

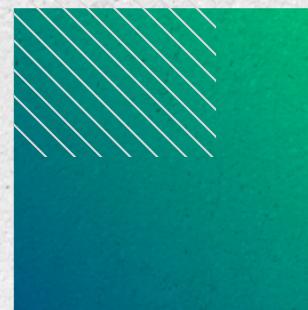
**YAMAMA
CEMENT**

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2024 Sustainability Report





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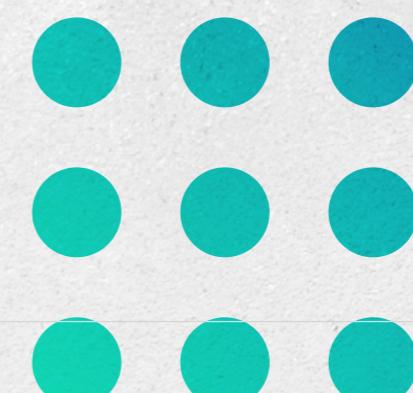
Governance and Ethical Leadership

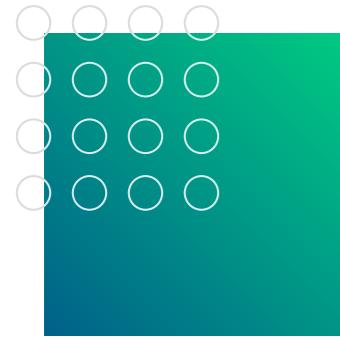
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About This Report

This Sustainability Report outlines Yamama Cement Company's environmental, social, and governance (ESG) performance for the year 2024. It highlights the Company's adopted sustainability framework, including its vision, strategic objectives, and key priorities. The report also showcases major achievements and outlines future areas of focus, in line with Yamama Cement's ongoing commitment to leading the production of sustainable cement in the Kingdom of Saudi Arabia. The report covers all facilities operated by Yamama Cement within Saudi Arabia, excluding contractors, suppliers, and customers, unless otherwise specified.

This report covers the period from January 1, 2024, to December 31, 2024. Where relevant, data from previous years is included to provide context and illustrate progress over time.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, the ESG Disclosure Guidelines issued by Saudi Tadawul Group, and the Sustainability Accounting Standards Board (SASB) metrics. It reflects our commitment to the United Nations Sustainable Development Goals and Saudi Arabia's Vision 2030, as well as the Kingdom's target to achieve net zero emissions by 2060 and the goals of the Saudi Green Initiative.



Forward-Looking Statements

This report contains forward-looking statements. All statements other than statements of historical or current fact should be considered forward-looking, as they inherently involve known and unknown risks and uncertainties that may materially affect operational results, cash flow, or business outlook. These statements are based on events or conditions that may occur in the future or are expected to occur. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements, as they represent the Company's views and estimates as of the date of this report and do not necessarily reflect any subsequent developments or changes.



We welcome all feedback, comments, and suggestions related to this report and our performance in environmental, social, and governance practices. Please contact us via email at: sustainability@yamamacement.com

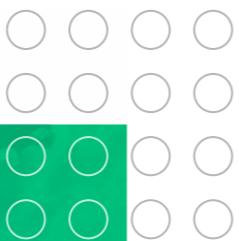
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Message from the Company's Leadership Team





Chairman's Message



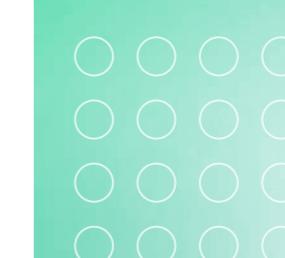
Dear Shareholders,
Peace be upon you,

On my own behalf and on behalf of my fellow Board members, I am pleased to present to you the pages of our 2024 Annual Sustainability Report. This year marked a significant milestone in our journey to embed sustainability as a foundational pillar of our long-term strategy. As one of the oldest and most esteemed industrial institutions in the Kingdom, we take pride in aligning our operations with the ambitious environmental and social goals set forth by Saudi Vision 2030.

In 2024, we inaugurated our new state-of-the-art facility, reflecting our unwavering commitment to innovation, operational excellence, and sustainable growth. This advanced plant enables us to meet the growing demand for high-quality cement while reducing emissions, enhancing energy efficiency, and supporting circular economy practices throughout our value chain.

We take pride in the tangible progress and achievements we have made this year. Among our most notable accomplishments is the contribution of renewable energy, which accounted for 6.8 percent of our total energy consumption. Additionally, we have successfully repurposed all treated wastewater for agricultural use and fully utilized the dust generated from our operational processes. These milestones clearly demonstrate our proactive commitment to conserving natural resources and supporting the Saudi Green Initiative.

We have also strengthened our investment in human capital by delivering over 30,305 training hours and achieving broad participation in national workforce development programs. Thanks to our unwavering dedication to a zero-incident safety culture, we recorded another year without any serious injuries or fatalities in the workplace.



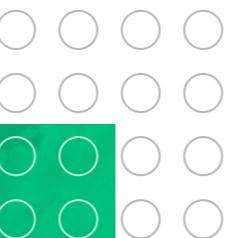
On behalf of the Board of Directors, I would like to express my sincere gratitude and appreciation to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and His Royal Highness Crown Prince and Prime Minister Mohammed bin Salman Al Saud, for their wise leadership and inspiring vision of the industrial renaissance that we are proud to support.

I would also like to express my heartfelt appreciation to our shareholders, employees, and everyone who has contributed to the ongoing success of Yamama Cement Company. Together, we will continue to create sustainable value and contribute to building a more prosperous Kingdom of Saudi Arabia.

Prince Nayef bin Sultan bin Mohammed bin Saud Al Kabeer Al Saud
Chairman of the Board



Chief Executive Officer's Message



Dear Shareholders,
Peace be upon you,

Yamama Cement's sustainability journey in 2024 witnessed a broad range of achievements, reaching new milestones that have significantly enhanced our leadership position in the Saudi cement industry. As we continue to meet the growing demand for high-performance, sustainable building materials, we reaffirm our commitment to integrating environmental, social, and governance principles across all aspects of our operations.

We are proud to have completed the development of our first dedicated Environmental, Social, and Governance (ESG) strategy in 2024. This strategy was crafted in collaboration with our stakeholders, aligned with national priorities, and benchmarked against leading international and local best practices. It is set for formal adoption in 2025 and outlines our vision for a future centered on resource efficiency, climate resilience, and inclusive, sustainable growth.

Throughout the year, we launched numerous initiatives aimed at reducing our environmental footprint. These efforts included enhancing energy efficiency, increasing reliance on cleaner fuels, and integrating renewable energy sources. Our commitment to the circular economy was demonstrated through projects focused on water reuse and the full utilization of dust generated from production processes, clearly reflecting our dedication to responsible manufacturing.

We also achieved outstanding safety results, with no serious injuries or fatalities reported across our operations. Our employee development programs continued to expand, setting a new record with over 30,305 training hours delivered, alongside broad participation in national competency initiatives such as the Professional Development Program for Saudi Engineers.

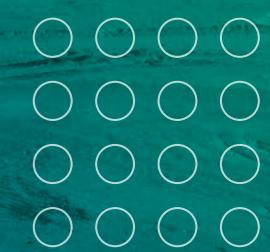
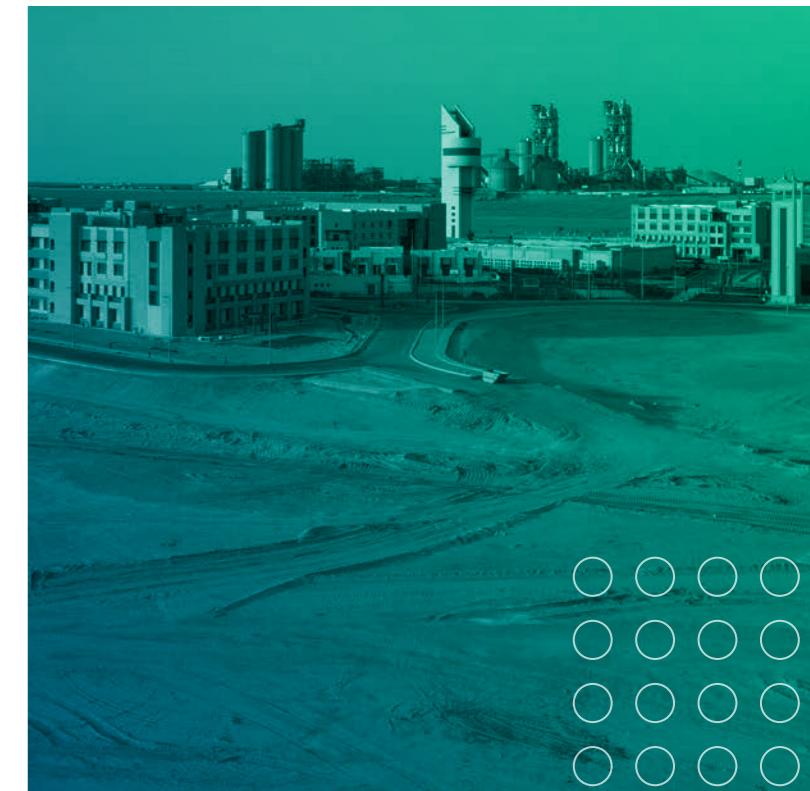
Our governance framework has been strengthened through enhanced oversight of environmental, social, and governance practices, data protection, and risk management, ensuring transparency and regulatory compliance across all our operations. We were also honored with the Bronze Medal in the 2024 Corporate Social Responsibility Awards, recognizing our contributions to community service and national development.

I would like to express my sincere gratitude to our wise government, led by the Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud and His Royal Highness Crown Prince and Prime Minister Mohammed bin Salman Al Saud, for their continued support of the Kingdom's industrial advancement.

I also extend my heartfelt thanks to our shareholders, Board members, employees, and partners, whose ongoing trust and dedication continue to drive the success of Yamama Cement Company.

Jehad bin Abdul-Aziz Al-Rashed

Chief Executive Officer



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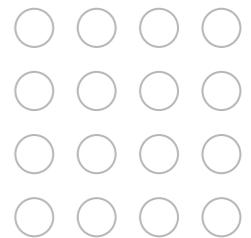
Overview of Yamama Cement Company





Overview of Yamama Cement Company

Our Journey



1956

Yamama Cement Company was founded by Prince Mohammed bin Saud Al Kabeer along with a group of founding partners, including His Highness Prince Musaed bin Saud and his brothers, His Highness Prince Abdullah bin Mohammed bin Saud and his brothers, His Highness Prince Mohammed bin Abdullah bin Abdulaziz bin Turki, Sheikhs Abdulaziz and Mohammed Al-Abdullah Al-Jomaih, Sheikhs Ibrahim Al-Rashed Al-Humaid and his brothers, Sheikh Mohammed Al-Abdullah Al-Areefi, as well as the National Commercial Bank and Riyadh Bank.



1965

- The first production line was inaugurated with a capacity of 300 tons of clinker per day, under the patronage of the late King Faisal bin Abdulaziz. On that day, the birth of the first heavy industry in Riyadh was officially announced.
- Yamama Cement Company's shares were publicly listed, making it one of the first ten companies to join the Saudi Stock Exchange (Tadawul).



1971

The second production line was commissioned with a capacity of 800 tons of clinker per day.



1977

The third and fourth production lines were commissioned, each with a capacity of 1,500 tons per day.



2007

The seventh production line was commissioned with a capacity of 10,000 tons of clinker per day, making it the first of its kind in the Kingdom in terms of production volume.



2001

The company obtained ISO 9001 certification, becoming the first cement company in Saudi Arabia to receive this quality accreditation.



1988

The sixth production line was commissioned with a capacity of 3,000 tons of clinker per day.



1981

The fifth production line was commissioned with a capacity of 1,500 tons of clinker per day.

2010

- The company obtained the OSHA 18001 certification for compliance with international occupational health and safety standards, becoming the first Saudi cement company to receive this accreditation.
- The company obtained ISO 14001 certification for environmental management systems, becoming the first Saudi cement company to achieve this accreditation.
- Implementation of the Enterprise Resource Planning project (Yamama ERP System).



2015

A contract was signed to establish the new Yamama Cement plant with ThyssenKrupp Industrial Solutions of Germany. The project includes two production lines with a total clinker capacity of 20,000 tons per day, utilizing the latest global technologies in cement manufacturing. The total estimated investment for the project is 4.7 billion Saudi riyals.



2016

Inauguration of the company's new administrative headquarters.



2022

Operations commenced at the new plant with two production lines and a total clinker capacity of 20,000 tons per day.

Overview of Yamama Cement Company

Corporate Overview

Yamama Cement Company is a leading Saudi cement producer with nearly seven decades of excellence. Founded in 1956 by His Royal Highness Prince Mohammed bin Saud Al-Kabeer, may he rest in peace, the company has been instrumental in advancing the Kingdom's infrastructure and urban development.

As the first cement company in the Central Region and the third in the Kingdom, Yamama Cement has become a trusted name in quality and innovation. Its name, "Yamama," drawn from a historic region in the Kingdom's heart, reflects its deep national roots and enduring role in development.

Yamama Cement began operations in 1965 with one production line and a daily capacity of 300 tons of clinker. Through continuous expansion and strategic investment, it has grown to meet rising local and regional demand. Today, the company produces 20,000 tons of clinker per day, about 6.6 million tons annually supported by advanced grinding systems, expanded storage, and upgraded energy infrastructure for greater efficiency and productivity.

The company offers a diverse portfolio of high-quality cement products, including:



Ordinary Portland Cement

Suitable for general construction applications.



Sulfate-Resistant Cement

Specifically designed for environments exposed to seawater or high salt concentrations.



Finishing Cement

A type of cement used for plastering, finishing works, and other light cement applications.

Driven by its commitment to innovation and excellence, Yamama Cement Company employs more than 700 qualified professionals and continues to invest in workforce development through comprehensive training, safety, and continuous qualification programs.

With its clear focus on sustainability, operational efficiency, and product quality, Yamama Cement continues to strengthen its position as a trusted partner in the Kingdom's growth journey. As the pace of infrastructure and industrial development accelerates in Saudi Arabia in line with Vision 2030, the company is strategically positioned to meet the evolving needs of the coming phase and to help lay a solid foundation for future generations.

Key Figures



1,173
Million SAR
Total Revenue



529
Million SAR
Gross Profit



444
Million SAR
Operating Profit



421
Million SAR
Net Profit



Certifications and Awards

At Yamama Cement Company, we are committed to upholding the highest standards of quality, safety, and environmental protection. Our operations are guided by internationally recognized management systems and certifications that reflect our dedication to excellence, sustainability, and safety. These frameworks ensure that our practices align with global standards and support continuous improvement across all aspects of our business.

Through rigorous quality control procedures, the adoption of advanced technologies, and strict adherence to regulatory and industry standards, we continue to enhance operational efficiency, minimize our environmental impact, and deliver reliable, high-quality products to our customers.

Our certifications serve as a testament to our commitment to performance, integrity, and leadership within the cement industry. In 2024, Yamama Cement was honored with the Bronze Medal in the Corporate Social Responsibility Awards in recognition of its efforts to enhance the positive social impact of its operations.

As of 2024, Yamama Cement has obtained the following certifications:



ISO 9001 Quality Management System

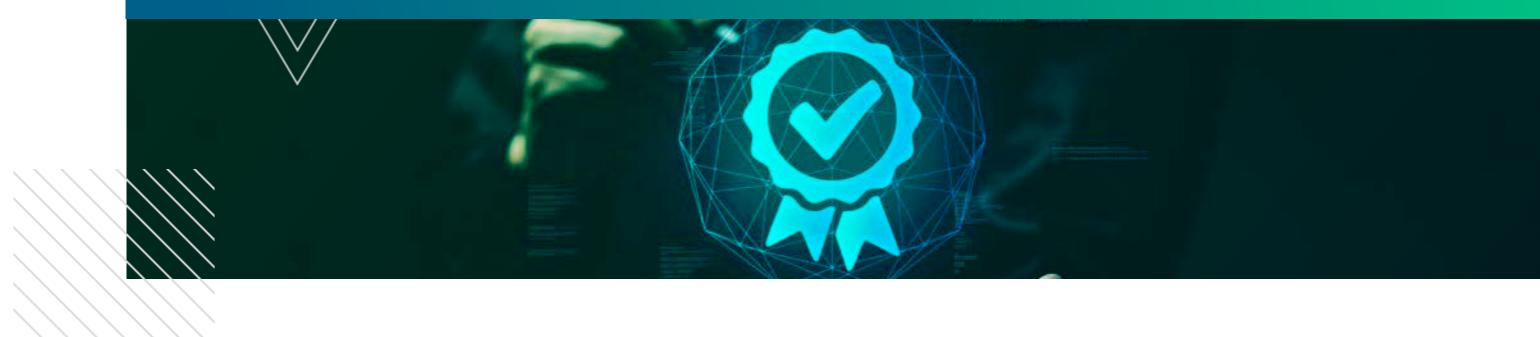
ISO 14001 Environmental Management System

ISO 45001 Occupational Health and Safety Management System

ISO 27001 Information Security Management System



Bronze medal in the Corporate Social Responsibility Awards



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Sustainability in Our Operations



Building on its strong performance in 2024, which included a market share exceeding 12 percent and an average selling price of SAR 194 per ton, Yamama Cement recognizes the scale of its contribution to the local economy and the national cement industry. Guided by this understanding, the company has adopted a strategic approach that reflects its commitment to its developmental role, not only as a leading producer but also as a catalyst for broader transformation toward responsible and sustainable practices across the entire market.

In this context, Yamama Cement has completed the development of its Environmental, Social, and Governance (ESG) strategy, which is scheduled for formal adoption in 2025. This strategy serves as a framework to accelerate the transition toward low-carbon cement production, sustainable supply chains, and safe and responsible operations. This direction reinforces the company's pioneering role and reflects its conviction that true industrial leadership is achieved only through comprehensive environmental and social responsibility.



Sustainability in Our Operations

Sustainability Framework



Sustainability in Our Operations

Sustainability Strategy

Recognizing its pivotal role in the national economy and the cement industry, Yamama Cement has adopted a strategic approach that reflects its commitment to reshaping the market toward more sustainable production and operational practices. The sustainability framework presented below embodies this vision, providing an integrated approach for implementing Environmental, Social, and Governance (ESG) practices across all areas of our operations.

Sustainability Framework

Vision			
Objective	Sustainable Cement Production	Sustainable Supply Chains	Safe and Responsible Operations
	Enhancing revenue growth and achieving competitive excellence through sustainable cement production.	Integrating environmental and social governance standards across the supply chain to ensure readiness for sustainable products and responsible operations.	Maintaining a safe, inclusive, and skilled workforce while enhancing community well-being through responsible business practices.
Strategic Focus Areas	Advancing decarbonization and producing low-carbon cement.	Integrating ESG standards into supply chain practices.	Building a safe work environment.
	Enhancing waste management and resource efficiency.	Managing environmental impact and promoting circular economy.	Attracting and developing diverse and skilled talent.
	Improving water efficiency and conservation.	Enhancing downstream activities across the value chain.	Supporting community development and well-being.
Governance	Maintaining a robust governance framework that ensures the effective implementation of the sustainability strategy, supported by transparent reporting, measurable targets, and the highest standards of professional ethics.		

Yamama Cement has adopted a clear strategic direction aimed at embedding sustainability across all its operations. In response to evolving global climate priorities, regulatory shifts, and stakeholder expectations, the company focuses on strengthening resilience, enhancing competitiveness, and capturing new growth opportunities while reinforcing its leadership in sustainable cement production. Through this approach, Yamama Cement supports the industry's transition toward more responsible practices and the reduction of carbon emissions.

In 2024, Yamama Cement initiated the development of a dedicated ESG strategy, supported by a three-year implementation roadmap. The strategy was formulated through a comprehensive review of the company's corporate objectives, relevant ESG standards and frameworks, ESG rating criteria, investor priorities, peer benchmarking, and engagement across key departments. The strategy is scheduled for formal adoption in 2025.

The ESG strategy is built around four key pillars, each defined by a clear objective that outlines the company's priority areas for achieving sustainable growth:

Sustainable Cement Production	Sustainable Supply Chains
Enhancing revenue growth and achieving competitive excellence through sustainable cement production.	Integrating ESG standards across the supply chain to support sustainable products and responsible operations.
Safe and Responsible Operations	Governance
Maintaining a safe, inclusive, and skilled workforce while promoting community well-being through responsible business practices.	Maintaining a resilient governance framework that ensures effective strategy execution, transparent reporting, measurable goals, and high ethical standards.



Sustainability in Our Operations

ESG Management

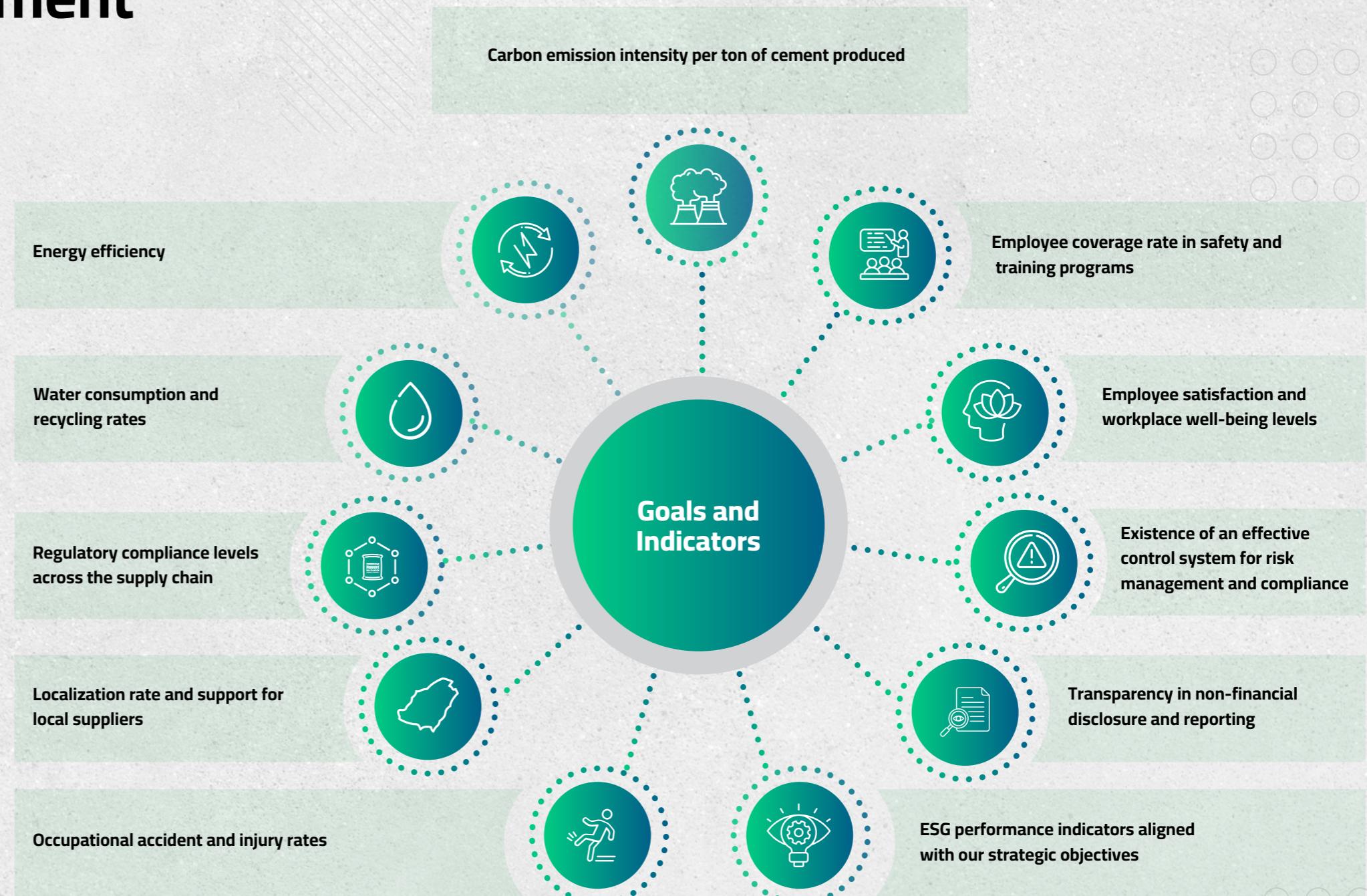
Yamama Cement implements rigorous systems to monitor and enhance the effectiveness of its Environmental, Social, and Governance (ESG) initiatives and practices. These systems ensure the continuous evaluation of sustainability performance, informed by stakeholder feedback and aligned with both regulatory and internal standards.

The key elements of our approach to ESG performance monitoring include the following:

- Environmental records for data collection and compliance. 
- Regular internal audits to track implementation progress. 
- Stakeholder feedback mechanisms to support informed decision-making. 

Goals and Indicators

Our performance in environmental, social, and governance sustainability is assessed through a set of indicators aligned with the pillars of our sustainability framework, which include the following:



Yamama Cement Company Joins the Sustainability Champions Program

Yamama Cement is proud to have joined the Sustainability Champions Program as a mentee, in partnership with Ma'aden and under the supervision of the Ministry of Economy and Planning. Through the exchange of expertise and the advancement of sustainable practices aligned with Environmental, Social, and Governance (ESG) principles, the program aims to strengthen institutional capabilities in sustainability and ESG governance in support of Saudi Arabia's Vision 2030 goals. This participation reflects Yamama Cement's deep commitment to embedding sustainability principles within its operational strategy, positioning them as a cornerstone for growth and resilience in the Saudi industrial sector.





Sustainability in Our Operations

Stakeholders



Our stakeholders play a fundamental role in shaping a purposeful and responsive ESG strategy. Through ongoing and constructive engagement with those who are affected by or have an influence on our operations, we ensure that our sustainability priorities remain aligned with stakeholder expectations, regulatory developments, and industry best practices.

We recognize the importance of the diverse perspectives and insights contributed by each stakeholder group, as these inputs are essential for identifying ESG-related risks and opportunities and for advancing our sustainability commitments.

Our key stakeholders include the following:



We strive to enhance transparency by fostering open dialogue and collaboration with these groups, embedding responsible conduct throughout our value chain, and creating long-term value for both society and our business. This comprehensive approach supports our vision of becoming a leading producer of sustainable cement in the Kingdom of Saudi Arabia.



Sustainability in Our Operations

Materiality Assessment

Yamama Cement conducted a comprehensive materiality assessment to ensure that its ESG strategy reflects both business priorities and stakeholder expectations. This approach enabled the company to identify and prioritize the ESG topics most relevant to its operations, those with the greatest potential impact on the business and the strongest contribution to creating long-term sustainable value.

The assessment was carried out in accordance with GRI Standards, ensuring a structured, data-driven methodology. It also took into consideration alignment with Saudi Vision 2030, the Saudi Green Initiative, and leading global ESG frameworks.

The assessment was conducted through the following four-step process:



Defining the Sustainability Context

We conducted an analysis of our operations and value chain, along with the Environmental, Social, and Governance (ESG) risks and opportunities within our sector, to ensure alignment with national aspirations and global sustainability trends.



Identifying Key ESG Topics

We engaged with both internal and external stakeholders, including employees, regulators, customers, and industry experts, and reviewed peer company practices, ESG ratings, and global standards to identify the sustainability issues most relevant to our business.



Assessing and Prioritizing Impacts

We engaged with internal and external stakeholders, including employees, regulators, customers, and industry experts, and reviewed peer company practices, ESG ratings, and international standards to identify the sustainability issues most relevant to our operations.



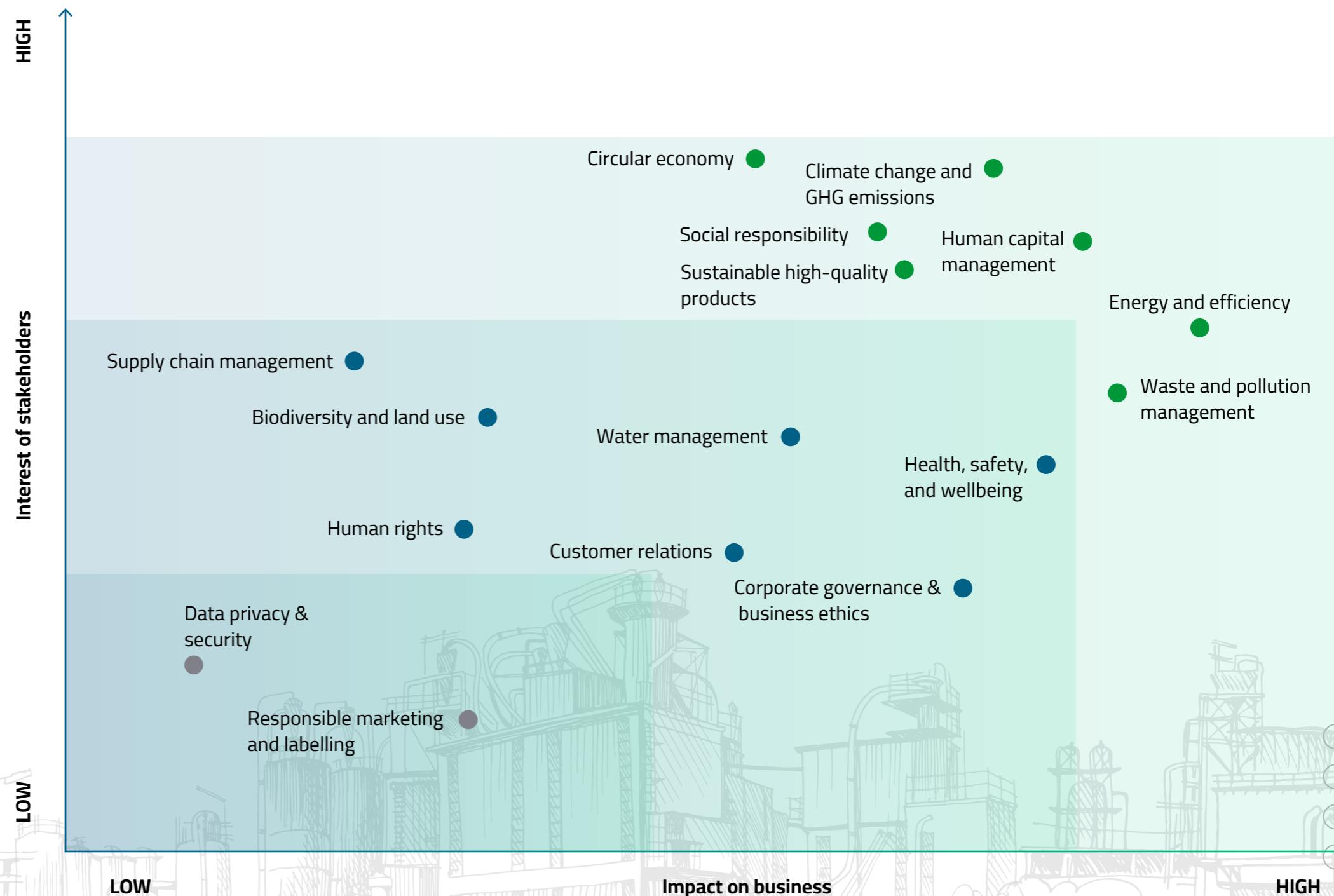
Integrating Insights into Strategy

Senior management reviewed the priority ESG topics and incorporated them into the company's corporate strategy framework, performance monitoring mechanisms, and stakeholder engagement efforts. Work is ongoing to complete the final approval steps, which are expected in 2025.

Sustainability in Our Operations

Materiality Assessment (continued)

Our materiality assessment serves as a roadmap for advancing sustainability across all our operations. It guides the development of our ESG framework, enhances transparency in reporting, and supports evidence-based decision-making. We remain committed to continuously updating this assessment to ensure responsiveness to evolving stakeholder expectations, regulatory developments, and emerging sustainability challenges.



Sustainability in Our Operations

2024 Sustainability Highlights

Sustainable Cement Production



Sustainable Supply Chains



Safe and Responsible Operations



Governance and Ethical Leadership



 The share of renewable energy consumption increased from 5.4% in 2023 to 6.8% in 2024.

 Achieved 100% recovery and recycling of production dust.

 Total water consumption decreased by 2.8% between 2022 and 2024.

 Achieved 100% reuse of treated wastewater.

 Signed an agreement with the Saudi Investment Recycling Company (SIRC) to enhance industrial waste recycling and reduce environmental impact.

 Initiated the integration of sustainability policies into procurement activities.

 Developed Environmental Product Declarations (EPDs) for three of our main products to promote voluntary disclosure practices and strengthen environmental transparency.



 Maintained zero major injuries and zero fatalities across all work sites.

 Saudization rate increased to 72%, representing a 2% rise compared to the previous year.

 Awarded the Bronze Medal in the 2024 Corporate Social Responsibility Award in recognition of our commitment to supporting social initiatives.

 Delivered a total of 30,305 training hours, representing an increase of approximately 82% in training and development efforts compared to 2023.

 the supervision of the Ministry of Economy and Planning.

 Yamama Cement Company joined the Sustainability Champions Program in partnership with Ma'aden and under the supervision of the Ministry of Economy and Planning.

 Established confidential reporting channels to enable employees to raise concerns without fear or hesitation.

 60% of information technology services were governed in accordance with ISO 27001 standards.

 The security level of the IT support system increased to 80%.

5

Sustainable Cement Production

At Yamama Cement, we recognize our environmental responsibility across the construction value chain. We are committed to reducing emissions, improving energy efficiency, advancing circular economy practices, managing water responsibly, minimizing waste, and protecting ecosystems and biodiversity.

We strive to reduce our environmental footprint while maintaining operational excellence by embedding sustainability into our production processes. We invest in efficient technologies, optimize resource use, and adopt best practices to align our cement production with national and global climate goals. These efforts are vital not only for regulatory compliance but also for creating long-term value for our business, stakeholders, and the environment.



Material Topics

- Climate Change and Greenhouse Gas Emissions
- Energy Efficiency
- Water Management
- Waste and Pollution Management
- Biodiversity and Land Use
- Circular Economy
- Sustainable High-Quality Products

Pillars of Saudi Vision 2030

A Thriving Economy: Advancing industrial sustainability, fostering innovation in cement production, and promoting resource efficiency to drive economic competitiveness.

A Vibrant Society: Promoting environmental responsibility, improving water and waste management, and advancing cleaner energy practices in support of the Kingdom's vision for a healthier and more sustainable future.

An Ambitious Nation: Aligned with national environmental compliance standards and committed to strengthening corporate responsibility in advancing industrial sustainability.

UN SDGs:

- Through investments in energy efficiency and renewable energy sources.
- By promoting low-carbon cement production and adopting sustainable operational practices.
- By reducing waste, supporting the circular economy, and managing resources sustainably.
- By implementing strategies to reduce greenhouse gas emissions and adopting alternative fuels.
- By protecting biodiversity and ecosystems, managing natural resources sustainably, and addressing environmental risks.
- By protecting biodiversity and ecosystems, managing natural resources sustainably, and addressing environmental risks.

Sustainable Cement Production

Climate Change and Greenhouse Gas Emissions

The cement industry plays a central role in the global response to climate change due to its inherently high emission intensity. At Yamama Cement, we fully recognize this responsibility and are committed to managing and reducing greenhouse gas emissions across our entire value chain.

In 2023, we began measuring Scope 1 and 2 emissions, laying the foundation for transparent reporting and targeted reductions. In 2024, we aim to improve data accuracy and implement further emission reduction initiatives across our operations and value chain.

In parallel, we initiated a carbon reduction strategy to identify key reduction opportunities, set interim targets, and define a credible pathway to carbon neutrality. Aligned with our broader ESG strategy, Vision 2030, and national sustainability goals, this strategy supports both global climate ambitions and Saudi Arabia's long-term development objectives.

The increase in GHG emission intensity shown below is mainly due to higher clinker production, the main source of emissions, which rose by 18.1% from 6,057,999 tons in 2023 to 7,154,405 tons in 2024, while cement sales reached 6,060,791 tons in 2024 compared to 6,577,964 tons in 2023.

Emissions	Unit	2023	2024
Scope 1 GHG emissions	Tons CO ₂ e	4,738,475	5,449,970
Scope 2 GHG emissions	Tons CO ₂ e	935	934
GHG emissions intensity ratio for the organization	Ton of CO ₂ e/ton of cement	0.72	0.90

Case Study

Yamama Cement Strengthens Its Climate Commitment through Participation in the National Voluntary Carbon Market

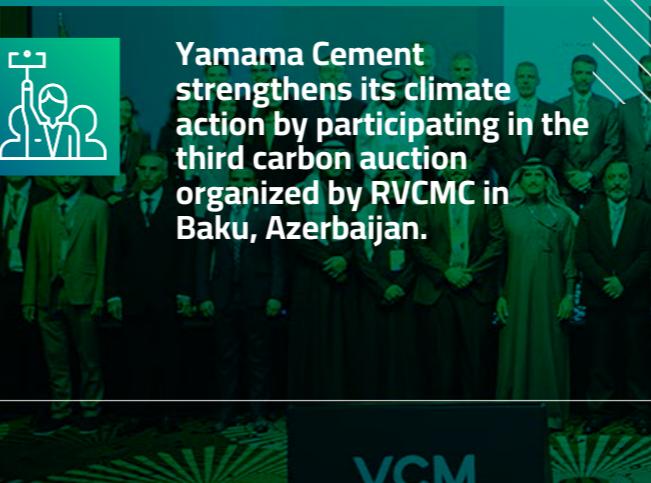
In November 2024, Yamama Cement participated in the third carbon auction, which marked the launch of the Regional Voluntary Carbon Market (RVCMC). This milestone represents a major step toward establishing a trusted national and regional carbon credit market, with participation from 22 Saudi and international companies on the opening day.

The platform supports Vision 2030 and the 2060 net zero goal by directing climate finance toward projects that cut or remove emissions, particularly in the Global South. Over 2.5 million tons of high-quality carbon credits were traded, including reforestation, methane capture, and carbon storage projects.

Through this initiative, Yamama Cement reaffirms its commitment to supporting:

- Market-based solutions to reduce carbon footprint
- High-impact, credible climate finance
- Active contribution to a low-carbon economy locally and globally

This participation reflects Yamama Cement's commitment to sustainability, global environmental alignment, and advancing Saudi Arabia's industrial role in climate action.



Yamama Cement strengthens its climate action by participating in the third carbon auction organized by RVCMC in Baku, Azerbaijan.

Key Initiatives and Progress in 2024:

Decarbonizing Production Operations

We continue to enhance energy efficiency across our operations by adopting advanced technologies and process improvements that help reduce emissions while maintaining production capacity and product quality.

Clean Fuel and Local Raw Materials

Our use of natural gas as a cleaner fuel, combined with a strong reliance on locally sourced raw materials, has contributed to reducing our carbon footprint. In 2024, we expanded the use of domestic materials in our production processes to further decrease Scope 1 emissions.

Looking ahead, Yamama Cement is committed to strengthening its greenhouse gas management system, with a focus on real-time monitoring, transparent reporting, and alignment with both national and international climate frameworks. These efforts will guide us toward a more sustainable, low-carbon future.





Sustainable Cement Production

Energy Efficiency

Energy efficiency is a core component of Yamama Cement Company's Environmental, Social, and Governance strategy. Through the adoption of energy-efficient technologies and the gradual integration of renewable energy sources, we aim to reduce our environmental footprint while enhancing operational resilience and cost efficiency.

In 2024, Yamama Cement aligned its energy management initiatives with the company's broader roadmap toward carbon neutrality. We implemented advanced monitoring and optimization measures across all facilities to improve energy performance.

Key performance indicators included:

Electricity Consumption

Electricity consumption increased from 611,064 megawatt-hours in 2023 to 664,554 megawatt-hours in

Energy	Unit	2022	2023	2024
Total gas consumption	Megawatt Hour	7,005,284	7,008,070	8,161,649
Total gas consumption within Kilns	Megawatt Hour	5,737,259	5,715,737	6,606,748
Total Gas Consumption for Power Generation	Megawatt Hour	1,268,026	1,292,333	1,554,901
Total electricity consumption within the Plant	Megawatt Hour	606,170	611,064	664,554
Energy Consumption Intensity	Megawatt Hour/ ton of cement	1.19	1.07	1.35
Percentage of renewable energy consumed	%	—	5.4	6.8

2024. This rise was primarily driven by higher production levels and the expansion of infrastructure and operational activities. When normalized, this equates to approximately 1.07 megawatt-hours per ton of cement in 2023 compared to around 1.35 megawatt-hours per ton in 2024, as a result of increased production.

Gas Consumption

Gas consumption increased from 7,008,070 megawatt-hours in 2023 to 8,161,649 megawatt-hours in 2024, primarily due to higher production levels.

Renewable Energy

The share of renewable energy consumption increased from 5.4 percent in 2023 to 6.8 percent in 2024, in line with our ongoing efforts to integrate cleaner energy sources into our operations.

At the same time, the company achieved a two percent reduction in specific heat consumption, along with a one percent reduction in electricity use compared to 2023. These results reflect steady progress toward meeting national sustainability targets and internal performance objectives.

Looking ahead, Yamama Cement aims to increase its kiln production capacity to 11,500 tons per day by 2025, while targeting a one percent reduction in specific heat consumption and a 0.5 percent decrease in electricity use. This demonstrates the company's continued commitment to operational excellence and the responsible use of energy.

It is worth noting that Yamama Cement was the first Saudi company to obtain and remains compliant with the ISO 14001 certification, in line with the rigorous standards established by the National Center for Environmental Compliance.

Strategic Approach and Continuous Improvement

In 2024, Yamama Cement Company continued to prioritize energy efficiency by enhancing operational performance, upgrading equipment, and adopting smart technologies. The company integrated energy-saving solutions and explored alternative energy sources to reduce its dependence on fossil fuels and lower emissions.

Digital monitoring systems enabled real-time tracking of energy consumption, helping identify inefficiencies and support swift, data-driven decision-making. These enhancements have continuously strengthened energy performance across all operations.

By embedding energy efficiency improvement into its operational culture, Yamama Cement Company actively contributes to Saudi Arabia's climate goals, supports cost-effective production, and delivers long-term sustainable value for its stakeholders.

Oversight and Performance Monitoring

Yamama Cement relies on robust internal processes to review energy consumption and incorporates stakeholder feedback to assess performance, ensuring accountability and continuous improvement. Key indicators, including energy efficiency metrics, compliance scores, and results-based performance indicators, form the foundation for strategic decision-making and tracking progress.

In 2024, these systems contributed to tangible improvements in energy consumption, regulatory compliance, and cross-functional awareness. Lessons learned have strengthened internal communication, emphasized employee capacity building, and advanced the integration of digital tools to enhance energy governance and data accuracy.



Case Study

Excellence in Energy Efficiency through the Energy Efficiency and Fuel Utilization Efficiency (EE & FUE) Framework – Yamama Cement's 2024 Performance

In line with the objectives of Saudi Vision 2030 and national strategies to advance sustainability, Yamama Cement Company participated in the second cycle of the Energy Efficiency and Fuel Utilization Efficiency (EE & FUE) Framework in 2024, organized by the Saudi Energy Efficiency Center (SEEC).

Yamama Cement was also among the participants in the inaugural edition of the program in 2023, reflecting its ongoing commitment to enhancing energy efficiency and sustainable operational practices.

The framework aims to support and encourage industrial companies to improve energy efficiency and reduce fuel consumption, thereby contributing to lower carbon emissions and stronger environmental and economic performance. As part of this program, Yamama Cement committed to collecting and submitting accurate data on both electrical and thermal energy consumption within its production operations. The company worked closely with SEEC to ensure data accuracy through rigorous measurement and verification procedures, underscoring its comprehensive commitment to performance excellence and sustainability.

2024 Performance Results:

Yamama Cement Company achieved outstanding results in energy consumption efficiency in 2024. The company recorded an electricity consumption rate of 91.4 kilowatt-hours per ton of cement, surpassing its set targets and ranking among the top-performing cement manufacturers in the Kingdom.

Similarly, the company's kilns demonstrated exceptional thermal efficiency, with a specific fuel consumption rate of 3.01 million standard cubic feet per day per ton of clinker, achieving high performance levels compared to target benchmarks. This strong performance positioned Yamama Cement first among 19 cement plants in Saudi Arabia in electricity consumption efficiency and among the top performers in kiln fuel efficiency, reaffirming its continuous commitment to operational excellence and environmental stewardship.

Strategic Impact:

These achievements reflect Yamama Cement Company's steadfast commitment to advancing more sustainable and resource-efficient operations. Such progress directly supports Saudi Vision 2030 by reducing energy consumption and carbon emissions while enhancing operational efficiency. Through these efforts, the company continues to strengthen its position as a leading example of sustainability in the Saudi cement industry.



Yamama Cement Company **ranked first** among all cement plants in the Kingdom in electricity consumption efficiency for the year 2024.



Yamama Cement Company is committed to transitioning toward more sustainable and resource-efficient operations in support of Saudi Vision 2030.



Sustainable Cement Production

Circular Economy



The circular economy principle serves as a core pillar of Yamama Cement Company's waste management and broader ESG strategy. In 2024, we continued to strengthen our commitment to maximizing resource recovery by embedding circular economy principles across all our operations. Our approach extends beyond waste reduction to focus on reintegrating materials into production cycles, thereby minimizing environmental impact, enhancing resource efficiency, and extending material life cycles.



Rather than viewing waste as an endpoint, we regard it as a valuable resource. By emphasizing reuse, recycling, and responsible disposal, we ensure that materials remain in productive use for as long as possible, fully aligned with our broader goals of achieving carbon neutrality and advancing sustainability performance.

In 2024, Yamama Cement's primary focus was on waste transformation, ensuring that both hazardous and non-hazardous waste streams were managed in ways that minimized landfill use and improved recovery potential. Hazardous waste was treated and safely reused where feasible, while all disposal activities adhered to regulatory standards and environmental best practices.

These initiatives enabled Yamama Cement to reduce its reliance on landfills, preserve natural resources, and support the transition toward a more circular, low-carbon economy. Looking ahead, we will continue to invest in material recovery systems and collaborate with industry partners to explore new opportunities in waste-to-resource conversion and the implementation of sustainable circular practices.

Our key achievement in 2024 was the use of 100 percent sustainable raw materials in packaging.

We also successfully **achieved 100 percent reuse of production dust by recycling it through reintegration into our manufacturing processes and channeling part of it to other sectors as part of our industrial symbiosis framework.**

These circular solutions help minimize raw material waste, reduce landfill impact, and enhance the overall sustainability of our operations.

Progress was made in advancing circular economy practices by reusing reverse osmosis water and repurposing wastewater in milling, saving around 170,000 cubic meters annually and reducing reliance on treated water.



We expanded raw material quality monitoring to include quarry operations, improving material consistency, production stability, and reducing waste. These efforts enhance both operational efficiency and Yamama Cement's leadership in circular resource management and environmental responsibility.

Sustainable Cement Production

Water Management

Water is a vital component in cement manufacturing, and at Yamama Cement, we are committed to managing this resource efficiently and responsibly. In line with our sustainability commitments, we focus on optimizing water consumption, minimizing environmental impact, and ensuring full compliance with national environmental regulations.

In 2024, Yamama Cement Company withdrew a total of 831,494 cubic meters of groundwater to support its industrial operations and to meet domestic needs within the nearby residential facilities. Of this amount, 158,264 cubic meters were used in cement production processes, while 142,238 cubic meters were allocated for sanitation and service needs within the plant's facilities.

All water withdrawal and consumption activities are monitored through smart meters installed at extraction and usage points across our facilities. This ensures accurate, consistent, and traceable reporting that supports both operational efficiency and full regulatory compliance.

Over the past three years, our total water consumption decreased from 855,444 cubic meters in 2022 to 831,494 cubic meters in 2024. This reduction is primarily attributed to enhanced monitoring systems and operational optimization. Our total water storage capacity remained stable at 15,000 cubic meters, with no significant fluctuations recorded.

Water Management	Unit	2022	2023	2024
Total Groundwater Withdrawal	Cubic Meter	855,444	*782,377	831,494
Water Used in Industrial Operations	Cubic Meter	233,561	229,041	158,246
Water Used in Raw Material Mills (Reverse Osmosis Reject Water)	Cubic Meter	270,600	250,800	152,847
Water Used for Irrigation and Dust Control (Generated from Filter Backwash)	Cubic Meter	237,482	193,614	378,145
Water Used in Sanitary and Service Facilities	Cubic Meter	113,801	108,922	142,238
Water Consumption Intensity	Cubic meters/ton of cement	0.15	0.12	0.14
Change in Water Storage	Cubic Meter	15,000	15,000	15,000

*The reduction in groundwater withdrawal in 2023 was due to temporary well shutdowns for maintenance purposes.



Wastewater Treatment and Liquid Waste Management

Yamama Cement operates a high-efficiency wastewater treatment plant that serves the company's facilities. In 2024, the plant treated approximately 128,014 cubic meters of wastewater, ensuring that no untreated liquid waste was discharged into the environment. This treatment process is a key component in protecting the surrounding ecosystem, safeguarding public health, and ensuring full compliance with environmental regulations.

In addition to wastewater treatment, the plant manages solid sludge byproducts in strict accordance with national environmental standards. In 2024, a total of 313 cubic meters of sludge was safely and responsibly disposed of, representing an increase of 183 cubic meters compared to 2023 and 188 cubic meters compared to 2022. This upward trend reflects improvements in monitoring practices and the effective management of byproducts generated from the treatment process.



Volume of Sludge Disposed
Cubic Meter

Our wastewater treatment strategy delivers a range of positive environmental, social, and economic outcomes. From an environmental perspective, these efforts help reduce pollution risks, protect biodiversity, and ensure regulatory compliance.

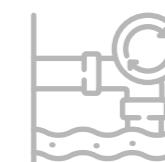
From a social standpoint, they contribute to maintaining a clean and healthy environment for employees and nearby communities.

On the economic level, effective wastewater management supports operational continuity and reduces regulatory

risks, despite requiring ongoing investment in infrastructure, monitoring, and maintenance systems. Yamama Cement strives to maximize value by balancing these factors while minimizing potential impacts.



Advancing the Circular Economy through Water Reuse



100% of treated wastewater was reused

Supporting water reuse and advancing the circular economy form a cornerstone of our approach. In 2024, 100% of treated wastewater totaling 128,014 cubic meters was reused for irrigation purposes. This initiative helps reduce reliance on groundwater and enhances the resilience of local water resources in a water-scarce region. This commitment reflects Yamama Cement Company's dedication to circular economy principles and to embedding sustainability across its core operations.



Stakeholder Engagement and Governance

We actively collaborate with internal teams, facility operators, and nearby communities to enhance water and wastewater management. Stakeholder feedback guides improvements from infrastructure investments to treatment upgrades, ensuring our systems remain responsive, resilient, and aligned with employee and community needs.

Guided by its long-term sustainability roadmap, Yamama Cement remains committed to maintaining strong monitoring systems, expanding water reuse initiatives, and ensuring full compliance with national environmental standards. Through continuous impact assessments, we aim to optimize resource efficiency, minimize environmental risks, and support Saudi Arabia's national water conservation and broader sustainability goals.

Case Study**Reusing Non-Potable Water in Raw Material Mills**

In 2024, Yamama Cement launched a water reuse initiative aimed at reducing its dependence on chemically treated water by utilizing non-potable water in raw material mills. The project was driven by two main objectives: conserving potable water and reducing both the high costs and chemical inputs associated with water treatment and desalination. This was achieved by extending pipelines to directly supply non-potable water to the operational lines serving the raw material mills.



The company successfully reduced its use of treatment chemicals from 621,300 kilograms in 2023 to 194,680 kilograms in 2024, **cutting associated costs from 3.68 million Saudi riyals to 828 thousand Saudi riyals.**

The project was completed with no operational impacts, demonstrating that non-potable water can be safely and effectively integrated into specific industrial processes.

This initiative reflects Yamama Cement's commitment to environmental protection and resource efficiency while supporting national sustainability goals, especially water conservation. The company addressed initial quality concerns through precise system integration, strict monitoring, and ongoing assessments. Moving forward, it plans to expand this approach across more operations and explore new ways to optimize non-potable water use, preserving clean water and enhancing sustainability.

**Sustainable Cement Production**

Waste and Pollution Management

Effective waste and pollution management is a fundamental component of Yamama Cement Company's environmental strategy. The company is committed to managing all types of waste, both hazardous and non-hazardous, in a responsible and efficient manner that aligns with national regulations and international best practices. Our efforts focus on minimizing environmental impact, enhancing resource efficiency, and supporting our long-term sustainability goals.

In 2024, we continued to strengthen our efforts to monitor, reduce, and recycle waste across all operations. Our environmental management system, certified in accordance with ISO 14001 standards, is implemented

company-wide, ensuring a structured approach to environmental compliance, including waste management and recycling practices.

Scope of Environmental Management System Certification in accordance with ISO 14001

All operations are 100% covered under the ISO 14001 certification, ensuring full compliance with internationally recognized environmental standards related to waste management, recycling, and performance monitoring.

Sustainable Use of Raw Materials

The sourcing of raw materials used in production follows a sustainable approach that reduces dependence on non-renewable resources and supports the principles of the circular economy.

Beyond regulatory compliance, we continuously seek opportunities to reuse waste materials across our value chain. By converting waste into usable resources whenever possible, we aim to minimize reliance on landfills and promote a more circular and resource-efficient production model.

Looking ahead, we reaffirm our commitment to expanding waste reuse initiatives, enhancing recycling programs, and continuously improving the efficiency and effectiveness of our waste and pollution management systems.





Sustainable Cement Production

Biodiversity and Land Use

Biodiversity and land use are fundamental components of Yamama Cement Company's environmental sustainability approach. As a company operating in the cement industry, we recognize that our activities, particularly resource extraction and industrial production, have both direct and indirect impacts on natural ecosystems. Accordingly, we adopt a proactive and precautionary approach to protecting biodiversity, rehabilitating land, and preserving natural habitats.

Our operations may impact biodiversity as a result of land conversion, emissions, and changes in local water and soil conditions. The key environmental considerations include:

- Changes in land use and habitat disturbance resulting from the construction and operation of cement facilities and quarries.
- Air and water emissions that may affect surrounding ecosystems.
- Variations in groundwater levels and soil composition that may impact local plant and animal life.

Although Yamama Cement Company's operations are not within legally protected areas, all sites undergo rigorous assessments to determine proximity to biodiversity-sensitive or environmentally valuable areas. The company conducts environmental impact assessments at all operational sites, including main production facilities and quarries, to identify environmental risks and guide mitigation strategies, in line with the requirements of the National Center for Environmental Compliance.



Proactive Environmental Stewardship

Yamama Cement Company implements a range of preventive and corrective measures to manage its environmental footprint and safeguard biodiversity:

 Air quality and emissions are monitored using advanced sensing systems across operational sites to detect and address air pollutants promptly.

 Environmental monitoring and internal audits help track our environmental performance and ensure compliance with national standards.

 Dust emission controls have been strengthened through the adoption of advanced dust collection and recycling systems, aiming to reduce bypass dust emissions to zero.

 Sustainable land rehabilitation plans have been developed for all affected sites, with a focus on ensuring the safe and responsible use of land after operations.

 Afforestation efforts continue, with a commitment to **planting one million** trees to expand green cover, offset carbon emissions, and support local biodiversity.

We have also established measurable environmental targets and tracked our progress through key performance indicators. These targets include:

- Reducing bypass dust emissions through enhanced dust management systems.

- Planting one million trees to improve air quality, capture carbon, and support local ecosystems.
- Monitoring air emissions and vegetation cover to assess the effectiveness of our environmental initiatives.

These efforts have yielded tangible results. The implementation of advanced dust control systems has significantly reduced particulate emissions, while afforestation projects continue to enhance local biodiversity and strengthen the surrounding environment.

Collaboration and Partnerships

Yamama Cement Company actively collaborates with regulatory authorities, environmental organizations, and sustainability experts to enhance its environmental practices. Key partnerships include:

- The Saudi Investment Recycling Company (SIRC), with which we signed an agreement to enhance industrial waste recycling and reduce environmental impacts.
- Regulatory authorities that support the review and

approval of rehabilitation plans, ensuring their alignment with national sustainability objectives.

- Environmental experts and organizations engaged in developing sustainable quarry rehabilitation strategies.

These partnerships ensure our rehabilitation plans are science-based, aligned with best practices, and focused on creating lasting environmental value.

Insights from monitoring, evaluations, and stakeholder input highlighted the value of real-time monitoring, stronger anti-pollution infrastructure, and formalized environmental partnerships. These lessons were integrated into our environmental policies, enhancing accountability and operational resilience.

Looking ahead, Yamama Cement remains committed to strengthening biodiversity management, restoring degraded lands, and protecting natural habitats across its operations. Through ongoing assessment, innovation, and collaboration, we strive to minimize our long-term environmental footprint and contribute to national and global sustainability efforts.

Sustainable Cement Production

Sustainable High-quality Products

Yamama Cement Company is committed to driving revenue growth and maintaining a competitive edge through the production of sustainable, low-carbon cement. In line with this commitment, the company continues to develop and expand its portfolio of high-performance, sustainable cement products that meet evolving market needs while supporting national and global carbon reduction goals.

In 2024, Yamama Cement Company achieved several notable milestones, including the reduction of residue levels in its cement products, which improved material

properties and enhanced product consistency and quality. Stricter oversight of raw materials at quarry sites, coupled with optimized cement preparation times based on seasonal conditions, has strengthened performance stability and reduced customer complaints. Looking ahead, Yamama Cement Company plans to introduce new sustainable cement products and further enhance its production processes to lower carbon intensity, reinforcing its leadership in innovation, sustainability, and product excellence.

6

Sustainable Supply Chains

A strong, responsible supply chain is key to Yamama Cement's sustainability goals. We are committed to building transparent, ethical, and secure networks that meet the highest ESG standards.

Our approach enforces strict supply chain management, protects human rights and data, and promotes accountability and ethical compliance while building long-term, trust-based partnerships.

By embedding sustainability and integrity across all procurement and operational stages, we aim to build a value chain that is not only efficient and secure but also aligned with our broader commitment to responsible business practices.



Material Topics

 Supply Chain Management

 Responsible Marketing and Labeling

 Human Rights

Pillars of Saudi Vision 2030

A Thriving Economy:
Enhancing supply chain resilience and driving digital transformation to boost productivity, optimize costs, and ensure sustainable, reliable cement production. Supporting local content and economic diversification through strategic partnerships with suppliers.

A Vibrant Society:
Protecting human rights, ensuring data privacy, and promoting inclusive employment practices that enhance community well-being and foster ethical business conduct.

An Ambitious Nation:
Aligning supply chain, procurement, and cybersecurity practices with national regulations and international best standards to strengthen governance, integrity, and sustainability leadership.

UN SDGs:

 Through ethical business practices, protection of human rights, and promotion of fair treatment of suppliers across the value chain.

 Through investments in IT systems, digital tools, and supply chain infrastructure to enhance efficiency and innovation.

 Through sustainable procurement processes, efficient material use, and supplier evaluations to ensure compliance with environmental and social standards.

 Through enhanced transparency, strong governance, and data security across supply chain operations and business processes.

Sustainable Supply Chains

Supply Chain Management

The strength and resilience of Yamama Cement's supply chains are central to our ability to produce high-quality cement efficiently and sustainably. Our supply chain strategy focuses on optimizing procurement, logistics, and supplier relationship management to ensure continuous availability of essential raw materials, reduce operating costs, and minimize environmental impact.

We work with a diverse and strategic network of suppliers to source key materials such as limestone, gypsum, iron, and fuel. By fostering long-term, value-based partnerships, we ensure reliability, quality, and shared growth. Our procurement practices are designed to uphold high standards of product quality and safety while reinforcing our sustainability commitments.

We have strengthened our ability to manage material flows, minimize disruptions, and improve cost efficiency by enhancing supplier engagement and refining inventory forecasting. In addition, our investments in efficient logistics and transport infrastructure have reduced turnaround times and fuel consumption, contributing to higher operational efficiency and lower emissions.

Integrating Sustainability into Supply Chains

Sustainability is embedded across all our supply chain operations. We take proactive measures to reduce Scope 3 emissions, which are indirect emissions associated with material sourcing and logistics, through the following actions:

Alternative Raw Materials

We are exploring the integration of recycled materials and alternative fuels to reduce reliance on virgin raw materials and lower the carbon intensity of our operations..



Transport Efficiency

We are exploring the integration of recycled materials and alternative fuels to reduce reliance on virgin raw materials and lower the carbon intensity of our operations..



Supplier Sustainability Assessments

We prioritize sourcing from suppliers who meet environmental, social, and ethical standards aligned with our corporate sustainability criteria.

These initiatives support our broader environmental goals and promote responsible practices across our supply base.



Strengthening Supply Chain Resilience

Yamama Cement is committed to building an advanced, future-ready supply chain that drives both competitiveness and sustainability. We strengthen partnerships with suppliers to adopt higher sustainability standards and explore low-carbon logistics solutions to reduce environmental impact. At the same time, we invest in digital supply chain tools to enhance transparency, improve efficiency, and manage emerging risks more effectively.

We are integrating sustainability policies into our procurement activities, covering key areas such as resource efficiency, labor rights protection, and environmental and social risk management. When evaluating suppliers, we apply sustainability criteria to ensure compliance with environmental and social standards. Corrective actions are implemented to address any emerging negative impacts, with a focus on supporting positive contributions from local and community-based suppliers.



Monitoring and Continuous Improvement

We conduct regular assessments of our procurement performance using key performance indicators to track progress toward sustainability and operational goals. Insights from these evaluations guide the ongoing enhancement of our procurement policies and procedures, driving continuous improvement over time.

We view stakeholder engagement as a core element of our approach. By engaging suppliers, customers, and regulators, we gain deeper insights into market expectations, emerging risks, and relevant best practices. This enables more informed decision-making, aligns our supply chains with sustainability priorities, and ensures the creation of long-term sustainable value for all stakeholders.



Sustainable Supply Chains

Responsible Marketing and Labeling

Yamama Cement is committed to applying the principles of responsible marketing to ensure that customers and consumers receive accurate, transparent, and comprehensive information. We build trust by ensuring that all marketing campaigns and promotional content accurately and credibly reflect our corporate values, product performance, and environmental impact.

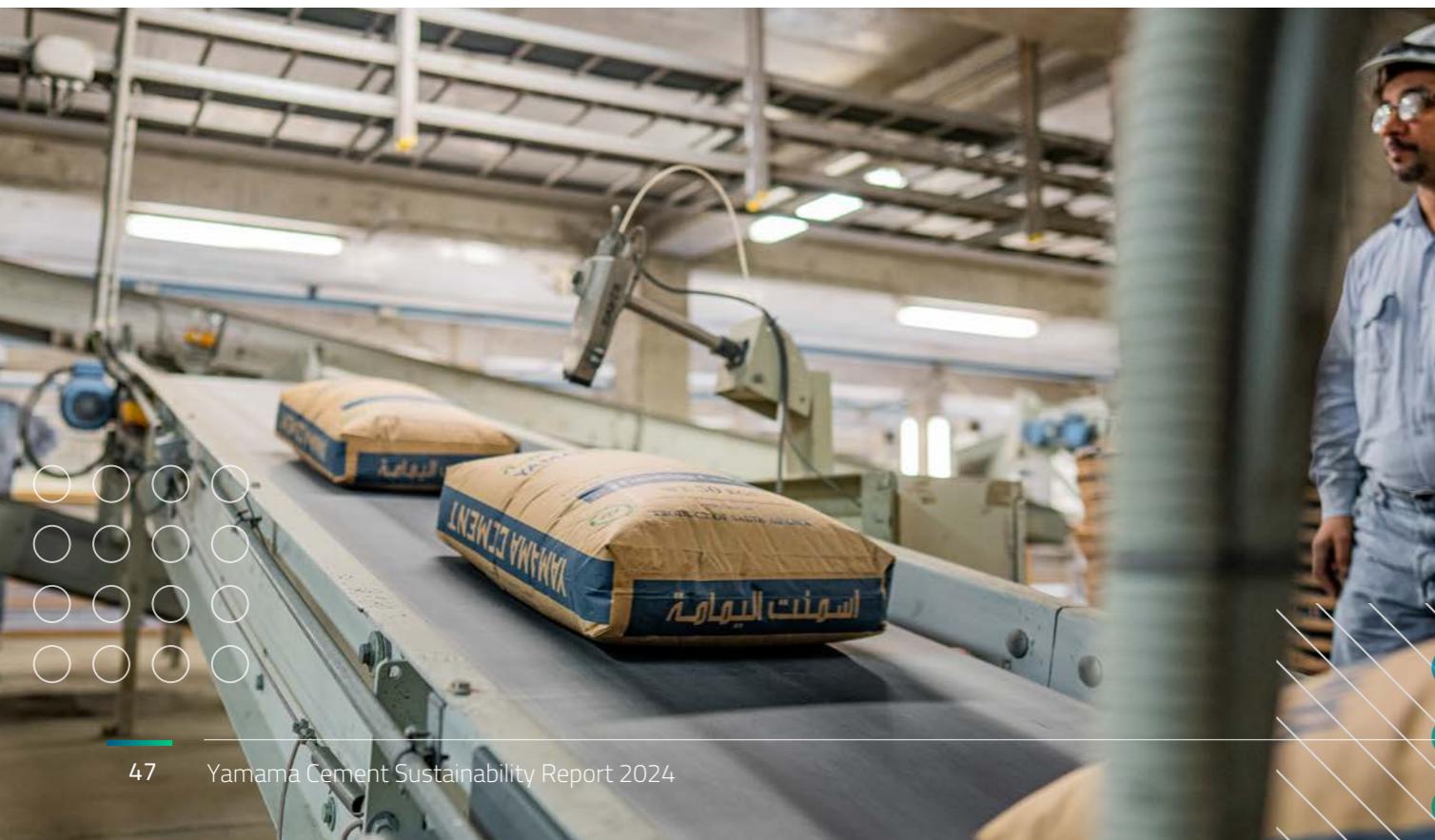
As part of our ongoing commitment to transparency and sustainability, Yamama Cement has developed Environmental Product Declarations (EPDs) for three of its main products:

Ordinary Portland Cement, Sulfate-Resistant Portland Cement, and Blended Hydraulic Cement. This achievement reflects the company's commitment to environmental transparency and the continuous improvement of its

products' sustainability performance in line with international standards and national sustainability goals.

We are also developing responsible marketing policies that ensure compliance with local laws and consumer protection regulations while enhancing the accessibility of environmental and social information to stakeholders through transparent and diverse communication channels.

These efforts aim to strengthen the company's leadership position, deliver added value to customers, and expand awareness of sustainable products in line with market trends and national ambitions for a circular economy.



Sustainable Supply Chains

Human Rights

Yamama Cement Company believes that respecting and protecting human rights is a fundamental aspect of its corporate responsibility. We foster a culture grounded in dignity, respect, equality, and ethical conduct through our commitment to fair labor practices and a safe, discrimination-free workplace.

We adhere to practices aligned with Saudi labor regulations and internationally recognized human rights frameworks. This alignment enables us to proactively identify and mitigate risks while fostering a responsible and supportive work environment for all employees and contractors.

We recognize that human rights risks may arise within our industrial operations and value chain. These risks include labor rights, health and safety, supply chain ethics, and broader issues of environmental justice. Our key focus areas include ensuring fair wages and working hours, protecting worker safety through rigorous health and safety programs, and preventing all forms of child labor and forced labor.

To support this commitment, Yamama Cement has adopted a structured governance framework to safeguard human rights. Our approach includes the following:



Regulatory Compliance

We are fully committed to national labor laws and regulatory requirements to ensure the prevention of any human rights violations.



Ethical Employment Policies

We uphold the principles of non-discrimination, equal opportunity, and fair treatment across all roles, while ensuring safe working conditions and fair compensation for employees and contractors.



Monitoring and Reporting

Human rights indicators are tracked through integrated management systems, including company-wide records and reporting processes.

Going forward, we will continue to uphold the highest standards of labor, ethics, and compliance. We will also strengthen employee engagement by fostering a culture of openness, respect, and inclusion, while expanding our human rights due diligence across operations and supply chains to mitigate risks and promote responsible growth.

7

Safe and Responsible Operations

At Yamama Cement, we go beyond production to protect our people, support communities, and ensure long-term sustainability. We are committed to integrity, safety, well-being, and positive social impact.

Our approach combines strict health and safety standards, effective human capital development, and proactive community engagement. We strive to create value for employees, customers, and society by supporting workforce development, environmental compliance, and social responsibility.

By prioritizing people, safety, and ethics, we strengthen resilience, foster inclusive growth, and advance Saudi Arabia's sustainability goals.



Material Topics

 Social Responsibility
 Health, Safety, and Wellbeing

 Human Capital Management
 Customer Relations

Pillars of Saudi Vision 2030

A Thriving Economy

Yamama Cement contributes to economic growth, skills development, and industrial excellence in Saudi Arabia through continuous investment in employee training, workforce localization, and customer satisfaction.

A Vibrant Society

We support the creation of a more resilient and inclusive society that values human development and well-being by providing a harm-free workplace and launching initiatives that promote wellness and meaningful community engagement.

An Ambitious Nation

Yamama Cement is committed to strengthening transparency, stakeholder trust, and leadership in responsible business practices by reinforcing corporate governance, upholding ethical conduct, and aligning with national social responsibility standards.

UN SDGs:

 3 GOOD HEALTH AND WELL-BEING
By prioritizing occupational health and safety, striving for zero incidents, and fostering a culture of well-being across all operations.

 4 QUALITY EDUCATION
By developing employees systematically, providing technical training, and engaging them in national programs such as the Professional Development Program for Saudi Engineers.

 5 GENDER EQUALITY
By promoting gender inclusion, supporting return-to-work policies, and ensuring fair treatment for all employees.

 8 Decent WORK AND ECONOMIC GROWTH
By achieving high localization rates, maintaining long employee retention, and implementing equitable labor practices that promote inclusive and sustainable economic growth.

 10 REDUCE INEQUALITIES
By promoting equal opportunity, implementing fair employment policies, and fostering a workplace culture that values respect and inclusion.

 16 PEACE, JUSTICE, AND STRONG INSTITUTIONS
By adhering to strict governance, ethics, compliance, and anti-corruption policies across all operations.

 17 PARTNERSHIPS FOR THE GOALS
By collaborating with community organizations and supporting government-led platforms focused on social development.

Safe and Responsible Operations

Social Responsibility

As one of Saudi Arabia's leading industrial companies, we recognize that our impact extends beyond the economy and environment to the communities where we operate. We are committed to conducting our business responsibly, fostering positive stakeholder relationships, and proactively managing social risks.

We conduct environmental impact assessments for our projects and monitor our effects on air quality, soil health, and overall community well-being, working proactively to minimize them. Our operations comply with the environmental standards set by the National Center for Environmental Compliance, supporting our alignment with Saudi Arabia's broader sustainability vision.

Community engagement is a core element of our social responsibility strategy. We actively engage with local residents, government entities, and industry stakeholders to better understand concerns and collaborate on practical solutions that enhance social well-being. Our environmental management systems are integrated with social impact tracking, ensuring transparent monitoring, reporting, and continuous improvement of our social and environmental performance.



In 2024, Yamama Cement Company established partnerships with a wide range of organizations across humanitarian, educational, charitable, and health sectors, aiming to strengthen its efforts in community development.



Health Partnerships

- Supported the Disabled Children's Association in Saudi Arabia
- Supported the Down Syndrome Charity Association
- Supported the Rheumatism Patients Care Charity Association
- Supported the Sanad Children's Cancer Support Association
- Supported the "Asma'ak" Association for Cochlear Implant Cases
- Supported the "Kafeef" Association for the Visually Impaired
- Supported the "Ruhama" Health Association



Humanitarian and Social Partnerships

- Discount Packages for Yamama Cement Company Employees
- Support for the "Day of Loyalty for the Martyrs of Duty" event in collaboration with the Ministry of Interior
- Contribution to the Ihsan charitable platform
- Sponsorship of a volunteer campaign to serve pilgrims in Makkah in partnership with King Saud University

Educational Partnerships

- Sponsorship of the 63rd Graduation Ceremony at King Saud University
- Sponsorship of the Innovation Camp in collaboration with King Saud University
- Support for a charitable organization dedicated to Quran memorization in Jalajil
- Ongoing support for an educational classroom at Al-Malaz Women's Prison

Through these initiatives, Yamama Cement Company continues to support Saudi Vision 2030 by promoting inclusive development, enhancing well-being, and contributing to long-term social sustainability across the Kingdom.

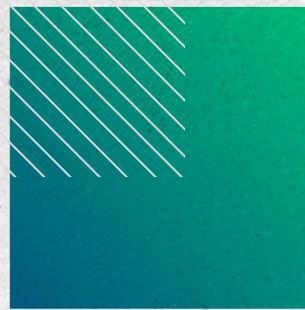
Case Study

Bronze Medal in the Corporate Social Responsibility Award

In recognition of its commitment to community development and corporate citizenship, Yamama Cement Company received the Bronze Medal in the 2024 Corporate Social Responsibility Award. This recognition reflects the company's ongoing efforts to support social initiatives and contribute positively to the community in alignment with national priorities and Saudi Vision 2030. The award further strengthened Yamama Cement's position as a leading example of responsible business practices within the industrial sector.

This achievement reflects the company's active support for accredited organizations through the Ministry of Human Resources and Social Development's official platform. Yamama Cement focuses on building long-term partnerships with credible institutions and supporting impactful programs in education, social care, and community empowerment. Receiving the Bronze Medal reaffirms the company's strategic approach to social investment and its commitment to creating meaningful impact across the Kingdom.





Safe and Responsible Operations

Health, Safety, and Wellbeing

At Yamama Cement, we place the highest priority on the health, safety, and well-being of our employees, partners, contractors, and site visitors. As a key player in the industrial sector, we fully recognize the inherent risks associated with cement production and are committed to maintaining a safe, secure, and supportive working environment across all our operations.

The key elements of our health and safety strategy include:

- Implementing strict safety policies to prevent incidents and minimize risks.
- Conducting comprehensive impact assessments to identify and address safety risks.
- Using advanced systems to track compliance, report incidents, and monitor performance.
- Regularly reviewing and improving our health and safety management systems.
- Promoting a "Safety First" culture through field visits, awareness sessions, and employee engagement.
- Providing ongoing training in occupational safety, health, and environmental protection.

In 2024, our safety performance demonstrated our continued commitment to maintaining a fully safe working environment.

ZERO

Serious Injuries

No serious work-related injuries were recorded in any of our operations.

Fatality Rate

No workplace fatalities were recorded, highlighting the effectiveness of our safety systems.

Severity Rate

All reported incidents were minor, reflecting the effectiveness of our response protocols and risk control measures.

We completed

17.5

million work hours

without any serious or disabling injuries, demonstrating our strong commitment to disciplined safety practices.

These results highlight the effectiveness of our safety measures and the dedication of our teams to uphold the highest safety standards. Moving forward, Yamama Cement will continue investing in safety innovations, strengthening compliance mechanisms, and maintaining its incident-free record, ensuring that safety remains an integral part of every aspect of our operations.

Key Health and Safety Initiatives in 2024



Preventing Fatalities and Incident Monitoring

We closely monitor incidents involving employees and contractors, ensuring immediate investigations and corrective actions to prevent recurrence. Our safety audits and real-time tracking systems further strengthen proactive risk management.



Hazardous Materials and Chemical Safety Management

The company has implemented a chemical safety management policy to ensure the safe handling, storage, and disposal of hazardous materials. Employees receive specialized training in chemical safety, reflecting our commitment to best practices and compliance with the National Center for Environmental Compliance guidelines.



Workplace Safety and Risk Assessment

Regular safety audits are conducted alongside training sessions and emergency preparedness drills at all operational sites. Detailed safety records are maintained to monitor compliance and identify areas for continuous improvement.



Stakeholder Engagement and Reporting

Our plant-level environmental management systems ensure that safety measures align with industry best practices. We maintain ongoing communication with regulators, employees, and sector stakeholders to develop and continuously improve our health and safety policies.

Health and safety are core to our sustainability strategy. By implementing strict safety protocols, adopting certified management systems, and fostering active employee engagement, we create a safer work environment and a culture of responsibility and care. Yamama Cement intends to continue enhancing its safety performance through innovation, training, and regulatory compliance, reinforcing a culture focused on preventing all incidents.

Safe and Responsible Operations

Human Capital Management

At Yamama Cement, we believe our employees are our most valuable asset and the foundation of long-term sustainable success. In line with this, we invest in workforce development through training, career planning, and employee engagement to attract, retain, and empower top talent across all roles.

We foster inclusive growth, long-term job stability, and a values-driven culture by integrating environmental, social, and governance principles into our human capital strategy. Our support goes beyond providing employees with the tools for success, extending to opportunities that enable them to build meaningful career paths aligned with their goals, contributing to the company's sustainable future.

Yamama Cement ensures its employees remain at the forefront of industry developments by offering structured learning and development programs. The company

provides specialized training in key areas, including occupational safety, operational excellence, environmental compliance, and leadership skills development.

Our training and development policy ensures continuous learning to enhance employee skills and professional growth. In 2024, Yamama Cement delivered 30,305 training hours, up from 17,870 in 2023.



Training and Development	Unit	2023	2024
Average Training Hours for the Following			
Male employees	Hour	21	26
Female employees	Hour	34	38
Middle Management	Hour	35	35
Senior management	Hour	40	42
Employee	Hour	21	27

These efforts are guided by Yamama Cement's training and development policy, which aims to build internal capabilities, enhance employee performance, and support long-term organizational growth.

Case Study

Empowering Saudi Engineers through the Professional Development Program for Engineers



In 2024, Yamama Cement supported the participation of its young engineers in the Professional Development Program for Engineers organized by the Yanbu Cement Knowledge Center. This initiative is part of the company's broader commitment to empowering Saudi talent, particularly recent graduates, and preparing them for successful careers in the cement sector. The program provided participants with a unique opportunity to gain technical experience, apply their skills on real projects, and contribute meaningfully to the development of the industry.

In this context, Yamama Cement's participation in the program was driven by its strategic goal of empowering the next generation of national talent. The company ensured that engineers fully benefited from the 182-day program by relieving them of their regular duties and redistributing responsibilities among team members. This proactive approach maintained operational continuity while allowing participants to focus on their development. The company also provided logistical and technical support to enable trainees to meet all program requirements and apply their learning to real projects.

The program concluded with the successful graduation of all participating engineers, who were honored for their achievements at an official ceremony attended by the Deputy Minister of Industry and Mineral Resources. This milestone was a proud moment for the graduates and reinforced Yamama Cement's role as a key contributor to workforce development in the Kingdom.

Looking ahead, Yamama Cement is committed to continuing its participation in national training initiatives and contributing to future programs aimed at developing the capabilities of recent graduates. By investing in human capital, the company not only supports its long-term success but also helps shape the future of the industrial sector in the Kingdom.



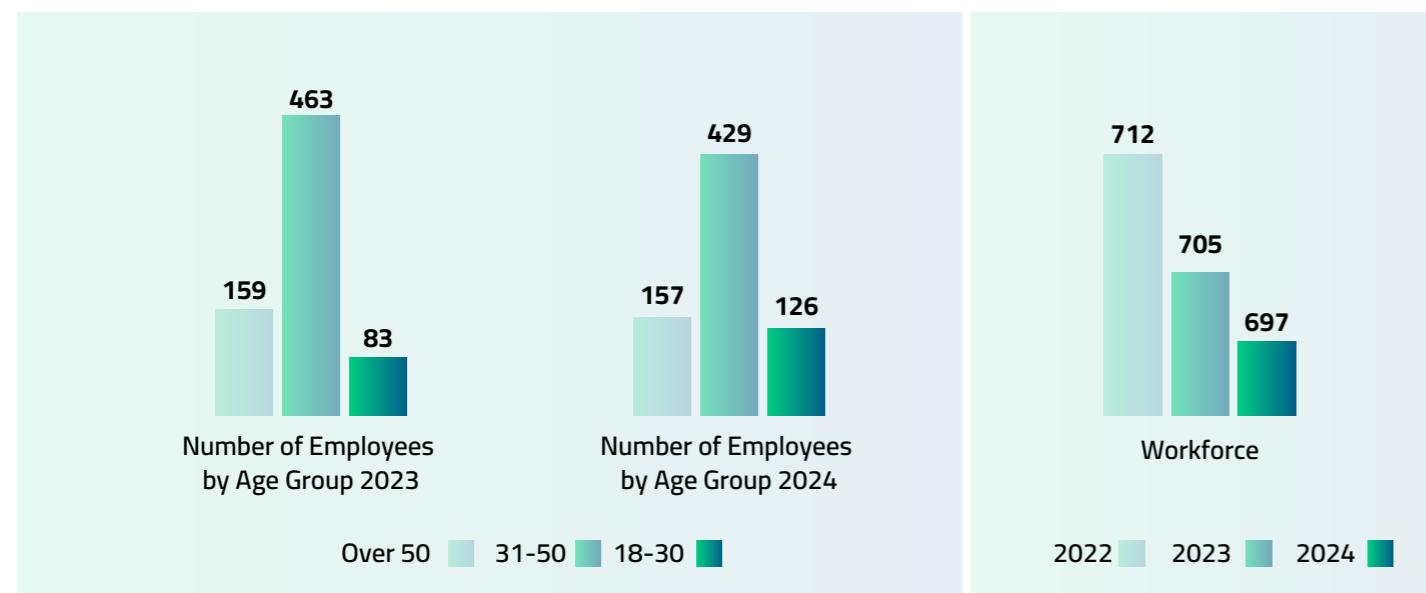


Workforce Overview

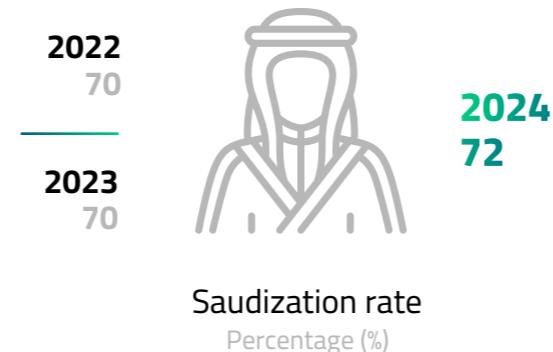
The workforce at Yamama Cement Company continues to play a pivotal role in driving operational excellence and advancing the company's sustainability ambitions.

The following charts illustrate key workforce trends over the past three years, including the total number of full-time employees and their distribution by age group.

After a slight decrease to 697 employees in 2022, Yamama Cement's workforce grew steadily to 705 in 2023 and 712 in 2024, reflecting sustainable growth and organizational stability. In terms of age distribution, employees aged 31–50 formed the majority in 2024 with 429 employees, followed by 157 employees over 50, and 126 employees aged 18–30. This balanced mix highlights a workforce that combines deep experience with a promising pool of young talent joining the company.



Yamama Cement is firmly committed to supporting the development of the national workforce by prioritizing the recruitment, retention, and professional growth of Saudi talent. Our Saudization strategy is closely aligned with national efforts to expand employment opportunities for Saudi citizens and to build a strong, sustainable economy driven by local capabilities. Over the past three years, we have consistently advanced our workforce nationalization goals, increasing our Saudization rate from 70 percent in both 2022 and 2023 to 72 percent in 2024. This progress reflects our continued focus on creating meaningful career pathways for Saudi professionals and contributing to the Kingdom's broader economic and social development objectives.

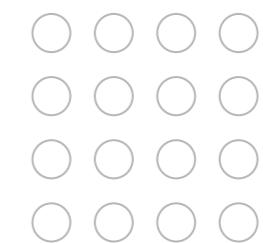


Yamama Cement continues to attract and retain qualified talent while effectively managing its employee turnover rate. In 2024, the company hired 50 new employees, marking a slight decrease compared to 54 new hires in 2023. The majority of these new hires were male, totaling 43 employees, while 7 were female.

The employee turnover rate improved significantly, decreasing from 4.95 percent in 2023 to 4 percent in 2024,

reflecting the company's continued efforts to retain its workforce. In terms of turnover by age group, the highest rate in 2024 was recorded among employees aged between 30 and 50 years (15 employees), followed by those under 30 years of age (nine employees), and employees over 50 years old (five employees). These figures demonstrate Yamama Cement's ongoing commitment to maintaining workforce stability while adapting to demographic shifts within the organization.

New Employees and Turnover	Unit	2022	2023	2024
Total Number and Rate of New Employee Hires During the Reporting Period, by Age Group and Gender				
Newly hired employees		60	54	50
Male employees	Number	53	49	43
Female employees		7	5	7
Total Number and Rate of Employee Turnover During the Reporting Period, by Age Group and Gender				
Employee turnover rate	Percentage	6.9	4.95	4
Male employees		76	45	26
Female employees		4	3	3
Under 30	Number	17	16	9
30 – 50		26	21	15
Over 50		37	11	5





Employee Engagement

At Yamama Cement, we recognize that an engaged and motivated workforce is essential to driving innovation, achieving operational excellence, and ensuring long-term sustainable success. By continuously listening to our employees and acting on their feedback, we strive to foster a culture rooted in collaboration and growth.

In 2024, Yamama Cement's Human Resources Department conducted a comprehensive survey to assess employee satisfaction and engagement as part of its ongoing efforts to enhance the work environment and improve the overall employee experience. The survey focused on several key areas, including workplace culture, the quality of services and facilities, and opportunities for professional development.

The survey results indicated high levels of employee satisfaction across various aspects, with an overall satisfaction score of 94 percent. This outcome reflects the effectiveness of the initiatives implemented during the year and the company's strong commitment to fostering a motivating and safe work environment.

The following are the key findings reported by employees:



%97.6

satisfaction with the quality of Human Resources operations



%99

satisfaction with the cleanliness of buildings and service facilities



%100

full satisfaction with residency and visa (exit and re-entry) issuance and renewal services



%97.3

satisfaction with on-site clinic services



%83.5

satisfaction with the quality of cafeteria services at the plant



%93.7

satisfaction with the quality of employee housing



%91

satisfaction with the quality of buffet services provided



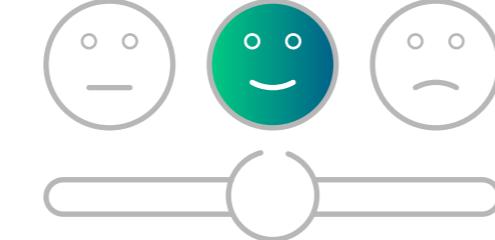
%89

satisfaction with transportation services



%98.2

satisfaction with sports and recreational club services



These results reflect the company's advanced level of care for its employees and its commitment to providing a holistic work environment that extends beyond operational aspects to include living, health, and recreational services. The Human Resources Department leverages these survey findings to develop continuous improvement plans that enhance the employee experience and reinforce the company's commitment to its corporate values and strategic objectives in sustainability and organizational excellence.



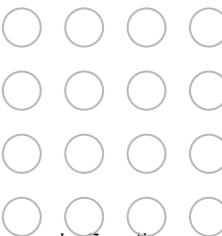
Employee Retention and Workforce Stability

In addition to training, we place strong emphasis on retaining talent and fostering a supportive work environment. Currently, the company employs 712 full-time staff, with high employee retention rates. Our employees consistently return after their leaves and continue their careers with the company, reflecting their satisfaction and the growth opportunities available to them.



Safe and Responsible Operations

Customer Relations



At Yamama Cement, we place our customers at the heart of everything we do. As one of the leading cement producers in Saudi Arabia, we fully recognize that product quality, safety, and service reliability are fundamental to building and maintaining long-term relationships. Our commitment to delivering high-quality cement products that meet regulatory standards and stringent safety requirements remains a cornerstone of our business success.

Cement is a fundamental material in infrastructure and construction, where any compromise in quality can lead to serious safety and structural stability risks. For this reason, our customer relationship management strategy is built on ensuring the long-term performance of our products, maintaining full compliance with quality and safety standards in the Kingdom, and providing responsive and efficient customer service.

To support this commitment, Yamama Cement has implemented comprehensive systems and protocols to ensure the highest levels of product quality and customer satisfaction. The objectives included:

Ensuring product quality and safety

All cement products undergo strict internal quality controls and regulatory inspections to ensure they meet or exceed national standards.

Regulatory Compliance and Performance Monitoring

We continuously monitor feedback and uphold quality and safety to maintain our excellence.

Customer Support and Engagement

We offer dedicated support channels to promptly address customer inquiries and ensure reliable products for major projects.

Customer satisfaction is key to our long-term growth and adaptability. By prioritizing quality, responsiveness, and responsible practices, we deliver value and reliability while strengthening trust and supporting urban development in Saudi Arabia.

8

Governance and Ethical Leadership

Robust corporate governance at Yamama Cement forms the foundation of our long-term success and sustainability. We are committed to transparency, accountability, and ethical conduct, ensuring well-informed decision-making, effective risk management, and full regulatory compliance. Our governance framework integrates environmental and social considerations, reinforces ethical values, and clearly defines roles and responsibilities. Through ongoing evaluation and active stakeholder engagement, we uphold a culture of integrity and responsible leadership. We also strive to align our governance model with national priorities and global best practices to create sustainable value.



Material Topics



Corporate Governance and Business Ethics



Data Privacy and Security

Pillars of Saudi Vision 2030

A Thriving Economy

We work to strengthen investor confidence and effectively manage risks while supporting the Kingdom's efforts to build a competitive and resilient private sector. This is achieved through our commitment to transparent governance, rigorous oversight by the Board of Directors, and adherence to ethical business practices.

A Vibrant Society

We contribute to fostering an ethical, fair, and responsible work environment that strengthens public trust and supports inclusive development by promoting a culture of integrity, accountability, and stakeholder responsiveness.

An Ambitious Nation

We embody the Kingdom's aspiration to lead in sustainable industrial development and institutional excellence by establishing robust governance frameworks, implementing anti-corruption measures, and maintaining full compliance with national regulations and global standards.

UN SDGs:



Through the promotion of ethical leadership, the implementation of fair employment practices, and the adoption of governance policies that drive economic productivity and foster decent work environments.



By integrating the principles of equal opportunity, diversity, and fair treatment into governance structures and decision-making processes.



By implementing strict anti-corruption policies, effective risk management frameworks, transparent disclosure practices, and ethical compliance mechanisms across all operations.

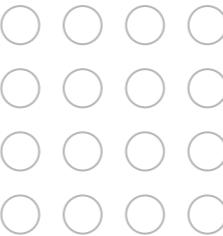


By maintaining active and ongoing engagement with stakeholders, regulators, and industry bodies to advance shared governance objectives and promote sustainable business practices.



Governance and Ethical Leadership

Corporate Governance and Business Ethics



commitment to ethics and compliance. Our practices promote transparency, accountability, and integrity, enhancing performance, managing risks, and building trust with all stakeholders.

Our governance framework is built on transparency, responsibility, accountability, fairness, and sustainability, guiding our operations and ensuring alignment with our long-term goals.

Governance Framework and Ethical Conduct

The company follows strict governance reporting aligned with Saudi regulations and global best practices. Our framework ensures shareholder and stakeholder protection, conflict disclosure, and strategic alignment with social and economic needs. Regular disclosures reflect our commitment to transparency, ethics, and continuous improvement.

In this context, the company will establish an Environmental, Social, and Governance Committee in 2025 to ensure effective oversight of sustainability issues and strengthen the integration of ESG objectives within corporate governance.

Committed to good governance and the highest standards of integrity and transparency, we have adopted corporate policies **that strengthen our environmental, social, and governance responsibilities, including:**

- Conflict of Interest Policy
- Corporate Social Responsibility Policy

- Code of Professional Conduct
- Disclosure and Transparency Policy
- Whistleblowing and Whistleblower Protection Policy

For more details, please visit the Governance Policies page on our [website](#).

Board Structure and Oversight

The Board of Directors plays a central role in guiding Yamama Cement's strategic direction and overseeing corporate governance. In 2024, the Board consisted of seven members, including five non-executive directors and two independent directors. The Chairman serves in a non-executive capacity, maintaining independence from day-to-day management and ensuring objective oversight.

Board of Directors	Unit	2023	2024
Total Number of Executive Members	Number	0	0
Total Number of Independent Members	Number	2	2
Total Number of Non-Executive Members	Number	5	5
Total Number of Board Members	Number	7	7

The Board of Directors is responsible for overseeing key areas of governance, including:

- Business ethics and professional integrity
- Regulatory compliance
- Enterprise risk management
- ESG strategy and performance

These functions are supported by two Board-level committees:



Audit Committee

Responsible for overseeing internal control systems and risk management, comprising both independent and non-executive members.



Remuneration and Nominations Committee

Responsible for reviewing the Board's structure, ensuring independence, and recommending changes to enhance performance and align with national workforce localization objectives.

This structure enables the Board to exercise effective oversight while maintaining alignment with the company's sustainability goals and long-term business priorities.



Nominations, Remuneration, and Evaluation

The nomination and selection of Board members follow a formal Board Membership Policy that sets clear criteria emphasizing stakeholder interests, diversity, independence, and professional competence. The Board plays a central role in overseeing the company's strategic direction, including governance, compliance, ESG performance, and risk management.

Remuneration practices are guided by approved policies and submitted as recommendations to the Remuneration and Nominations Committee. These policies cover both fixed and variable compensation and are subject to shareholder approval. In 2024, the proposed compensation plan received a 94 percent approval rate, reflecting strong stakeholder confidence. Performance-based rewards are linked to annual evaluations and incentives aligned with ESG objectives and long-term value creation.



Conflict of Interest and Critical Issues Management

Yamama Cement follows a formal Conflict of Interest Policy to ensure transparency and accountability at the leadership level. Any potential conflicts involving Board or executive management members are disclosed through structured forms, reviewed periodically, and presented to the General Assembly for approval when necessary. In 2024, no critical concerns were reported to the Board.

To promote open and ethical communication, we provide a dedicated email channel through which employees and stakeholders can report their concerns. The Audit Committee reviews all submissions to ensure that every issue is addressed fairly, consistently, and without bias.





Ethical Conduct and Compliance

Integrity lies at the core of how we conduct our business. Yamama Cement is firmly committed to complying with national and international regulations related to anti-corruption, fair competition, and equitable market participation. We maintain a zero-tolerance approach to misconduct, and all employees receive regular training and awareness sessions on compliance and business ethics.

We have established confidential reporting mechanisms to enable the expression of concerns without fear of reprisal. Regular risk assessments and internal audits are conducted to identify potential gaps in governance and compliance. These efforts strengthen internal controls and reinforce trust with all stakeholders.



Embedding Ethics in Corporate Culture

Yamama Cement's governance goes beyond compliance to shape our corporate culture. It promotes fairness, integrates ESG into strategic decisions, and ensures accountable leadership. Every partnership and decision reflects fairness, transparency, and sustainability.

We continue aligning our governance with Saudi Vision 2030, embedding sustainability and ethical leadership. This ensures our governance meets legal requirements while supporting national priorities and global sustainability standards.

Looking ahead, Yamama Cement remains committed to strengthening governance and ethics. We will enhance transparency through better ESG disclosures, expand compliance training, and engage stakeholders to stay aligned with evolving governance standards and Saudi Vision 2030 goals.



Governance and Ethical Leadership

Data Privacy and Security

Data privacy and information security are increasingly critical in today's rapidly evolving digital landscape. They are essential for maintaining stakeholder trust, ensuring regulatory compliance, and protecting sensitive business and customer information. At Yamama Cement, we recognize the vital importance of data protection and have adopted a structured, proactive approach to managing digital risks.

We are strongly committed to complying with regulatory requirements in Saudi Arabia and aligning with international best practices in data governance. We have developed plans to update our data privacy policies to mitigate risks related to data breaches, unauthorized access, and misuse of personal or operational information.

To protect our digital infrastructure and data assets, we have implemented a set of controls and procedures, including regular risk assessments to identify vulnerabilities and strengthen information security. We also enforce strict data access protocols limited to authorized personnel and deploy tracking systems to monitor data usage and ensure compliance with internal policies and national regulations.

As part of these efforts, the company continued to raise employee awareness through its dedicated cybersecurity awareness program. This initiative educates employees on cybersecurity fundamentals, risks such as phishing and breaches, and preventive measures to protect information. It aims to strengthen the company's security culture and empower all employees to safeguard data across all operations.

Yamama Cement Company has also adopted the ISO 27001 Information Security Management System, an international standard designed to protect financial and

operational data as well as intellectual property. This certification strengthens the company's ability to identify, manage, and mitigate cybersecurity risks across all operations.

Yamama Cement Company will continue to strengthen its data privacy and cybersecurity framework, focusing on enhancing digital monitoring systems, expanding employee training on cybersecurity awareness and best practices, and integrating advanced security protocols across all operations. These efforts aim to ensure the continuity, adaptability, and alignment of our data protection practices with the evolving cybersecurity landscape.



Digitalization

In 2024, Yamama Cement Company made notable progress in advancing its digital transformation strategy, focusing on developing business applications, enhancing IT infrastructure, and strengthening information governance and cybersecurity.

We implemented several key initiatives to enhance business operations and digital services. The automation of raw material receipts streamlined workflows and improved data accuracy. Enhancements to the shareholder and equity management system boosted functionality and transparency. Additionally, upgraded reporting quality within HR and supply chain systems supported more data-driven and informed decision-making.

Additionally, we reduced the resolution time for 20% of recurring maintenance issues by improving tracking and targeted response in our equipment maintenance system. Employee experience also improved through the upgrade of 20% of self-service functions in our ERP system.

Upgrading the IT and communications infrastructure was another strategic focus for Yamama Cement in 2024. These efforts included replacing 5% of outdated infrastructure equipment and enhancing the performance of the ERP database by 2%.

Significant upgrades were also made to delivery system tanks and devices, as well as end-user equipment, to ensure more reliable operations and higher productivity. Additionally, the data center environment at the company's headquarters was enhanced to improve system stability and overall performance.



%60
of IT services

are now governed in accordance with ISO 27001 standards.

In parallel, we took decisive steps to enhance IT governance and cybersecurity. Notably, 60% of IT services are now governed in accordance with ISO 27001 standards.

Administrator passwords on all local servers are automatically changed every three months, minimizing security vulnerabilities. We also fully implemented information security policies across all devices accessing company email accounts and increased IT support system security to 80%. These efforts are complemented by a comprehensive cybersecurity governance framework that integrates information security considerations into technology projects, supplier relations, and HR systems, in alignment with the National Cybersecurity Authority's Essential Cybersecurity Controls.

Regular reviews and audits of cybersecurity policies are conducted to ensure alignment with best practices and to mitigate risks across all digital platforms. This structured approach enhances resilience and provides robust protection against emerging cyber threats.



Appendices

GRI Content Index

Statement of Use	Yamama Cement has reported the information presented in the GRI Content Index for the period from January 1 to December 31, 2024, with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI standard/other source	Disclosure	Page number and/or answer
General Disclosures		
GRI 2: General Disclosures 2021	2-1 Organizational details 2-2 Entities included in the organization's sustainability reporting 2-3 Reporting period, frequency and contact point 2-4 Restatements of information 2-5 External assurance 2-6 Activities, value chain and other business relationships 2-7 Employees 2-8 Workers who are not employees 2-9 Governance structure and composition 2-10 Nomination and selection of the highest governance body 2-11 Chair of the highest governance body 2-12 Role of the highest governance body in overseeing the management of impacts 2-13 Delegation of responsibility for managing impacts 2-14 Role of the highest governance body in sustainability reporting 2-15 Conflicts of interest 2-16 Communication of critical concerns 2-17 Collective knowledge of the highest governance body 2-18 Evaluation of the performance of the highest governance body 2-19 Remuneration policies 2-20 Process to determine remuneration 2-21 Annual total compensation ratio 2-22 Statement on sustainable development strategy	15 – 17 17 4 None The report is not externally assured 17 57 – 60 64 64 64 64 64 64 64 64 65 65 64 – 66 65 66 66 66 21, 20
GRI 3: Material Topics 2021	3-1 Process to determine material topics 3-2 List of material topics	25 26 – 27
GRI 3: Material Topics 2021	3-3 Management of material topics	32
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-4 GHG emissions intensity 305-5 Reduction of GHG emissions	32 32 32 32
GRI 3: Material Topics 2021	3-3 Management of material topics	34
GRI 302: Energy 2016	302-1 Energy consumption within the organization 302-3 Energy intensity 302-4 Reduction of energy consumption	34 34 34
GRI 3: Material Topics 2021	3-3 Management of material topics 301-2 Recycled input materials used	37 37
GRI 3: Material Topics 2021	3-3 Management of material topics	38
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource 303-2 Management of water discharge-related impacts 303-3 Water withdrawal 303-5 Water consumption	38 38 38 38

GRI standard/other source	Disclosure	Page number and/or answer
General Disclosures		
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments 2-25 Processes to remediate negative impacts 2-26 Mechanisms for seeking advice and raising concerns 2-27 Compliance with laws and regulations 2-28 Membership associations 2-29 Approach to stakeholder engagement 2-30 Collective bargaining agreements	64 – 65 65 65 66 66 43 24
Material topics		Collective bargaining is prohibited in the Kingdom of Saudi Arabia.
GRI 3: Material Topics 2021	3-1 Process to determine material topics 3-2 List of material topics	25 26 – 27
GRI 3: Material Topics 2021	3-3 Management of material topics	32
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-4 GHG emissions intensity 305-5 Reduction of GHG emissions	32 32 32 32
GRI 3: Material Topics 2021	3-3 Management of material topics	34
GRI 302: Energy 2016	302-1 Energy consumption within the organization 302-3 Energy intensity 302-4 Reduction of energy consumption	34 34 34
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GRI 3: Material Topics 2021	3-3 Management of material topics	38
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource 303-2 Management of water discharge-related impacts 303-3 Water withdrawal 303-5 Water consumption	38 38 38 38

GRI standard/other source	Disclosure	Page number and/or answer
Waste and Pollution Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	40, 41
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts 306-2 Management of significant waste-related impacts	41 41
Biodiversity and Land Use		
GRI 3: Material Topics 2021	3-3 Management of material topics	42
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	42
Supply Chain Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	46, 47
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	46, 47
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	46, 47
Responsible Marketing and Labeling		
GRI 3: Material Topics 2021	3-3 Management of material topics	48
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labelling	48
Human Rights		
GRI 3: Material Topics 2021	3-3 Management of material topics	49
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	49
GRI 412: Human Rights Assessment	412-1 Operations that have been subject to human rights assessments or reviews	49
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	49
Social Responsibility		
GRI 3: Material Topics 2021	3-3 Management of material topics	52, 53
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported 203-2 Significant indirect economic impacts	53 53
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	52, 53
Health, Safety, and Wellbeing		
GRI 3: Material Topics 2021	3-3 Management of material topics	54, 55
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system 403-2 Hazard identification, risk assessment, and incident investigation 403-3 Occupational health services	54 54 54

GRI standard/other source	Disclosure	Page number and/or answer
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety 403-5 Worker training on occupational health and safety 403-6 Promotion of worker health 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships 403-9 Work-related injuries	55 55 55 55 55
Human Capital Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	56 – 60
GRI 401: Employment 2016	401-1 New employee hires and employee turnover 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	59 60
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee 404-2 Programs for upgrading employee skills and transition assistance programs	56 57
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	64
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	58
Corporate Governance and Business Ethics		
GRI 3: Material Topics 2021	3-3 Management of material topics	64, 65, 66
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	66
Data Privacy and Security		
GRI 3: Material Topics 2021	3-3 Management of material topics	67
Topics from the applicable GRI Sector Standards identified as non-material		
Sustainable High-quality Products		
GRI 3: Material Topics 2021	3-3 Management of material topics	43
Customer Relations		
GRI 3: Material Topics 2021	3-3 Management of material topics	61





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