

# Sustainability at elm

At elm, sustainability is the foundation of how it operates, innovates and creates long-term value for its stakeholders. elm’s structured sustainability framework is fully aligned with its corporate strategy and global benchmarks, ensuring that every initiative the Company undertakes contributes to environmental responsibility, digital empowerment, inclusive growth and effective governance. By integrating sustainability across its operations, elm continues to shape a future where technology and innovation drive meaningful change, strengthen communities and promote economic resilience.

### ESG Highlights

|   |  |  |
|---|--|--|
| 1 | Advancing Environmental Responsibility | Launched comprehensive recycling initiative      |
| 2 | Fostering People and Community         | ₹ 1.5 million in community investment            |
| 3 | Enabling a Digital Culture             | 93% of customer complaints successfully resolved |
| 4 | Ensuring Effective Governance          | New four-year term for the Board of Directors    |

### Materiality Assessment

elm conducted a comprehensive materiality assessment to determine the most relevant sustainability topics for its business and stakeholders. A clear understanding of the Company’s operating environment was essential in identifying these priorities. Through peer benchmarking and alignment with established sustainability standards, global and national frameworks and ESG rating agency criteria, elm evaluated key topics based on their actual and potential impact on the environment, economy and society.

The assessment process led to the identification and prioritization of material topics critical to elm’s long-term sustainability strategy. Internal stakeholders played an active role in reviewing and validating these findings, ensuring that the assessment accurately reflects the Company’s commitments and areas of focus.

### Material Topic

|    |   |
|----|---|
| 1  | Digital Accessibility for Community Development |
| 2  | Digital Transformation and Innovation           |
| 3  | Information Security and Privacy                |
| 4  | Corporate Governance and Ethical Practices      |
| 5  | Talent Acquisition and Retention                |
| 6  | Emissions and Energy Use                        |
| 7  | Customer Centricity                             |
| 8  | Waste and Resource Use                          |
| 9  | Shareholder Return                              |
| 10 | Employee Health and Wellbeing                   |
| 11 | Building Diversity and Inclusion                |
| 12 | Water Use                                       |

- Environmental Topics
- Social Topics
- Governance Topics

### Sustainability Framework

elm’s structured approach to sustainability is codified in its sustainability framework, which embodies its commitment to integrating sustainable practices across its operations. Aligned with the Company’s corporate strategy, as well as key national and global benchmarks such as Saudi Vision 2030 and the UN Sustainable Development Goals (SDGs), the framework ensures a structured and impactful approach to sustainability. Built around four core pillars, it provides a clear focus for driving meaningful change, maximizing impact and advancing elm’s long-term vision.





# Advancing Environmental Responsibility

As a digital solutions company, elm recognizes the critical role businesses play in safeguarding the planet and is committed to environmental responsibility. Leveraging its expertise in technology, elm strives to reduce its environmental footprint by developing and implementing innovative digital solutions that drive sustainability while delivering positive environmental impact.

## Emissions and Energy Use

elm is committed to making a real and lasting contribution to reducing the Kingdom’s emissions and energy usage – in alignment with the goals set forth by the Saudi Vision 2030. elm experienced a slight increase in electricity consumption this year. While the change is minimal, the Company is actively implementing innovative solutions to enhance efficiency and to ensure continued progress towards its environmental goals, while sustaining growth.

### Energy Consumption

|                                 | 2024      | 2023      | 2022      |
|---------------------------------|-----------|-----------|-----------|
| Electricity consumption         | 2,366,398 | 2,354,363 | 2,111,547 |
| Total fuel consumption (diesel) | 800       | 800       | 500       |

## Waste and Resources

elm’s approach to effective waste management across its operations is aimed at minimizing environmental pollution, conserving resources and protecting public health. elm aims to reduce waste (including electronic waste) and achieve efficient resource use across its operations.

### Waste Management

|                              | 2024   | 2023   | 2022   |
|------------------------------|--------|--------|--------|
| Total waste generated (tons) | 43,300 | 40,000 | 39,000 |

elm remains dedicated to environmental sustainability, continuously exploring new ways to minimize waste and conserve resources. In 2024, the Company introduced a comprehensive recycling initiative focused on paper, general waste and food waste management. Paper collection stands were installed across facilities, ensuring proper disposal and regular recycling, while categorized bins streamlined waste segregation, supported by

employee training to enhance efficiency. In cafeterias, food waste recycling devices were implemented, converting waste into compost for use in plant irrigation. These initiatives reinforce elm’s commitment to environmental responsibility and a more sustainable future.

## Water Use

Through its systematic efforts to better manage water resources, elm contributes to water conservation efforts to help ensure its availability for present and future needs.

While elm experienced a slight increase in water usage last year, it remained committed to enhancing its water management practices. The Company continues to implement more efficient systems and processes to reduce water consumption across its operations.

### Water Consumption

|   | 2024  | 2023  | 2022  |
|---|-------|-------|-------|
| Total water consumption (m³)              | 5,859 | 5,382 | 6,060 |
| Water consumption intensity (m³/employee) | 7.7   | 7.5   | 8.3   |



# Fostering People and Community

elm is committed to fostering a workplace culture where people can thrive, grow and reach their full potential. Prioritizing inclusivity, diversity and employee wellbeing, the Company creates an environment that attracts top talent by offering meaningful career opportunities. As a leader in digital transformation, elm recognizes its responsibility to extend its impact beyond the workplace by supporting the wider community and expanding digital access, ensuring that everyone can benefit from technological progress.

## Talent Acquisition and Retention

A strong, skilled and diverse workforce is essential to elm’s continued success. The Company invests significantly in talent acquisition, professional development and organizational growth, ensuring employees receive the training and support needed to excel. Through effective internal communication and engagement initiatives, elm fosters a motivated workforce that remains highly committed to its vision, driving long-term innovation and excellence.

### Workforce

|                                  | 2024    | 2023   | 2022   |
|----------------------------------|---------|--------|--------|
| Full time employees              | 2,064   | 1,705  | 1,498  |
| Workforce by Employment Level    |         |        |        |
| Senior management                | 109     | 159    | 149    |
| Middle management                | 253     | 445    | 422    |
| Staff                            | 1,702   | 1,101  | 927    |
| Workforce by Age                 |         |        |        |
| Workforce by age 18-30           | 827     | 614    | 474    |
| Workforce by age 31-50           | 1,203   | 1,047  | 979    |
| Workforce by age 51+             | 34      | 44     | 45     |
| Training and Development (hours) |         |        |        |
| Total employee training          | 148,016 | 83,532 | 52,593 |
| Average training per employee    | 63.8    | 31.9   | 35.1   |

77%

increase in the total hours of employee training

## Building Diversity and Inclusion

elm is dedicated to attracting and empowering local talent, with a strong focus on increasing Saudi representation in its workforce, supporting the goals of Saudi Vision 2030. By fostering diversity, the Company cultivates a broad range of perspectives, ideas and experiences that enhance its ability to serve diverse markets effectively. elm is committed to creating an inclusive workplace where every individual – regardless of gender, age or background – feels valued, respected and empowered to contribute.

### Workforce Diversity

|  | 2024  | 2023  | 2022  |
|--|-------|-------|-------|
| Number of full-time national employees     | 1,777 | 1,381 | 1,174 |
| Number of employees of other nationalities | 287   | 324   | 324   |
| Female workforce                           | 454   | 315   | 224   |
| Percentage female (%)                      | 22%   | 18%   | 15%   |
| Number of employees with special needs     | 2     | 2     | -     |

elm’s Women’s Empowerment Program plays a pivotal role in building a more inclusive and diverse workforce. Through targeted initiatives, the program supports female leaders, equipping them with opportunities for growth and advancement. Additionally, elm remains committed to accessibility and equality for individuals with disabilities, fostering a workplace that embraces inclusivity, respect and equal opportunity for all.

## Employee Health and Wellbeing

elm is committed to maintaining a safe and secure work environment, fully complying with all relevant safety regulations. The Company ensures that appropriate protective equipment and safeguards are in place across its facilities, engaging specialized external providers when necessary to uphold the highest safety standards. Regular safety workshops and ongoing communication equip employees with essential knowledge on accident prevention, emergency response and workplace health and safety best practices, fostering a culture of vigilance and wellbeing.

### Health and Safety

|  | 2024 | 2023 | 2022 |
|--|------|------|------|
| Health and safety training provided to employees (hours) | 528  | 66   | 54   |

## Digital Accessibility for Community Development

elm is committed to making its services accessible to all, particularly individuals with disabilities and those in underserved communities. As an active corporate citizen, the Company engages in diverse CSR initiatives that leverage data and AI to enhance development projects and drive meaningful change. By partnering with various sectors, elm strengthens Saudi Arabia’s commitment to charitable work, contributing to the growth of the non-profit sector’s impact on the national economy.

elm’s charitable contributions span multiple sectors, including education, healthcare, social welfare, environmental conservation, economic development and technology, ensuring a well-rounded approach to community support.

### Community Development

|  | 2024 | 2023 | 2022 |
|--|------|------|------|
| Amount in charitable contributions (ﷲ million) | 1.5  | 1.15 | 1.00 |

Additionally, the Company actively promotes local capability development and job creation, reinforcing its role in economic sustainability and the advancement of Saudi talent.

### Community Development

|                    | 2023   | 2022   | 2021   |
|--------------------|--------|--------|--------|
| Local content* (%) | 67.06% | 63.83% | 62.68% |

\*The score for 2024 will be released in 2025.

By actively investing in nurturing emerging national talents, elm is focused on developing their skills and knowledge. It selectively recruits individuals with exceptional qualities to join its workforce.

### Trainee participants

|                      | 2023 | 2022 | 2021 |
|----------------------|------|------|------|
| Trainee participants | 134  | 176  | 158  |

67.06%  
is the latest score of local content



# Enabling a Digital Culture

As a leading IT solutions provider in the Kingdom, elm sees digitalization as a powerful driver of sustainable progress. Its vision is to lead the way in digital transformation, where technology and innovation create lasting environmental benefits, promote social inclusion and reinforce strong governance. By integrating sustainability into its digital strategies, elm is shaping a future where innovation fuels responsible business practices and long-term growth.

## Digital Transformation and Innovation

elm’s Research Team develops tailored, pragmatic solutions designed to meet the evolving needs of various industries. With innovation at the core of its operations, the Innovation Department leads the creation of cutting-edge products, services and solutions that address complex challenges across multiple sectors, ensuring that digital transformation drives meaningful impact.

### Digital Products

|                                      | 2024 | 2023 | 2022 |
|--------------------------------------|------|------|------|
| Investment in research (﷼ million)   | 45.7 | 28.0 | 14.5 |
| Investment in innovation (﷼ million) | 7.9  | 6.2  | 3.2  |

## Customer Centricity

elm works closely with its customers to optimize their journey through digital transformation, ensuring exceptional experiences, satisfaction and long-term relationships. By leveraging data analytics, emerging technologies and innovative approaches, elm gains deep insights into customer needs and preferences. This enables the Company to enhance engagement through personalized digital experiences while providing multiple direct communication channels for continuous feedback. These insights drive ongoing product enhancements and the implementation of customer-centric digital strategies, reinforcing elm’s commitment to delivering seamless and impactful solutions.

### Customer Satisfaction

|                                  | 2024    | 2023    | 2022    |
|----------------------------------|---------|---------|---------|
| Customer satisfaction rating (%) | 83%     | 83%     | 84%     |
| Customer complaints              | 47,147  | 45,272  | 42,037  |
| Customer complaints resolved (%) | 93.0%   | 99.0%   | 99.8%   |
| First-call resolutions           | 592,168 | 537,155 | 384,405 |



93%  
of customer complaints  
were resolved

elm’s investment in research  
increased by  
63%  
to a total of  
﷼ 45.7 million in 2024

# Ensuring Effective Governance

Strong corporate governance is the foundation of elm’s long-term success, ensuring transparency, accountability and sustainability across all business activities. The Company is committed to maintaining efficient management structures, rigorous risk oversight and a zero-tolerance policy for bribery, fraud and corruption. These principles define the way elm operates, reinforcing stakeholder trust and business integrity.

## Corporate Governance and Ethical Practices

As a publicly listed company, elm adheres to the highest standards of ethical conduct and regulatory compliance, in line with the directives of the Ministry of Commerce, the Capital Market Authority and Saudi labor law. Internal governance frameworks ensure strict adherence to all applicable regulations, fostering a culture of responsibility and ethical leadership.

The Company’s organizational structure was updated in 2024 to enhance integration and synergy with its subsidiaries and to support the implementation of the “elm 4.0” strategy, which focuses on business growth and expansion.

elm restructured its Board of Directors following the completion of its previous term on 24 November 2024. The newly formed Board, approved during the Ordinary General Assembly on 4 November 2024, commenced its four-year term on 25 November 2024, ensuring continued strategic oversight and leadership to 24 November 2028.

## Information Security and Privacy

elm prioritizes the privacy and security of information, ensuring strict compliance with national and international standards. The Company’s Service Privacy Policy clearly defines its commitments to data protection, reinforced by ISO 27001 certification and alignment with the National Cybersecurity Authority’s (NCA) ECC standards for data encryption. To safeguard its IT infrastructure, elm conducts annual cybersecurity stress tests and assessments in accordance with the Personal Data Protection Law (PDPL), proactively identifying and mitigating risks and vulnerabilities. Regular engagement with the NCA regulator ensures full compliance with evolving security requirements, while quarterly employee training strengthens internal awareness and preparedness.

As part of its commitment to maintaining robust data governance, elm conducted Records of Processing Activities (ROPA) to ensure comprehensive documentation and regulatory adherence. The Company enhanced its privacy policy to align with the latest legal frameworks and industry best practices while developing clear procedures and guidelines to help business units refine their privacy protocols. A strong emphasis on data literacy is embedded across the organization through workshops, training sessions and educational initiatives, fostering a culture where employees actively contribute to upholding privacy and security best practices. elm continues to drive awareness and engagement through targeted strategies that reinforce the critical role of data governance, security and compliance in sustaining trust and operational excellence.

## Shareholder Return

elm is committed to responsible financial growth, ensuring long-term value creation for its shareholders and investors. Its strategy focuses on the sustainable expansion of market presence, driving strong financial performance and reinforcing its position as a leader in the digital sector. Through a balanced approach to growth, innovation and operational excellence, elm continues to deliver consistent, high-value returns while maintaining financial resilience and market leadership.

## Dividends Performance (﷼ million)

|            | 2024 | 2023 | 2022 |
|------------|------|------|------|
| Dividends* | 583  | 544  | 388  |

\* elm announced the distribution of cash dividends of ﷼ 310,840,232 for the second half of the 2024 year, which was paid in the first quarter of 2025.

