

MAKING SUSTAINABLE LIFESTYLES EXCITING

Alsulaiman Group
Sustainability Report
2023/24



Contents

About this Report	3	Our Materiality Assessment	29	Youth Development	53
Reporting period and boundary	3	Our Contributions to National and International Agenda	30	Workforce Localization and Nationalization	55
Reporting standards	3	Authentic Leadership	32	Education and Training	55
Feedback and suggestions	3	Corporate Governance, Ethics and Compliance	33	Occupational Health and Safety	56
Forward-Looking Statements	3	Risk Management and Business Resilience	35	Human Rights and Ethical Practices	57
CEO's Message	4	Cybersecurity and Data Privacy	36	Transitioning to Net-Zero	59
Building a legacy of responsible growth	5	Market Differentiation	38	Climate Change Mitigation and Decarbonization	60
Honouring our roots	5	Stakeholder Engagement and Communications	39	Enabling a Circular Economy	62
Who we are today	5	National Sustainability Development and Mentorship	39	Circular Economy Shift	63
Shaping the future	5	Collaborations and Portfolio Synergy	40	Resource Management	64
Alsulaiman Group at a Glance	7	Offering Sustainable Products	42	Deepening Community Ties	66
Alsulaiman Group ecosystem	8	Consumer Education and Awareness	43	Social Impact and Community Development	67
Our retail business	9	Sustainable-Minded Products and Offerings	44	Appendices	72
Our logistics business	14	Customer Experience and Engagement	45	Appendix A. Material Issues and Definitions	73
Real Estate	17	Innovation Management	47	Appendix B. GRI Content Index	75
Financial services	20	Responsible Procurement and Sustainable Supply Chains	48		
Our non-profit arm	22	Empowering Our People	50		
Alsulaiman Group Approach to Sustainability	27	Human Capital Management	51		
Our Context	27	Diversity and Inclusion	52		
Our Sustainability Framework	28				



About this Report

Alsulaiman Group welcomes you to its inaugural sustainability report, demonstrating the Group's commitment to strengthening its contributions to Saudi Vision 2030 and the United Nations Sustainable Development Goals (UN SDGs). We place responsible business practices, transparent reporting, and continuous sustainability-focused innovation at the heart of how we operate.

This sustainability report provides a clear and comprehensive overview of our efforts to create long-term value for stakeholders while positively impacting the broader social and environmental landscape. This report has been approved by our Chief Executive Officer (CEO).

Reporting period and boundary

Covering the period from September 1, 2023, to August 31, 2024, it details our sustainability performance across the Kingdom of Saudi Arabia. Quantitative data includes insights from Alsulaiman Group and its primary portfolio companies, IKEA and Flow Logistics, along with case studies from other entities to illustrate our commitment to innovation and responsible business practices.

Reporting standards

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards, aligning with globally and nationally recognized frameworks, including the ESG disclosure guidelines issued by the Saudi Stock Exchange (Tadawul). We are also working to expand our alignment with other relevant reporting standards to further enhance the quality and comparability of our disclosures.

Feedback and suggestions

As we continue to evolve, we remain focused on driving meaningful impact, fostering collaboration, and advancing sustainable business practices. We invite you to explore this report, gain insights into our initiatives, and join us in shaping a more resilient and responsible future.

Alsulaiman Group welcomes queries and suggestions regarding this report. To get in touch, please use our website [AlsulaimanGroup.com](https://www.AsulaimanGroup.com), or email sustainability@alsulaimangroup.com

Forward-Looking Statements

This report may include forward-looking statements that go beyond historical facts and pertain to future projections. Such statements may include forecasts, predictions, objectives, events, trends, or plans based upon current assumptions and expectations. Such statements are not audited by external auditors and should not be solely relied upon by investors. It is important to acknowledge that unexpected events and uncertainties can arise which may not be accounted for in these statements. While Alsulaiman Group has made every effort to ensure the accuracy and completeness of the information in this report, forward-looking statements are valid only as of their date. Actual results may differ from the expressed or implied statements and Alsulaiman Group does not publicly update or modify them after the publication date of this report.





CEO's Message

Dear Stakeholder,

Alsulaiman Group is a family-owned business founded by my father H.E. Dr. Ghassan Ahmed Alsulaiman in 1983. Our family has a long, rich history within the Kingdom of Saudi Arabia and my great grandfather, H.E. Sheikh Abdullah bin Sulaiman was the first Minister of Saudi alongside the founding King. I am immensely proud of the contributions to the Kingdom made by both my family and my company across our 41-year history. Today, Alsulaiman Group is one of the growing family businesses in the region, with substantial reach across Gulf Cooperation Council (GCC).

While Alsulaiman Group is a strong regional business, our global outlook is equally strong. Alsulaiman Group's diversified portfolio centers on four high-impact sectors: Retail, Logistics, Financial services, and Real Estate. Our role as the first-ever franchise holder for IKEA, the world's largest furniture retailer, with whom we have generated tremendous growth and shared great success over the years, is both a source of pride and a testament to the value we place upon long-term relationships with all our stakeholders.

Our family heritage and our values are at the heart of this success, including our deeply embedded commitment to sustainability. Alsulaiman Group's business model is built around entrepreneurialism, boldness, and agility, enabling us to drive this commitment forward by investing in the environmental, social, and governance programs and

standards that we know will generate long-term value for our shareholders, plus expand our capacity to invest in our people and the environment. With this vision in mind, we are continuously planning for further diversification, expansion, and new ventures, and we are always seeking to partner with other like-minded investors and strategic partners who share in our vision for the future.

To further grow our company's impact over time, in 2023 we established a non-profit arm of Alsulaiman Group. We formed Alsulaiman Foundation with the commitment to positive social impact and community engagement that have been part of Alsulaiman Group's culture since the beginning. The Foundation's mission is to empower positive transformation in our communities by leveraging our resources and influence to help uplift societies, drive development, inspire learning, and advocate for the environment.

As a result of our efforts to date, in 2024 Alsulaiman Group was proud to be named by Ministry of Economy and Planning one of 19 Sustainability Champions for Saudi Arabia. This auspicious role means that we will serve as a model and mentor to other Saudi companies as they navigate their sustainability journeys, sharing knowledge, guidance, and best practices as part of our drive amplify Alsulaiman Group's contributions to the Saudi Vision 2030 and the UN Sustainable Development Goals.

As you will discover in this report, Alsulaiman Group's commitment spans the entire ecosystem of Alsulaiman Group portfolio of companies. Through our collective efforts and focus on development long-term strategies, collaborative partnerships, and operational excellence, we are continuously striving to create sustainable value for our shareholders, business partners, and the people and communities we are proud to serve.

As we look to the future, Alsulaiman Group remains committed to creating a stimulating and empowering work environment for Saudi talent, elevating our companies, and exploring new avenues of expansion. With your continued support for and faith in Alsulaiman Group, we also remain excited about the opportunities ahead to spur innovation and to enhance the positive environmental, social, and economic impacts of our Group throughout the Middle East and beyond.



Saud Alsulaiman
CEO, Alsulaiman Group



Building a legacy of responsible growth

Honouring our roots

Founded in 1983, Alsulaiman Group’s story is deeply rooted in the entrepreneurial spirit of H.E. Sheikh Abdullah Bin Sulaiman AlHamdan, one of Saudi Arabia’s pioneering businessmen and a trailblazer who played a central role in shaping the nation’s economic foundations. Inspired by his dedication to public service, nation-building, and progressive thinking, H.E. Dr. Ghassan Alsulaiman carried forward this vision, recognising the gaps in the regional market and venturing to build businesses that would not only thrive commercially but also create lasting impact and give back to the communities in which it operates.

From its very first investment, the Group’s approach has been guided by a clear ambition: to foster a sustainable, resilient business model that drives social and economic progress. An early recognition of the power of technology, operational excellence, and local talent enabled Alsulaiman Group to evolve with Saudi Arabia’s rapid transformation, always staying ahead by embracing innovation and responsible growth.

Who we are today

Today, Alsulaiman Group stands as a leading family-owned conglomerate with over four decades of experience. What began as a single investment has grown into a diversified portfolio of prominent businesses, thriving brands that operate regionally and internationally.

Our operational footprint spans the Gulf region, with more than 4,000 coworkers in Saudi Arabia, Bahrain, the UAE, and Oman. We proudly hold the IKEA franchise for over 41 years, serving more than 30 million individuals and families annually through over 40 customer touchpoints, including showrooms, stores, and online platforms. As we expand, we remain dedicated to advancing gender diversity in the workplace, with women now representing 20% of our workforce.

In recognition of our leadership, our CEO Saud Alsulaiman has been ranked 3rd among CEOs and tech leaders in Saudi Arabia. The Group has also been named one of 19 Sustainability Champions in the Kingdom — a testament to our enduring focus on embedding sustainability across every facet of our operations.

Shaping the future

Looking ahead, Alsulaiman Group remains committed to responsible growth, innovation, and long-term positive impact. We are developing a comprehensive sustainability strategy to embed responsible practices and support the expansion of our business in line with Saudi Vision 2030 and the UN Sustainable Development Goals.

By fostering an environment where people, technology, and partnerships thrive, we aim to create lasting value for our stakeholders and communities, building on our legacy to drive a resilient, sustainable future.



Founded in
1983 by
Dr. Ghassan
Alsulaiman

41-year holder of
the IKEA franchise

30 million individuals
and families served
annually through more than
40 customer touchpoints,
including showrooms,
stores, and online platforms

Headquartered in
Jeddah, KSA



4,000+
coworkers across
the gulf region in Saudi
Arabia, Bahrain, the
UAE, and Oman

CEO Saud
Alsulaiman ranked
3rd amongst CEOs & tech
leaders in Saudi Arabia



20%
of our
workforce
are women

Named one of 19
Sustainability
Champions in
Saudi Arabia

More than 18M
unique visits
through Ikea's
integrated physical and
digital channels

A total of 729
suppliers and
business partners



Alsulaiman Group at a Glance

Our Purpose and Values

In 2023, we updated our purpose and values to reflect our fresh outlook as a family business and our renewed commitment to world-class principles of management, governance, and customer service. Learn more about us [here](#).

Our Portfolio

Alsulaiman Group's business model integrates diverse investments in ways that enable us to apply a systematic approach and leverage synergies across our portfolio. Our growth strategy focuses on four key industries: Retail, Logistics, Real Estate, and Financial Services. In addition, we maintain affiliate companies comprising nine entities across various sectors, further diversifying our business activities.

Within our portfolio, we also operate a non-profit company — Alsulaiman Foundation — which reflects our commitment to community development and social impact.

Our goal is to build an ecosystem of businesses and partnerships that generate increasing value for our stakeholders over time. This ecosystem is designed to serve as a springboard for launching new products and services, enabling Alsulaiman Group to continuously innovate and reshape value chains in ways that meet and exceed evolving consumer expectations.



Our Purpose
To enhance quality of life
by creating impactful
opportunities for people
and the environment.



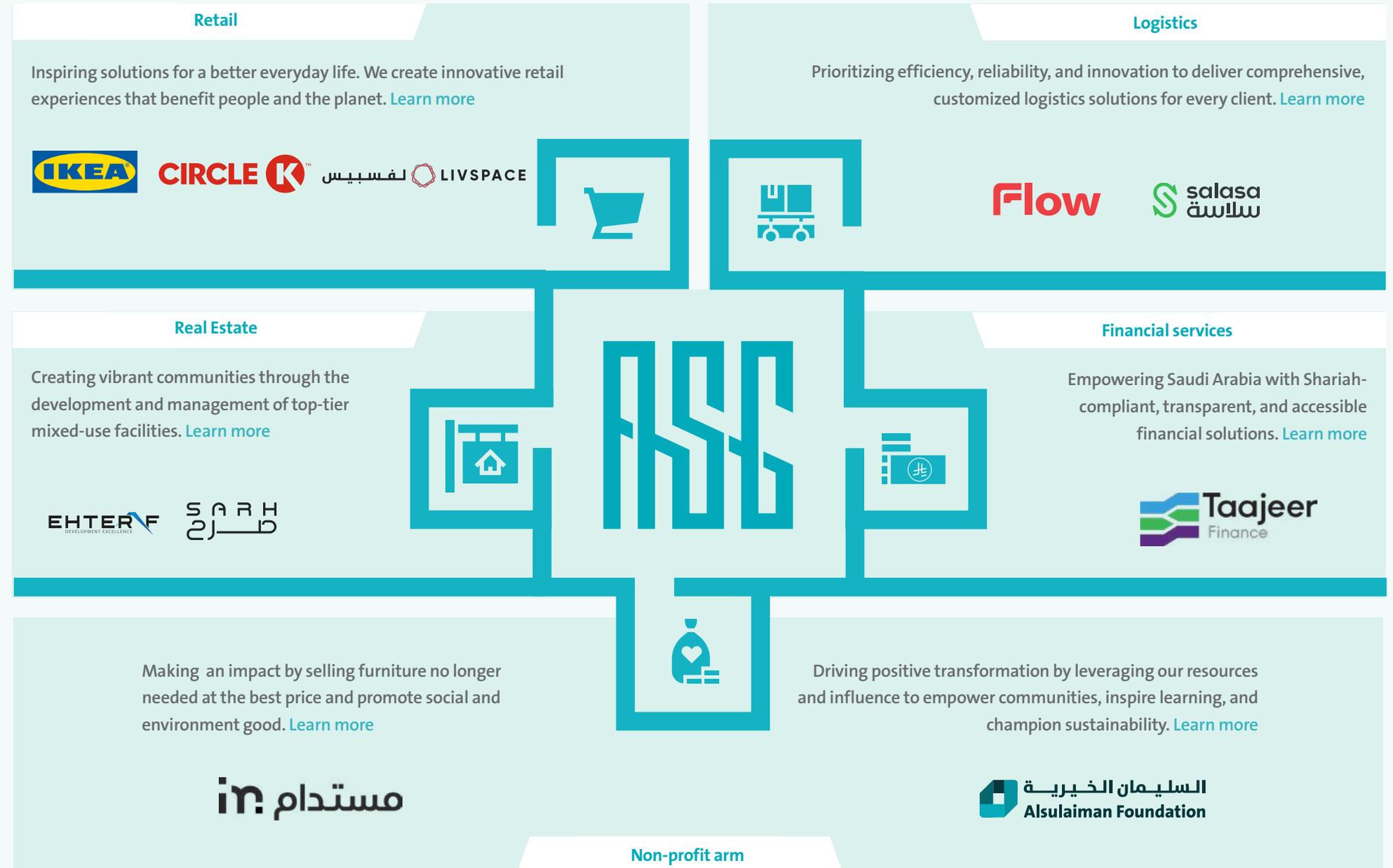
Our Values
Innovation, Respect,
Connection, and
Empowerment.

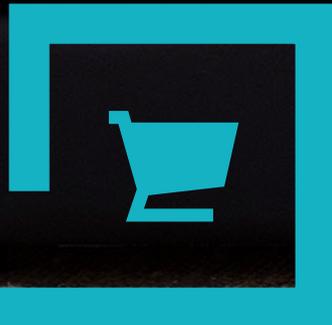




Alsulaiman Group ecosystem

Our diverse portfolio is built to create long-term value across key industries and communities, driving growth, innovation, and positive impact throughout the region.





Our retail business





IKEA ALSULAIMAN



**A better
everyday life for
the many people**



Since 1983

IKEA Saudi Arabia and Bahrain is the region's leading provider of affordable, well-designed home furnishing solutions. As a trusted brand, IKEA is dedicated to improving everyday life by offering innovative, sustainable products and exceptional customer experiences that reflect local needs and aspirations.

IKEA's journey in Saudi Arabia began in 1983 through a franchise agreement with Ghassan Alsulaiman Furniture Trading Company — marking the first-ever franchise in the IKEA global network. Since then, Alsulaiman Group has expanded IKEA's presence and reach to meet the growing demand for functional, stylish, and accessible home solutions.

Key milestones include the expansion into Riyadh in 1990, the opening of stores in the Eastern Province in 2008, and the launch of e-commerce operations in Saudi Arabia in 2016. In 2018, IKEA extended its footprint to Bahrain, bringing the same trusted offerings to customers in a new market. In 2020, the Group opened its first stand-alone design studio in Riyadh, providing personalized services to help customers create their ideal.

IKEA Saudi Arabia and Bahrain continues to expand aggressively, including through robust digital channels that make its products and services more accessible than ever. Aligned with Saudi Vision 2030, IKEA plays a vital role in supporting the Kingdom's goals of economic diversification and environmental stewardship by embedding sustainability across its operations and supply chains.



6M
Store visits
to day



35M+
Online traffic



14
Customer meeting points



1,600+
Co-workers





CIRCLE K™

CIRCLE K ALSULAIMAN



Making everyday life easier by redefining convenience and fueling experiences



Through Circle K Fuel and Circle K Convenience, Alsulaiman Group is expanding access to modern, reliable retail and fuel services, creating greater convenience and delivering positive impact for communities across Saudi Arabia and the UAE.



CIRCLE K Convenience, Since 2020

Through Circle K Convenience, Alsulaiman Group is helping shape a vibrant, modern retail sector that creates jobs, fosters local entrepreneurship, and supports more sustainable daily lifestyles. By combining international best practices with local market insight, Circle K aims to make everyday life easier while contributing to economic diversification and environmental stewardship in line with Vision 2030.

Circle K Convenience has established a strong presence in Saudi Arabia and the UAE through Alsulaiman Group's strategic expansion into the convenience retail sector. Originally founded in 1951 in El Paso, Texas, Circle K has grown into a trusted global franchise, now operated by Alimentation Couche-Tard since 2003 and present in over 20 countries.

Alsulaiman Group's acquisition of the Circle K franchise in 2022 for Saudi Arabia and the UAE marked an important step in broadening its retail footprint and bringing world-class convenience to local communities. Since opening its first store in Saudi Arabia in 2020, Circle K has strategically positioned stores in high-traffic areas, serving both residents

and travelers. A flagship store was launched at Al Ain University in the UAE, reinforcing the brand's regional reach.

Recent years have seen rapid growth, with 21 new stores added in 2023 and a further 20 openings planned for 2024. In line with its commitment to local economic growth, Circle K has launched a sub-franchise program, creating opportunities for Saudi and UAE entrepreneurs to own and operate Circle K stores — the first UAE sub-franchise agreement was signed in 2024 with world boxing champion Lawrence Okolie.



35+
Stores



Sub-franchise program
launched in KSA and UAE



20+ new
Stores opening in 2024



2M
customer transactions in 2024 across KSA,
400K of which are unique



CIRCLE K FUEL Since 2024

Circle K has become a global leader in convenience and fuel retailing, known for delivering a seamless fueling experience paired with innovative, sustainability-focused solutions. Customers trust Circle K fuel stations for their reliability, efficiency, and commitment to enhancing convenience at every touchpoint.

In 2024, Alsulaiman Group signed the first-ever Circle K fuel franchise agreement globally — a milestone that positions the Group at the forefront of fuel retail innovation in the region. This strategic partnership lays the groundwork for an ambitious growth plan to operate 500 fuel stations across Saudi Arabia by 2030, providing premium fuel services combined with modern retail offerings.

Circle K Fuel's vision is to redefine the fueling experience in Saudi Arabia through smart, accessible stations that integrate sustainability measures such as energy-efficient infrastructure and cleaner fuel options. By expanding this network, Alsulaiman Group aims to support local economic growth, create job opportunities, and contribute to the Kingdom's Vision 2030 goals for sustainable, high-quality infrastructure.



1st
Circle K fuel franchise
agreement globally



500
Planned fuel stations
across Saudi Arabia by
2030



100% focus
on integrating
sustainable fuel and
energy-efficient
solutions



لفسبيس LIVSPACE

LIVSPACE



Your dream home is just a click away



Since 2021

Livspace is a pioneering interior design and renovation platform that is transforming how homeowners create and enjoy their living spaces. Founded in 2014 in Bangalore, India, Livspace has become the largest and fastest-growing full-stack marketplace in the home interiors industry. Its proprietary, award-winning technology platform, Canvas, has successfully organized this traditionally fragmented sector, setting new standards for quality, efficiency, and customer experience.

In 2021, Alsulaiman Group established a joint venture with Livspace, combining its deep market knowledge and strong regional presence with Livspace's innovative design expertise and operational excellence. This partnership enables Livspace to deliver its proven platform and services to homeowners across the GCC.

Livspace began operations in Saudi Arabia in 2022, marking a significant milestone in its international growth. By expanding into the Kingdom, Livspace supports Saudi Arabia's Vision 2030 goals of enhancing quality of life and elevating living standards through better-designed, more functional home spaces.



600+
Projects



#1
largest and fastest-growing interior design platform in Asia



40+
Locations in Riyadh and Jeddah



Our logistics business

Flow

salasa
سلاسة



Flow

FLOW Progressive Logistics



Free people
to live their
best life



Since 2014

Founded by Alsulaiman Group in 2014, Flow Progressive Logistics was created to revolutionize supply chain management in sectors often overlooked due to their complexity — from bulk and heavy goods to fast-moving industries with unique demands. By combining advanced technology, sustainable practices, and deep local market knowledge, Flow has positioned itself as a trusted partner for businesses seeking flexible, efficient logistics solutions.

Flow's integrated services cover the entire supply chain, including international shipping, customs

clearance, warehousing, transportation, and post-delivery value-added services. Its operations span Saudi Arabia, the UAE, and Bahrain, supported by a robust logistics infrastructure and strategic locations such as King Abdullah Economic City (KAEC).

From Launching the company in 2015 to provide express delivery for IKEA customers to expanding customs clearance services at all sea, land, and air entry points, Flow has continually invested in innovation and capacity to keep pace with clients' needs. Its heavy-duty fleet, express delivery network, and advanced distribution centers enable 48-hour deliveries to major cities across the Kingdom, running 24 hours a day, six days a week.

Flow's commitment to operational excellence is further demonstrated by obtaining key licenses and certifications — including Express, AEO, Logistics Operator, SFDA, IKTVA, and Local Content certifications — ensuring compliance, reliability, and alignment with Saudi Vision 2030's local content goals.

Flow is more than a logistics company; it's an enabler of economic development and local job creation. By growing its network, investing in people and technology, and expanding into new regions like Arar, Hail, and Tabuk, Flow contributes to a more connected, competitive, and resilient supply chain landscape for the Gulf.



570+
Fleet vehicles (Trailers,
Trucks, Vans)



100%
coverage of all KSA
entry points for customs
clearance



22
Distribution centres and
Last mile hubs



200,000 m²
flagship facility at KAEC
with **30** loading docks



**IKTVA & Local
Content Certified**
— driving local
economic impact





SALASA



Fulfillment from the e-commerce store to the customer door



Since 2020

Founded in 2016 with a vision to transform the e-commerce landscape in Saudi Arabia, Salasa is now a leading fulfillment partner for online businesses seeking reliable, efficient, and hassle-free order management. Salasa offers a comprehensive turnkey solution that prepares and ships e-commerce orders directly from its advanced fulfillment centers — allowing business owners to focus on growing their brand while Salasa handles the rest.

In 2020, Salasa reached a pivotal milestone when Alsulaiman Group made a strategic investment to

strengthen its financial and operational capabilities. This partnership aligns with Alsulaiman Group's vision to enable innovative businesses that address market gaps and support Saudi Arabia's transition to a thriving digital economy.

With the opening of its main distribution center in Riyadh in 2021, Salasa enhanced its logistical efficiency and regional coverage. The introduction of dark stores in 2023 further expanded its operations, optimizing last-mile delivery and improving service speed for customers across the Kingdom.

Salasa's growth directly contributes to the development of Saudi Arabia's e-commerce ecosystem by helping local businesses scale quickly, reduce overhead costs, and meet rising consumer expectations. Its advanced technology, data-driven processes, and commitment to service quality make it a trusted partner for brands aiming to succeed in the region's dynamic online marketplace.



309
Delivery Locations in Saudi



+13M
Fulfilled Orders





Real Estate

EHTERF
DEVELOPMENT EXCELLENCE

SARH
سارح



SARH Real Estate Holding



Strategic investments, innovative developments, and commitment to sustainability, shaping the future of real estate and beyond



Since 2012

SARH is a pioneering real estate development company under Alsulaiman Group, dedicated to redefining urban living through thoughtful, people-centered design. By creating vibrant mixed-use destinations that seamlessly integrate residential, commercial, and hospitality offerings, SARH enhances quality of life and fosters meaningful connections within communities.

Sustainability is an emerging focus in SARH's developments, with ongoing efforts to integrate responsible building practices and advanced technologies. Through this approach, SARH aims to enhance resource efficiency, minimize environmental impact, and support the well-being of residents, tenants, and visitors.

Through strategic partnerships and an innovative development model, SARH aims to set new benchmarks for livable, future-ready communities that align with Saudi Arabia's Vision 2030 goals for economic diversification, urban development, and improved quality of life.



35+
Mixed-use projects by
2030



500M – 1B SAR
Development value per
project



4
Areas of expertise
(Infrastructure,
Industrial, Residential,
Mixed-Use)



EHTERAF



Shaping Tomorrow: Leaving a Positive Legacy



Since 2012

Ehteraf is a leading real estate development services company under Alsulaiman Group, dedicated to providing comprehensive, turnkey solutions for a wide range of commercial and masterplan development projects.

With a diverse team of professionals who bring deep technical expertise and decades of industry experience, Ehteraf supports clients at every stage — from concept design and feasibility studies to construction management and project delivery.

Through its collaborative approach, Ehteraf leverages best practices in project management, innovative design, and sustainable development to ensure projects meet the highest standards of quality and contribute to the Kingdom's broader vision for economic diversification and urban transformation.



8

On-going projects



500K m²

Built up area



2B SAR

Projects value



10,676



Financial services





TAAJEER FINANCE



Empowering financial confidence for the future



Planned for 2025

In 2025, Alsulaiman Group will expand its portfolio with the strategic acquisition of Taajeer Finance, a trusted provider of Shariah-compliant financial solutions tailored to individuals and businesses across Saudi Arabia. Established in 2016, Taajeer Finance has built a strong reputation for accessible, transparent, and customer-focused financial services that help people achieve their goals with confidence.

Through its nationwide network of branches and digital platforms, Taajeer Finance enables customers to finance vehicles and meet other personal financial needs in ways that align with their values. The acquisition aligns with Alsulaiman Group's vision to broaden its footprint in the financial services sector and support Saudi Arabia's Vision 2030 objective to increase financial inclusion.

By integrating Taajeer Finance, Alsulaiman Group aims to drive innovation in customer experience, expand Shariah-compliant offerings, and strengthen responsible financial practices that empower individuals and businesses to thrive.





Our non-profit arm

السليمان الخيرية
Alsulaiman Foundation



السليمان الخيرية Alsulaiman Foundation

Alsulaiman Foundation



Empowering the future



Since 2023

Giving back to our community has been part of Alsulaiman Group's corporate culture since the beginning. Over the span of more than 40 years, Alsulaiman Group has contributed to hundreds of charitable and social activities.

This year, drawing on our long history of philanthropy and community support, we created Alsulaiman Foundation to continue this legacy as the non-profit arm of Alsulaiman Group. Alsulaiman Foundation is committed to empowering positive transformation in our communities by leveraging our resources and influence to empower societies, drive development, inspire learning, and advocate for the environment. The Foundation aims to further support and enable Vision 2030 objectives and the UN SDGs through four critical pathways.

Following its establishment, Alsulaiman Foundation created Alsulaiman Center for Entrepreneurship, in partnership with INJAZ KSA. The Center aims to qualify and develop future entrepreneurs for the labor market by providing specialized training and education programs in cooperation with international training centers.

Philosophy

At Alsulaiman Foundation, we believe in the importance of empowering communities through innovative initiatives and effective social responsibility programs. We aim to drive positive, sustainable transformation within our communities by leveraging our resources, expertise, and influence to support inclusive development. Working hand in hand with our partners across the profit and non-profit sectors, we focus our efforts on delivering tangible impact that enhances quality of life and builds a better future for all.

Mission

To empower individuals to build a thriving, inclusive community where everyone can succeed.

Objectives

- Make a positive impact on beneficiaries' daily lives
- Support high-quality initiatives with sustainable impact
- Build and invest in strategic partnerships that achieve shared goals
- Engage the wider Alsulaiman Group community in the Foundation's activities

Area of focus

Alsulaiman Foundation is currently in the process of developing and finalizing its social impact strategy and roadmap for the years 2025–2028. This plan spans four years and details 11 initiatives and 13 targets, strategically aligned with our four key pillars, Economic Empowerment, Education Empowerment, Family Empowerment and Environmental Protection.



السليمان الخيرية Alsulaiman Foundation

Alsulaiman Foundation



Since 2023

Economic Empowerment	Education	Family Empowerment	Environment
<p>Focuses on empowering individuals by providing them with the skills and opportunities that enhance their productive capabilities, in line with the requirements of the Saudi labour market.</p> <ul style="list-style-type: none"> Supporting emerging sectors to help create Sustainable Job Empowering startups opportunities Boosting GDP Reducing poverty 	<p>Believes in the importance of supporting education by investing in teachers, enhancing their teaching performance, and improving educational outcomes.</p> <ul style="list-style-type: none"> Improving education quality Promoting lifelong learning Expanding access to education Driving educational innovation 	<p>Aim to enable other family-owned businesses to apply better practices in governance. We will also empower Alsulaiman family members to become responsible shareholders and to play a positive and impactful role in the wider society.</p> <ul style="list-style-type: none"> Strengthening cultural and shared values Enhance the role of family business in national economy and support Vision 2030 Developing leadership skills Supporting family enterprises 	<p>Aims to fulfil our duty of preserving the environment and creating long-lasting impact on our planet.</p> <ul style="list-style-type: none"> Raising environmental awareness Promoting environmental sustainability Contributing to Net Zero Encouraging environmental innovation
Read more	Read more	Read more	Read more

Our partners





مستدام



MUSTADAM Since 2023

Mustadam is a forward-thinking digital non-profit venture committed to revolutionizing the furniture industry. Mustadam's vision is to create a circular economy where furniture is reused, refurbished, and repurposed, minimizing waste and maximizing value. By preventing furniture disposal, we contribute to environmental conservation, reduce carbon footprints, and enhance social equity.

Services and Product Offering.

Mustadam offers an end-to-end solution for individuals and organizations looking to sell or buy pre-loved furniture without the friction traditionally associated with second-hand transactions. Unlike peer-to-peer platforms, Mustadam removes direct interaction between buyers and sellers—ensuring the quality of every item and the safety of the process.

How It Works:



Collection & Transport

Sellers submit their unwanted furniture through Mustadam's digital platform. Once approved, Mustadam arranges pickup and transport to its dedicated warehouse.



Inspection, Cleaning & Refurbishment

Every item undergoes a thorough inspection and quality assurance process. Our team cleans, restores, and refurbishes pieces as needed to meet a high standard of usability and aesthetics.



Professional Photography & Listing

Furniture is then professionally photographed and listed on the Mustadam platform with accurate descriptions and transparent condition reporting—ensuring that what buyers see is exactly what they get.



Seamless Purchase Experience

Buyers browse curated listings, select items they love, and make secure purchases without any back-and-forth with sellers. Mustadam handles everything from warehousing to delivery, eliminating the hassle for both parties.





Making
sustainable
lifestyles exciting



Alsulaiman Group Approach to Sustainability

Our Context

Alsulaiman Group operates at the intersection of a rapidly transforming local and global landscape, shaped by shifting sustainability priorities, economic evolution, and rising consumer expectations. Navigating this dynamic environment requires us to not only keep pace with these changes but to lead by example, setting benchmarks in sustainable practices and operational excellence.

Local Context: Driving Saudi Vision 2030

In alignment with Saudi Arabia’s ambitious Vision 2030, Alsulaiman Group is positioned as a key contributor to the nation’s goals for sustainability, economic diversification, and societal development. Central to this vision is the Kingdom’s commitment to achieving net zero carbon emissions by 2060, supported by progressive national targets such as diverting 100% of municipal solid waste, 60% of construction waste, and 85% of industrial waste from landfills. As a leader in our industry, we recognize the urgent need to address pressing challenges like plastic waste, which currently stands at 1.8kg per person daily—the highest in the GCC.

Vision 2030 also emphasizes sustainable economic growth, underscored by initiatives like the National Industrial Development and Logistics Program (NIDL), which seeks to increase the logistics sector’s GDP contribution from 6% to 10% by 2030. This presents a significant opportunity for Alsulaiman Group to drive low-carbon logistics solutions that align with these national objectives while fostering innovation in the sector.

Developing human capital remains a cornerstone of our strategy. In a rapidly evolving job market, where 60% of workers will require retraining by 2027 (WEF, 2024 Risks Report), Alsulaiman Group is committed to equipping its workforce with the skills and knowledge necessary to thrive. Our approach complements Vision 2030’s goal of reducing unemployment by 7%, ensuring we not only adapt to change but lead in building a skilled, dynamic workforce.

Social development is another pillar of Vision 2030, with SAR 150 billion earmarked for community investments to enhance societal well-being. Alongside these efforts, the rise of Corporate Social Responsibility (CSR) among Saudi businesses underscores the growing importance of community engagement. At Alsulaiman Group, we align with this shift, moving beyond traditional philanthropy toward an impact-driven approach that creates meaningful and lasting change.

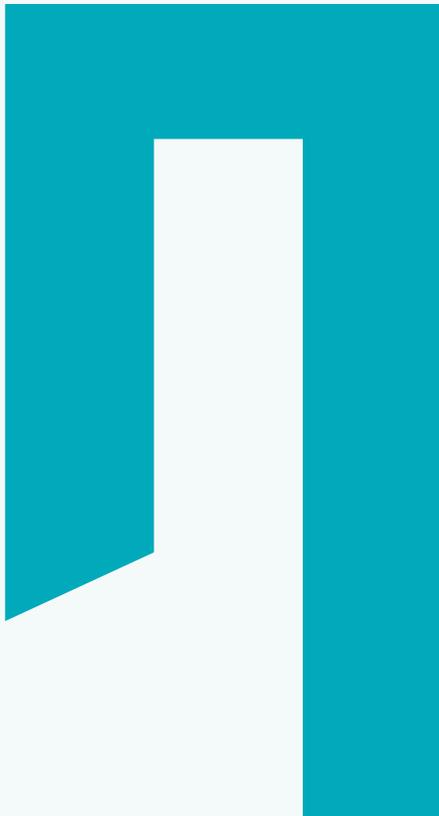
Global Context: Rising Sustainability Expectations

Globally, sustainability is no longer optional but a competitive necessity. Consumers, particularly Millennials and Gen Z, are 27% more likely to choose brands that prioritize environmental and social responsibility. This shift is accompanied by increasingly stringent ESG frameworks, including International Financial Reporting Standard (IFRS) and Tadawul guidelines, which demand higher levels of corporate accountability and transparency.

In this global landscape, Alsulaiman Group’s forward-thinking sustainability framework positions us to not only meet but exceed these rising expectations. By leveraging our business model, we are uniquely equipped to address critical challenges and seize emerging opportunities.

As a leader in our field, Alsulaiman Group is exceptionally well-positioned to:

-  Capture the accelerating consumer demand for sustainable products and services.
-  Normalize and advance the transition to a circular economy.
-  Address market demand for low-carbon operations and logistics solutions.
-  Cultivate a skilled, inspired, and motivated workforce prepared for the future.
-  Transition from traditional philanthropy to an impactful, results-oriented approach.





Our Sustainability Framework

Making sustainable lifestyles exciting is the focus of Alsulaiman Group’s sustainability strategy and the driving force behind our commitment to making a positive impact in everything we do.

In 2024, considering our key drivers and local and global context, Alsulaiman Group developed a sustainability framework to help us embed and operationalize sustainability commitments throughout the Group. Designed to strengthen Alsulaiman Group’s national and regional sustainability leadership, the framework leverages our multi-tiered business model and strong market position. It outlines our strategic objectives and impact across three interconnected tiers of our business: the Group as the holding entity, our portfolio companies, and our non-profit arm, Alsulaiman Foundation.

Building upon the foundation of Alsulaiman Group’s sustainability framework, we are in the process of developing a comprehensive sustainability strategy designed to set the Group’s strategic direction in alignment with short-, mid-, and long-term corporate objectives. This bespoke strategy will enable us to integrate sustainable practices at every level—driving leadership and innovation across our operations, advancing impactful initiatives within our business portfolio, and leveraging our resources and influence to amplify our contribution to empowering communities.





Our Materiality Assessment

Alsulaiman Group's approach to sustainability, including development of our sustainability framework, depends upon input from stakeholders across the Group portfolio.

Our Stakeholders

Alsulaiman Group's primary stakeholders include, but are not limited to:

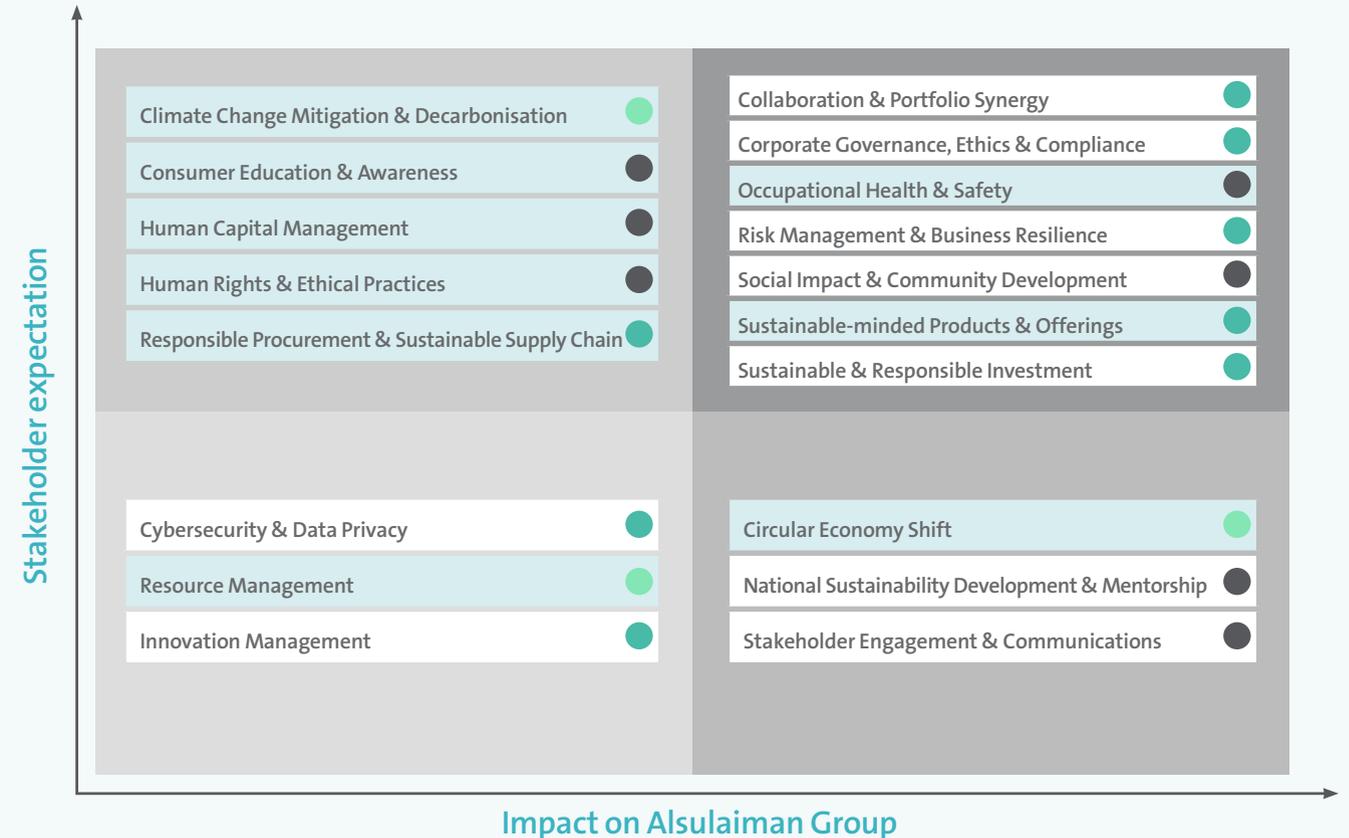
	Coworkers
	Board of Directors
	Shareholders
	Customers
	Civil society
	Governmental entities
	Suppliers
	Regulators
	Franchise requirements
	Media

We prioritize open, transparent communication with these groups and regularly look for opportunities to engage with them throughout the year.

Our Material Topics

Our materiality assessment serves as a critical tool to identify and prioritize the topics that are most material to our business as a whole, as well as those that have the greatest impact on our portfolio companies. This dual approach ensures that we focus on the issues we can effectively manage at both the Group and portfolio levels.

In 2024, we conducted an assessment based on GRI four-step materiality assessment framework. The assessment included desktop research, interviews with internal stakeholders, information audits, surveys, and benchmarking.



Legend:

Top issues with most impact on the portfolio level

- Environment
- Social
- Governance

Note: Lists are in alphabetical order



Our Contributions to National and International Agenda

Vision 2030 is the greatest force for sustainability in our region. As strategic investors, Alsulaiman Group is well-positioned to contribute to the economic diversification goals and industry development critical to the success of Vision 2030 by leveraging our diversified portfolios to mobilize capital, foster innovation, and drive collaboration, innovation and synergy across sectors.

The strategic direction of Alsulaiman Group and our multi-tiered business model means that we are also uniquely positioned to support the ambitions of 14 UN Sustainable Development Goals.





Authentic Leadership



Authentic Leadership

Lead with integrity and ethical principles as part of our mindset, ensuring responsible leadership at every level.

At Alsulaiman Group, we are proud of our heritage family-owned business. Over four decades, Alsulaiman Group has evolved into one of the fastest-growing businesses in the Middle East, growing a strong regional presence and a global outlook while holding fast to the deep values that define our company. This core integrity is one of Alsulaiman Group's defining features. Under the leadership of a talented and committed team of individuals, we are steadfastly committed to rigorous management standards and the strong governance principles that serve as the foundation for successful,

sustainable business and ensure transparency, accountability, and integrity throughout our operations.

We intend to be recognized for our genuine leadership approach and robust governance. We stay true to our heritage and understand our role as both governor and enabler of our portfolio efforts. We guide and support our portfolio companies while empowering them to thrive, ensuring alignment with our core values and sustainability objectives.



Material topics	Value chain impact	Vision 2030 Alignment
<ul style="list-style-type: none"> Corporate Governance, Ethics and Compliance Risk Management and Business Resilience Cybersecurity and Data Privacy 	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Upstream</p> </div> <div style="text-align: center;">  <p>Operations</p> </div> </div>	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>A Thriving Economy</p> </div> <div style="text-align: center;">  <p>An Ambitious Nation</p> </div> </div>



Corporate Governance, Ethics and Compliance

Alsulaiman Group’s governance framework is designed to promote ethical conduct, protect the interests of our shareholders and stakeholders, and enhance long-term value. The framework includes:

- **Group Board Oversight:** Our Group Board of Directors provides robust oversight and strategic guidance to the group overall and to our operations and portfolio companies’, bringing diverse perspectives and expertise.
- **Governance of Portfolio Companies:** Each key portfolio company is overseen by a dedicated Board of Directors that reports back to the Group Board on the business and financial performance of the respective portfolio company. This is supported with a detailed authority delegation framework that defines decision making process between the Group and its portfolio companies.
- **Transparency and Accountability:** We maintain transparent communication with our shareholders and stakeholders, ensuring that our actions and decisions are clear and accountable.
- **Ethical Conduct:** We uphold a strong ethical culture throughout our organization, guided by a comprehensive code of conduct and supported by regular awareness and training activities.

Alsulaiman Group’s governance model is supported with a list of governance policies that are applicable on the group and the portfolio companies including:

	Anti-Corruption
	Anti-Harassment
	Code of Conduct
	Conflict of Interest
	Corporate Governance Manual
	Whistleblowing

Alsulaiman Group’s Board of Directors consists of eight members, with an equal balance of independent and non-independent directors, all of whom serve in non-executive roles. While there are currently no women on the Board, the Group acknowledges the importance of gender

diversity in governance structures and is committed to strengthening representation as part of its ongoing governance development and sustainability priorities.

PORTFOLIO HIGHLIGHT

World-Class Governance Policies and Procedures

As one of IKEA’s largest franchisees, Alsulaiman Group is bound by various strong policies and procedures used by IKEA to enforce and ensure proper governance of its operations. The IKEA Franchisees Code of Conduct (Iconduct) is one of the main policies, encompassing

seven critical aspects to enable our business to contribute positively to our Coworkers, society and the planet .

People and Society	Information Handling
Planet	Health, Safety, and Security
Product Quality and Safety	Business Relations
Business Ethics	



Sustainability Governance Model

Alsulaiman Group's Board of Directors is actively responsible for overseeing the development and implementation of Alsulaiman Group's sustainability strategy and embedding sustainability principles into our corporate governance framework, our corporate strategy, risk management practices, and operational activities. In turn, the CEOs and executive management of Alsulaiman Group and its portfolio companies hold responsibility and accountability for implementing sustainability directives from the Board, and for ensuring all operations remain consistently aligned with the commitments set forth in our sustainability policy and the Group's sustainability goals. Alsulaiman Group's management team is charged with frequently reporting to the Board on the progress of implementing sustainability principles and directives, and for escalating any challenges or associated matters for approval in alignment with the Group Delegation of Authorities.

To further strengthen and embed rigorous sustainability governance across the Group, in 2024 Alsulaiman Group Board directed the company to develop an internal sustainability governance structure, that will further clarify and define engagement and reporting lines for sustainability performance throughout departments and portfolio companies. As a first step in this process, Alsulaiman Group has completed development of the Group's first Sustainability Policy Framework, which is soon to be published.

Ethics and Compliance

At Alsulaiman Group, we are committed to the highest standards of ethical conduct across all our functions and portfolio companies. Our dedication to integrity is embedded in our comprehensive Code of Conduct, which covers a wide range of ethics and compliance topics, including anti-corruption, anti-harassment, conflicts of interest, and other critical areas.

To reinforce these ethical standards and cultivate a culture of integrity, we have implemented ethics awareness and training programs for our employees. These sessions focus on key principles outlined in the Code of Conduct and other ethics-related subjects, ensuring that all employees understand the Group's expectations and are equipped to uphold ethical standards in their daily responsibilities.

In addition, our Whistleblowing Policy provides a confidential and secure mechanism for employees to report unethical behavior without fear of retaliation. This policy is backed by a structured investigation process to ensure all reported incidents are handled fairly and transparently. The Group Compliance function is responsible for receiving and assessing whistleblowing reports, overseeing investigations, and ensuring proper resolution. To maintain objectivity and integrity, the Group Compliance function operates independently from the management team, ensuring impartial oversight of all ethics-related concerns.

Conflicts of Interest

Alsulaiman Group upholds strict ethical standards that include our approach to conflicts of interest as a group, and across our portfolio companies. The policy requires that Board members, coworkers, shareholders, and other "concerned parties" disclose any conflicts of interest case, refrain from participating in decisions where conflicts of interest may arise and prioritize each respective company's interests above personal gain.

The Group Audit and Risk committee monitors implementation of the Code of Conduct and reviews any updates of interest as necessary (such as cross-board membership, cross-shareholding with suppliers and other

stakeholders, existence of controlling shareholders, related parties, their relationships, transactions, and outstanding balances) that must be disclosed to stakeholders. The requirements for disclosing conflicts of interest are outlined in Alsulaiman Group's Corporate Governance manual. Any concerns, including material conflicts of interest, are reported to the respective company's board and to the Group Board via the Audit and Risk committee, which holds responsibility for ensuring all concerns are thoroughly documented and reviewed. To maintain transparency and ensure stakeholders remain informed, key cases are disclosed in the annual report.





Risk Management and Business Resilience

Alsulaiman Group adopts a comprehensive and structured approach to risk management, ensuring alignment with our corporate strategy and sustainability goals. Our risk assessment process, overseen by the Internal Audit Department and supported by the Board and Group Audit Risk Committee (GARC), identifies, evaluates, and prioritizes risks across strategic, operational, financial, and compliance dimensions. This includes the development and periodic review of a Corporate Risk Register, which serves as a dynamic tool for capturing emerging risks and guiding mitigation strategies.

A key component of our risk management framework is the inclusion of Environmental, Social, and Governance (ESG)-related risks. These risks encompass areas such as health and safety, employee retention, responsible supply chain management. By addressing these and other critical risks, we aim to safeguard our business operations while fostering resilience and long-term value creation for our stakeholders.

Type of Risk					
Operational	Information Technology	ESG			
Key risk driver					
Health & Environment	IT Security	Fraud	Health, Safety and Security	Human Retention	Supply Chain
Definition per Alsulaiman Group					
<ul style="list-style-type: none"> In case of outbreak of infectious diseases, governments may implement lockdowns, would adversely affect Alsulaiman Group's business, operations, financial condition and prospects 	<ul style="list-style-type: none"> Inadequate data security measures and management practices increase the risk of data loss or corruption, potentially leading to service disruptions and security breaches for the company 	<ul style="list-style-type: none"> Inadequate segregation of duties in processes may lead to unauthorized purchases or fraudulent activities, increasing the risk of financial loss and compliance violations. Failure to implement a robust three-way match process can result in unauthorized payments, financial discrepancies, and heightened fraud risks. Insufficient Know Your Client (KYC) verification exposes the organization to fraud, legal penalties, and reputational damage 	<ul style="list-style-type: none"> Failure to provide a safe working environment, particularly in adherence to health and safety standards, poses a significant risk to the organization. The absence of a mechanism to identify safety breaches by employees may lead to workplace accidents, injuries, operational disruptions, legal penalties, and reputational damage. A lack of a structured maintenance plan for equipment increases the risk of safety equipment malfunctions during emergencies, potentially causing accidents, operational failures, injuries, and financial repercussions 	<ul style="list-style-type: none"> Failure to attract, recruit, train and appraise employees appropriately resulting in failure to meet business objectives 	<ul style="list-style-type: none"> Disruptions or damages caused by natural disasters, war, climate change, or evolving environmental regulations can significantly impact operations. For example, extreme weather events may disrupt supply chains, causing delays or damage to goods. Inaccurate forecasting can lead to supply and demand imbalances, disrupting operations and negatively affecting sales and profitability



Cybersecurity and Data Privacy

Rapidly evolving technology and accelerating deployment of digital operating and retail platforms, tools, and services make cybersecurity and data privacy are critical priorities. As one of the region's fastest-growing companies and a long-term IKEA partner, Alsulaiman Group is responsible for multiple levels of accountability for cybersecurity and

data privacy. In addition to taking steps to comply with General Data Protection Regulations (GDPR), and Saudi privacy law, Alsulaiman Group's Data Security Department oversees security management via a range of cybersecurity and data protection measures and practices, including:

	Implementing data protection policies
	Conducting biannual cybersecurity and data protection training for our staff
	Ensuring appropriate data processing agreements with our partners
	Regularly reviewing our data handling practices to ensure continuous compliance
	Holding a CCC certificate, with a commitment to achieving ISO 27001 Information Security Management certification by 2026
	Performing regular internal and external audits to assess and evaluate the efficacy of our privacy and security management systems
	Conducting multiple cybersecurity assessments, including VAPT and Security Risk assessments, and security DR drills
	Engaging external cybersecurity auditors to conduct security risk assessments



PORTFOLIO HIGHLIGHT



Evolving Data Security

IKEA has achieved the CCC certification, and we are on track to obtain ISO 27001 certification by 2025, further solidifying our commitment to data security excellence. Our data security department oversees the implementation of security measures, supported by quarterly staff training sessions to foster a culture of awareness and accountability.

During the reporting period, we recorded 638 attempted cyber-attacks, of which 266 were actual incidents. Our Security Operations Center (SOC) actively monitors all cyber incidents and implements tailored responses based on attack patterns, including increasing the severity of security controls where needed. To strengthen our cybersecurity posture, Alsulaiman Group has proactively enabled application monitoring, introduced governance measures for change management on critical systems, and minimized exposure risks by implementing VPN access. These ongoing improvements and controls have contributed to a decline in successful attacks and enhanced overall system resilience.



Market Differentiation



Market Differentiation

Boost our business approach to drive growth and innovation across our ecosystem.

Alsulaiman Group is focused on driving innovation across our ecosystem by pursuing a growth strategy focused on four key industries: Retail, Logistics, Financial services, and Real Estate. Our goal is to build a synergic retail ecosystem that reshapes value chains and helps us redefine customer experience, simultaneously increasing Alsulaiman Group's capacity to deliver value.



Material topics	Value chain impact	Vision 2030 Alignment
<ul style="list-style-type: none"> Stakeholder Engagement and Communications National Sustainability Development and Mentorship Collaborations and Portfolio Synergy Sustainable and Responsible Investment 	<ul style="list-style-type: none">  Upstream  Operations  Downstream 	<ul style="list-style-type: none">  A Thriving Economy  An Ambitious Nation



Stakeholder Engagement and Communications

Alsulaiman Group stakeholders include individuals and entities who stand to be most affected by Alsulaiman Group's operations, as well as those who have the greatest potential impact on our business and our value creation process. These include, but are not limited to, coworkers, partners, suppliers, government officials, consumers, and the communities in which we operate. Our approach to engaging with our stakeholders is focused on ensuring their interests and needs are actively considered as part of our Group strategy and decision-making, and our day-to-day operations.

Our engagement approach is built on open, transparent, and timely communication, complemented by active participation in regional and industry conferences, board meetings, and social media interactions. Additionally, our portfolio companies play a key role in sector-specific national forums, such as the Logistics and Transportation National Committees. These forums focus on advancing their respective industries by identifying challenges, proposing solutions, and driving initiatives that align with both sectoral and public interests.

Alsulaiman Group welcomes two-way communication with any of our stakeholders, and we invite feedback at any time. If a concern is raised by one of our stakeholders, we also aim to resolve the issue as swiftly as possible.

National Sustainability Development and Mentorship

In May 2024, Alsulaiman Group has become one of 19 national companies selected to take part in the Saudi Arabia Sustainability Champions Program led by the Saudi Ministry of Economy and Planning (MEP) in alignment with Vision 2030 objectives. Our CEO Saud Alsulaiman signed Alsulaiman Group's pledge of participation during a special meeting on the sidelines of the World Economic Forum in Riyadh, signifying our commitment to stimulating sustainable transformation and enhancing our sustainability performance. As a Sustainability Champion, we will help drive initiatives designed to accelerate Saudi Arabia's journey to net zero carbon emissions by 2060, and we will serve as a mentor and supporter to five other Saudi companies as they embark on their own sustainability journeys, including disclosure and performance.



SUSTAINABILITY CHAMPIONS
رؤاد الاستدامة





Collaborations and Portfolio Synergy

We are aiming to develop our ecosystem to foster synergy and collaboration across our diverse portfolio companies to drive collective growth and innovation together, while ensuring a responsible investment approach to grow our business.

Sustainable and Responsible Investment

Our investment strategy is to cultivate sustainable long-term growth, create value for our shareholders, and contribute to the sustainable development and economic growth objectives of Vision 2030 and other regional economic objectives. We continuously refine our investment strategy to ensure that we are investing Group resources responsibly, in ways that strengthen and expand Alsulaiman Group's ecosystem. As part of our pre-investment due diligence, we conduct a risk assessment for the investment decisions, including consideration of the likelihood of adverse reactions from customers, consumers, government, and suppliers.

In 2024, we began taking steps to further identify how we can integrate sustainability principles into our investment strategy, including linking our financial returns with any ESG risks and social contributions opportunities associated with managing and rebalancing our portfolio.



Offering Sustainable Products



Offering Sustainable Products

Capture the accelerated consumer shift towards sustainability with innovative and sustainability-minded products and offerings.

Alsulaiman Group's sustainability strategy is driven by our commitment to making sustainable lifestyles exciting. As one of the fastest-growing companies in the Middle East, the actions we take to deliver on this commitment stand to have far-reaching influence throughout Alsulaiman Group ecosystem, our business network, and the region.

Central to this commitment is our dedication to offering products that combine sustainability with consumer needs, ensuring we deliver value with purpose. This drives our efforts to minimize environmental impact and play a pivotal role in advancing the circular economy, embodying a vision of shared responsibility and progress.





Consumer Education and Awareness

Bringing consumers along with us on our sustainability journey is key to making sustainable lifestyles exciting. Consumer-facing portfolio companies who are part of Alsulaiman Group retail ecosystem each have a responsibility to engage in education and awareness activities that help consumers become better informed, enabling them to make responsible decisions about the sustainability of the products and services they choose.

IKEA actively supports more sustainable lifestyles by encouraging customers to make choices that benefit both their homes and the environment. Through in-store displays, product labelling, and workshops, IKEA helps customers understand how to reduce waste, save energy and water, and choose products made from renewable and recycled materials. These consumer education efforts aim to inspire millions of households in Saudi Arabia to adopt more sustainable consumption habits in line with IKEA's vision for a better everyday life.

COMPANY HIGHLIGHT



مستدام

Collaboration

Mustadam collaborates with retailers, merchants, and corporates to strengthen its impact as a sustainable initiative. By working closely with business partners, Mustadam aims to improve waste collection processes, promote recycling, and support the circular economy. These partnerships help drive greater awareness and shared responsibility, ensuring that sustainability becomes an integral part of day-to-day operations across the value chain.





Sustainable-Minded Products and Offerings

Guided by our aim to enhance quality of life through impactful opportunities for people and the environment, Alsulaiman Group is committed to driving innovation in sustainable, high-quality products and services. By empowering our business customers to meet and exceed their customers' expectations, we create value that extends across the entire Alsulaiman Group portfolio. Through our collective efforts, we strive to improve the quality of life for consumers throughout the Middle East.



PORTFOLIO HIGHLIGHT



Making Sustainable Products Part of a Sustainable Lifestyle

IKEA is products that support a healthy and sustainability living.

Also we are committed to offer products in our stores which contributes to sustainability, below are some examples:



Food Containers to Reduce Food Waste.



Energy saving through LED lights including dimmers, timers and motion sensors.



Rechargeable batteries



Saving Energy Water Taps and Showers



Waste sorting products

IKEA is committed to ensuring 100% of its wood and cotton comes from sustainable sources. All our stores serve coffee made from coffee beans that are UTZ/ Rainforest Alliance certified. In addition, single-use plastic and alkaline batteries are not available in any of our stores. To support more sustainable lifestyles, 391 products are available that help consumers reduce water and energy consumption—and associated costs—by up to 15%.

In addition, single-use plastic and alkaline batteries have been removed from our products offering. Incandescent bulbs have also been removed from the assortment, and we only sell LED bulbs.





PORTFOLIO HIGHLIGHT



CIRCLE K

Promoting Healthier Choices and Sustainable Practices

Circle K's product assortments are thoughtfully curated to support healthier lifestyles and respond to evolving consumer preferences. Within its Food for Now and Food to Go ranges, Circle K offers a variety of nutritious options including salads, sandwiches, and wraps. These are complemented by an expanding selection of better-for-you Food for Later products, such as protein and health bars, gluten-free snacks, alternative dairy solutions, and items with reduced sugar and salt content.

In alignment with upcoming Saudi Food and Drug Authority (SFDA) regulations taking effect on 1 July

2025, Circle K is fully prepared to comply with new requirements concerning sodium levels and calorie burn information across its menus and packaging.

Sustainability is also embedded in Circle K's packaging strategy. All packaging materials are responsibly sourced to minimise environmental impact while ensuring product freshness and safety. As part of its circular economy efforts, Circle K is introducing a community initiative to repurpose used coffee grounds, which will be made available to customers free of charge for use as a natural, nutrient-rich soil enhancer.



Customer Experience and Engagement

The Group remains firmly committed to engaging its customers and continually enhancing their experience through innovative solutions, exceptional service, and a deep understanding of evolving needs.

PORTFOLIO HIGHLIGHT



IKEA

Expanding Reach and Enhancing Customer Access

IKEA continues to demonstrate its commitment to accessible, customer-focused retail by reaching and serving millions across Saudi Arabia and Bahrain. In 2024, the brand recorded over 18 million unique visits through its integrated physical and digital channels—reflecting strong and growing customer engagement.

To ensure convenience and reach, IKEA has mapped its coverage across last-mile delivery cities, achieving 81% population coverage when focusing on core city populations, and up to 94% when including surrounding towns and villages within the same governorates. This strategic accessibility highlights IKEA's dedication to delivering quality, affordable home solutions while strengthening community connections across the region.





PORTFOLIO HIGHLIGHT

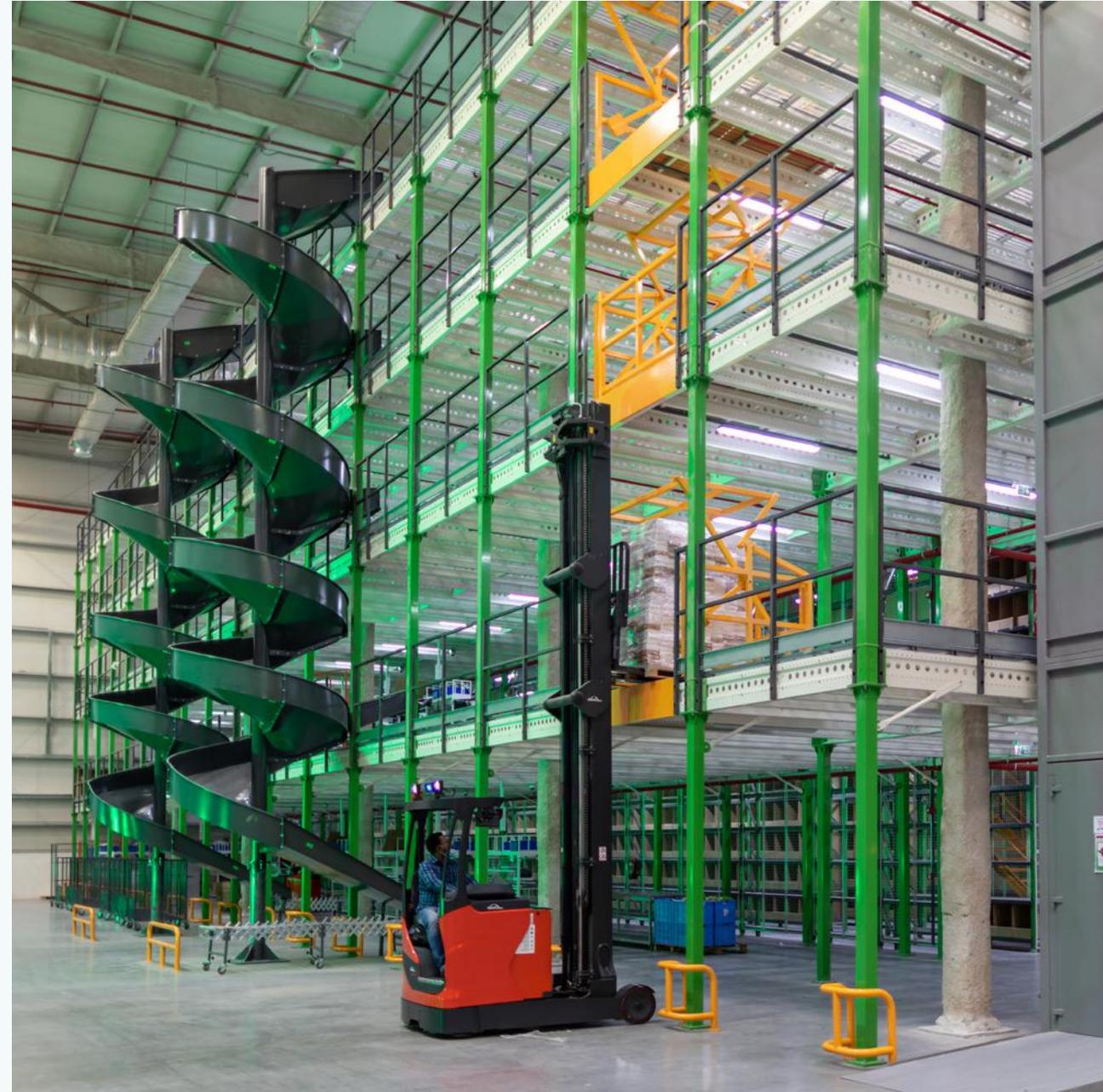


Flow

Strengthening Customer Partnerships Through Engagement

Flow works with a cross-section of customers, including government agencies and entities, distributors, importers, exporters, the food and beverage industry, and a range of consumer-facing customers including manufacturers, e-commerce companies, and retailers. These customers depend upon logistics services for efficient transportation, supply chain management, warehousing, and delivery solutions that ensure their goods reach the right place at the right time.

In addition to weekly and monthly performance monitoring and reporting, Flow engages in weekly client calls to directly engage on pain points, opportunities for improvement, and requests. The results of these calls are communicated via weekly internal operations meetings and meetings with other departments as needed. As a next step towards customer engagement, Flow is also working to introduce regular face-to-face customer visits where possible.



PORTFOLIO HIGHLIGHT



Accelerating Growth

Salasa has partnered with Jahez Group, a leading lifestyle technology platform in the Middle East, to accelerate the growth of Saudi Arabia's e-commerce sector.

Together, they deliver innovative services that enhance customer experiences and streamline operational efficiency, setting new benchmarks for flexibility and innovation.

Through this collaboration, Salasa customers can access three of Saudi Arabia's most population online platforms—Jahez, Pik and Blu—enabling seamless business scaling across multiple channels. Jahez merchants also benefit from Salasa's expanding dark store network, improving delivery speed and minimizing last-mile logistics to support sustainability.



Innovation Management

Alsulaiman Group embraces innovation management as a cornerstone of our strategy, leveraging digital technologies to drive efficiency, sustainability, and exceptional customer experiences. By integrating advanced digital tools into our operations, we enhance efficiency, create innovative solutions, and transform customer interactions across our portfolio. This commitment to innovation empowers us to stay ahead in a rapidly evolving world while delivering sustainable value to our stakeholders.

PORTFOLIO HIGHLIGHT



Promoting Sustainability by Design

As part of Alsulaiman Group's role as the knowledge sponsor for Designation 2024 in partnership with the Art and Design Commission, Our Alsulaiman Group IKEA team held a workshop on IKEA's 5D democratic design approach, which focuses the design proves of form, function, sustainability, quality and price. The team also contributed to Designation events by creating challenges for participants designed to help open up new pathways for the provision of more vibrant and sustainable solutions and product designs.



Responsible Procurement and Sustainable Supply Chains

Alsulaiman Group is committed to fostering responsible procurement and building sustainable supply chains that reflect our values of integrity, sustainability, and social responsibility. Through ethical sourcing practices, supplier assessments, and the promotion of fair labor standards, we aim to ensure that our operations and partnerships contribute to a more equitable and sustainable future. By embedding these principles across our supply chain, we create lasting value for our business, our partners, and the communities we impact.

As part of our commitment to responsible business conduct, all in-unit service providers engaged by Alsulaiman Group are required to adhere to the Group's Supplier Code of Conduct. This mandate ensures alignment with our standards, particularly regarding human rights, fair wages, occupational safety, and ethical practices. Our governance approach integrates the requirements into contracts and verification mechanisms, applying them across cleaning, security, logistics, and other operational services. Looking ahead, we are

prioritizing the elevation of accommodation standards for service provider employees. This includes risk-based verifications and structured engagement to close any identified non-conformities, ensuring all living conditions meet or exceed company and legal thresholds for dignity and safety.

PORTFOLIO HIGHLIGHT



Ethical Procurement and Supplier Standards

Alsulaiman Group is committed to implementing the IKEA IWay policy, which encompasses key principles that define IKEA's stance on responsible procurement of products, services, materials, and components, along with requirements applicable to suppliers.

Intended to govern the company's relationships with suppliers and business partners, the IWay policy's principles and requirements are based upon internationally recognized standards such as the UN Guiding Principles on Business and Human Rights (UNGPs), which in turn are based upon the ten principles of the UN Global Compact, along with the UN SDGs and the ILO Centenary Declaration for the Future of Work.

GROUP HIGHLIGHT



Local sourcing

Alsulaiman Group strategically prioritizes local sourcing to stimulate economic development and build resilient supply chains in Saudi Arabia and Bahrain. Local suppliers receive preference during procurement decisions, particularly when aligned with IWAY values such as decent work, compliance, and environmental care.

To support long-term local capacity building, we have launched awareness and training initiatives focused on IWAY compliance mandate for domestic vendors. Through these engagements, including IWAY onboarding sessions, and Supplier Code of Conduct briefings, we are enabling local partners to evolve from basic compliance to more sustainable and circular practices. This future-looking approach strengthens our supplier ecosystem while reinforcing our contribution to national sustainability goals.



85% of overall suppliers are local across our operations
71% in Saudi and 13% in Bahrain.



84% of Flow's suppliers are Saudi Arabia based.



Empowering Our People



Empowering Our People

Empower and upskill our people within a safe, respectful, and engaging working environment.

As one of Saudi Arabia's leading employers, Alsulaiman Group directly impact the lives and livelihoods of millions. Through our business model, services, and products, we are committed to driving lasting positive change across Alsulaiman Group portfolio. Our efforts aim to enhance the quality of life for our coworkers, partners, and the communities we serve—today and for generations to come.



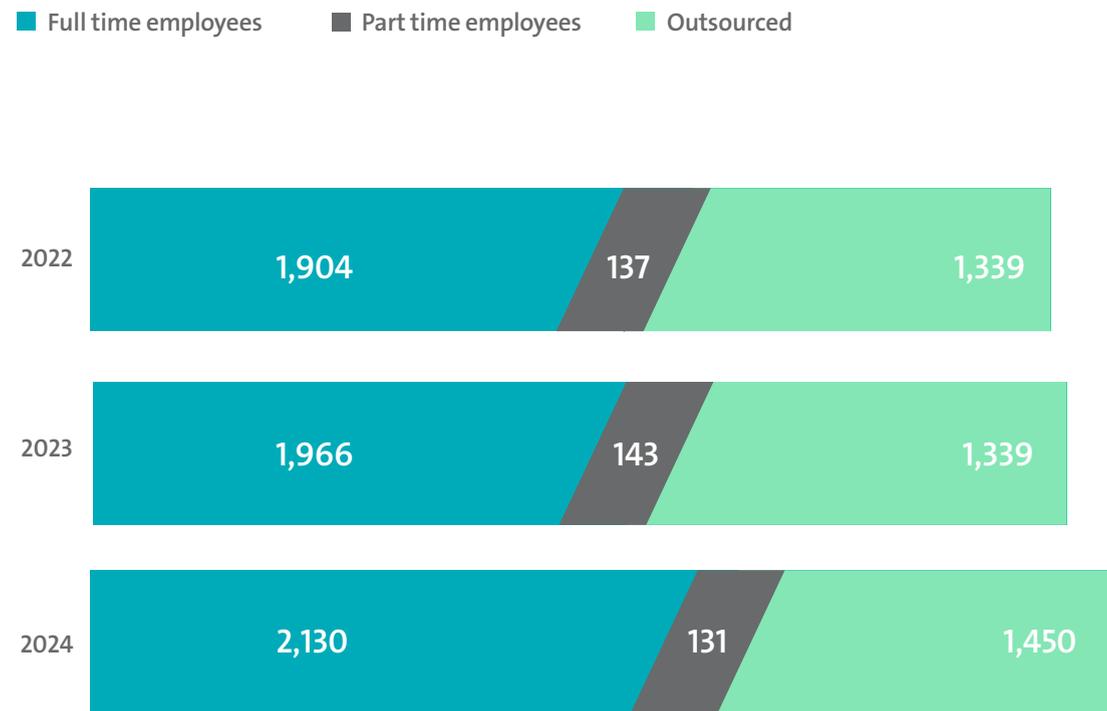
Material topics	Value chain impact	Vision 2030 Alignment	
<ul style="list-style-type: none"> Human Capital Management Occupational Health and Safety Human Rights and Ethical Practices 	 Operations	 A Thriving Economy	 An Ambitious Nation



Human Capital Management

We put people at the heart of our company, and we are dedicated to cultivating a workplace culture that is welcoming, diverse, and full of opportunity for individuals of all ages, genders, capabilities and work stages to create and enjoy successful careers. In 2024, the total number of full-time employees across IKEA, Alsulaiman Group Head Quarter, and Flow increased by 8% compared to 2023, which reflects the company's continued growth and operational expansion.

Workplace Composition (Number)*



*Full time employees numbers include Alsulaiman Group Headquarter, Flow and Ikea





Diversity and Inclusion

Alsulaiman Group is focused on creating an inclusive workplace that nurtures every person who is part of our Group. We are dedicated to empowering women by supporting their career growth within a safe and inclusive workplace and providing equitable access to leadership roles and support throughout their careers, while targeting 40% female employment across Ikea by 2030.

Full time and Part Timer Employees(Number)*



*Numbers include Alsulaiman Group Headquarter, Flow and Ikea full time and part time employees

PORTFOLIO HIGHLIGHT




Empowering Women in the Workforce

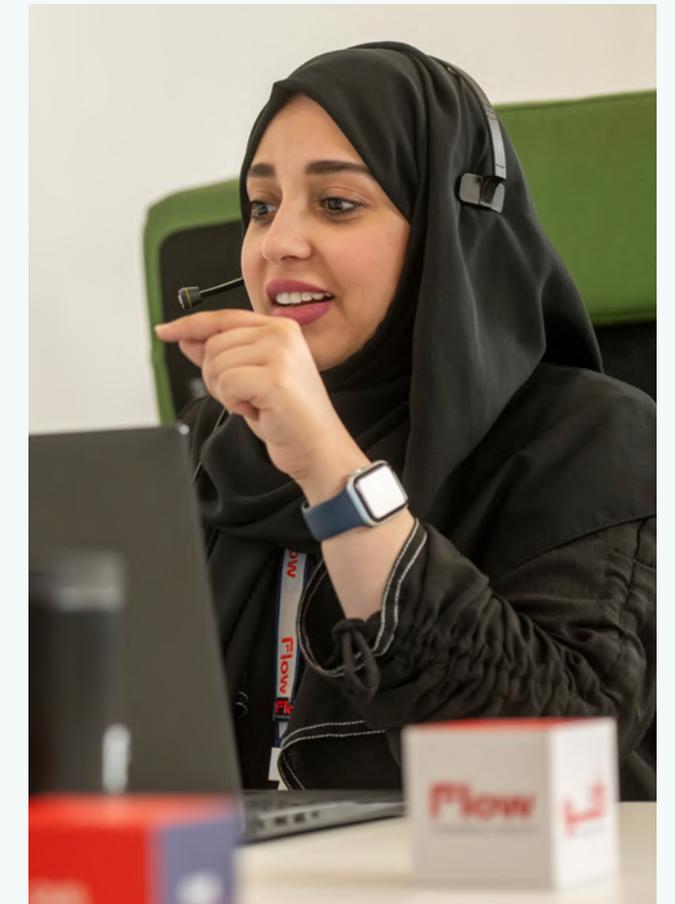
Flow and IKEA are two flagship examples of the ways that all companies within Alsulaiman Group are committed to equipping, enabling, and empowering women in the workforce.

Two future female leaders of Alsulaiman Group, from Flow and IKEA, respectively have also completed the recently launched Future Women Leaders Development Program at the Saudi Logistics Academy. Supported by Alsulaiman Group and launched in partnership with the Republic of Singapore's Academy of Supply Chains and Logistics Services (SCALA), the program is designed to quality and empower 15 female leaders in the logistics sector in Singapore via a hybrid course of online and in-person, Singapore-based workshops, training sessions, site visits, and on-the-job experience.

Female coworkers and their achievements are regularly celebrated via the Women of Flow: Voices & Visions series on the company's LinkedIn page. Here, the women of Flow share their success stories and their journeys with the aim of showcasing female talent and inspiring others.



In keeping with our intent to create an inclusive workplace, we are currently obtaining Mowaamah certification to ensure our facilities are appropriately set up and accessible for people with disabilities. Affiliated with Saudi Arabia Ministry of Human Resources and Social Development, the Mowaamah program aims to enable people with disabilities to obtain suitable job opportunities, and to provide them with the facilities and tools they need for success.





Youth Development

Alsulaiman Group supports a variety of programs and initiatives that upskill and equip capable youth with the skills and knowledge they need to build thriving careers. One such initiative is the 'Tamheer Program,' which offers six months of paid on-the-job training in collaboration with the Human Resources Development Fund (HRDF), designed to support Saudi youth by providing them with the necessary skills and experiences to be well-prepared for the labor market.



PORTFOLIO HIGHLIGHT



Flow

Supporting Saudi Youth Through the Flow–Saudi Logistics Academy Partnership

Flow Progressive Logistics is committed to creating meaningful opportunities for Saudi youth, strengthening the national workforce, and advancing the Kingdom's Vision for a thriving logistics sector. A key initiative supporting this commitment is Flow's strategic partnership with the Saudi Logistics Academy under a structured Work-Study Model.

Launched in early 2024 and now supporting its eleventh cohort and with 60 students being part of this program in 2024, the program aims to equip young Saudi talent with the practical skills and on-the-job experience they need to succeed in a dynamic, fast-evolving logistics industry. Through this partnership, Flow provides students with employment contracts under the General Organization for Social Insurance (GOSI) and training arrangements managed through the Ministry of Human Resources and Social Development's Qiwa platform.

Each student undergoes a structured On-the-Job Training (OJT) phase — a comprehensive three-month and two-week program that exposes them to core areas of Flow's operations, including

warehousing, last mile delivery, inbound and outbound operations, inventory control, and administrative work. Placements are carefully aligned with both business needs and students' academic backgrounds and interests, ensuring the training is relevant and impactful. Students who complete their OJT successfully transition to full-time employment (FTE) with Flow, creating clear career pathways for motivated young professionals.

The program's financial model is equally supportive: students receive a fixed monthly salary while studying, with 50% of their salary funded by the Human Resources Development Fund (HRDF) during the training period. This funding helps Flow and its partners invest in the future workforce while contributing to national Saudization and localization goals.

Flow's collaboration with the Saudi Logistics Academy is more than a training program — it is a strategic national initiative designed to develop local capabilities, empower youth, and strengthen the Kingdom's supply chain sector for years to come.

Flow onboarded 60 Saudi youth through this program.



الأكاديمية السعودية للوجستية
Saudi Logistics Academy





PORTFOLIO HIGHLIGHT



Paving the Way for New Logistics Professionals

In alignment with Vision 2030 objectives for workforce development, Salasa partnered with the Saudi Logistics Academy to train and mentor promising students. With the successful graduation of trainees, the first cohort of potential hires is set to join the Academy in 2025. This initiative will strengthen the company's capabilities while contributing to the growth of skilled talent in the logistics sector.



PORTFOLIO HIGHLIGHT



Empowering Future Industrialists

In January 2024, Alsulaiman Group sponsored the second edition of our Future Industrialists Initiative held under the patronage and presence of His Highness Prince Saud bin Abdullah bin Jalawi, Governor of Jeddah. Originating from the Association of Outstanding Initiatives in Social Responsibility, the Future Industrialists initiative reflects Alsulaiman Group's dedication to advancing education and disseminating knowledge with the aim of contributing to the advancement of Saudi Arabian society and economy.

Led by Flow, the program is pivotal in moulding the future of the Saudi students by preparing them to adeptly handle challenges within the logistics and supply chain. In addition to supporting the program financially, Flow also created opportunities for on-site learning visits for up to 8,000 students from the King Abdullah Economic City on a weekly basis.

PORTFOLIO HIGHLIGHT



Sub-franchise Program

The Circle K sub-franchise program is designed to empower local entrepreneurs across Saudi Arabia and the UAE, giving them the opportunity to own and operate their own Circle K stores. By lowering barriers to entry and providing strong operational support, the program helps stimulate local economic growth, create new jobs, and strengthen the role of small businesses in communities. This model not only broadens Circle K's reach but also fosters a spirit of entrepreneurship and contributes to more resilient local economies in line with Vision 2030.





Workforce Localization and Nationalization

Since our foundation, Alsulaiman Group has greatly contributed to the development of Saudi Arabia's national competencies, and cultivated a workforce made up of talented professionals from within the areas local to our operations. For sustained period, Alsulaiman Group has maintained a 55% Saudization rate in our IKEA Alsulaiman in Saudi Arabia, and a 71% Bahrainization rate in Bahrain IKEA operation.

Education and Training

To enable the full potential in each employee, Alsulaiman Group offers a spectrum of professional development opportunities and career planning resources, including succession planning schemes, individual development planning, and education and training through our own learning hub and external training opportunities.

In 2023, we conducted a training needs analysis to identify gaps and opportunities in our current training approach, with the aim of developing new offerings to meet growing needs in the near future. We offer a variety of training delivered via an online learning hub, LinkedIn, and in-person classroom sessions, as well as on-floor training in retail facilities where appropriate.



Core elements of our training offer include but are not limited to:

- Leadership Training – Leading the Commercial Agenda
- Shopkeeper Training
- Leadership development through IKEA's ILead program
- IKEA Concept Training
- Retail Review Training
- Health and Safety Training



PORTFOLIO HIGHLIGHT



Flow

Youth Empowerment

As part of its commitment to empower Saudi youth, in 2023, Flow formalized a strategic partnership with the Technical Services and Maintenance Cooperative, an initiative that aims to prepare graduates for career pathways within the growing field of home improvement.

The initiative was formed under the auspices of the Ministry of Human Resources and Social Development, with Mr. Ahmed Al-Majed, Deputy Minister of Society Development, and Mr. Maan Alangari, Director general of Cooperative Associations.

In a parallel development in February 2024, Flow Progressive Logistics renewed its strategic partnership with the Saudi Logistics Academy under the patronage of H.E the Minister of Transport and Logistic Services, Eng. Saleh Al-Jasser. This marked a continuation of a successful collaboration that has already seen the graduation of 50 participants from the Program. The partnership aims to train and qualify an additional 100 Saudi national in 2025.



Occupational Health and Safety

Keeping people safe and supporting their health and wellbeing is one of Alsulaiman Group's highest priority and is an important extension of our commitment to making sustainable lifestyles exciting. We uphold and enforce strict health and safety standards, procedures, and management practices across the Group. Most of our coworkers participate in regular health and safety training,

including job-specific and site-specific health and safety training.

We also offer a variety of initiatives to support the physical and mental health of our coworkers, including awareness sessions for breast cancer, memberships in fitness clubs, vaccine campaigns, and other wellness programs.



PORTFOLIO HIGHLIGHT



Maintaining High Safety Practices

At IKEA, health and safety are fundamental to our operations, ensuring a secure and well-supported environment for all coworkers, including third-party staff. IKEA's proactive measures extend to addressing workplace Hazards through daily inspections, risk assessments and employee feedback. For non-routine tasks, we implement risk assessments and employee feedback. For non-routine tasks, we implement risk assessments, incident investigations, and change management processes to ensure safety at every step. Health and Safety are further reinforced during the hiring process, with mandatory medical checks conducted confidentially in collaboration with healthcare providers and authorities.

We emphasize employee participation in shaping our occupational health and safety ((OHS) management system. This includes consultation meetings, coworker interviews, and system evaluations through regular audits and inspections. All coworkers are covered under IKEA's health and safety framework, with health insurance provided to all coworkers and proper coverage ensured for third-party contractors. We also provide training programs that include material handling, machine operations, first aid, and fire safety training, alongside certifications for Firefighter and First Aiders, who are available 24/7 to support store safety.

PORTFOLIO HIGHLIGHT



Flow

Putting Safety Into Practice

Alsulaiman Group portfolio companies share a collective commitment to the health and safety of all coworkers. Flow Progressive Logistics is one example of how our portfolio companies are putting safety into practice. In addition to compliance with all government regulations, Flow's health and safety practices include maintaining ISO 45001 Occupational Health and Safety Standard, conducting regular routine and non-routine inspections, assessing and addressing potential health and safety risks, and providing quarterly safety training for all coworkers. The company applies the Hierarchy of Controls approach (Elimination, Substitution, Engineering Controls, Administrative Controls, and PPE) to embedding health and safety practices throughout its day-to-day operations, and a Safety Team is designated for each work area to ensure safety regulations are properly implemented and all hazards are eliminated. Under the leadership of Hub managers, who are responsible for their workers' operations and safety, daily physical safety checks are carried out on site, and a safety team monitors operations 24/7. When safety issues arise, they are reported by the safety team. When necessary, escalations are reported to the HSSE manager who reports directly to the CEO.



Human Rights and Ethical Practices

Alsulaiman Group takes pride in our ethical practices and our approach to ensuring all individuals associated with Alsulaiman Group are treated fairly and with respect. All Alsulaiman Group portfolio companies must comply with all labor laws and regulations in the regions in which we operate. Our portfolio companies must also fairly and impartially address ethics violations and grievances in accordance with Alsulaiman Group's grievance procedures. This is communicated and available internally and included in the coworkers onboarding process.



Whistleblowing Policy

Alsulaiman Group has a formal Whistleblowing Policy in place that applies to all coworkers within the Group and its portfolio companies.

The policy provides a secure and confidential channel for reporting critical or sensitive concerns. Reports submitted through this channel are handled by an independent function, separate from both Group and subsidiary management, to ensure impartiality and the integrity of investigations. Alsulaiman Group strictly prohibits any form of retaliation against individuals who report in good faith.

In addition to the whistleblowing mechanism, coworkers are encouraged to raise concerns or report misconduct through their direct managers or Human Resources functions, depending on the nature and sensitivity of the issue.

The Group upholds the fair and impartial administration of all personnel policies and is committed to protecting the rights and dignity of its employees. While most concerns are resolved promptly and informally, Alsulaiman Group ensures that every grievance receives timely, fair, and respectful attention in line with our values of trust and integrity.



Transitioning to Net-Zero



Transitioning to Net-Zero

Transition to low carbon operations and capture the market demand for low carbon logistics.

From retail and real estate to Financial Services and logistics, Alsulaiman Group recognizes the far-reaching environmental impacts of our diverse business ecosystem. As our portfolio continues to grow, we remain steadfast in

our commitment to driving change by mitigating climate change, decarbonizing our operations, and contributing to Saudi Arabia's ambitious net zero goals.



Material topics	Value chain impact			Vision 2030 Alignment
Climate Change Mitigation and Decarbonization	 Upstream	 Operations	 Downstream	 A Thriving Economy



Climate Change Mitigation and Decarbonization

We recognize the vital importance of addressing climate change and remain fully committed to supporting the transition to a low-carbon economy. Together with our portfolio companies, we are actively developing and implementing strategies to reduce greenhouse gas emissions across our operations. Notably, our portfolio company IKEA has recently announced plans to establish a comprehensive decarbonization strategy.

This year, we intensified our portfolio-wide efforts toward achieving net zero. These efforts are anchored in Alsulaiman Group's commitment to transitioning to renewable energy sources across our retail stores and facilities wherever feasible. As part of this commitment, we installed solar panels at the Madina Store in 2024, now supplying 15% of the store's energy consumption marking a tangible step toward more sustainable operations. Additionally, we continue to expand our range of sustainable products, empowering customers to reduce their own environmental footprint and contribute to a more sustainable future.

PORTFOLIO HIGHLIGHT



Madina Store — Advancing Environmental Stewardship Through Impact Assessment

As part of its commitment to responsible growth and environmental stewardship, IKEA conducted a comprehensive Environmental Impact Assessment (EIA) for its new store in Madina (Hadarah District). This study was commissioned by Arkan Al Tamir Real Estate Company, ensuring the project aligns with Saudi Arabia's environmental regulations and best practices. The assessment covered all aspects of the project's potential impact — beginning with a detailed introduction outlining the study's purpose, scope, and

methodology. It reviewed the institutional, regulatory, and legislative frameworks at the national, regional, and international levels, demonstrating full alignment with the Kingdom's environmental standards and its global commitments.

Potential environmental impacts were identified, analyzed, and evaluated using robust assessment methods. Clear mitigation plans were developed to minimize any negative impacts, complemented by a comprehensive Environmental Management Plan (EMP) outlining monitoring, emergency response, rehabilitation, roles and responsibilities, capacity building, and transparent reporting mechanisms.

In the short term, the EIA aims to embed environmental considerations early in the project life cycle, optimize resource use, strengthen design, and ensure effective stakeholder engagement. In the long term, the study supports integrated natural resource management, alignment with national sustainable development goals, and the protection of community well-being. Ultimately, this initiative reflects IKEA commitment to transparent decision-making, cost efficiency, and safeguarding the environment for future generations — while delivering a new retail experience that aligns with Saudi Arabia's Vision 2030 sustainability ambitions.



Enabling a Circular Economy





Enabling a Circular Economy

Enable and normalise the shift to circular economy to rewrite our economic system.

Circular economy is a strategic priority at the portfolio level. By leveraging our existing sustainability-differentiated portfolio and product leadership, Alsulaiman Group is well-positioned to capitalize on this trend. Our commitment to the circular economy allows us to build on our strengths and drive innovation within our portfolio companies while enhancing resource efficiency and economic resilience.

For existing portfolio companies, we aim to identify opportunities for adopting circular economy practices, ensuring that our operations minimize waste and maximize resource re-use. Additionally, we explore potential acquisitions that align with our circular economy goals, positioning us as a key driver and beneficiary of this economic model. This strategy provides our team with valuable insights and considerations for scanning market opportunities and informs our long-term growth and acquisition plans.



Material topics	Value chain impact	Vision 2030 Alignment
<ul style="list-style-type: none"> Circular Economy Shift Resource Management 	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>Upstream</p> </div> <div style="text-align: center;">  <p>Operations</p> </div> <div style="text-align: center;">  <p>Downstream</p> </div> </div>	<div style="text-align: center;">  <p>A Thriving Economy</p> </div>



Circular Economy Shift

As an active supporter of Vision 2030 and UN SDG aims for sustainable economic development and a circular economy, Alsulaiman Group has been working steadily to contribute to our region's rapidly evolving circular economy through our ecosystem.

In a further step towards accelerating the growth of a circular economy for products within the regions in which we operate, we recently launched Mustadam. Mustadam is a new, non-profit company co-founded by Alsulaiman Group in conjunction with other family companies, to divert used furniture away from landfill, creating new, valuable channels of reuse for furniture items through refurbishment, repair, and donation.

Empowering a Closed-Loop Circular Economy

In the digital age, electronic waste (e-waste) has become one of the world's fastest-growing waste streams, driven by rapid technological advancements and shorter product lifecycles. These discarded devices contain valuable materials like gold, silver, and rare earth elements, as well as hazardous components, underscoring the urgent need for effective recycling and repurposing systems.

Therefore Alsulaiman Group has invested and partnered with Cartlow, a pioneer player in the MENA region's green tech revolution. Cartlow is leading the way in e-waste

management through advanced technologies that enable a closed-loop system. By leveraging artificial intelligence, Cartlow optimizes processes across recyclers, reverse logistics, and supply chains while promoting recommerce through direct-to-consumer platforms, retail stores, and B2B channels.

Since 2019, Cartlow has recirculated over 500,000 electronic devices, saved approximately 325 tonnes of e-waste and avoiding more than 57,000 tonnes of CO2 emissions. These efforts align with Vision 2030 and net zero 2060 targets while reducing environmental and health risks associated with informal e-waste operations in developing regions.

PORTFOLIO HIGHLIGHT



Flow

Driving Impact Through Circular Logistics at Flow

Flow continues to advance its environmental commitment through an innovative carton and plastic recycling program, through a closed-loop recycling process, cartons used for deliveries are returned to hubs, sorted, and reused — minimizing waste at the source.

In 2024, the company recycled over 909 tons of waste. The Riyadh Hub alone contributed over 818 tons, underscoring the effectiveness of centralized waste collection.

This initiative spans multiple cities including KAEC, Dammam, Qassim, Jeddah, and Madinah, with a total of 90.74 tons of plastic also diverted from landfill. These efforts demonstrate Flow's operational commitment to sustainability through practical, high-impact logistics solutions.

COMPANY HIGHLIGHT



مستدام

In its first year, the program made a meaningful social and environmental impact by supporting over a thousand families and extending the life of second-hand furniture across 20 cities in Saudi Arabia. By rescuing and reselling items that would have otherwise gone to waste, the initiative not only reduced landfill pressure but also contributed to measurable carbon

emissions offsets. The environmental benefit is comparable to the annual carbon absorption of thousands of trees or the energy saved from charging millions of smartphones — demonstrating the program's potential to combine circular economy principles with tangible community value.

Our First-Year Impact



14.7 metric tonnes of second-hand furniture rescued and resold, giving each item a second life while reducing waste



Approximately 58 metric tonnes of CO₂ emissions Offset



Active buyers in 20 cities across the Kingdom



1,409 families supported

That's the environmental equivalent of:



The annual carbon absorption of approximately 2,760 trees, or



Charging over 7 million smartphones



Resource Management

Effective resource management is integral to our operations at Alsulaiman Group. By optimizing the use of resources, materials and water across our portfolio companies, we aim to minimize consumption and enhance operational efficiency while reducing environmental impacts. This approach ensures that our businesses not only meet current needs but also contribute to a more sustainable future for the communities we serve.

In 2023, Alsulaiman Group continued with the process of eliminating plastic bags across all retail stores to the use of more sustainable options such as paper or cotton, and we are on track to complete the transition imminently. Over the past four years, Alsulaiman Group has partnered with third-party recyclers to manage end-of-life electronic equipment, including UPS units, monitors, laptops, and printers. This effort has helped divert electronic waste from landfills and enabled the safe recovery of materials. A total of 397 devices have been recycled to date as part of this ongoing initiative.

PORTFOLIO HIGHLIGHT



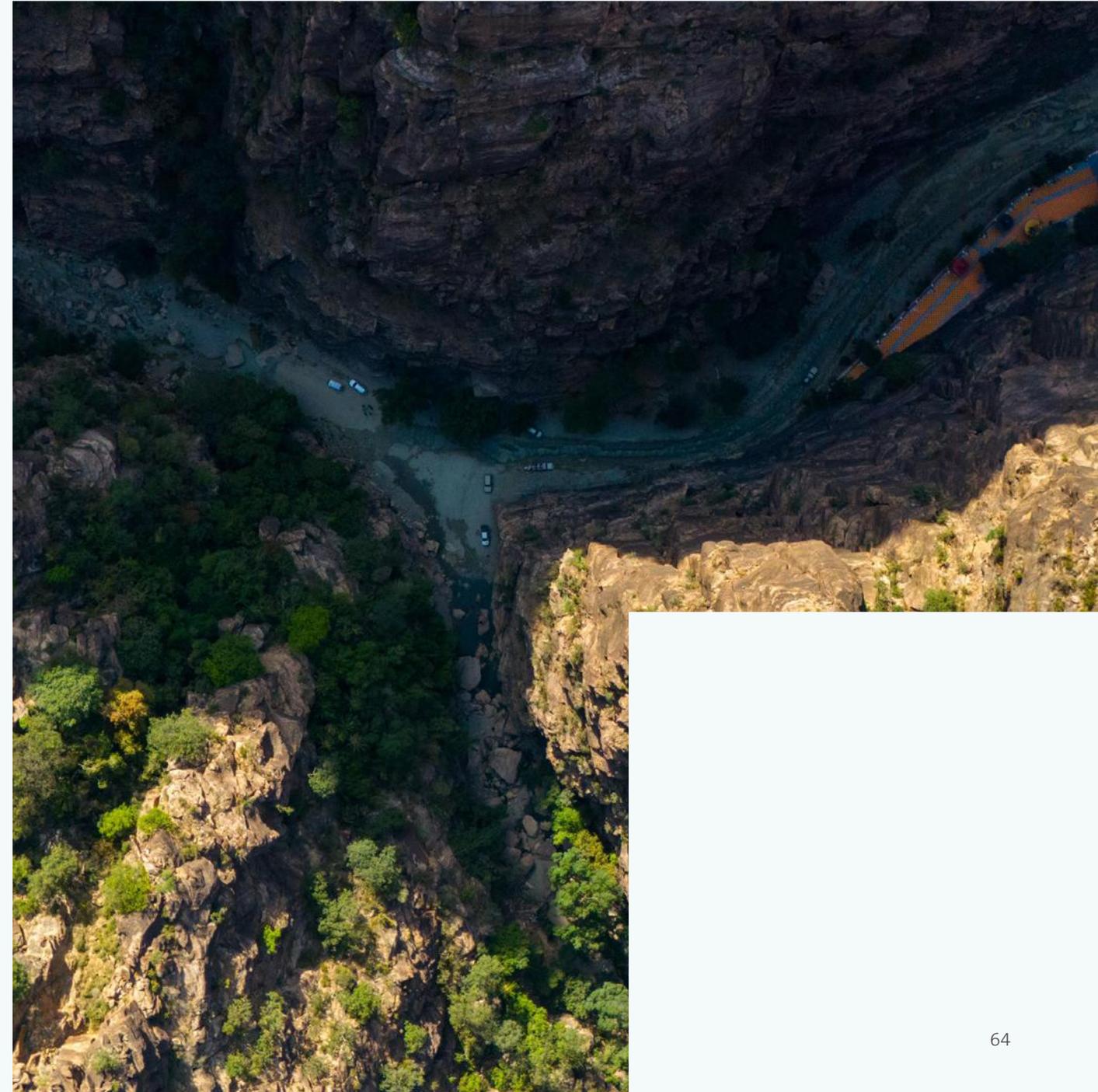
Water Conservation

To minimize water consumption across its operations, IKEA has installed motion sensor taps in all stores, ensuring that water is only used when needed.

At its Madinah, Thumamah, and Bahrain locations, IKEA has taken further steps by implementing greywater recycling systems and on-site Reverse Osmosis (RO) plants. These technologies allow water

from sinks and other non-potable sources to be treated and reused for purposes such as irrigation and toilet flushing.

By integrating these solutions into daily operations, IKEA is actively reducing freshwater demand and promoting more sustainable water management practices throughout its retail environment.





Deepening Community Ties



Deepening Community Ties

Leverage our legacy, resources and influence to amplify our core value of empowering our communities.

Community development lies at the heart of Alsulaiman Group's identity. Rooted in our heritage and driven by our resources, we are dedicated to fostering positive change and contributing to the nation's broader social development and community engagement goals. This commitment is not merely a strategic priority—it

embodies our core values and reflects our responsibility to give back to the communities that have shaped us.

Through our Foundation, we aim to build a lasting legacy of empowerment and support, creating meaningful, sustainable transformations that uplift the communities we serve.



Material topics	Value chain impact	Vision 2030 Alignment
<p>Social Impact and Community Development</p>	 <p>Downstream</p>	 <p>A Thriving Economy</p>



Social Impact and Community Development

We are committed to creating lasting positive impact in the communities where we operate, going beyond business performance to support social and economic development.

Alsulaiman Group's social impact is delivered through a combination of initiatives led by our portfolio companies and programs managed by Alsulaiman Foundation. Across the Group, each business plays a role in creating positive change within the communities it serves — whether through direct community initiatives, local partnerships, or support for economic empowerment. The Foundation complements this by delivering targeted programs in its key focus areas, ensuring that our efforts collectively contribute to a more inclusive, resilient, and thriving society.



Portfolio impact

To maximize our impact in the coming months and years, and to amplify our support for Vision 2030 goal of reaching one million volunteers, Alsulaiman Group also launched a new Together program. It is aimed to unite, inspire and motivate coworkers and our portfolio companies to volunteer their time to good community causes.

PORTFOLIO HIGHLIGHT



Supporting our Communities

IKEA's partnership with the Royal Humanitarian Foundation (RHF) exemplifies Alsulaiman Group's dedication to community support. Through this initiative, 16 families, primarily lacking financial resources, received essential home furnishings that enhanced their living environments and brought comfort to their lives. Seamless collaboration ensured timely delivery and assembly, reflecting IKEA's commitment to excellence and customer care.

PORTFOLIO HIGHLIGHT



Flow

Partnering to Support Our Communities

Flow is serving as the logistics partner to several charitable organizations in Jeddah, Riyadh, and Dammam to use its capacity to collect and deliver customer donations to the charities as well as to their beneficiaries. Flow has delivered more than 50 donations with Tarmeem and Shobbak, with plans in place to promote and expand the service offering into Riyadh.





Alsulaiman Foundation impact

Alsulaiman Foundation plays a central role in delivering the Group's social impact, focusing on initiatives that empower individuals, strengthen communities, and support long-term sustainable development. By working in close collaboration with partners across the public, private,

and non-profit sectors, the Foundation designs and implements programs that address local priorities — from education and skills development to entrepreneurship, environmental sustainability, and cultural preservation.



EDUCATION PROGRAM

Flow

السليمان الخيرية
Alsulaiman Foundation

Future Industrialists Initiative

As part of its commitment to youth development and education, Alsulaiman Group, through Flow Progressive Logistics, supports the Future Industrialists Initiative (مبادرة صناعيو المستقبل) — the first national program focused on preparing school students for careers in the industrial and logistics sectors. Delivered in partnership with the Ministry of Industry and Mineral Resources and the Ministry of Education, the initiative enables students to visit factories and Flow's facilities across the Kingdom, giving them hands-on exposure to real-world operations.

Notably, Flow is the first company in the logistics services sector to participate in this national initiative, helping inspire the next generation of industrial and logistics professionals.

So far, the program has benefited more than **35,000 students**, who compete across four tracks.

[Read more](#)





EDUCATION PROGRAM



We All Appreciate You Initiative

Through IKEA, Alsulaiman Group supports the “We All Appreciate You” (مبادرة كلنا نقدرك) initiative, which aims to raise awareness about the importance of valuing and appreciating teachers. The initiative is delivered each year on October 5th to mark World Teachers’ Day, with a variety of community activities held in shopping centers and across social media platforms.

IKEA contributes to the initiative by providing financial support and in-kind contributions, including IKEA gift vouchers for teachers, helping to recognize and celebrate their vital role in the community.

Over the past five years, the program has reached more than **70,000** beneficiaries from all segments of society.



EDUCATION PROGRAM



Towards Knowledge

Through Alsulaiman Foundation, launched the “Towards Knowledge” (مبادرة نحو المعرفة) initiative to help prepare students for successful careers and strengthen connections between education and the private sector.

The initiative includes partnerships with 10 universities across Saudi Arabia and active participation in career days to attract talented graduates to opportunities within Alsulaiman Group and its subsidiaries.

It also provides valuable exposure for school students through hosted visits, allowing them to explore real workplace environments and meet company leaders to better understand how the private sector operates.

To date, the initiative has hosted **500** guests, helping inspire and equip the next generation with practical knowledge and career pathways.





EDUCATION PROGRAM



Jeddah Community Award for Outstanding Teachers

Through IKEA, Alsulaiman Foundation has proudly supported the Jeddah Community Award for Outstanding Teachers for over twelve years — an initiative that remains the first and largest community-driven award of its kind, not only in Saudi Arabia but worldwide. The award was first proposed during a meeting of the Jeddah Governorate Council in 2013, chaired at the time by His Royal Highness Prince Mishaal bin Majed, with the goal of recognizing and motivating teachers to excel in their vital role of shaping future generations.

The award's vision is to be a driver of achievement and a catalyst for creativity, while its mission is to demonstrate the community's deep appreciation for the efforts of teachers in building and preparing future generations within a strong educational framework.

Each year, the award provides total prizes valued at SAR 1 million, supporting healthy competition among teachers across four tracks: Early Childhood and Lower Primary, Upper Primary, Intermediate, and Secondary levels. To date, more than 40,000 teachers from across Jeddah Governorate have participated, gaining recognition for their dedication and innovation in the classroom.

By supporting this award, IKEA helps advance the goals of Saudi Vision 2030 to strengthen human capabilities and raise the quality of education. It reflects Alsulaiman Group's ongoing belief that investing in educators is key to empowering communities and driving long-term, positive social change.

More than
40,000
teachers
participated to date



Partners:



ECONOMIC EMPOWERMENT PROGRAMS



Handicrafts Market

Through Alsulaiman Foundation, supports the “Handicrafts Market” (مبادرة سوق الحرف) initiative, which aims to empower local artisans by expanding their market reach and helping them build sustainable livelihoods. Delivered in collaboration with Al Faisaliah Women’s Welfare Society and the Social Development Bank, the program provides artisans with free sales spaces within IKEA showrooms across Saudi Arabia.

Over the past two years, the initiative has benefited 240 artisans, both men and women, enabling them to showcase and sell their handmade products to a wider customer base. This direct access to new markets has generated total revenues of SAR 400,000 during this period, helping artisans grow their businesses, build new customer relationships, and strengthen their presence in the local economy. The initiative reflects Alsulaiman Group's commitment to supporting productive families, preserving cultural heritage, and creating meaningful opportunities for local talent.

Over the past two years, the initiative has **benefited 240 artisans**, both men and women; Generated **SAR 400,000** of total revenue.



Partners:





ECONOMIC EMPOWERMENT PROGRAMS



Franchise Accelerator Initiative

Through Alsulaiman Foundation, launched the first-ever Franchise Accelerator Initiative in the Middle East, designed to empower young people and their families — particularly those with fewer opportunities — to build sustainable businesses through the franchise model. Delivered in partnership with the Social Development Bank and Monsha'at (the Small and Medium Enterprises General Authority), the program equips 30 young men and women with practical knowledge and hands-on training in the field of franchising.

Participants gain a solid understanding of how to operate and grow a franchise business, followed by on-the-ground training with one of the participating brands.

To support real, long-term impact, each participant is then eligible to receive financing through the Social Development Bank, with funding of up to SAR 1 million to establish and own their chosen franchise. This initiative reflects Alsulaiman Group's commitment to nurturing entrepreneurship, driving economic inclusion, and creating pathways to financial independence for young Saudis.

Equips 30 young men and women with practical knowledge and hands-on training. Each receive a funding of SAR 1 million



Partners:



ECONOMIC EMPOWERMENT PROGRAMS



The First Food Cooperative in Makkah Region

Alsulaiman Foundation, launched the first Food Cooperative Initiative in the Makkah Region, aiming to help productive families expand their food-related businesses and reach new markets. The initiative provides a unified sales platform, a dedicated procurement portal, and a tendering platform to streamline operations and boost efficiency for local food producers.

By enabling families to reduce their project setup costs and expand their commercial reach, the cooperative helps participants supply products to major markets and schools while ensuring compliance with high Saudi and international quality standards. In its first year, the initiative has supported 150 families, strengthening local food entrepreneurship and creating more sustainable income opportunities for communities across the region.

Supported 150 families.





Appendices



Appendices

Appendix A. Material Issues and Definitions

Climate Change Mitigation and Decarbonization	Refers to targets, policies and actions aimed at building confidence and pathway towards Net Zero targets to reduce GHG emissions and help KSA to transition to a low-carbon economy to mitigate the impacts of climate change and meet domestic and international targets. This includes setting targets and identifying actions across the value chain from suppliers to portfolio operations to the consumer side.	Social Impact and Community Development	Refers to the initiatives and activities that contribute to the well-being and development of the different groups of communities we operate in and serve to help address social challenges. Giving back to the community has been an integral part of Alsulaiman Group's culture for over 40 years and now this commitment has been formalized through the establishment of Alsulaiman Foundation, the non-profit arm of Alsulaiman Group. Through these efforts, we aim to create a lasting positive impact on society.
Circular Economy Shift	Refers to strategic efforts to align business practices and portfolio investments with circular economy principles, emphasizing sustainability and resource efficiency. This includes enhancing existing products and services to better align with circular economy principles, identifying key opportunities for the unserved needs in the circular economy area, as well as increasing consumer awareness and knowledge of sustainable options by leveraging Alsulaiman Group's portfolio.	National Sustainability Development and Mentorship	Refers to the commitment to support the local sustainability development in KSA through collaborations, capacity building and knowledge sharing. This involves participating in programs like the KSA Sustainability Champions Program, which aligns with Vision 2030 objectives and aims to accelerate the journey to Net Zero by 2060. As part of this commitment, Alsulaiman Group mentors and supports 5 companies in their sustainability efforts, focusing on enhancing sustainability performance and ensuring effective disclosure practices.
Efficient Resource Management	Refers to practices and approaches to ensure the optimization of resource use, including energy, water, and materials, to minimize environmental impact and improve operational efficiency. This includes implementing practices that reduce waste, enhance energy efficiency, and conserve water resources.	Diversity and Equal opportunity	Refers to the commitment to creating an inclusive workplace that values and leverages diverse backgrounds and perspectives. This includes implementing policies and practices that promote equal opportunities, prevent discrimination, and foster a culture of inclusion.
Human Capital Management and Talent Evolution	Refers to the strategies and practices aimed at recruiting, retaining, and continuously developing a skilled and motivated workforce to meet changing business needs and market conditions. This includes implementing comprehensive employee training programs, career development initiatives, succession planning, and creating opportunities for coworkers to enhance their skills and capabilities, ensuring they can adapt and thrive in a dynamic market environment.	Consumer Education and Awareness	Refers to efforts to inform and educate consumers about sustainable practices and the environmental and social impacts of their choices. This involves creating a long-lasting consumer shift towards sustainability, circular economy, and low carbon logistics preferences through emphasizing sustainability in marketing and consumer education, and through broader advertising and media. Moreover, Alsulaiman Group's approach aims to rapidly and successfully differentiate the Group in the market by bringing products and services with high sustainability benefits, allowing consumers and businesses to make more sustainable choices confidently hence propel the country and the market towards greater sustainability.
Occupational Health and Safety	Refers to the policies and practices designed to ensure a safe and healthy working environment for all coworkers. This includes implementing safety protocols, conducting regular safety training, and monitoring workplace conditions to prevent accidents and injuries.		



<p>Human Rights and Ethical Practices</p>	<p>Refers to the adherence to and promotion of fair labor practices and the protection of human rights within the company and its supply chain. This includes implementing policies that prevent forced labor, child labor, and discrimination, and ensuring compliance with international human rights standards.</p>	<p>Risk Management and Business Resilience</p>	<p>Refers to the strategies and practices that identify, assess, and manage risks to ensure the long-term resilience and continuity of the business. This includes developing risk management frameworks, conducting regular risk assessments, and implementing business continuity plans.</p>
<p>Stakeholder Engagement and Communications</p>	<p>Refers to the proactive engagement and transparent communication with all stakeholders to build trust and foster collaboration. This involves not only regular stakeholder engagements and transparent reporting but also effective storytelling, and building compelling narratives to both communicate and inspire. This approach ensures that all stakeholders are well-informed, engaged, and supportive of Alsulaiman Group's sustainability goals and efforts.</p>	<p>Sustainable and Responsible Investment</p>	<p>Refers to the incorporation of environmental, social, and governance (ESG) criteria into investment decisions to promote sustainability. This involves adopting responsible investment policies, conducting ESG due diligence, and prioritizing investments in sustainable projects and companies. Alsulaiman Group's approach also includes actively engaging with portfolio companies to ensure continuous improvement in their ESG practices.</p>
<p>Sustainable-Minded Products and Offerings</p>	<p>Refers to the development and promotion of products and services that have or can ensure a reduced environmental impact and contribute to sustainability goals. This emphasizes a market differentiation approach focused on bringing sustainability-minded products and services to the market. This includes aligning the value chain with sustainability practices, offering services such as low carbon logistics and sustainable living design solutions, and conducting internal engagement and training sessions to ensure alignment with this differentiation approach.</p>	<p>Collaborations and Portfolio Synergy</p>	<p>Refers to the strategic partnerships and collaborations that enhance sustainability outcomes and create value across the business portfolio. Alsulaiman Group has built a portfolio focused on synergies, where one business generates base business for another, enabling them to grow more broadly and create new opportunities for other portfolio companies. This self-reinforcing portfolio strategy is particularly suitable for a differentiation strategy focused on sustainability. By leveraging these synergies, Alsulaiman Group can drive sustainability initiatives more effectively, fostering innovation and growth while maximizing the overall impact of their sustainability efforts.</p>
<p>Responsible Procurement and Sustainable Supply Chains</p>	<p>Refers to practices that ensure the sourcing of materials and services in a manner that is ethical, sustainable, and socially responsible. This includes supplier assessments, promoting fair labor practices, and ensuring the sustainability of supply chain operations.</p>	<p>Cybersecurity and Data Privacy</p>	<p>Refers to measures and practices that ensure the security and privacy of digital information and protect against cyber threats. This includes implementing robust cybersecurity protocols, conducting regular security assessments, and ensuring compliance with data privacy regulations.</p>
<p>Corporate Governance, Ethics and Compliance</p>	<p>Refers to the structures, policies, and practices that ensure the company operates with integrity, transparency, and accountability while adhering to environmental, social, and governance (ESG) criteria. This includes implementing robust governance frameworks, ethical business practices, and compliance with legal and regulatory requirements. Additionally, the commitment to measure, disclose, and improve the Group's ESG performance and impact is emphasized. Regular ESG reporting, setting and monitoring ESG targets, and ensuring transparency in ESG practices are integral to this approach, fostering trust and demonstrating Alsulaiman Group's dedication to sustainable and responsible operations.</p>	<p>Digitalization and Innovation</p>	<p>Refers to the adoption and integration of digital technologies to drive innovation, efficiency, and sustainability. This includes leveraging digital tools for operational efficiency, enhancing customer experiences through digital platforms, and driving innovation through technology.</p>



Appendix B. GRI Content Index

Statement of use	Alsulaiman Group has reported the information cited in this GRI content index for the period [reporting period that start 1st of September 2023 and end 31st of August 2024] with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	5 to 25
	2-2 Entities included in the organization's sustainability reporting	3
	2-3 Reporting period, frequency and contact point	3
	2-4 Restatements of information	Not applicable
	2-5 External assurance	Company doesn't obtain external assurance
	2-6 Activities, value chain and other business relationships	5 to 25, 48
	2-7 Employees	51,52
	2-8 Workers who are not employees	53,54
	2-9 Governance structure and composition	33,34
	2-10 Nomination and selection of the highest governance body	33,34
	2-11 Chair of the highest governance body	33,34
	2-12 Role of the highest governance body in overseeing the management of impacts	33,34
	2-13 Delegation of responsibility for managing impacts	33,34
	2-14 Role of the highest governance body in sustainability reporting	3
	2-15 Conflicts of interest	33,34
	2-16 Communication of critical concerns	33,34

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	33,34
	2-22 Statement on sustainable development strategy	4
	2-29 Approach to stakeholder engagement	39,39
GRI 3: Material Topics 2021	2-30 Collective bargaining agreements	Collective bargaining is prohibited in the Kingdom of Saudi Arabia
	3-1 Process to determine material topics	29
	3-2 List of material topics	29,73,74
GRI 203: Indirect Economic Impacts 2016	3-3 Management of material topics	73,74
	203-1 Infrastructure investments and services supported	67 to 71
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	48
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	33
GRI 301: Materials 2016	301-1 Materials used by weight or volume	44, 63
GRI 302: Energy 2016	302-5 Reductions in energy requirements of products and services	43, 63
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	64
GRI 306: Waste 2020	306-4 Waste diverted from disposal	63,64
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	50 to 55
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	56
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	55
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	66 to 71

MAKING SUSTAINABLE LIFESTYLES EXCITING

Alsulaiman Group
Sustainability Report
2023/24

alsulaimangroup.com

Contact Us
Sustainability@alsulaimangroup.com

