  
Saudi Exchange Portal

**Website:** [Red Sea International](https://www.redsea-international.com)

**RSI Divisions:** RSI is focused on providing value to customers through a set of integrated turnkey services. RSI's divisions offer:

**Modular Building Solutions**

**Electromechanical Contracting**

**Integrated Facilities Management**

**Mission:** To become, by 2030, the leading sustainable integrated services company in the Middle East and North Africa, specialising in temporary and permanent modular buildings, facilities management and electromechanical services.

\*RSI's subsidiary, First Fix, accounts for 11,055 colleagues within this total.



## Awards & Accreditations

**Saudi  
Aramco**  
Approved  
Vendor

Quality  
Management  
Systems  
**ISO 9001:2015**

Environmental  
Management  
Systems  
**ISO 14001:2015**

Food Safety  
Management  
System  
**ISO 22000: 2018**

Occupational  
Health and Safety  
Management Systems  
**ISO 45001:2018**

## Sustainability at RSI

### Approach to Sustainability

RSI's sustainability framework reflects its strategic focus on the most material topics identified in the 2022 materiality analysis. Sustainability is embedded across operations through safe working practices, ethical conduct and curating a culture that builds stakeholder trust and long-term value creation.

**S**

#### Safeguarding our future

- Energy Management & Climate Change
- Water Consumption & Management
- Waste & Effluents
- Biodiversity
- Sustainable Products & Services

**E**

#### Enhancing capabilities & solutions

- Colleague Development
- Community Wellbeing and Engagement
- Diversity, Inclusion, Human Rights
- Attracting & Retaining Talent
- Health & Safety

**A**

#### Advancing performance

- Governance & Excellence
- Economic Performance
- Innovation & Digital transformation
- Customer Experience
- Sustainable Supply Chain

**RSI's sustainability objectives drive year-over-year improvements and align with its sustainability framework:**



**Increase  
Profitability**



**Minimise  
Environmental  
Impact**



**Raise  
Awareness**



**Support Local  
Communities**



**Upskill  
Colleagues**

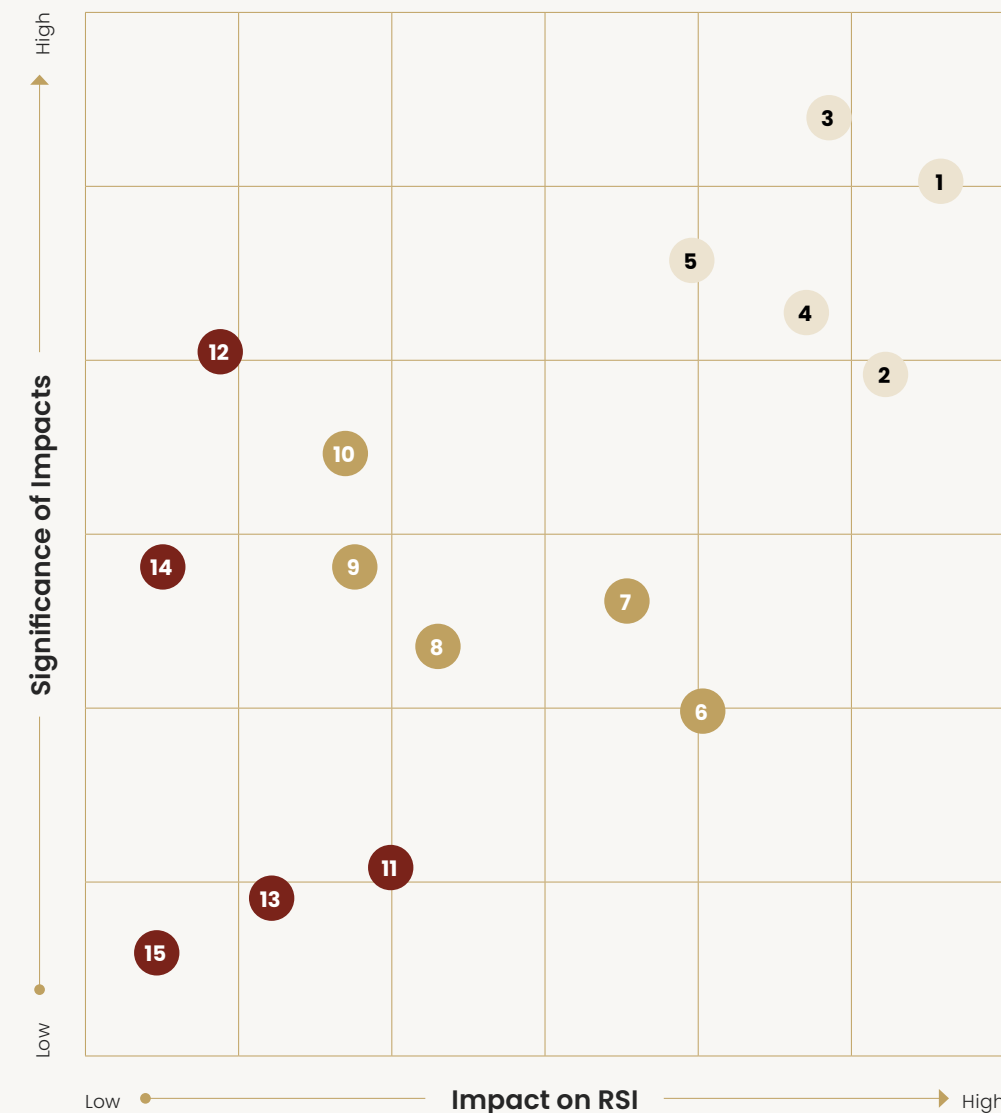




## Materiality

RSI conducted a materiality assessment in 2022 engaging cross-functional teams of subject matter experts and senior leadership, conducted a peer benchmark and reporting framework evaluation, and reviewed internal documents.

Through the assessment, 15 key issues were identified that could significantly impact RSI's business if not managed properly. The findings of this exercise provided valuable insight into the impact of these topics on both the business and its stakeholders, shaping RSI's sustainability strategy.



#	Issue
1	Governance & Excellence
2	Economic Performance
3	Employee Development
4	Energy Management & Climate Change
5	Health & Safety
6	Customer Experience
7	Innovation & Digital Transformation
8	Water Consumption & Management
9	Waste & Effluents
10	Sustainable Supply Chain
11	Diversity, Inclusion, Human Rights
12	Sustainable Products & Services
13	Attracting & Retaining Talent
14	Community Wellbeing & Engagement
15	Biodiversity

## Risk Management

RSI maintains a robust risk management procedure designed to systematically identify, assess, and mitigate both operational and strategic risks across its activities. This process is supported by key assessments, including Quality Risk (ISO 9001:2015), Hazard Identification (ISO 45001:2018), and Environmental Impact (ISO 14001:2015), ensuring risks are managed across quality, health and safety, and environmental areas.

Risks are evaluated based on geography, production stages, and operational conditions, with expert teams overseeing the process. Hazards are identified by considering legal requirements, incident history, and existing safety procedures, while mitigation measures follow a structured hierarchy from elimination to personal protective equipment (PPE).

### RSI's Mitigation Measures:

- 1 Elimination**
- 2 Substitution**
- 3 Engineering Controls**
- 4 Administrative Controls**
- 5 Personal Protective Equipment (PPE)**





## Grievances Management and Compliance

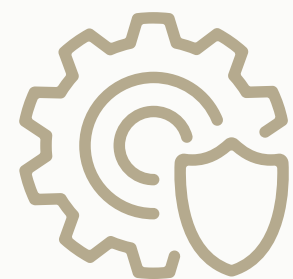
RSI's whistleblowing policy provides a confidential channel for colleagues – current or former – , and other relevant stakeholders to report suspected misconduct or illegal activity in the interest of protecting public integrity. All reports are reviewed by the Chief Internal Auditor, in coordination with the Group Legal Counsel, Compliance Manager, and the CEO, and are treated with strict confidentiality unless disclosure is legally required.

Where necessary, additional information is requested from the whistleblower during the investigation. Upon conclusion, corrective actions are recommended to prevent recurrence, reviewed by the Audit Committee, and presented to the Board of Directors for oversight and implementation.

## Data privacy and Cybersecurity

During the year, RSI advanced its commitment to data protection and cybersecurity through initiatives that upheld privacy safeguards and business resilience. As part of these efforts, RSI achieved the Aramco Cybersecurity Compliance Certification (SACS-002), following a successful external audit, affirming its status as a fully compliant supplier and partner.

RSI's cyber security framework includes regular vulnerability assessments, penetration testing, and incident response planning, supported by continuous colleague training on topics such as social engineering, internet security, phishing, and password protection. In parallel, the IT team continues to build expertise through ongoing development in emerging technologies and security threats, ensuring RSI remains resilient against evolving risks.



**RSI recorded zero incidents of cybersecurity breaches during the year.**

## Sustainability Governance

In July 2024, RSI began a new three-year board cycle. Consequently, the new board established a dedicated board-level Safety & Sustainability Committee. The committee is comprised of three board directors and an independent committee member, with one of the board director's acting as the committee chairperson. The committee reports back to the board of directors, with quarterly updates conducted during the board meetings. The committee is responsible for setting RSI's safety & sustainability reporting standards, ensuring management is progressing against set sustainability targets, and embedding safety & sustainability practices across its operations. Furthermore, the committee is focused on ensuring the management team is creating value both for the company and its customers through sustainable practices to improve elements such as guest experience and customer satisfaction.

Following a review of its marketing approach in 2024, RSI also developed plans to enhance its corporate communication strategy by 2025. This includes improving its digital presence, increasing transparency, and developing media relations, all of which aim to support RSI's reputation and reinforce relationships with the public and its stakeholders.

## RSI's People and Community

### Health and Safety Training

Health & Safety is a key material topic, as illustrated in the conducted materiality assessment. RSI prioritises the health and safety of its colleagues through ongoing OHS and QHSE training programmes, which include specialised equipment courses such as forklift and crane operation, ensuring a strong culture of safety and compliance with international standards such as ISO 45001:2018. Supported by policies such as the QHSE policy, No Smoking, Drugs and Alcohol policy and Fatigue Management policy, RSI aims to prevent incidents and protect colleagues, contractors, camp guests and the wider community.

**As a result of these efforts, RSI has maintained zero fatalities across its KSA and UAE operations for six consecutive years.**

### Colleague Development

RSI continues to invest in developing its workforce through the RSI Academy, which remains a key driver of training and upskilling across the business. Throughout 2024, the academy expanded its offerings to address evolving skill gaps, delivering targeted training in technical skills, leadership development, and industry-specific certifications to support both individual growth and business performance.

Following the launch of RSI's transformation plan, training delivery has become more focused and aligned with business needs. In 2024, the Academy recorded a total of 549 training hours across both KSA and UAE, averaging 0,5 hours per colleague. While this reflects a decrease compared to the previous years, the change is due to the expansion of reporting scope to include UAE operations, which currently have lower training coverage compared to KSA operations.

Colleague yearly training hours <sup>(1)</sup>	2022	2023	2024
Average number of training hours for all colleagues	26	15	0.5 <sup>(2)</sup>

(1) The scope of data for yearly training hours in 2022 and 2023 includes only KSA data.  
(2) 2024 figure includes data from KSA and UAE. KSA had (500) hours and UAE (49) hours.





## Colleague Wellbeing

As part of its ongoing focus on colleague wellbeing, RSI introduced several initiatives in 2024, including team gatherings and cultural celebrations to build relationships among colleagues, thus creating an engaging work environment.

RSI also recognises colleague contributions through its long-service awards, which honour dedicated colleagues, and the Colleague of the Month programme, which highlights outstanding individual performance. Together, these efforts have contributed to a 77% colleague satisfaction score. The decline in colleague satisfaction compared to the previous year is attributed to several challenges, including company restrictions and financial constraints. RSI is actively working to address these challenges and improve colleague satisfaction in the years ahead.

Colleague Satisfaction Score – RSI Trust Index	2023	2024
Colleague satisfaction score (0-100)	88%	77%

## Diversity and Equal Opportunity

RSI believes that employing and empowering a diverse workforce gives us a competitive edge in innovation and adaptability. RSI is committed to ensuring that everyone is , included, valued and respected, with equal opportunities for learning and growth. RSI's efforts are guided by the five Omnipreneurship values of integrity, respect, forward-thinking, teamwork and passion.

## Women Empowerment

Empowering women and recognising their vital contributions remain a core focus. To create a more inclusive working environment, RSI offers flexible work arrangements and childcare support, enabling greater balance for their female colleagues.

While the nature of RSI's industry presents certain limitations in achieving gender parity, the company is committed to increasing female representation in senior leadership roles. This year, women in high-level management rose to 21% compared to 14% for the previous year.

## RSI's people in numbers\*

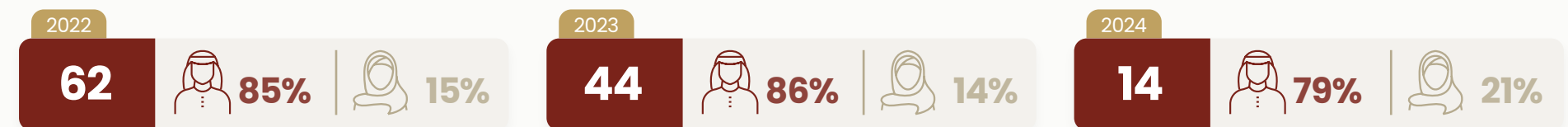
\*Figures cover RSI's Headquarters, Red Sea Housing, and Red Sea Facility Management only.

Full-time colleagues <sup>(3)</sup>	2022		2023		2024 <sup>(4)</sup>	
Number of full-time colleagues	1,249		1,046		1,103	
Number of local full-time colleagues	403	32%	312	30%	178	16%
Number of expat full-time colleagues	846	68%	734	70%	925	84%
Number of white-collar colleagues	361		291		293	
Number of blue-collar colleagues	888		757		811	

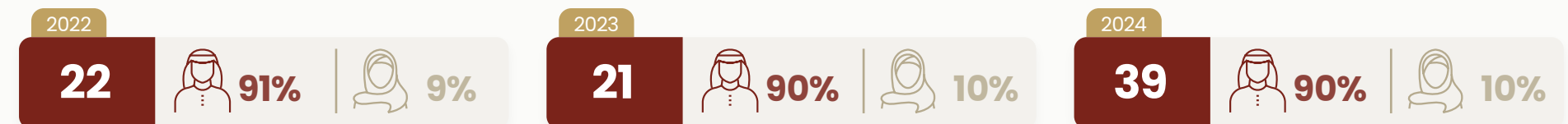
### Number of full-time C-level colleagues



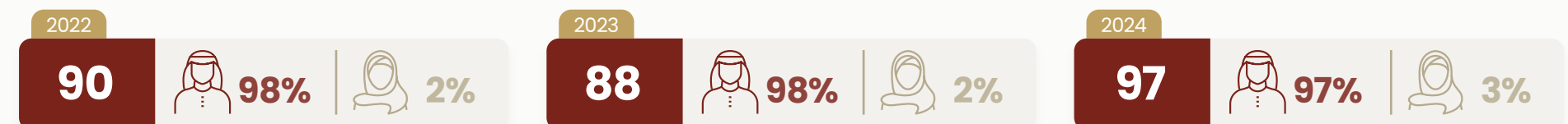
### Number of full-time high-level manager colleagues



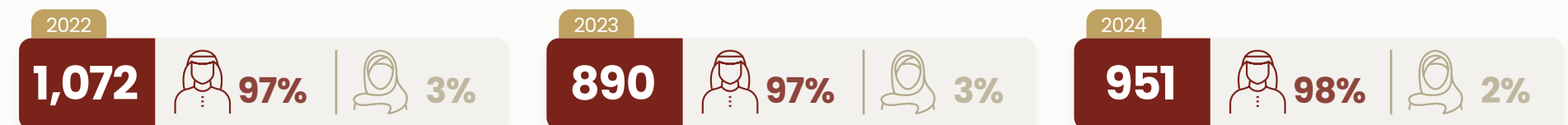
### Number of full-time mid-level manager colleagues



### Number of full-time supervisor level colleagues



### Number of full-time individual contributor colleagues







### Part time colleagues

	2022	2023	2024
Number of part-time colleagues	0	2	1 <sup>(5)</sup>

(3) The scope of data for full-time and part time colleagues in 2022 and 2023 includes only KSA data.

(4) For 2024 scope of data includes KSA and UAE data.

(5) 1 freelancer in the UAE.

### Full-time colleagues by years of service <sup>(6)</sup>

	2022	2023	2024 <sup>(7)</sup>
0-4 years	630	464	454
5-9 years	466	419	311
10-14 years	127	119	248
15+ years	26	46	91

(6) The scope of data for full-time colleagues by years of service in 2022 and 2023 includes only KSA data.

(7) For 2024 scope of data includes KSA and UAE.

### New colleague hires – by gender <sup>(8)</sup>

	2022	2023	2024 <sup>(9)</sup>
Total number of colleague hires	121	70	1,322
Number of female colleague hires	13	61	27
Number of male colleague hires	108	9	1,295

(8) The scope of data for new colleagues hires in 2022 and 2023 includes only KSA data.

(9) For 2024 scope of data includes KSA and UAE.

### Senior management – local colleagues <sup>(10)</sup>

	2022	2023	2024 <sup>(11)</sup>
Number of local colleagues in Senior Management positions	21	16	6

(10) The scope of data for local senior management colleagues in 2022 and 2023 includes only KSA data.

(11) For 2024 scope of data includes KSA and

### COLLEAGUE TURNOVER RATE (KSA)



### COLLEAGUE TURNOVER RATE (UAE)



### Parental leave by gender – all colleagues <sup>(12)</sup>

	2022	2023	2024 <sup>(13)</sup>
Number of female colleagues that took parental leave	0	0	0
Number of male colleagues that took parental leave	12	12	12
Retention rate of colleagues who went on parental leave and were still employed	50%	60%	100%

(12) The scope of data for parental leave in 2022 and 2023 includes only KSA data.

(13) For 2024 scope of data includes KSA and UAE.







## RSI's Sustainable Products and Services

Through its lean offsite manufacturing process, RSI delivers eco-friendly products and services that conserve energy, eliminate material waste, and preserve water. Beyond the sustainability benefits during construction, RSI buildings also offer long-term environmental advantages for customers, including superior thermal performance and energy-efficient features such as LED lighting. Its advanced modular building techniques allow it to engineer structures that promote sustainable living using eco-friendly materials, including PVC ISO-certified composite panels and water-based coatings.

RSI's machinery enables it to recycle PVC scrap and reuse it, thereby supporting customers' sustainability objectives by improving the eco-efficiency of manufacturing processes, products, and implementations. Additionally, RSI instructs and trains all colleagues in the observance of manufacturing quality control and quality assurance manuals, which are based on ISO 9001 procedures and guidelines. All building systems, including electrical, mechanical, and structural, are repeatedly tested along the production line and in the field during and after installation.

### RSI Builds Sustainable Resort at AlUla Using Modular Construction

Red Sea International (RSI) was commissioned by the Royal Commission for AlUla to design and construct the Cloud 7 Resort, located within one of Saudi Arabia's most treasured heritage sites. To preserve the fragile desert landscape, RSI applied off-site modular construction, significantly reducing on-site waste, emissions, and ecological disruption. The project spans 72,600 sqm and now includes 300 guest bedrooms, with sustainable features such as eco-friendly materials, native plant landscaping, and low-impact site assembly. RSI also integrated local culture into the resort's identity through Hejazi-inspired murals by Saudi artists.

This approach aligns with Vision 2030's goals for responsible tourism, cultural preservation, and low impact infrastructure. The resort has received positive media and stakeholder feedback, showcasing RSI's leadership in delivering scalable and sustainable hospitality solutions in heritage-sensitive environments.

### IMPACT AT A GLANCE

- **300 rooms** built with modular, low-impact methods
- **72,700 sqm** completed with minimal site disruption
- **Eco-friendly materials** and native landscaping
- **Cultural integration** through local art and design
- **Enhanced RSI reputation** for sustainable innovation

## RSI's Environmental Performance

### Energy Consumption

In 2024, RSI's total electricity consumption in both operations, UAE and KSA, showed significant changes compared to the previous years. In KSA, electricity consumption decreased substantially by 46% from 14,542,509 kWh in 2023 to 7,926,275 kWh in 2024. Similarly, the UAE operations experienced a slight reduction of 2.8% compared to the previous year. These reductions indicate RSI's successful implementation of energy-efficient measures to optimise energy usage, despite managing an increasing number of projects during this period.

	2022	2023	2024
 <b>Total Electricity Consumption (KSA)</b>	<b>13,058,015</b>	<b>14,542,509</b>	<b>7,926,275</b>
 <b>Total Electricity Consumption (UAE)</b>	<b>1,461,760</b>	<b>1,961,640</b>	<b>1,906,302</b>

### Resource Consumption

In 2024, RSI's fuel consumption varied across its KSA and UAE operations. While KSA experienced a 9% increase in diesel consumption, due to reliance on generators in remote project sites, UAE operations achieved a 60% reduction in total fuel consumption compared to the previous year. While KSA's diesel consumption increased by 9%, UAE saw a 65% reduction in diesel usage and 14% reduction in petrol consumption, resulting in a total fuel reduction of 60% year-over-year.

	KSA			UAE		
Mineral blend (litres)	2022	2023	2024	2022	2023	2024
Total diesel consumption	4,986,881	5,675,222	<b>6,206,028</b>	142,116	335,242	<b>118,272</b>
Total petrol consumption	75,880	52,382	<b>55,902</b>	51,424	33,496	<b>28,712</b>
Total resource consumption	5,062,761	5,727,604	<b>6,261,930</b>	193,540	368,738	<b>146,984</b>

Notably, RSI maintains its focus on exploring renewable energy solutions and enhancing operational efficiency to further reduce its environmental footprint.





## Water Consumption



Water conservation is a critical component of RSI's sustainability efforts. In 2024, potable water patterns reflected operational activity levels across both KSA and the UAE.

In KSA, potable water consumption increased slightly by 2% in 2024 compared to the previous year. This followed a reduction from 2022, due to heightened usage activity in the Facility Management (Camps Operations) Division. In the UAE, potable water consumption decreased by 20% in 2024 compared to the previous year, dropping from 10.4 million litres to 8.34 million litres. This reduction corresponds with a decline in site activity, as 2023 marked a peak in operations compared to both 2022 and 2024. These shifts allow RSI to continually manage and monitor water consumption in line with operational needs and environmental responsibility.



## Waste Management

RSI's approach to waste management ensures that its practices in both KSA and the UAE adhere to stringent environmental and regulatory standards for responsible waste handling.

-  **In KSA,** waste generation data is reported through the Monthly Environmental Report (MER), completed by facility and project site administrators based on physical verification, waste manifests, and transfer forms from approved disposal companies. This data is consolidated into an Environmental KPIs Report under the oversight of the HS&E & Sustainability Manager to ensure accuracy and compliance.
-  **In the UAE,** RSI manages its waste through a Waste Management Matrix, tracking waste types and applying controls to reduce, reuse, and recycle. Operating within the Jebel Ali Freezone (JAFZA), all waste disposal requires specific permits and destruction certificates from JAFZA EHS. RSI can only work with approved third parties authorised for disposal. Waste is segregated onsite, and the administration team manages the necessary permits and documentation to ensure compliant disposal.

### TOP 3 SOURCES OF WASTE | KSA



**Municipal Solid Waste**



**Sewage Waste**



**Construction and Manufacturing Waste**  
(Non-Hazardous)

#### MITIGATION EFFORTS

Trained staff on food waste reduction, portion control, and improved product design to minimise waste.

Implemented water-saving practices, conducted regular maintenance of Reverse Osmosis (RO) plants and Sewage Treatment Plants (STP), and wastewater management training.

Sorted waste, recycled in-production, implemented quality control improvements, and used of alternative materials.

### TOP 3 SOURCES OF WASTE | UAE



**General Waste**



**Sewage Waste**



**Construction and Manufacturing Waste**  
(Non-Hazardous)

#### MITIGATION EFFORTS

Partnered with local vendors to recycle paper, cardboard, and wooden pallet waste.

Utilised STP for sewage treatment and upgraded the system to include DO facilities.

Applied value engineering to reduce material waste and partnered with certified vendors for the disposal of hazardous waste.





## Hazardous Waste Management

In 2024, RSI experienced an increase in hazardous waste reaching 4.85 tonnes in KSA and 74.3 tonnes in the UAE in 2024. The rise in KSA was primarily due to the use of diesel fuel generators at the Turaif Camps and operations at the Motor Pool in Jubail, where vehicle servicing generates used engine oil as one of the main hazardous waste streams. Conversely, non-hazardous waste management showed a strong improvement, with 8,638 tonnes diverted in KSA and 2,169 tonnes in the UAE as ongoing efforts to improve recycling and waste diversion were underway. A notable effort in KSA involved converting food waste from the Umluj project into compost for landscaping, reducing landfill waste and supporting biodiversity.

	KSA			UAE		
Types of Waste Generated (tonnes)	2022	2023	2024	2022	2023	2024
Solid Municipal Waste (SMW)	NA	3.16	<b>1,252</b>	12,391.59	48,661.71	<b>1,752.47</b>
Food Waste		/	/	100,048.33	114,878.70	/
Wastewater		/	<b>511</b>	/	/	<b>54,643.84</b>
Construction and Manufacturing Waste (Non-hazardous)	41.14	76.85	<b>474.42</b>	149.78	19.29	<b>6,894.74</b>
Scrap	11.86	7.88	<b>2.04</b>	1,273.91	3,845.55	<b>400</b>
Others	34.11	42.28	<b>4.00</b>	4,608.57	8,694.60	<b>4.69</b>

	KSA		
Total Waste Generated	2022	2023	2024
Solid waste generation (tonnes)	28,473	176,100	<b>8,638</b>
Liquid waste generation* (litres)	115,000,000	107,000,000	<b>54,657,587</b>

	UAE		
Total Waste Generated	2022	2023	2024
Sewerage water recycled (litres)	1,652,436	1,429,873	<b>511,029</b>
Total waste generation (tonnes)	740.60	130.20	<b>1,732</b>

\*Note: RSI's total liquid waste was generated and treated through its Sewage Treatment Plans (STPs).

	KSA *			UAE		
Breakdown of hazardous and non-hazardous waste diverted from disposal (tonnes)	2022	2023	2024	2022	2023	2024
Hazardous waste**	2.82	2.63	<b>4.85</b>	3.30	6.34	<b>74.30</b>
Non-hazardous waste	13,172	21,069	<b>8,638</b>	56	124	<b>2,169</b>

\*Restatement Note: Previously reported hazardous waste volumes for KSA were disclosed in litres—7,983 litres (2022) and 7,466 litres (2023). These have now been converted and restated as 2.82 tonnes and 2.63 tonnes, respectively. Additionally, non-hazardous waste was previously reported as zero for both years and has now been corrected to 13,172 tonnes (2022) and 21,069 tonnes (2023).

\*\* The total waste produced (used engine oil) was recycled through the recycling company, United Lube.







## RSI Footprint

RSI calculates its carbon footprint using standard emission factors to convert fuel and electricity consumption into tco2e. Scope 1 covers direct emissions from fuel use, Scope 2 includes indirect emissions from purchased electricity, and Scope 3 is considered where relevant. Annual emissions are then estimated by applying standard conversion factors.

Carbon emissions	2023	2024
Direct emissions Scope 1 (tco2e)*	15,984	<b>16,819</b>
Indirect emissions Scope 2 (tco2e)	8,144	<b>4,774</b>

\*Restatement Note: 2023 scope 1 emissions figure has been restated to reflect updated calculations and improved data accuracy. Previously published figures were based on preliminary estimates.

## RSI Procurement

RSI ensures its suppliers meet high environmental and social responsibility standards through its Supplier Code of Conduct and procurement policy. These guidelines are included in RSI's subcontract and purchase agreements.

In 2023 and 2024, RSI assessed 10 suppliers in the UAE to evaluate their environmental impact. Key potential risks identified included extreme weather disruptions, flash floods, pollution, and resource shortages.

Looking ahead, RSI plans to integrate environmental criteria into its supplier screening process in the near future. The rise in the number of suppliers in KSA in 2024 is attributed to increased project activities across the country, while the decline in suppliers in the UAE reflects a corresponding slowdown in procurement needs during the same period.

	KSA		UAE	
Suppliers by region	2023*	2024	2023	2024
Total number of suppliers	289	<b>428</b>	487	<b>382</b>
Number of local suppliers	261	<b>401</b>	376	<b>296</b>

\*Restatement Note: Supplier data for 2023 has been restated to reflect updated supplier classification criteria, improved data verification processes, and refined regional attribution. Previously reported total supplier counts for 2023 were 1,932 (KSA) and 2,893 (UAE), with 1,890 (KSA) and 507 (UAE) reported as local suppliers. These figures have now been revised to 289 total / 261 local (KSA) and 487 total / 376 local (UAE).





## REPORTING SCOPE

The scope of data for 2024 covers operations solely in Saudi Arabia. For more detailed information on Tanmiah's sustainability activities, please refer to its standalone sustainability report.

### About Tanmiah Food Company (TFC)

**Founding Date:** 1962

**Type of Company:** Agribusiness and food production

**HQ:** Riyadh, Saudi Arabia

**Operations:** 7 countries

**FTCs:** 3,500+ colleagues

**ADG Ownership:** 70% direct ownership

**IPO:** Saudi Exchange Ticker (2281) | August 4th, 2021  
Saudi Exchange Portal

**Website:** [Tanmiah Food Company](#)

**Production Overview:** As of 31st December 2024, the company manages 126 farms, six hatcheries, two feed mills, and four primary processing plants, distributing products through wholesalers, retailers, food service outlets and direct-to-consumer online channels.

**Tanmiah's Vision:** Our vision is to become the number one global halal sustainable healthy protein company by 2030.

**Tanmiah's Mission:** Our philosophy and its key pillars ensure our focus on providing high-quality products and services supported by international expertise and on delivering the highest level of customer satisfaction.



## Awards & Accreditations

Occupational  
Health and Safety  
Management  
**ISO 45001:2018**

Primary Processing Plant (PPL)  
Animal Welfare Certificate (NSF),  
British Retail Consortium (BRC)  
and **ISO 22000**

**Hatchery**  
Animal Welfare  
Certified (NSF)

**Farms**  
Animal Welfare  
Certified (NSF)

## Sustainability at Tanmiah

### Sustainability Approach & Double Materiality

Tanmiah integrates ESG principles into its business operations to create long-term value for its stakeholders. Recognising the importance of stakeholder engagement, the company underwent a three-phase double materiality assessment in 2022. It actively sought input from its partners, customers, and communities to align its sustainability strategy with their expectations and priorities. As a result, Tanmiah has identified eight key focus areas that drive positive impact for the environment, community and business.

### Tanmiah's Sustainability Foundation

Built on the foundation of its focus areas, Tanmiah's sustainability strategy is anchored in three key pillars, representing a holistic approach to building a more sustainable future:

**Sustaining People** | We are committed to empowering our people and the communities where we operate. This is reflected in our investments in talent development, diversity, equity, and inclusion initiatives, as well as our focus on health, safety, and compliance with Saudi GAP regulations.

**Sustaining Agriculture** | Upholding the highest animal welfare standards and sustainable resource use is paramount. Our efforts in this area encompass animal welfare and biosecurity measures, afforestation initiatives in the Saudi desert, promoting sustainable animal feed production, maximising resource efficiency, and implementing responsible water usage practices.

**Sustaining Planet** | We strive to take a carbon-neutral approach across all our activities. This commitment translates into actions that address climate change by promoting energy efficiency, waste reduction, and sustainable packaging solutions.

### Sustainability Management Approach

To ensure effective oversight and implementation, we have established a two-tiered ESG committee structure:

#### Board ESG Committee:

The Board ESG Committee, established in 2022, provides strategic direction, identifies risks and opportunities, and ensures sustainability is embedded in Tanmiah's strategy and daily operations. It comprises three Board Directors, a non-executive committee member and the CEO, ensuring alignment between executive leadership and sustainability efforts.

#### Management-Level ESG Committee:

At the operational level, the Management ESG Committee, also formed in 2022, drives implementation by overseeing sustainability initiatives and performance metrics ensuring progress towards Tanmiah's sustainability goals.





# Tanmiah's Governance

## ESG Committee

Tanmiah's ESG Committee consists of three Board Directors, one non-executive committee member, and the CEO which continue to oversee the company's long-term sustainability strategy. The committee drives ESG integration across operations, monitors performance and compliance, and supports the Board in ESG disclosures and external ratings. The ESG Committee held four meetings in 2024, remaining focused on advancing sustainability within TFC's strategy and governance.

## Risk Management

Tanmiah's Enterprise Risk Management (ERM) system provides a structured approach to identifying, assessing, and monitoring risks across all aspects of its operations. Through integrating all risk categories, the ERM framework ensures a robust and proactive risk management strategy.

**Tanmiah categorises risks into four key areas:**

### Strategic Risks

Pertaining to potential challenges in achieving long-term goals and strategic objectives.

### Financial Risks

Focusing on factors impacting financial stability, such as market fluctuations and liquidity concerns.

### Compliance Risks

Ensuring adherence to regulatory requirements and maintaining ethical standards are vital aspects of this category.

### Operational Risks

Risks inherent in day-to-day operations, including process failures and business continuity concerns, are addressed here.

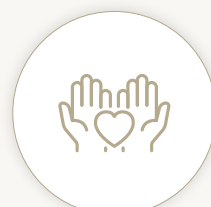
The Board ESG Committee oversees ESG risks, with a focus on climate-related risks. Tanmiah implements targeted policies and training to improve climate risk management and keep leadership informed of evolving sustainability challenges. The company's Risk Management Policy defines risk controls, sets appropriate limits, and ensures continuous monitoring and updates to reflect changing business and market conditions.

## Ethics & Compliance

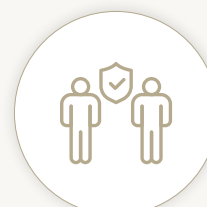
Tanmiah is guided by the Omnipreneurship values, upon which it has built its legacy of trust and innovation. The company's leadership team is committed to integrating the Omnipreneurship Ecosystem, including these core values, into the very fabric of its operations.



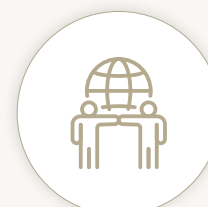
**Integrity**



**Passion**



**Respect**



**Forward Thinking**



**Teamwork**







Tanmiah's Code of Conduct applies equally to all colleagues, from board directors to front-line colleagues, outlining expectations around professional conduct, anti-corruption, conflicts of interest, and legal compliance.

Tanmiah's compliance function supports this framework through ongoing policy review, risk assessments, and coordination with compliance champions across the business. The Corrective Action and Remediation Policy further supports governance by ensuring timely and effective responses to compliance matters. To access Tanmiah's policies, please click [here](#).

## Grievance and Whistleblowing

Tanmiah's Whistleblowing Policy allows colleagues and other stakeholders to confidentially report concerns to the Internal Audit function and Board Audit Committee without fear of retaliation. In 2024, Tanmiah continued to advance ethical business practices through anti-corruption and anti-competitive training for all colleagues.

**For two consecutive years, Tanmiah recorded zero cases of anti-competitive behaviour.**

The company's grievance mechanism, overseen by the Nomination and Remuneration Committee, ensures accessible reporting channels and impartial investigations. Its tracking system integrates quantitative metrics, stakeholder feedback, and internal and external audits. In doing so, it facilitates transparency, stakeholder confidence and organisational resilience.

## Safeguarding Cybersecurity

Tanmiah maintains a resilient cybersecurity strategy to protect critical data, reputation and financial stability. In 2024, Tanmiah focused on enhancing cybersecurity by proactively identifying and mitigating IT vulnerabilities:



### Proactive Vulnerability Management

Annual Vulnerability Assessment and Penetration Testing (VAPT) to identify and mitigate IT risks.



### Enhanced Security Monitoring and Threat Detection

Deployed DNIF Security SIEM for real-time security monitoring and improved threat detection.



### Strengthened Access Management and Data Privacy

Implemented Osirium Privileged Access Management (PAM) to safeguard credentials and enhance compliance.



### Improved Email Security

Deployed MailMarshal Email Gateway to filter malicious emails and support compliance.

To ensure swift incident response, Tanmiah maintained its Incident Management Policy, outlining clear protocols to minimise disruptions. Additionally, efforts continued to align with Saudi Arabia's Personal Data Protection Law (Under SADAIA) through gap assessments and policy updates. Tanmiah also continued its KnowBe4 Information Security Awareness Programme training for colleagues to recognise and prevent cybersecurity threats.



**For the second consecutive year, Tanmiah recorded zero cybersecurity breaches.**















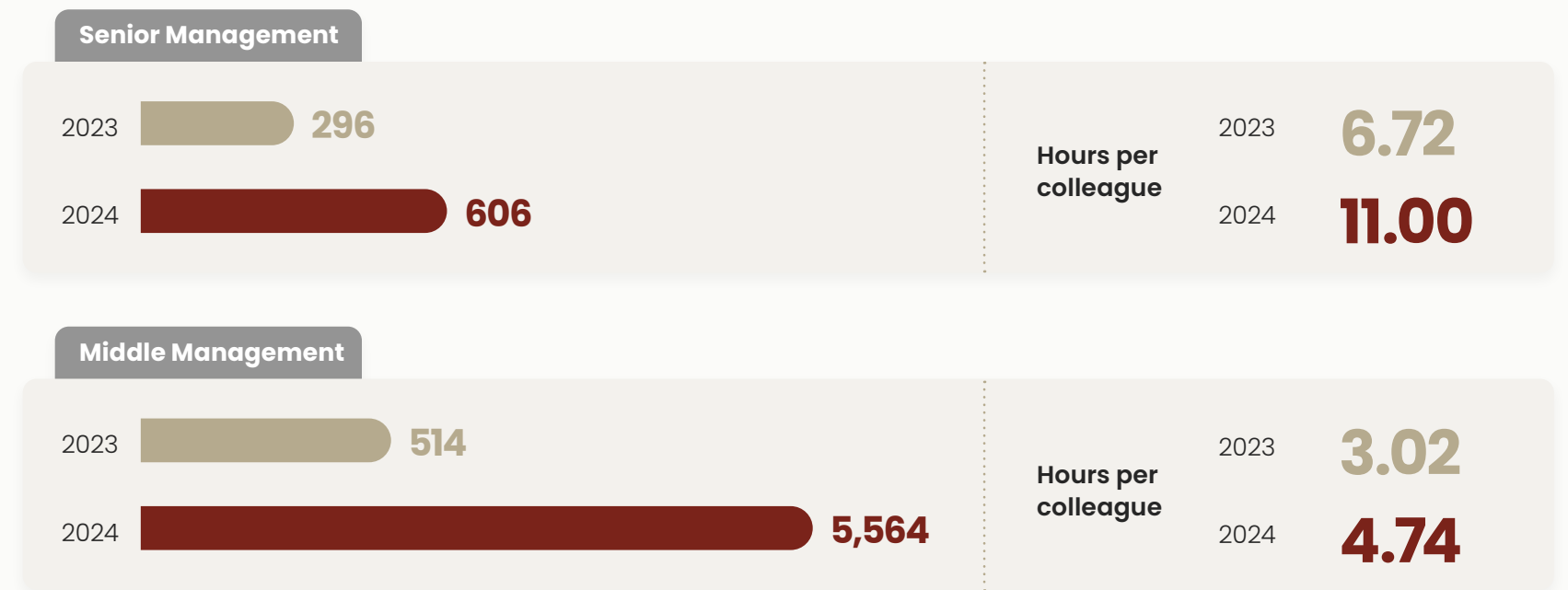
# Tanmiah's Social Performance

## Talent Development

Tanmiah's talent development approach is crafted to empower individuals to realise their full potential and align with the organisation's goals and values. The company equips teams with the skills and knowledge to excel through:

-  **Continuous Learning Culture**
-  **Personalized Development Plans (PDP)**
-  **Feedback and Coaching**
-  **Leadership Development**
-  **Cross-Functional Opportunities**
-  **Technology-Enabled Learning**
-  **Diversity and Inclusion Training**
-  **Fostering Transparency and Engagement**

In 2024, colleagues at Tanmiah received a total of 72,404 hours of training, averaging 20.29 hours per colleague. Training in 2024 included:



## Diversity, Equity, and Inclusion

Tanmiah cultivates a diverse and inclusive workplace where all colleagues feel valued and empowered. Its Diversity & Inclusion Policy outlines fair treatment throughout recruitment, employment and ensures a discrimination-free environment.

### Female Empowerment

Tanmiah continues to focus on female representation across its workforce, being one of the first companies in Saudi Arabia to employ women from rural areas in its production facilities. Over the past decade, many of these women have advanced into supervisory and managerial roles, driven by Tanmiah's focus on career development and inclusion.

In 2024, women made up 9.4% of Tanmiah's workforce, marking steady progress where female participation remains limited. To further support this growth, the company invests in targeted training programmes and career development opportunities, ensuring women have the skills and opportunities to advance across all levels of operations.

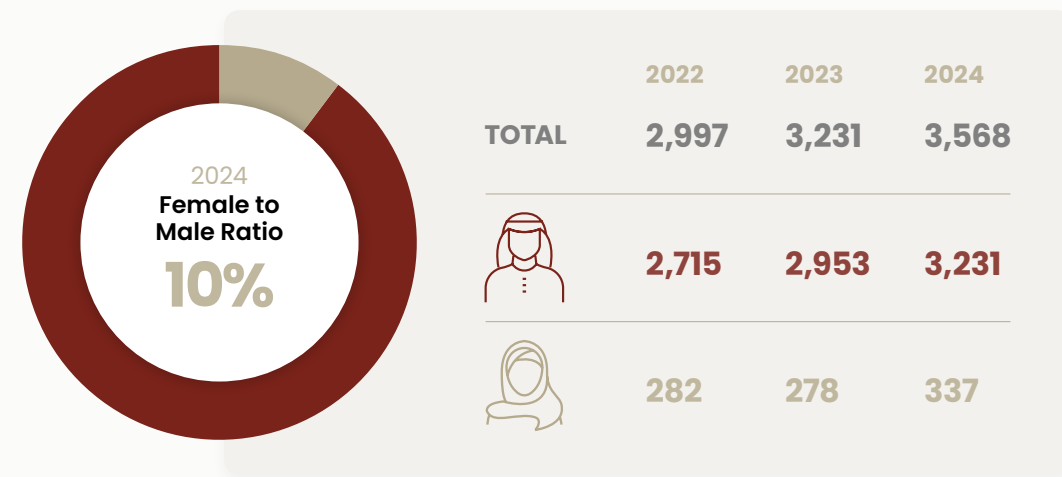


Last year, Popeyes, a Tanmiah franchisee, received the Silver Environment Certification from Saudi Arabia's Ministry of Labour and Social Development, recognising its dedication to providing an inclusive work environment for individuals with special needs.

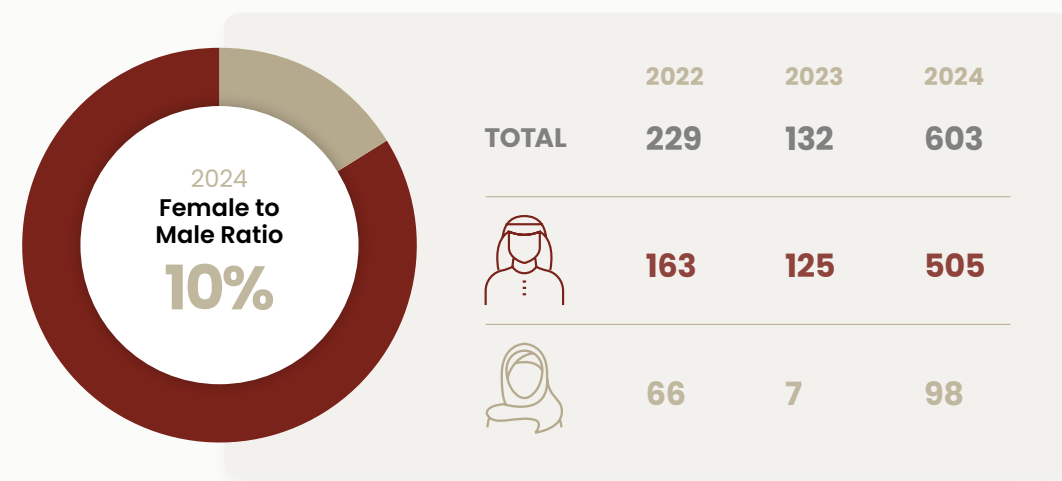




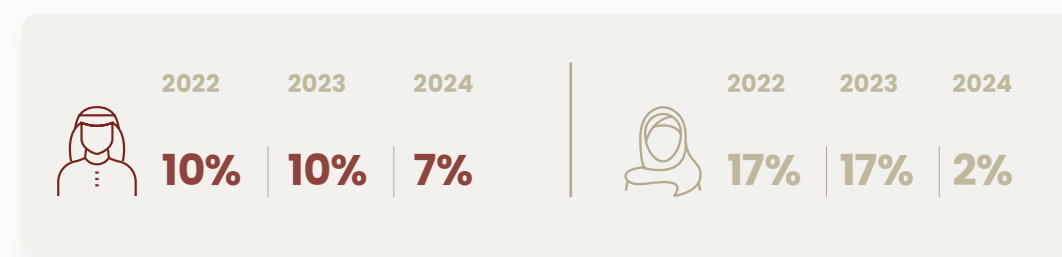
### Full-Time colleagues by gender



### Newly hired colleagues by gender



### Turnover by gender



In 2024, Tanmiah reduced its female turnover rate by over **90%** to reach only **1.6%**, a tangible testament of the effectiveness of the initiatives dedicated to empowering female colleagues and colleagues' overall satisfaction.

Female full-time colleagues by staff category	2023		2024	
Senior Leaders	3	7%	<b>3</b>	<b>5%</b>
Managers	4	2%	<b>4</b>	<b>2%</b>
Supervisory and Professional	109	17%	<b>157</b>	<b>23%</b>
Operators and General Support	162	7%	<b>173</b>	<b>7%</b>
Total	278	9%	<b>337</b>	<b>10%</b>

Male full-time colleagues by staff category	2023		2024	
Senior Leaders	41	93%	<b>53</b>	<b>95%</b>
Managers	166	98%	<b>179</b>	<b>98%</b>
Supervisory and Professional	540	83%	<b>672</b>	<b>77%</b>
Operators and General Support	2,206	93%	<b>2,327</b>	<b>93%</b>
Total	2,953	91%	<b>3,231</b>	<b>90%</b>

Full-time colleagues by years of service	2023	2024
0 – 4 years	2,249	<b>2,485</b>
5 – 9 years	414	<b>448</b>
10 – 14 years	201	<b>235</b>
15 years and more	367	<b>400</b>

Staff by Origins	2023	2024
Percentage of Expat Colleagues	79%	<b>78%</b>
Percentage of Local Colleagues	21%	<b>22%</b>





## Colleague Engagement and Wellbeing

Tanmiah's focus on colleague engagement and well-being is reflected in its high colleague satisfaction levels. In the 2024 Annual Colleague Satisfaction Survey, the company achieved a 90% satisfaction rate, an increase of 5 percentage points from the previous year.

## Tanmiah's Human Rights Management

Tanmiah's Human Rights policy upholds compliance with Saudi labour laws, guaranteeing ethical labour practices across its operations and supply chain. The policy strictly prohibits forced and child labour, promotes fair wages, responsible working hour, and a non-discriminatory workplace that provides equal opportunities for all colleagues, customers, and suppliers. Furthermore, workplace safety remains a key focus, with continuous improvements to align with the local law.



**Maintained zero cases of child labour for the second consecutive year, with 100% of colleagues trained on human rights.**

## Health, Safety & Environment (HSE) Management

Tanmiah upholds high health and safety standards through its comprehensive Health, Safety & Environment (HSE) policy, ensuring group-wide compliance with applicable laws across its operations. This policy applies to colleagues, visitors, contractors, vendors, suppliers, with enforcement strengthened by regular internal audits.

The company follows a Safety Management System (SMS) manual aligned with ISO 45001:2018 and Saudi HRSD guidelines. Tanmiah's HSE Committee oversees continuous improvements and has achieved the Occupational Health and Safety Management Systems (ISO 45001:2018) certification in 2024, successfully meeting all requirements and passing a third-party audit by Bureau Veritas.



## Tanmiah Achieves ISO 45001 Certification

Tanmiah secured the ISO 45001 certification in 2024, marking a major achievement in its sustainability and occupational health and safety journey. The certification, awarded after a rigorous third-party audit by Bureau Veritas, validates Tanmiah's commitment to maintaining a safe, compliant and continuously improving work environment.

The move addressed increasing operational risk and stakeholder expectations, prompting Tanmiah to adopt a systematic, internationally recognised safety framework. Through the implementation of an Occupational Health and Safety Management System, the company redefined its safety protocols and embedded a culture of proactive risk management.

The certification has enhanced efficiency, reduced workplace incidents and strengthened trust among colleagues, customers and regulators, furthering showcasing Tanmiah's leadership in sustainability and workplace safety across the food industry.

## Impact at a Glance

- **Certified by Bureau Veritas in 2024**
- **Improved safety culture and operational efficiency**
- **Reduced workplace risks and liabilities**
- **Boosted stakeholder trust and credibility**

## HSE Risk Management

Tanmiah ensures all operational sites comply with local and international health and safety laws, regulations, and standards. This proactive approach prevents legal risks and fosters operational continuity. The following practical safety measures are in place:

- **Risk Assessments**
- **Preventive and Mitigative Actions**
- **Emergency Preparedness and Response**
- **Personal Protective Equipment (PPE)**

OHS KPIs	2022	2023	2024
Lost Hours Due to Injury	152	112	<b>23</b>
Recordable Injuries	100%	100%	<b>100%</b>
Fatalities (No Severe Injury)	0	1*	<b>0</b>

\*A fatality occurred due to a road accident involving a colleague on their way to work. Tanmiah provides road and safety training to all their colleagues to help prevent such incidents in the future.

## HSE Training

Tanmiah ensures targeted HSE training by identifying specific needs through risk assessments, colleague feedback, and regulatory compliance. Risk assessments and job analyses help pinpoint tasks with potential health and safety risks, allowing for tailored training programmes. Colleague feedback and incident reviews further refine training by addressing recurring issues and emerging hazards. Additionally, local and international OHS regulations dictate mandatory training requirements, which Tanmiah integrates to maintain compliance and enhance workplace safety.

OHS Initiatives	2022	2023	2024
No. of OHS Audits Performed (#)	1	3	<b>4</b>
Safety Talks (OHS Training in hours)	460	6,911	<b>5,672</b>
No. of First Aid Cases	17	23	<b>67*</b>

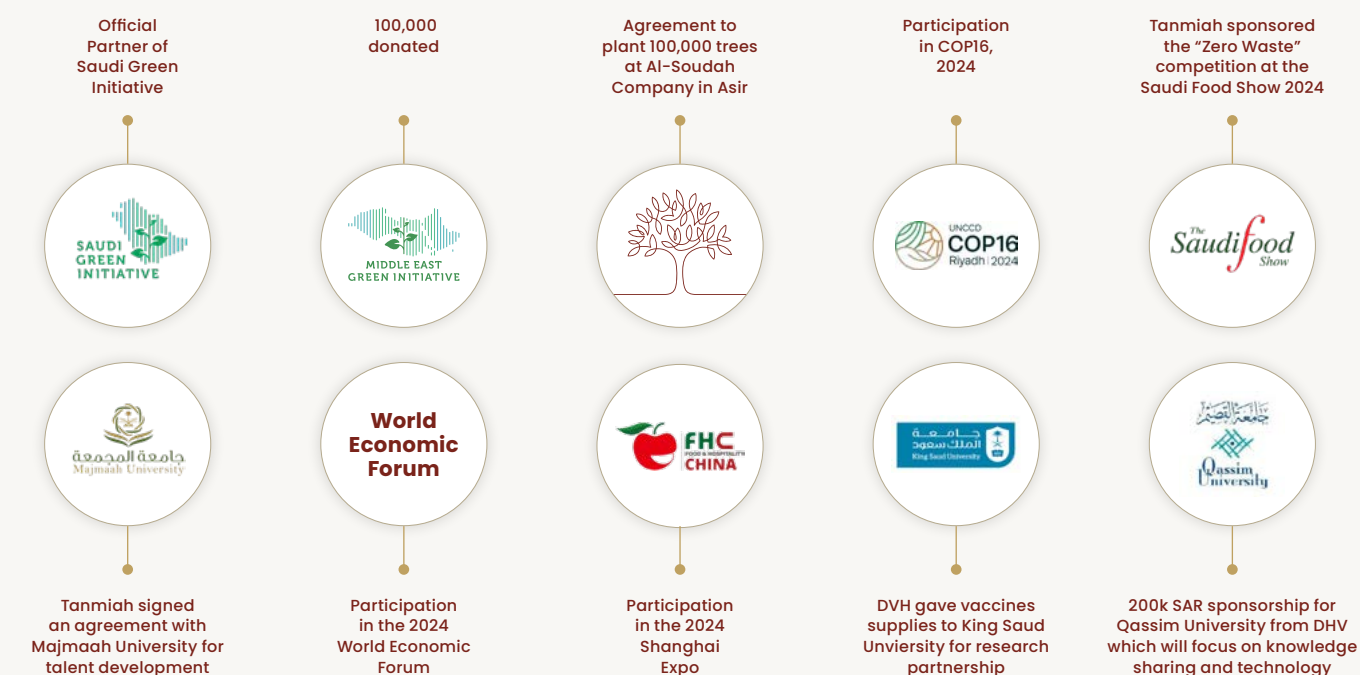
\*Reason for this increase is that in 2024 Tanmiah implemented ISO at all its sites which has resulted in more transparency of first aid cases. All of these cases were minor in nature with no serious injuries.





# Tanmiah's Community Relations

Tanmiah is dedicated to giving back to the communities it serves while protecting the environment where it operates. Here's a glimpse into some of Tanmiah's 's key initiatives:



**Afforestation:** In support of the Kingdom's Vision 2030 and Saudi Green Initiative (SGI), Tanmiah embarked on the "One Million Trees" project which aims at planting one million trees, playing a crucial role in reducing the regional carbon emissions. Over the past four years, Tanmiah have planted approximately 407,000 trees, contributing to an estimated carbon offset of 114,800 tonnes of CO2 equivalent (tCO2e). In 2025, Tanmiah aims to certify their carbon sequestration efforts through recognised programmes such as Verra which is a leading carbon offset registry.

Particulars	2022	2023	2024
Number of trees planted (000's)	100k	100k – Bahrain 38,5k – KSA	<b>68,500</b> <b>(Total 407k)</b>
Equivalent offsetting (tCO2e)*	Cumulative 56,000	Cumulative 97,118	<b>Cumulative</b> <b>114,800</b>

\*Disclaimer: Calculations were tabulated using iTree website.

## CSR Contribution

Spending (in Million SAR)



## Sustainable and Responsible Operations

### Sustaining Agriculture

As a growing player in the global halal food industry leader, Tanmiah recognises that a healthy and sustainable food system begins at the farm. The company ensures that responsible practices are carried out throughout its supply chain, ensuring the quality of its products while minimising its environmental footprint.

In 2024, Tanmiah allocated SAR 32.55 million to R&D, representing 1.27% of its total revenue of SAR 2,563.5 million, demonstrating a commitment to innovation and growth. It also continued to ESG screening for 100% of its suppliers, boosting its long-term focus on sustainability and customer value.





## Wellness Starts with Welfare

Tanmiah was the first company in the MENA region to implement animal welfare principles and practices across its entire poultry value chain. The company actively maintains its Global Animal Wellness Standards certification from the National Sanitation Foundation (NSF) and continuously strives to improve animal wellbeing throughout its operations. In 2024, Tanmiah was the industry leader in animal welfare in the Middle East, recognised by NSF as the top performing organisation in animal welfare standards.

Tanmiah holds NSF accreditation across the following areas:

- Primary Processing Plant (PPL) – Animal Welfare Certificate (NSF), British Retail Consortium (BRC) and ISO 22000
- Hatchery – Animal Welfare Certified (NSF)
- Farms – Animal Welfare Certified (NSF)

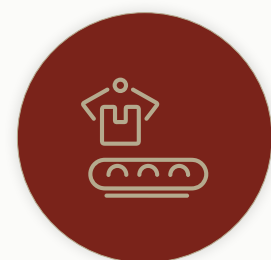
## TANMIAH ROLLS OUT FULL-SCALE AUTOMATION

In 2024, Tanmiah launched a full-scale farming automation initiative, following a successful pilot across 74 breeder and broiler houses. The rollout integrates IoT sensors, AI analytics and 24/7 smart monitoring, enabling real-time tracking of farm conditions and automated control over feeding, climate and water management.

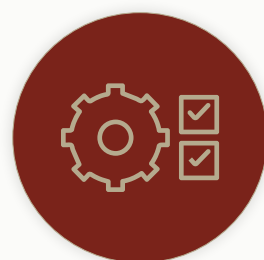
This move was driven by Tanmiah's ambition to become the leading halal sustainable protein company by 2030 and overcome the limitations of traditional farming methods, including high labour costs, inconsistent resource use and lack of real-time insights.

Automation has led to improvements in operational efficiency, feed conservation and animal welfare, while also strengthening traceability and reducing environmental impact. Centralised data dashboards now support proactive decision making, showcasing Tanmiah's leadership in sustainable, tech-driven poultry farming.

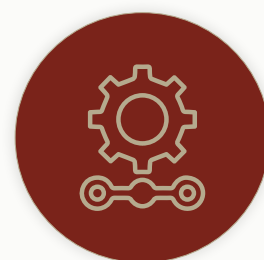
## Impact at a Glance



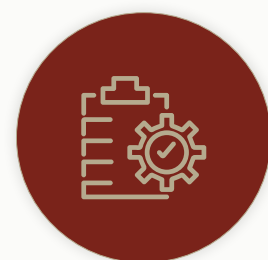
74 houses  
automated in pilot;  
full rollout initiated



Improved feed  
conversion and  
reduced mortality



End-to-end  
traceability from  
farm to fork



Lower costs  
and optimised  
resource use



Supports 2030  
and sustainability  
goals

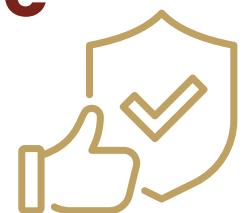
## Sustaining Soil Health of the Land We Use

Tanmiah's Sustainable Agriculture Policy, formalised in 2022, promotes eco-friendly practices and careful site selection to avoid sensitive ecosystems and reduce pollution. To protect soil health, Tanmiah manages poultry litter responsibly, using processed litter and biochar to reduce synthetic fertiliser use. The company collaborates on composting and pyrolysis methods and maintains 0% pesticide usage across all sites.

## Moringa Trial

During the year, Tanmiah launched a Moringa cultivation trial to explore sustainable, non-conventional feed sources. Known for its high protein and nutrient content, Moringa supports agricultural innovation and food security while requiring less water and fertiliser than traditional crops. This initiative aligns with Saudi Vision 2030's goals to advance sustainable farming and nourish the national economy.

**Tanmiah  
recorded zero  
environmental  
non-compliance  
for two  
consecutive  
years.**







## Tanmiah's Environmental Performance

### Energy Consumption

Tanmiah continues to advance its clean energy strategy by aiming to source 30% of its electricity demand from renewable energy. Trials are underway to convert diesel incinerators to LPG, supporting fuel reduction and lower emissions.

Particulars	2022	2023	2024
Electricity Consumption (million kWh)	82.00	89.00	<b>115.50</b>
Electricity Intensity (million kWh/billion SAR revenue)	47.50	42.70	<b>45.00</b>

In 2024, total electricity consumption rose to 115.5 million kWh, reflecting operational growth. While electricity intensity saw a slight increase compared to 2023, Tanmiah has maintained a strong overall improvement in efficiency since 2022. As part of wider efficiency measures, Popeyes implemented LED lighting and low-energy kitchen appliances across its outlets to further reduce power usage.

### Resource Consumption

Water Management Actions	2022	2023	2024
Petrol Consumption (million litres)	1.34	2.03	<b>1.53</b>
Diesel Consumption (million litres)	59.55	58.04	<b>56.24</b>
Fuel Intensity (million litres/million SAR Revenue)	35.25	28.69	<b>23.10</b>

In 2024, Tanmiah observed a reduction in both petrol and diesel consumption by 24.6% and 3.10% respectively. This highlights their improved operational efficiency and the effectiveness of their fuel management strategic measures, such as optimised routing and vehicle maintenance, Tanmiah was successful in lowering fuel consumption and managing resources responsibility.

### Circular Economy

Tanmiah is planning a waste-to-energy project that will utilise poultry bio-waste to generate 5.2 MWh of renewable energy annually, significantly reducing its future reliance on fossil fuels. Once operational, the project is estimated to sequester approximately 27,500 tCO<sub>2</sub>e per year, decreasing Tanmiah's overall environmental impact.

The proposed gasification plant is designed to generate 75 tonnes of biochar daily, a valuable byproduct with an additional carbon sequestration potential of 2-2.5 tons per ton of biochar. This translates to a further reduction of gross 64,000 tCO<sub>2</sub>e. Beyond emissions reduction, the waste-to-energy project will enhance manure management, and reduce carbon and ammonia emissions.

Tanmiah's commitment to waste reduction delivered strong results for the year. Total waste generated saw a 19.4% reduction compared to 2023, while waste sent to landfill declined by 12.7%. Recycled waste more than halved in 2024, decreasing to 11,923 tonnes. Despite the lower diversion figure, the overall reduction in waste generation and landfill contribution reflects continued progress in improving operational efficiency and responsible waste management across Tanmiah's operations.

#### TOP 3 SOURCES OF WASTE



#### Manure from Poultry



#### Waste Water from Processing



#### Used Cooking Oil

#### MITIGATION EFFORTS

Converting poultry manure into biochar for future carbon sequestration and soil enrichment.

Treating and recycling wastewater for plantation irrigation.

Selling used cooking oil as an ingredient for biofuel production.

#### HAZARDOUS WASTE

	2023	2024
<b>Generated</b>	<b>41,327</b>	<b>39,055</b>
Diverted from Landfill	-	-
Directed to Landfill	41,327	39,055

#### NON-HAZARDOUS WASTE

	2023	2024
<b>Generated</b>	<b>157,808</b>	<b>121,471</b>
Diverted from Landfill	28,848	11,923
Directed to Landfill	128,960	109,548





## Carbon Footprint

Tanmiah's efforts towards improved energy efficiency have resulted in the successful overall reduction of its carbon footprint. In 2024, the company achieved a 3.28% reduction in Scope 1 emissions and a 29.26% increase in Scope 2 emissions. Overall, Tanmiah's GHG emissions have increased compared to 2022.

Emission Scopes	2022	2023	2024	Emissions Intensity (MtCO <sub>2</sub> e/Billion SAR Revenue)
Scope 1 (MtCO <sub>2</sub> e)	151,545	160,234	<b>154,973</b>	<b>61.60</b>
Scope 2 (MtCO <sub>2</sub> e)	43,194	54,865	<b>70,921</b>	<b>27.67</b>



## Water Management

Tanmiah actively monitors water usage and compares it to industry averages (currently 12-40 liters per bird) according to Food Northwest. In 2023, its water usage per bird was 11.18 liters, reflecting a continued focus on reduction. In 2023, Tanmiah transitioned from water chilling to air chilling, significantly reducing water consumption by 2-3 liters per bird. This translates to daily savings of at least 1 million liters (based on processing 500,000 birds). These practices led to an increase of 46.2% in recycled wastewater.

Water Management Actions	2022	2023	2024
Water Consumed (megalitres)	1,433	1,684	<b>2,052</b>
Total Wastewater (megalitres)	1,324	1,691	<b>1,739</b>
Wastewater Recycled (megalitres)	581	850	<b>876</b>
Total Monetary Savings [million SAR per year (disposal cost)]	5.70	9.44	<b>9.60</b>

## Supply Chain and Procurement

### Supplier Code of Conduct

Tanmiah's Supplier Code of Conduct sets clear expectations for ethical and sustainable sourcing, ensuring suppliers align with environmental, social and economic responsibilities. Suppliers are required to uphold the same accountability and integrity as Tanmiah, with non-compliance leading to corrective actions, including contract termination if necessary.

The company's procurement strategy is built on three key principles: supplier assessment, ongoing transformation for procurement teams, and performance tackling to enhance sustainable sourcing efforts.

For the past three consecutive years, Tanmiah has screened 100% of its suppliers based on ESG criteria and mandates that all suppliers hold Global Food Safety Initiative (GFSI) certifications.

100%

of total new suppliers screened on ESG criteria

of total suppliers screened

of packaging suppliers ISO 9001 certified

of major non-compliant gaps with corrective actions implemented

### Local Procurement

Sourcing locally remains an important aspect for Tanmiah's procurement strategy, enabling greater control over quality, cost, and supply chain efficiency. In 2024, local procurement spending totalled SAR 971 million, accounting for 62% of the total procurement budget. While this represents a decline from the previous year, it reflects the shifting dynamics of supply needs during the company's ongoing transformation.

Local Procurement	2022	2023	2024
Local Procurement Spending (Million SAR)	643	964	<b>971</b>
Total Procurement Spending (Million SAR)	1,404	1,295	<b>1,578</b>
% Local Procurement Spending/Total Procurement Spent	46%	74%	<b>62%</b>





## REPORTING SCOPE

The scope for the 2024 data covers operations solely in Saudi Arabia.

### About Dukan

**Founding Date:** 2014

**Type of Company:** Hard Discount Grocery Retailer

**HQ:** Jeddah, Saudi Arabia

**Operations:** 150 stores across 5 cities throughout the western region of Saudi Arabia

**FTCs:** 390+ colleagues

**ADG Ownership:** 50% indirect ownership, 50% Kazyon – Tawfeer for Groceries

**Website:** [Dukan Retailing Company](#)

**Number of Stores:** 150

**Dukan Vision:** To be KSA's #1 hard discount grocery retailer by 2028

**Dukan Mission:** By 2028, Dukan had developed a network of 1,000 sustainable, customer-centric and affordable grocery stores equipped with cutting-edge technology that are agile in meeting the needs of their communities

## Sustainability at Dukan

### Sustainability Strategy

Dukan is embedding sustainability across all aspects of its operations, with a focus on energy efficiency, waste reduction, water conservation and responsible sourcing. By 2030, they aim to reduce carbon emissions by 20%, achieve zero operational waste, and ensure all materials are ethically sourced. These goals will be pursued through defined action plans, colleague engagement, and continuous performance monitoring.

### Code of Conduct

Dukan's Code of Conduct serves as a guiding framework for ethical behaviour and responsible business practices across all levels of the organisation. It outlines the company's expectations regarding integrity, fairness and compliance with local laws and regulations, and respect in the workplace.

### Risk Management

Dukan has established a robust risk management model that encompasses operational, financial and reputational risks. Once risks are identified, mitigation strategies are developed and implemented, with ongoing monitoring to adapt responses as needed. This process is vital to safeguarding assets, strengthening stakeholder confidence, and enabling proactive decision-making. To reinforce risk awareness, Dukan conducts regular training sessions on risk management fundamentals, emphasising adherence to the Code of Conduct and related policies.

### Data Privacy and Cybersecurity

In 2024, Dukan enhanced its cybersecurity measures by installing a new 400F FortiGate firewall at the head office and updating licenses across all existing firewalls. To further improve system protection, a new endpoint security solution is being implemented, along with an advanced Endpoint Detection and Response (EDR) system featuring real-time threat notifications. These upgrades allow Dukan to ensure data privacy and maintain a secure digital environment across their operations.

In 2024, Dukan reported **zero** cybersecurity incidents.



## Dukan's People and Community

### Colleague Development

As a grocery retail chain, Dukan recognizes that its success is driven by the skills and dedication of its people. Investing in colleague development remains a core focus, with training programmes to build capabilities across all levels. These include training on standard operating procedures (SOPs), implementation support for new projects (primarily for mid-level managers), and both soft and hard skills development to strengthen leadership, communication and technical know-how.

Average number of training hours for colleagues

2024

6

Average number of training hours for managers

2024

15





## Health and Safety Training

Dukan prioritises the safety and wellbeing of all colleagues. The company delivers a structured occupational health and safety training programme at least once a year to ensure all colleagues are equipped with essential safety and knowledge and practices relevant to their daily responsibilities.

These sessions are led by the Head of Operations Development and cover a range of critical health and safety topics, including:



### Workplace Accident Prevention



### Fire Hazard and Prevention



### Workplace Ergonomics



### Workplace Violence



### Occupational Health Psychology

To continuously improve the quality and assurance of the training, Dukan gathers colleague feedback and conducts assessments to evaluate the effectiveness. This approach enables the company to refine its safety practices and adapt to emerging risks within the retail sector.

# ZERO

Total colleague  
lost time injury (LTI)

Total colleague  
fatalities

## Colleague Wellbeing

Dukan recognises the importance of a positive and supportive work environment where colleagues feel valued, motivated and engaged. Their approach to wellbeing centres on recognition, development and an inclusive reward system that promotes both personal and professional growth.

This year, Dukan introduced several initiatives aimed at engaging workplace culture and colleague experience. These included pre-Ramadan team building sessions for store leaders, monthly townhall meetings to share company updates and achievements, and a "Colleague of the Month" to recognise exceptional contributions. Additionally, they launched monthly performance competitions in Q4 to encourage innovation and continuous improvement.

Dukan also made an effort to revise its bonus scheme, moving from quarterly sales-based bonuses to a more inclusive monthly model that assesses a broader range of performance metrics. To support career progression, the company created the role of Operations Assistant Store Leader, which engaged nearly 150 colleagues, with 108 selected for the position, showcasing a strong emphasis on internal mobility.

Colleagues benefit from a comprehensive package that includes health insurance, parental leave, group life insurance, retirement plans, housing and transportation allowances, annual leave, and performance-based bonuses.

In 2024, Dukan recorded **zero fatalities reflecting the effectiveness of its safety initiatives and ongoing risk assessments.**

## Diversity and Equal Opportunity

Dukan embraces diversity and equal opportunity as an integral part of its workplace culture. Through cultivating an inclusive environment, they aim to ensure fair treatment, representation, and access to growth for all colleagues, regardless of their background.

Number of  
**FULL-TIME  
COLLEAGUES**

**1,104**

local  
full-time  
colleagues

**61**

expat  
full-time  
colleagues

**1,043**

White  
collar  
colleagues

**139**

Blue  
collar  
colleagues

**965**

### Number of full-time executive colleagues

**2**



**100%**



**0%**

### Number of full-time frontline manager colleagues

**22**



**95%**



**5%**

### Number of full-time mid-level manager colleagues

**53**



**98%**



**2%**

### Number of full-time individual contributor colleagues

**1,104**



**99%**



**1%**





## Full-time colleagues by years of service 2024

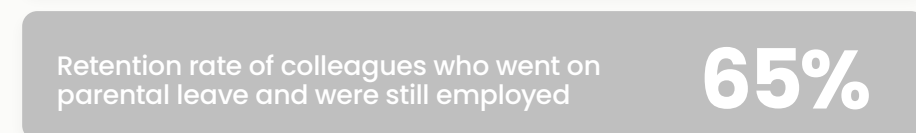
0-5 years	913
6-10 years	191

## New colleagues hires – by gender | 2024

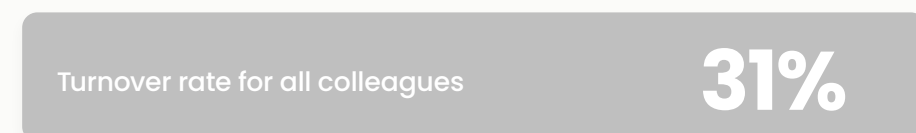


\*The total hires figure for 2024 includes hires across warehouses, stores and the head office.

## Parental leave by gender – all colleagues | 2024



## Colleagues Turnover Rate | 2024\*



\*The colleague turnover rate in 2024 was primarily the result of a strategic rightsizing exercise. This was not due to voluntary resignations, but rather part of Dukan's effort to optimise its workforce and structure to better align with its evolving goals, resources and market conditions.

## Customer Experience

Handling customer feedback is an integral part of Dukan's service approach. Customers can submit complaints or enquiries through several channels including WhatsApp messaging, social media accounts, or email, depending on their preference. Once received, each case is categorised by urgency.

For critical cases, such as expired or damaged products, the matter is escalated immediately to the Sales Manager, and if required, to the Operations Vice President and ultimately to the CEO. These cases are handled within a strict three-hour service-level agreement (SLA).

Less urgent complaints are reviewed and directed to relevant senior team members, including the Executive Sales Manager, Operations Vice President, CTO, and CEO, with an SLA of twelve hours. This structured escalation framework guarantees that all customer concerns are resolved efficiently and appropriately, supporting Dukan's ongoing focus in delivering quality service.

## Customer Complaints 2024

Total number of customer complaints	150,089
Total number of customer complaints resolved	149,736

**Dukan resolved 99% of their customer complaints in 2024, illustrating their dedication to excellent service quality and standards.**



## Community Initiatives

Dukan continues to play an active role in supporting communities they serve through initiatives that reflect their values of sustainability and social responsibility. In 2024, they introduced two impactful programmes aimed at improving public wellbeing.

Through the Stop Selling Cigarettes initiative, Dukan took a bold step to encourage healthier lifestyles by removing cigarettes from their shelves. Additionally, as part of their Charity Ramadan Campaign, they collaborated with three charitable organisations to distribute over 1,000 food boxes, supporting families in need during the Holy Month of Ramadan.

## A Tobacco-Free Commitment for Healthier Communities

In alignment with its values and brand promise as "The Trusted Neighbourhood Store," Dukan removed all tobacco products from its stores, fully implementing the policy by January 2024. This decision, driven by stakeholder feedback and commitment to public health, showcases Dukan's role in creating a safer, more health-conscious retail environment.

Although tobacco sales previously accounted for 4% of annual revenue, Dukan prioritised long-term community wellbeing over short term financial gains. Since the transition, the company has seen stronger customer loyalty, positive recognition from health advocates and established itself as a responsible, community-focused retailer.

## Impact at a Glance

- Tobacco removed from all stores in 2024
- 4% revenue forgone to support public health
- Positive feedback from health stakeholders
- Strengthened responsible retail positioning





## Dukan's Environmental Performance

### Energy Consumption

During the year, Dukan implemented a series of energy efficiency upgrades across its retail network to reduce overall electricity consumption and enhance operational performance. As part of these efforts, 76 stores were equipped with 36-watt LED lighting fixtures, these LED lights offer improved brightness, consume less power and have significantly longer lifespan compared to conventional lighting, reducing both energy usage and maintenance needs.

In addition to the lightning upgrades, Dukan replaced outdated split air conditioning units in most stores with newer, energy-efficient split AC systems, specifically the 30,000 BTU inverter type. These advanced units use inverter technology, which enables variable speed operation of the compressor based on real-time cooling demand. Unlike traditional fixed-speed systems that consume approximately 1.2 kWh per tonne of cooling, the new split units operate at an average of 0.6 kWh per tonne, representing a 50% reduction in energy consumption. These upgrades help regulate temperature more effectively while using less electricity, particularly during peak cooling periods.

As a result of these initiatives, total electricity consumption across 150 stores reached 32,006,649.77 kWh in 2024. These changes are part of Dukan's broader goal to enhance energy performance and reduce the environmental footprint of its operations.

#### Electricity consumption (kWh) | 2024

Total electricity consumed  
**32,006,649.77\***

\*Total electricity consumption across 150 stores.

### Resource Consumption | 2024

Dukan currently utilises standard diesel fuel for both forklift operations and delivery vehicles across its logistic network. In 2024, Dukan's total diesel consumption reached 680,536 litres. The company recognises this consumption data as a fundamental metric to inform future reduction strategies and drive the transition towards a more sustainable fuel alternatives within its operations.

#### Total diesel consumed

2024 | (litres)

**680,536**

### Water Consumption | 2024

In 2024, Dukan recorded a total utility water consumption of 10,737 cubic metres. This figure reflects the water used across all 150 store locations, including daily operational needs and colleague usage. As part of its commitment to environmental responsibility, Dukan continues to monitor water consumption closely and is exploring opportunities to improve efficiency across its operations.

#### Utility water consumption

2024 | (m3)

**10,737**

### Waste Management

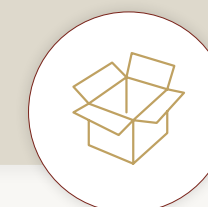
#### TOP 3 SOURCES OF WASTE



Pallets



Plastic



Cartons

#### MITIGATION EFFORTS

Selling wooden pallets for recycling, reducing waste whilst generating revenue from materials that would otherwise be discarded.

Materials are collected and sold to recycling partners, supporting circular economy principles and reducing landfill waste.

Empty cartons are resold for recycling, minimising environmental impact and creating a secondary income stream.







## Reducing Food Waste Through the Barakah App

In line with its commitment to sustainability and ethical resource management, Dukan partnered with Barakah – an online marketplace that enables food retailers to sell surplus products and meals. This initiative aims to reduce food waste, recover value from unsold inventory, and contribute to both local and global sustainability goals.

The collaboration began in October 2024 with a pilot programme rollout at two Dukan stores, quickly expanding to 12 locations due to strong early results. Through this Barakah platform, surplus food that would otherwise go to waste was redirected to consumers at discounted prices – benefitting the environment, operations and the community.

To date, the programme has diverted food surplus worth over SAR 33,000, representing measurable environmental and financial impact. The initiative has also helped enhance customer trust, community engagement, and operational efficiency, while reinforcing Dukan’s role as a responsible, sustainability-driven retailer.

### Impact at a Glance



12 Dukan stores integrated with Barakah



SAR 33,000+ in food surplus redirected



Reduced waste and improved inventory efficiency



Enhanced customer trust and community engagement and optimised resource use

## Dukan’s Footprint

Dukan calculates its Scope 1 and 2 emissions using actual consumption data and internationally recognised emission factors in alignment with the GHG protocol. Scope 1 includes direct emissions from fuel used in company-wide vehicles and equipment, while Scope 2 covers indirect emissions from purchased electricity. Data is gathered from internal and utility bills, and calculations are performed using standard emission factors relevant to Saudi Arabia.

While Scope 3 are not yet included, Dukan acknowledges the importance of accounting value chain emissions and aims to expand its reporting scope as data availability and reporting capabilities improve.

Carbon emissions	2024
Direct emissions Scope 1 (tco2e)	1,982
Indirect emissions Scope 2 (tco2e)	19,042

## Supply Chain

Dukan’s supply chain is structured across three core functions: demand planning, warehousing, and transportation. Demand planning determines the optimal inventory levels for each store, ensuring stock availability without over-supply. The Distribution Centre (DC) handles items receiving, hygienic storage, preparation for dispatch in line with demand requests. Transportation ensures timely and safe delivery to stores across their network. While initial efforts have been made to explore energy-efficient logistics and reduce packaging waste, there is currently no formal carbon reduction target or standardised waste management approach. Additionally, end-to-end carbon footprint tracking remains a gap, Dukan acknowledges the importance of making the shift from reactive to proactive supplier and logistics sustainability practices.



Total number of suppliers	738*
Number of local suppliers	231
Budget spent on local suppliers (SAR)	NA**

\*Total supplier count includes 670 Domestic suppliers and 68 foreign suppliers

\*\* As of 2024, Dukan does not have a dedicated budget or formal tracking system in place for spend on local suppliers within their retail operations. This data is not currently captured separately in our procurement or financial reporting structures. However, Dukan fully recognises the strategic and environmental importance of local sourcing. As part of our ongoing commitment to sustainability, they are actively exploring ways to improve visibility and tracking of local supplier engagement in the upcoming cycle. This will support more responsible procurement practices and align with their broader ESG objectives.

## Procurement

Dukan focuses on compliance with basic environmental regulations and relies on trusted vendors, particularly for food and fresh items, which are sourced according to Saudi Food & Drug Association (SFDA) standards. The company implements proper segregation of perishable and non-food items during storage and transport to uphold food safety and product integrity. Socially, Dukan upholds Saudi labour laws by providing fair wages, defined working hours, health insurance, and safe working conditions for all colleagues. Equal treatment and human rights are embedded in operations, although supplier-level audits on labour conditions are currently limited. Dukan understands the need to introduce more structured supplier sustainability assessments, particularly around social impact, waste handling, and transparency in sourcing.

References: <http://www.daikincomfort.com>



# Our Environmental Footprint

Resource Consumption

Water Management

Our Group Footprint





**At ADG, environmental responsibility is viewed as shared priority across all strategic business verticals. While each vertical operates within its own operational realities, the Group encourages a consistent focus on key environmental levers, such as emissions reduction, energy and water efficiency, and responsible waste management.**

This dashboard-driven approach provides a transparent lens into environmental progress, empowering the Group to identify opportunities, benchmark performance and support verticals in adopting best-in-class sustainability practices.

						
% reduction in emissions	N/A	N/A	7% 	11% 	5% 	N/A
% reduction in energy consumption	12% 	N/A	9% 	40% 	40% 	N/A
% of our energy consumed is renewable	N/A	N/A	8% 	N/A	N/A	N/A
% reduction in Hazardous waste	N/A	N/A	16% 	783% 	100% 	N/A
% reduction in waste to landfill	N/A	N/A	32% 	N/A	13% 	N/A
% water usage reduction	4% 	13% 	8% 	1% 	22% 	N/A



Decreased performance compared to 2023



No change in performance compared to 2023



Improved performance compared to 2023

\*FPS's environmental data will be published in its standalone sustainability report. Due to differing publication timelines, this data was not available at the time of compiling this report.

\*\*Dukan has established 2024 as its environmental data baseline year. As such, environmental data prior to 2024 is not available or recorded.

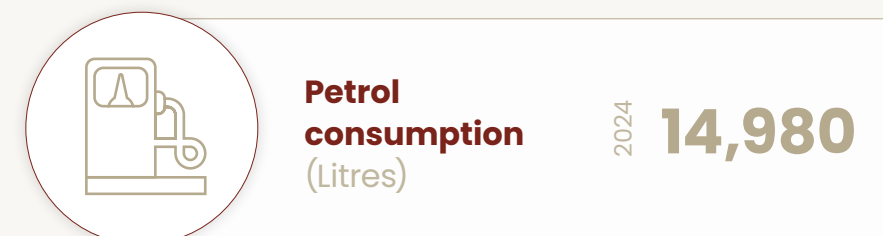


# ADG's Environmental Footprint

## Resource Consumption GRI (302-1), (302-4)

As a holding company, our operations do not involve large-scale fuel consumption. However, we maintain a limited number of office vehicles used exclusively for administrative purposes, such as office errands, bank visits, and staff transportation.

In 2024, our total petrol consumption for these vehicles amounted to 14,980 litres, which reflects our minimal but necessary fuel usage for essential business operations. As part of our commitment to climate accountability, ADG is currently working on calculating its first carbon inventory in line with the Greenhouse Gas (GHG) Protocol.



## Energy Consumption

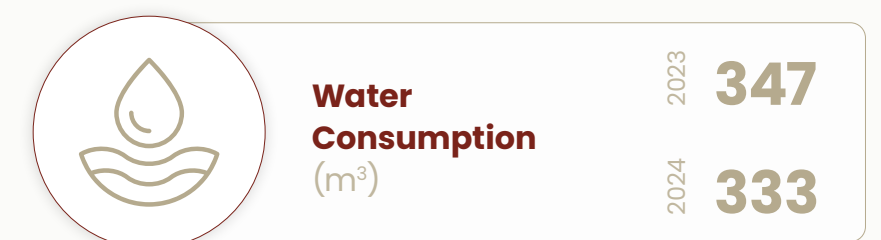
We continue to focus on reducing our environmental footprint by actively managing energy consumption. In 2024, our total electricity usage decreased by 12,523.51 kWh, reaching 96,425.34 kWh, compared to 108,948.85 kWh in 2023. This 11.5% reduction was driven by the installation of energy-efficient LED lighting throughout our office and the implementation of alternative work-from-home (WFH) days for our colleagues, which helped lower overall energy demand.

While we track and manage absolute electricity consumption, we do not calculate emission intensity at the holding level, as there are no production outputs or manufacturing activities that would allow for a meaningful or accurate intensity metric. Nonetheless, we continue to prioritise energy efficiency across our operations to further reduce consumption and support our sustainability goals.



## Water Management GRI (303-5)

In 2024, our total water consumption decreased to 333.38 m³, reflecting a 3.85% reduction from 346.74 m³ in 2023. This decline illustrates our continued efforts to optimise resource efficiency and maintain a sustainable, self-sufficient water system within our building. Our integrated water treatment system enables us to meet our needs without relying on external sources or incurring additional water costs.



## Our Group Footprint

GRI (302-1), (305-1), (305-2), (305-3), (305-5)

Carbon emissions	2023	2024
Direct emissions   scope 1(tco2e)	NA*	<b>37</b>
Indirect emissions   scope 2 (tco2e)	65	<b>57</b>
Business travel   scope 3 (tco2e)	NA**	<b>71</b>

\*ADG began tracking petrol consumption in 2024; therefore, Scope 1 emissions for 2023 are not available.

\*\*ADG began tracking business travel in 2024; therefore Scope 3, category 6 emissions for 2023 are not available.



# GRI Content Index

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# GRI Content Index

Statement of use

Al-Dabbagh Group (ADG) has reported the information cited in this GRI content index for the period of January 2024 to December 2024 with reference to the GRI Standards.

GRI 1

GRI 1: Foundation 2021

GRI Standard	Disclosure	Location	Omission			UNGC Principles
			Requirement(s)omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-1 Organisational details	6	Omission is not permissible.			
	2-2 Entities included in the organisation’s sustainability reporting	4				
	2-3 Reporting period frequency and contact point	4				
	2-4 Restatements of information	4				
	2-5 External assurance	4				
	2-6 Activities, value chain and other business relationships	6				
	2-7 Employees	26				Principle 6
	2-8 Workers who are not employees	N/A		ADG does not have employees who are not workers.		
	2-9 Governance structure and composition	18				
	2-10 Nomination and selection of the highest governance body	18				
	2-11 Chair of the highest governance body	18				
	2-12 Role of the highest governance body in overseeing the management of impacts	18				
	2-13 Delegation of responsibility for managing impacts	18				
	2-14 Role of the highest governance body in sustainability reporting	22				
	2-15 Conflicts of interest	20				Principle 10
	2-16 Communication of critical concerns	20				
	2-17 Collective knowledge of the highest governance body	20				Principle 3



GRI Standard	Disclosure	Location	Omission			UNGC Principles
			Requirement(s)omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	20				
	2-19 Remuneration policies	28				
	2-20 Process to determine remuneration	28				
	2-21 Annual total compensation ratio	28				
	2-22 Statement on sustainable development strategy	14				
	2-23 Policy commitments	20, 26, 28				Principle 1 & 2
	2-24 Embedding policy commitments	20, 26, 28				
	2-25 Processes to remediate negative impacts	20				
	2-26 Mechanisms for seeking advice and raising concerns	20				Principle 10
	2-27 Compliance with laws and regulations	20				
	2-28 Membership associations	15				
	2-29 Approach to stakeholder engagement	22				
	2-30 Collective bargaining agreements	N/A		Collective bargaining is illegal in the Kingdom of Saudi Arabia.		
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	74				Principle 7 & 8
	302-4 Reduction of energy consumption	74				
GRI 303: Water and Effluents 2018	303-5 Water consumption	74				Principle 7 & 8
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	74				Principle 7 & 8
	305-2 Energy indirect (Scope 2) GHG emissions	74				
	305-3 Other indirect (Scope 3) GHG emissions	74				
	305-5 Reduction of GHG emissions	74				



GRI Standard	Disclosure	Location	Omission			UNGC Principles
			Requirement(s)omitted	Reason	Explanation	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	26				Principle 6
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	30				
	401-3 Parental leave	30				Principle 6
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	28				
	404-2 Programmes for upgrading employee skills and transition assistance programmes	28				
	404-3 Percentage of employees receiving regular performance and career development reviews	28				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	18				Principle 6
	405-2 Ratio of basic salary and remuneration of women to men	28				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	20				Principle 1 & 6



## Fahad Kholaiif

Fahad Kholaiif, a Saudi artist born and raised in Baha, draws deep inspiration from the intricate architecture and vibrant culture of his homeland. With a Master's in Fine Arts and over 17 solo exhibitions, his work has been showcased in prestigious venues, including the Exhibition of Saudi Artists at the United Nations in Austria. Since moving to Jeddah nearly 25 years ago, Kholaiif has devoted much of his practice to capturing the city's rich heritage, multicultural spirit, and spiritual resonance, weaving emotional, historical, and poetic narratives into his bold, expressive compositions.







**Waqt Al Qaylola** (2017, 100 × 100 cm)

Translating to Nap Time, this vibrant blue composition reflects Jeddah's coastal life and Kholaiif's belief in artistic integrity, resilience, and expression.



**Wadaa** (2017, 100 × 100 cm)

Inspired by a verse from poet Mohammad bin Al-Qasim Abu Al-Hassan Al-Masry, this painting captures a poignant moment of farewell.





**Ruhaniyat** (2020, 100 × 100 cm)

Depicting scattered mosques in earthy tones, this work embodies Kholaiif's deep spiritual connection to Saudi Arabia and the Islamic faith.



**Abhar** (2017, 100 × 100 cm)

Part of the Jeddah series, this piece reflects the city's preserved colours, historic architecture, and its role as a vital Islamic port — a multicultural gateway welcoming all.





To learn more about our business and sustainability work, please visit [www.aldabbagh.com](http://www.aldabbagh.com)

If you would like to find out more about our sustainability ambitions please get in touch:

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الدباغ Dabbagh