

TOWARDS A SUSTAINABLE FUTURE

TOGETHER

SUSTAINABILITY REPORT 2023

Al Dabbagh



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About This Report



About This Report

We at Al-Dabbagh Group Holding are pleased to present to our stakeholders our fourth consecutive sustainability report. As we progress in our sustainability journey and ESG integration into our core businesses, in this reporting cycle, we aligned our reporting with the Global Reporting Standards (GRI).

Reporting Scope	
Reporting Period	1 January 2023 to 31 December 2023.
Comparative Data	Performance data for 2023, with comparative figures for 2022 and 2021 when available. Restatements are clearly marked as footnotes.
Assurance Process	Internal assurance through departmental review and approval.
Entities Covered	All data covers Al-Dabbagh Group’s operations in Saudi Arabia only, unless otherwise stated.
Monetary Values	Presented in Saudi Riyal, unless otherwise stated.
Contact for report inquiries	For inquiries on our sustainability report and initiatives please send an email to info@dabbagh.com .

Reporting Quality Principles

To ensure high-quality reporting, we highlight how we consider and implement the GRI reporting principles into our report. As part of reporting in alignment with the GRI, we have identified data gaps and improvements in collecting and consolidating our data. These improvements will be reflected in our future reports.

Principle	Description
Accuracy	Data in this report comes from a detailed process involving leveraging technology to collect and store data, data stakeholder participation, multiple reviews, and a comprehensive approval process to guarantee accuracy.
Balance	Our report adopts a neutral stance, offering a transparent view of our performance, including opportunities for improvement.
Clarity	The sustainability report is published in English on our website, ensuring it is clear and well-organized for an enhanced and inclusive reader experience.
Comparability	This report presents performance data for 2022, and 2023 wherever data is available. This facilitates year-over-year comparisons to track progress, subject to data availability.
Completeness	The report goes beyond reporting on only material topics, as requested by GRI, and covers a wider range of disclosures to give a holistic view of the Holding Group’s sustainability performance.
Sustainability Context	The report reflects our efforts as an organisation to integrate sustainability into our core business. We report on our sustainability efforts, environmental impacts, global and local alignments, and our portfolios sustainability performance.
Timeliness	This report marks our fourth consecutive sustainability report. Adhering to an annual reporting cycle, we ensure timely production of our sustainability reports to keep stakeholders informed of our progress.
Verifiability	Through a stringent data collection and verification process, involving colleagues at different levels in the organisation, we ensure the reliability and accountability of our reported data.



About Al-Dabbagh Group



Our Legacy

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

Al-Dabbagh Group (referred to as ‘ADG’ throughout this report) is a private, family-owned business, founded in 1962 by His Excellency Sheikh Abdullah Al-Dabbagh, former Agriculture Minister of Saudi Arabia. It is a diversified conglomerate, governed by our home-grown philosophy, Omnipreneurship. Guided by our vision, we developed our mission and goals to achieve by 2030. Our five values: Integrity, Respect, Forward-thinking, Teamwork and Passion are the standard to which we hold ourselves, across all our interactions.

ADG is composed of a range of strategic business verticals – Packaging, mobility, housing, food and retail – and an incubation portfolio. While guided by a shared purpose and values, each vertical has a flagship company which we cover in this report. Through our portfolio and business ventures we have established a global presence in 22 countries, with over 25,000 colleagues across 84 portfolio companies.



Our Vision

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



Our Mission

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

Omnipreneurship

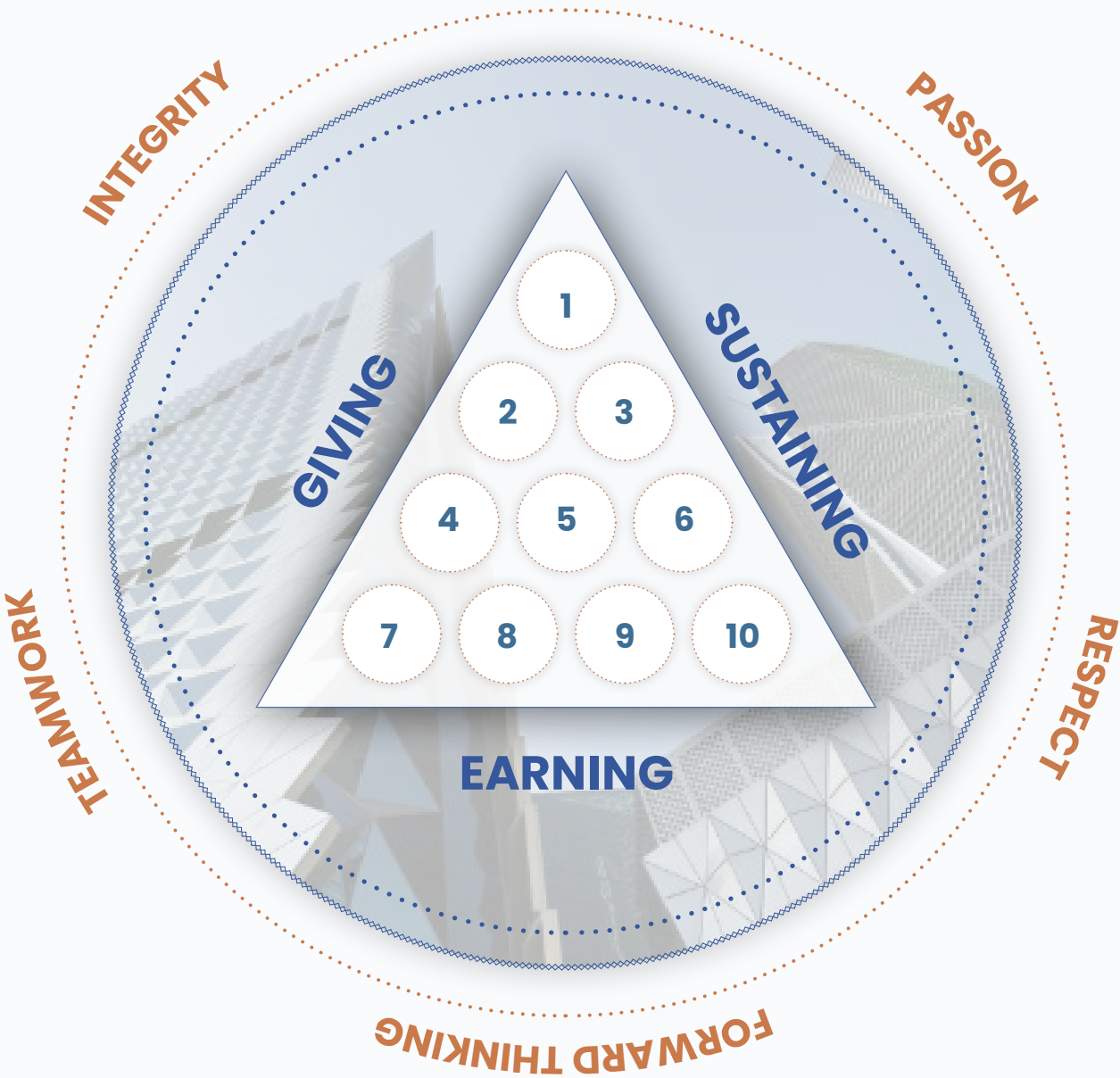
Omnipreneurship is a pioneering philosophy created by His Excellency, Amr Al-Dabbagh, that integrates entrepreneurial spirit with a holistic approach to business, fostering sustainable value creation.

At its core are the **Ten Golden Rules**:

1. **I aim, therefore I am**
2. **The greatest among you,**
3. **Exceptional execution**
4. **Imagine the next big thing**
5. **Honey as money**
6. **Design organically**
7. **Collaborate to accelerate**
8. **Delight the stakeholder**
9. **No risk, no gain**
10. **Share your story**

These rules are supported by three primary principles: **Earning, Giving, and Sustaining**, with sustainability being a key pillar in value creation, reflecting the group's commitment to generating long-term value in alignment with global efforts to build more resilient and responsible enterprises.

Guiding these rules are five core values: **Integrity, Respect, Forward-thinking, Teamwork, and Passion**. To further accelerate the implementation of these principles, ADG employs various accelerators that cultivate innovation, drive efficiency, and enhance stakeholder engagement. These accelerators of the philosophy are cascaded across the group and portfolio companies, ensuring happy, diverse, healthy and engaging workplaces for all our colleagues. These accelerators include dedicated programmes and initiatives that nurture talent, support entrepreneurial ventures, and invest in cutting-edge technologies, all designed to uphold the essence of Omnipreneurship.



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

What We Do

Al-Dabbagh Group operates as a strategic architect. In this role we undertake the following, but not limited to, functions.

Portfolio Management

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

Subsidiary Oversight

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

Our Leadership

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



Message from
Chairman & CEO of Al-Dabbagh Group
His Excellency Amr Al-Dabbagh

I’m delighted to introduce to you the fourth edition of Al-Dabbagh Group’s Annual Sustainability Report for 2023. For over six decades, our familial values and visionary outlook have shaped us into strategic architects, allowing us to design and implement initiatives, driving impactful change across our Group and verticals.

Guided by our home-grown philosophy, Omnipreneurship – encompassing Giving, Earning, and Sustaining – we look ahead at our commitment to leveraging our collective expertise in paving the way for a sustainable future. This commitment is seamlessly aligned with our five Omnipreneurial values of Integrity, Respect, Forward-thinking, Passion and Teamwork. In 2023, we set a bold ambition to become one of the top 50 global innovative companies; this vision is centered around continuously creating shareholder value through sustainable growth and pioneering disruptive business innovation.

At ADG, we believe that true change requires will and vision, doing business without a clear sense of purpose is inconceivable. For this reason, sustainability is weaved into the fabric of our identity, ensuring it is ingrained in our operations and strategies. Together, we are not just building businesses; we are constructing a legacy of responsible growth and innovation.





2023 Highlights



2023 HIGHLIGHTS



Zero incidents of non-compliance.

Zero data breaches.

Security Maturity Score & Digital Maturity Score improved 2X in 2023.

Established foundational framework for ESG risk assessments at the holding and group level.

Offered 9 internship opportunities, nurturing the development of future leaders.

Zero cases of discrimination.

Achieved a 33% increase in female colleague hires from previous year.

100% of colleagues received regular performance and career development reviews.

Achieved a 1:1 female to male remuneration ratio for two consecutive years.

Introduced mandatory Ethics and Code of Conduct training for all colleagues.



Implemented new and enhanced data privacy and cyber security measures.

Achieved a Great Place to Work score of 79%.

Scored 83% for colleague satisfaction.

79% of colleagues received training on Human Rights & Business Ethics and Code of Conduct.

Zero colleague fatalities recorded.

100% of customer complaints resolved.

The Customer Service Index score was 100%.

Sourced 2,762,852 kWh from renewable energy across all global operations.

Achieved a 4.64% reduction in electricity consumption.

Reduced Scope 2 emissions by 10.76%.

Spent 78% of procurement budget on local suppliers.



Delivered 2,000 training hours on health and safety.

6% point increase of female management colleagues in 2023 compared to the previous year.

Introduced a new customer complaint management system in 2023, ensuring complaint resolution within 3 days.

100% of customer complaints resolved.

Achieved a Customer Satisfaction Score (CSAT) Score of 94%.

Technolube's solarisation initiative reduces CO2 emissions by 500,000 kgs per year.

National Fuel Company certified 20 stations through the NCEC.

Reduced electricity consumption by 13% compared to the previous year.

Achieved 30% energy savings on grease mills by introducing VFDs on pump motors.

Reduced total diesel consumption by 29%.

Established a Supplier Code of Conduct.

Through its re-refining of used lubricants and through leveraging technology Petrolube reduced its activity emissions by 85%.



Zero cases of non-compliance.

Enhanced cyber security measures by upgrading to an AI-based Endpoint Detection and Response System.

Zero recorded fatalities in KSA and UAE operations.

14% of senior management and leadership roles are held by women.

Total petrol consumption decreased by 31% in KSA and 35% in UAE.

Achieved a 7% reduction in hazardous waste in KSA.

Assessed 10 suppliers in the UAE for their environmental impact.



Zero cases of environmental non-compliance.

100% of colleagues were trained on Anti-Corruption and Anti-Competitive policies.

Zero data and cyber security breaches.

47,900 colleague training hours received in 2023. Averaging 14.8 hours per colleague.

100% of colleagues are trained in Human Rights and Ethical Standards.

Received 100% certification by NARRC for our operational sites with X-Ray equipment.

6,911 hours of Occupational and Health Safety training delivered.

Increased local procurement spending in KSA by 321.31 million SAR from the previous year.

Achieved a 14% reduction in electricity intensity.

Achieved a 7% and 11% reduction in Scope 1 and Scope 2 emissions from the previous year.

Increased recycled wastewater by 22.3% from the previous year

Achieved a 96% score in NSF Global animal wellness standard certification for its hatchery, broiler farms and PPL (Primary Processing Plant).



Our Strategy

Our strategy serves as the roadmap that guides our holding and its portfolio companies’ overall directions and decision-making approach.

Built upon our home-grown philosophy, Omnipreneurship, our strategy outlines how ADG aims to achieve its long-term goals and integrate sustainability into our core business, considering factors such as competition, market trends, technological evolution, and resource allocation. Centred around our principles of Giving, Earning, and Sustaining, our strategy considers the diversity of our portfolio companies and is developed to enhance and guide the strategies of our subsidiaries.

To do so we have identified three key strategic pillars, which will help focus our efforts.



Grow revenue **through sustainability**

- Establish multiple sustainability revenue streams
- Establish and build ADG’s reputation for sustainability
- Develop and deliver transition plans for each business
- Create circular business models



Reduce **environmental impact**

- Reduce carbon emissions
- Reduce waste to landfill
- Eliminate unsustainable water use



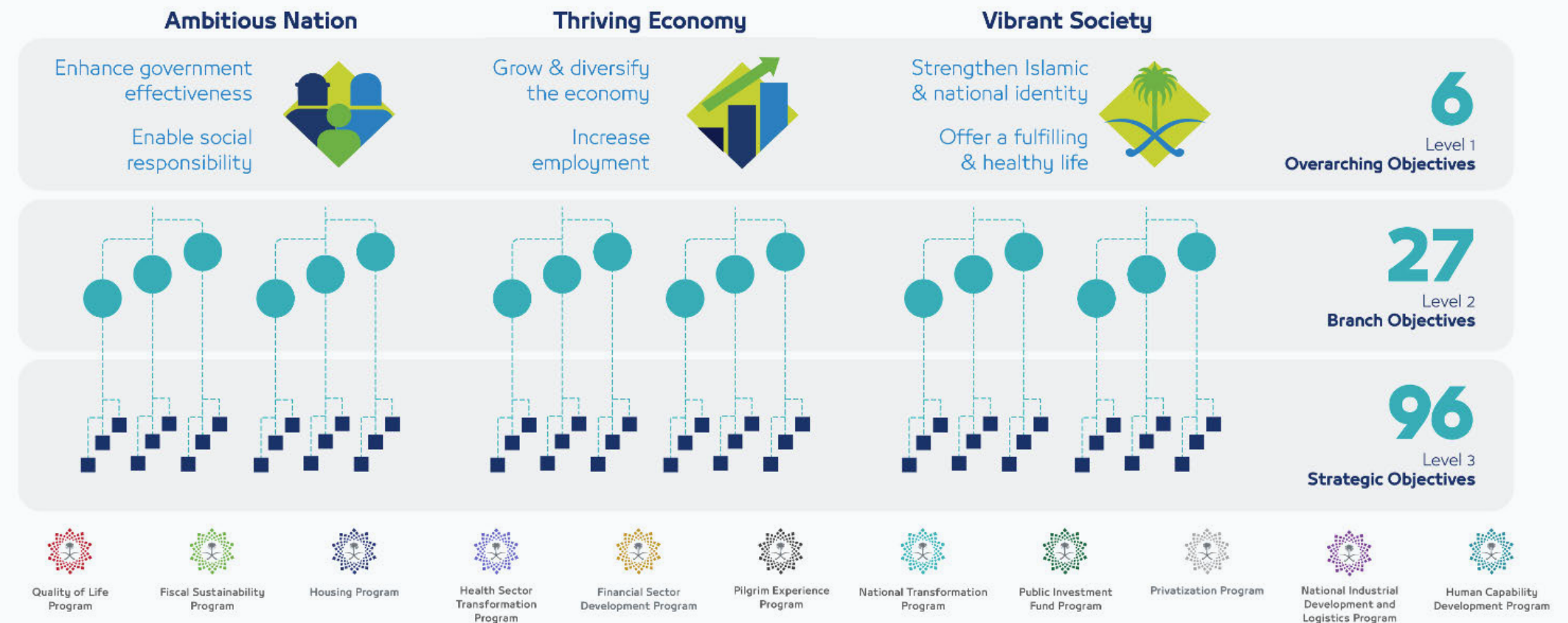
Build a **resilient business**

- Reduce resource intensity
- Align sustainability and financial performance and reporting
- Achieve gender pay parity and ensure greater female representation across all companies within the group



Our Alignments

As we integrate sustainability into our core business practices and our portfolio companies, we prioritise ensuring the effectiveness of our strategies and initiatives by aligning them with recognised local and global frameworks. This alignment ensures that our operations meet international standards while addressing the specific needs of the communities we operate in and engage with. By embracing these frameworks, we gain deeper insights into environmental and social challenges that require our focus and action.



رؤية 2030 المملكة العربية السعودية KINGDOM OF SAUDI ARABIA

Saudi Vision 2030

In 2016, Saudi Arabia embarked on a journey towards a brighter future with the launch of Vision 2030. This ambitious roadmap capitalises on the Kingdom's unique strengths—its pivotal role in the Arab and Islamic worlds, robust investment capabilities, and strategic geographical position.

Vision 2030 is a comprehensive blueprint aimed at diversifying the economy, empowering citizens, fostering a vibrant environment for both local and international investors, and positioning Saudi Arabia as a global leader. Further, the vision integrates sustainability and ESG under several of its objectives from an economic, environmental and social lens. As Al-Dabbagh Group, we realise the impact and the contribution our businesses and social activities can have in advancing the 2030 vision, and we ensure to consider its objectives in our strategies and initiatives development.



United Nations Global Compact

United Nations Global Compact

As a member of the UN Global Compact since 2021, we are dedicated to embedding the UN Global Compact and its principles into the core strategy, culture, and everyday operations of our Group. We cascade this commitment to our portfolio companies by ensuring their alignment with the ten principles. Furthermore, Al-Dabbagh Group Holding Company clearly communicates this commitment to our stakeholders and the public through our actions, in line with our Omnipreneurship philosophy.



SUSTAINABLE DEVELOPMENT GOALS

United Nations Sustainable Development Goals

We recognise the global relevance and importance of the Sustainable Development Goals (SDGs). We believe the SDGs align with and reinforce our principles of giving and sustainability. Acknowledging that we cannot effectively contribute to all 17 goals, we have strategically chosen to focus on those where we can make the most significant impact, in line with our strategies and vision. To learn more about our contribution to the SDGs and giving philosophy, please refer to our Giving Report found on our website.





Our Governance

Governance Structure and Leadership

At ADG, we believe that effective governance is essential for driving long-term success and ensuring the integrity of our operations. Our organisation is managed by a Sole Director who serves as the CEO, ensuring streamlined decision-making and accountability. Supported by executive and advisory committees comprised of experienced professionals in finance, risk management, and sustainability, this structure allows us to leverage collective expertise for informed decision-making. We have implemented a robust framework of values, principles, and policies, including regular review processes to align actions with our corporate objectives.

Our Current Leadership

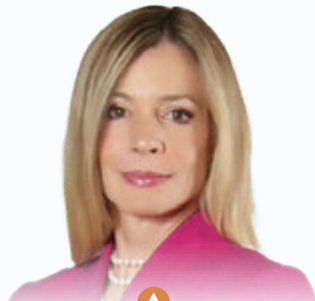
To achieve our 2030 goal of becoming one of the top 30 globally recognised wholly-owned family businesses, and with the guidance of His Excellency Amr Al-Dabbagh, we formed a leadership team with globally renowned business leaders in their fields. The leadership team is responsible for giving strategic guidance and insights, leveraging their diverse and versatile skillsets to ensure the achievement of our 2030 goals.



H.E. Amr Al-Dabbagh
Chairman & CEO



Jamal Al-Dabbagh
Non-Executive Director



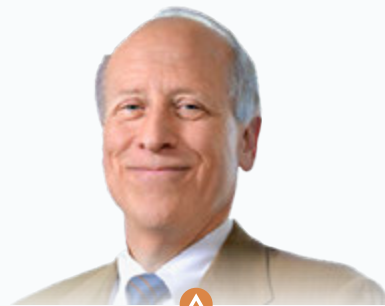
Wendy Lane
Non-Executive Director



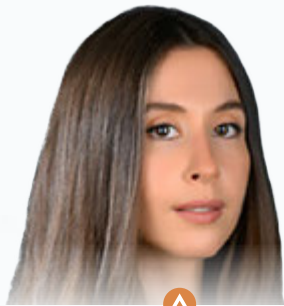
Paul Polman
Non-Executive Director



Marcus Alexander
Non-Executive Director



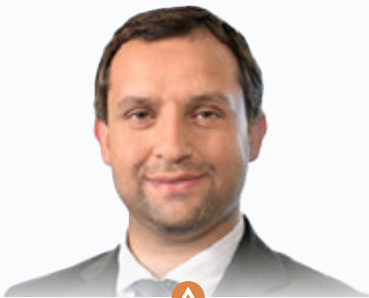
Ozey Horton
Non-Executive Director



Fairouz Al-Dabbagh
Non-Executive Director



Deya Al-Dabbagh
Non-Executive Director



Tariq Al-Abbadi
Executive Director



Dirk Vanderbroeck
Executive Director



Mohamed Jazeel
Executive Director

Ethical Standards and Oversight

Compliance

At ADG, we prioritise compliance with relevant regulations, including anti-money laundering and anti-corruption. We take this responsibility seriously and uphold our commitment through initiatives such as the group-wide business ethics training course rolled out during 2023. This annual training ensures that all colleagues understand and adhere to our ethical standards and regulatory requirements. In 2023, we recorded zero incidents of non-compliance, underscoring the effectiveness of our internal processes and procedures in maintaining the highest standards of integrity and trust.

ZERO
Incidents of
non-compliance
in 2023

Code of Conduct

Al-Dabbagh Group is governed by the Omnipreneurship Ecosystem. Like everything we do, this is also reflected in our approach to shaping organisational behaviour through our Code of Conduct and our Values Manual.

Al-Dabbagh Group is committed to providing a work environment that is safe, professional, and where all colleagues can enjoy congenial working conditions with respect to all colleagues, customers, and others with whom we interact. Our Code of Conduct, now revamped into the “Values Manual” illustrates our devotion to maintaining high ethical standards and fostering a workplace where the dignity of every individual is respected.

The Values Manual, built on the five values of Omnipreneurship, covers key labour rights such as non-discrimination and anti-harassment/bullying policies. This comprehensive guide reinforces our commitment to ethical practices and serves as a foundation for maintaining a positive and inclusive work environment. By adhering to these principles, ADG promotes a culture of inclusiveness, safety and accountability across all levels of the Group.

Omnipreneurship Values

	Integrity
	Respect
	Passion
	Forward-Thinking
	Teamwork

Grievance Management and Whistleblowing

ADG is committed to ensuring its business operations and daily activities are conducted in alignment with its values of integrity and respect. If, at any time, this commitment is not respected or appears to be in question, ADG has established a set of procedures to identify and remedy such situations, one of which is its whistleblowing policy.

The ADG whistleblowing policy provides colleagues with a constructive way to voice their concerns so they can be addressed before they become more of a distraction in the workplace or cause any disruptions. Resolving any concerns also encourages a better work culture. The types of improper conduct covered by the policy include, but are not limited to the following:

- Fraud
- Corruption or bribery
- Criminal acts
- Deliberate concealment of information
- Breach of confidentiality or misuse of confidential information
- Unethical conduct of conflicts of interest or abuse of power

The whistleblowing process ensures that whistleblowers are protected by maintaining the confidentiality of their identity to the extent

reasonably practicable. Colleagues who disclose improper conduct in good faith are safeguarded against any adverse actions such as discrimination, demotion, or job loss.

Risk Management

As a holding company with various subsidiaries across industries and jurisdictions, risk management is crucial for the success and continuity of our business. Due to the nature of our company, we benefit from portfolio diversification and risk mitigation. However, we face certain inherent challenges on different fronts. These include complexities in managing our subsidiaries, heightened compliance requirements due to various jurisdictions, and challenges in accessing traditional financing sources.

While we face significant operational and financial risks, we remain committed to diligent risk management and strategic planning. Our proactive approach includes continuous revision and improvement of processes, conducting regular risk assessments, implementing appropriate controls, and engaging with stakeholders to ensure we are prepared to navigate any risks effectively.



Data Privacy and Digitalisation

The protection of our information assets is of utmost importance. We ensure the implementation of stringent data privacy and cyber security measures. Throughout 2023, we have conducted regular security assessments and vulnerability scans, improved our security policies and procedures and ensured compliance with data privacy regulations such as GDPR, NCA KSA, NIST and CMMC. Additionally, we have also implemented endpoint and server security, continuously monitoring our information assets and underlying vulnerabilities to safeguard against potential threats.

In order to enhance our cyber security posture, we have completed a comprehensive cyber security awareness training programme for IT administrators and colleagues. This included KnowBe4 sessions incorporating a Security Culture Survey (SCS), a Security Awareness Proficiency Assessment (SAPA) covering aspects such as email security, human firewall, incident reporting, internet use, mobile devices, passwords and authentication, social media, and anti-phishing measures. In 2023, 43 of ADG’s holding colleagues attended the cybersecurity awareness training, significantly increasing our workforce’s proficiency in identifying and mitigating cyber threats.

ZERO
Number of data breaches in 2023

Digitalisation and Innovation

Transformation Flywheel

Late in 2022, ADG Holding introduced the foundational ‘Transformation Flywheel’ framework, designed to enhance digital and process maturity through both digital investment and process governance. In 2023, ADG set a new ambition to become one of the top 50 global innovative companies by 2030. This ambition sets to position ADG as a leading digitally transformed company, continuously creating shareholder value through sustainable growth and enhancing disruptive business innovation.

The proprietary framework of Corporate Transformation drives Business Transformation, Digital Transformation, and Change Management by connecting people, processes, technology, and data to design a digitally transformed organisation. All flagship verticals— Flexible Packaging Solutions (FPS), Petromin Corporation, Red Sea International (RSI), Tanmiah Food Company (Tanmiah), and Dukan Retailing Company – along with ADG were onboarded to the Flywheel practices. These practices are designed to complete the journey from value identification to value realisation progressively.

OmniLab

OmniLab acts as the strategic architect driving our digitalisation journey across the group. The charter of OmniLab is to provide tools, frameworks, and best practices to make the business verticals successful. One key transformation practice, “Architecture Governance,” was created in collaboration with OmniLab and businesses to ensure “Execution Excellence” of both new and ongoing projects. The goal is to maximise return on digital investment through reusability, standardisation, and cost optimisation.

Some of the key digital transformation projects that delivered successful outcomes included the Group-wide Financial Consolidation project, cloud migration of ERP systems, Loyalty App rollout, and Information Security/ Cybersecurity projects. Overall, the Information Security Maturity score and Digital Maturity score improved 2X over 18 months by the end of 2023.

On the innovation front, OmniLab launched an Internal Award campaign within the mobility vertical, generating over 100 ideas. The top 10 winning ideas were integrated into the 2030 strategy of the mobility vertical.

To further enhance sustainability and reduce paper consumption, ADG implemented several initiatives:

- 1. Removed personal/individual printers from colleagues.
- 2. Adopted system-based reporting for all periodic reporting and cadence.
- 3. Introduced OneADG software for recording meeting minutes, thereby reducing paper usage.

By embracing digitalisation and facilitating innovation, ADG is well on its way to achieving its ambitious goals, driving sustainable growth, and creating disruptive business value.

43 | Number of colleagues who attended the awareness training

Our Sustainability Governance

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

By embedding sustainability into our governance frameworks at multiple levels, we ensure a comprehensive and integrated approach to achieving our sustainability goals and supporting Saudi Vision 2030.

Al-Dabbagh Group Chairman and CEO, Director of Sustainability

Within the Holding Company, the Sustainability Director reports directly to the Chairman and CEO. The Sustainability Director sets the sustainability strategy for the Group, with the Chairman and CEO reviewing and approving it to ensure the portfolio aligns with the strategic pillars and demonstrates continuous progress.

The Group's Board of Directors oversees sustainability at the highest level of the business and includes experts with a strong heritage in sustainability, contributing their expertise to support our journey.

ADG Sustainability Governance Structure



Our 5 Strategic Business Portfolios



ADG is represented on the subsidiary boards to ensure proper attention to sustainability and ESG. In 2023, the Sustainability Director was a board member on three subsidiary boards and on the ESG Committee of one of our listed companies. The CEOs and CSOs of each portfolio company are accountable for driving sustainability across their companies. Thus, creating ownership of their sustainability results. This model ensures that sustainability is prioritised at the subsidiaries' board level.

Additionally, we launched a governance workstream across several boards to improve efficiency and integrate ESG topics into discussions. In 2023, we conducted a board self-assessment to ensure board efficiency, beginning with one subsidiary and planning to roll them out to others in the coming year.

Sustainability Department

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



Our Sustainability Vision

The Sustainability Department aims to establish ADG and its subsidiaries as strategic, data-driven, and industry-leading sustainable businesses.



Our Sustainability Mission

The mission of the Sustainability Department is to support ADG’s business verticals in creating value by optimising current business performance and resilience, sustainably scaling businesses, and fostering strategic partnerships.

ESG Risk Management

In 2023, we focused on establishing a foundational framework for ESG risk assessment at both the holding and subsidiary levels. Engaging an independent third-party ESG Rating Provider, we conducted an internal assessment to identify our baseline by assessing key ESG risks and benchmark our management practices against industry best practices. This process involved analysing our financial statements to determine risk exposure by geography and its impact on our financial standing. The assessment provided a quantitative baseline to ensure we measure the right information and address the appropriate risks.

By the end of this exercise, we identified the key ESG risks and focus areas for ADG and its subsidiaries. While most assessment metrics were provided in 2023, the complete results will be finalised in 2024. Subsequently, we will develop a roadmap to address and manage these ESG risks, integrating them into our main risk management frameworks. This comprehensive approach allows us to maintain a strategic view of ESG risks across our portfolio, accommodating the varying stages of corporate maturity among our subsidiaries.

Looking ahead, we plan to build on this foundation by conducting double materiality studies and incorporating the findings into our overall risk management systems. This will enable us to track ESG risks at both the subsidiary and Holding company levels, ensuring a cohesive and integrated approach to risk management. By systematically integrating ESG risks into our risk management framework, we enhance the resilience and sustainability of our business practices across the entire ADG portfolio.



Our People



Diversity, Equity and Inclusion

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

We recognise that a workforce mirroring the diversity of our portfolio and communities is better equipped to understand and meet their needs, allowing us to provide responsive and tailored services. We take this approach to not only enhance our operations but also strengthen our connection with the communities we serve.

Furthermore, we are dedicated to maintaining a workplace free from discrimination by safeguarding respect and equality, ensuring that all colleagues are treated equally regardless of their background. In 2022 and 2023, we had zero cases of discrimination at the holding level, illustrating our commitment to creating an inclusive environment where every individual feels valued and empowered to contribute to our collective success.

Female and Youth Empowerment

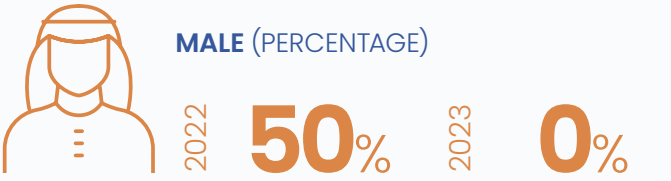
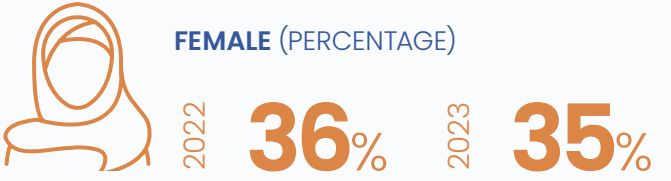
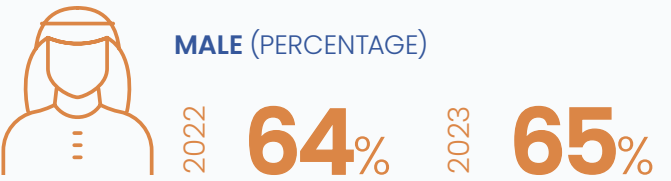
As part of our commitment to diversity, ADG places a strong emphasis on female and youth empowerment. We have set an ambitious target to increase female representation across all four levels of the Group to a minimum of 35% by the end of 2024. This goal allows us to promote gender diversity and create opportunities for women to thrive within the Group.

To celebrate and acknowledge the contributions of women, we recognised the exceptional efforts of our female colleagues with special coupons during International Women’s Day and Mother’s Day. These initiatives are part of our broader strategy to create an inclusive and supportive environment for women.

In addition to female empowerment, we are equally committed to nurturing young talent. In 2023, we offered internship opportunities to nine interns from diverse educational backgrounds. These internships provide valuable corporate experience and nurture the development of future leaders, aligning with our objective to empower the next generation.

As part of our commitment to diversity, ADG places a strong emphasis on **female and youth empowerment.**

Gender Breakdown



New colleague hires

Total Number of new colleague hires

2022	06	2023	06
------	----	------	----

MALE (PERCENTAGE)

2022	50%	2023	17%
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FEMALE (PERCENTAGE)

2022	50%	2023	83%
------	-----	------	-----

% of which are below 30

2022	50%	2023	50%
------	-----	------	-----

% of which are between 30 – 50

2022	50%	2023	50%
------	-----	------	-----

Full-time colleague by nationalities

Saudi Arabia

2022	24	2023	24
------	----	------	----

Pakistan

2022	4	2023	3
------	---	------	---

Yemen

2022	1	2023	2
------	---	------	---

Sri Lanka

2022	2	2023	2
------	---	------	---

India

2022	4	2023	4
------	---	------	---

Jordan

2022	2	2023	1
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Philippines

2022	6	2023	5
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Senior management

Total number of colleagues in Senior Management positions

2022 | 2023

07

Number of local colleagues in Senior Management positions

2022 | 2023

04

% of which are male

2022 | 2023

57%

% of which are female

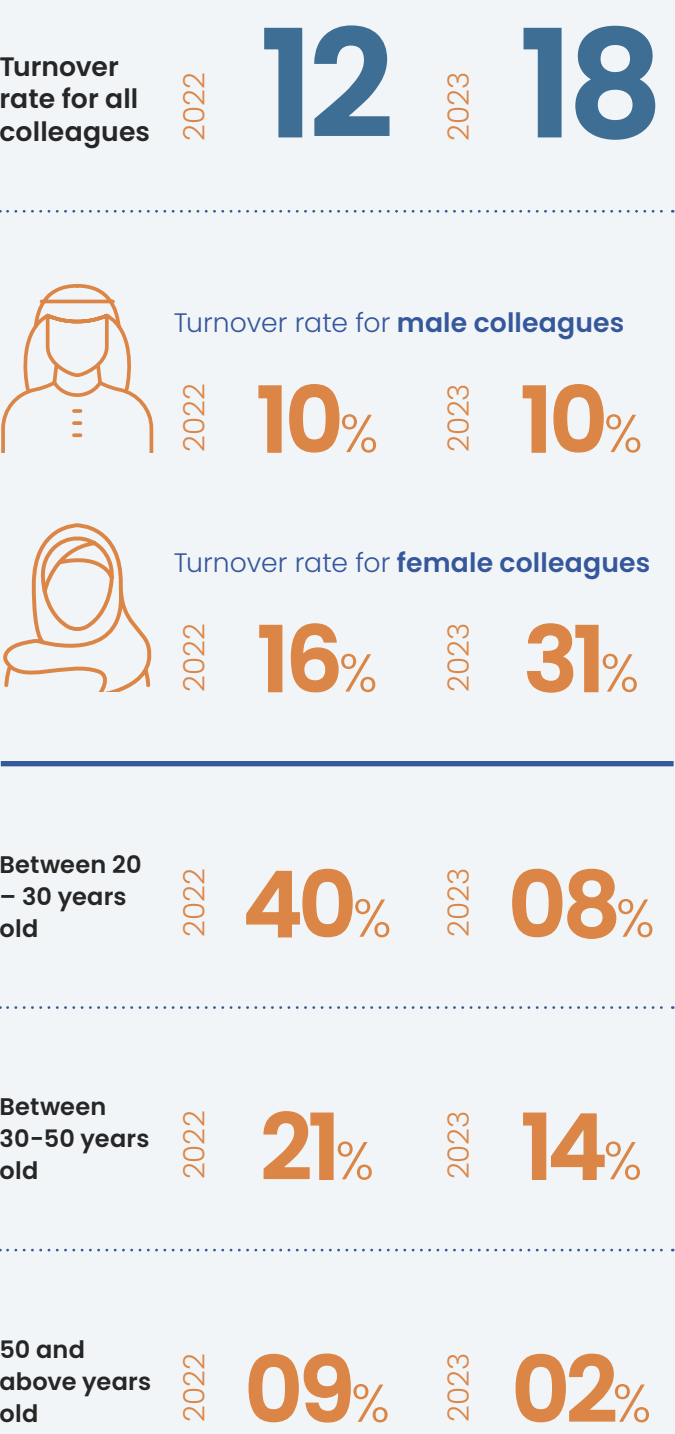
2022 | 2023

43%

Colleague categories | by gender

Executive/C-leader colleagues	
2022	2023
8	8
Executive/C-leader female colleagues	
3	3
Mid-level manager colleagues	
2022	2023
14	11
Mid-level female colleagues	
2	2
Frontline manger/ supervisor colleagues	
2022	2023
6	14
Frontline manger/ supervisor female colleagues	
2	6
Individual contributor colleagues	
2022	2023
25	19
Female contributor colleagues	
10	7

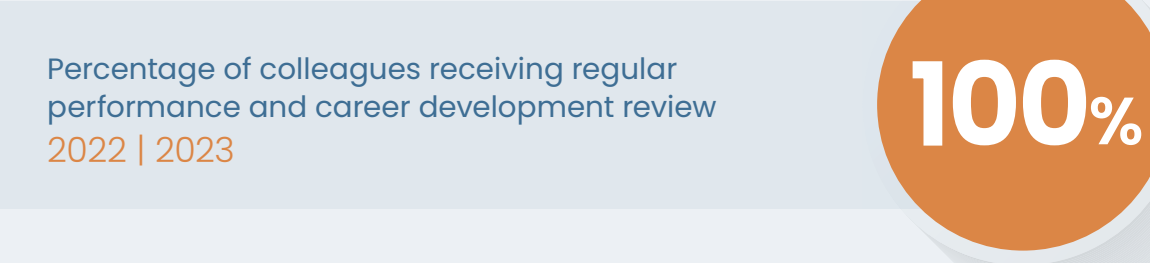
Turnover rate by gender (%)



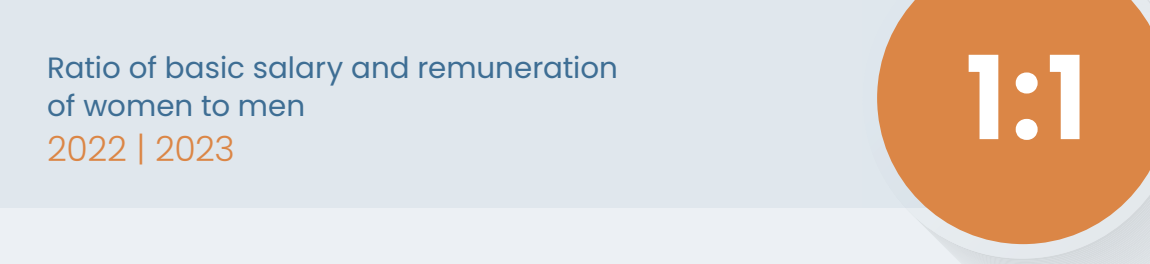
Talent Development

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

Performance & career development review



Remuneration ratio



Human Rights Training

To uphold the highest standards of ethics and human rights, we have implemented in-depth training programmes for all colleagues. In December 2022, we conducted “Leading with Values” sessions for management and “Living Our Values” sessions for all colleagues, focusing on our code of conduct and promoting a speak-up culture. In 2023, we mandated ethics and code of conduct training for all colleagues, ensuring compliance with our ethical standards.

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

OmniU Platform

Launched in September 2022, OmniU is our versatile learning platform, providing access to a wide range of online courses from leading companies, innovators, and universities, such as Disney, Google, and IBM. Through OmniU, we encourage our colleagues to attend technical courses related to their fields, such as finance, HR, data analysis, user experience design, programming, project management, digital marketing, and artificial intelligence. These courses are organised according to the ADG Competency Framework, ensuring they are aligned with our Omnipreneurship ecosystem and support colleagues in their current roles while pushing them to expand their horizons by actively working towards the targets we have set for our 2025 strategy. Below are the two key programmes introduced to the Group.

Club 100 Leaders

Launched in Q2 2023, the programme focuses on development, growth, and retention for the top 100 leaders across ADG companies.

Internal Mobility Programme

Launched in Q3 2023, the programme facilitates recruitment of internal candidates for new roles.

Human Rights Training

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

Health and Safety Training

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

- We are committed to providing a healthy and safe environment through the efforts of the Omnipreneurship Unit. This unit ensures that all health and safety standards are met and maintained. Regular health and safety audits are conducted to identify and mitigate potential risks.
- ADG offers a non-smoking working environment for all colleagues. Smoking is prohibited within ADG premises, except in designated smoking areas, to promote a healthier workspace. We also conduct smoking cessation programs to support colleagues who wish to quit smoking.
- Security officers are tasked with monitoring and ensuring the safety of our premises. They oversee all entrance and exit doors, ensuring that only authorized persons are allowed access. Security personnel are trained in emergency response procedures and conduct regular drills to ensure preparedness.
- All colleagues are responsible for ensuring that designated fire exits are not blocked and remain clear. The Facilities department is responsible for monitoring these areas and advising colleagues on proper usage to prevent misuse. We conduct regular fire safety drills to ensure that all colleagues are familiar with evacuation procedures.

By adhering to these guidelines and undergoing regular health and safety training, we ensure that our work environment remains secure and conducive to the well-being of all individuals associated with ADG.



Parental leave FEMALE	2022	2023
Colleagues who were entitled to parental leave*	19	18
Colleagues who took parental leave	0	0
Colleagues who returned to work after completion of parental leave	0	0
Colleagues who returned to work after parental leave ended and were still employed after their return to work	0	0
Colleagues who went on parental leave	0	0

*All female colleagues are entitled to parental leave



Parental leave MALE	2022	2023
Colleagues who were entitled to parental leave**	34	34
Colleagues who took parental leave	4	2
Colleagues who returned to work after completion of parental leave	4	2
Colleagues who returned to work after parental leave ended and were still employed after their return to work	4	2
Colleagues who went on parental leave	100%	100%

**All male colleagues are entitled to parental leave

Health and Wellbeing

The health and wellbeing of our colleagues is our priority, we support this through a variety of initiatives. These programmes support physical health, encourage healthy habits, and celebrate personal milestones. Below is a table summarising our key health and wellbeing programmes.

Get Fit Programme	Supports weight loss with specific targets and timelines. (10 kg in 3 months, 20 kg in 6 months, 30 kg in 1 year)
Go Walk Programme	Encourages walking 10,000 steps a day for a month.
Smoke Free Programme	Raises awareness and supports quitting smoking with financial rewards. (SAR 2,000 for the first year, SAR 4,000 for the second year)
Health Lounge	Provides health assessments (blood sugar, blood pressure, optical, dental, full medical report) at the office.
The Youngest Omnipreneur	Quarterly fitness competition with iphones as prizes and a yearly winner receiving a trip to a resort in Dubai.
Gym Subscription	ADG contributes 25% of gym memberships for full-time colleagues.
Flexible Work (Flextime)	Allows for flexible working arrangements twice a month, working remotely every other Thursday.
Annual Anniversary	Celebrates work anniversaries with messages, gifts (chocolate boxes, dinner for two, increasing gift values for milestones)
Marriage & Newborn Gift Policy	Provides gifts for colleagues getting married (SAR 2,000) and for newborns. (SAR 1,000)
Fun Day	Quarterly fun activities for colleagues, such as movie screenings, private tours, and desert safaris.
Omni Peer Recognition	A system for recognising colleague achievements, fostering a positive atmosphere and teamwork.
Yearly Increment and Financial Reward	Annual salary increments and performance-based bonuses recognising contributions made by colleagues.
Women & Men Days	Special celebrations and gifts for Women’s Day, Men’s Day, and Father’s Day.

Talent Engagement and Recognition

Colleague Engagement and Recognition

At ADG, we strive to create an exceptional work environment through a comprehensive range of engagement and recognition initiatives for our colleagues. Our annual Omni Culture Index survey measures alignment with our Omnipreneurship values while external surveys like the Great Place To Work (GPTW) help us identify areas for improvement. Our annual Omnipreneurship virtual event and the head-to-head programme cultivate a deep understanding of our core values and provide opportunities for colleagues to engage directly with our leadership.

To build team spirit, we offer unique experiences such as complimentary tickets to the F1 Saudi Arabian Grand Prix. New colleagues are warmly welcomed with a comprehensive On-Boarding Welcome Kit, which includes a letter from the Chairman and CEO, The Omnipreneurship Book, an iPhone, a laptop, and our Annual Sustainability Report.

Recognising and celebrating the contributions of our people is crucial to maintaining a positive and motivating work environment. We honour colleagues with yearly salary increments and performance-based bonuses. Additionally, colleagues’ birthdays are marked with cake or coupons, based on their preference. Our combined approach to colleague engagement and recognition not only accentuates our appreciation but also encourages a culture of celebration, motivation, and continuous improvement within ADG.





ADG’s Case Studies

Case Study 1

Cascading Omnipreneurship Culture Across Our Group Companies

In 2023, our Group embarked on a comprehensive programme to embed and practice Omnipreneurship values throughout all group companies, ensuring alignment and connectedness with our culture and driving collective success. Central to this initiative was the Omnipreneurship Culture Index Survey, conducted from 22nd May to 30th June 2023. This survey, available in 13 languages, saw participation from 8,208 colleagues across 13 countries. It measured the extent to which Omnipreneurship values were embedded and practiced, focusing on categories such as alignment, connectedness, ethics, and core values of Integrity, Respect, Passion, Forward Thinking, and Teamwork. Post-survey, focus groups were held globally, involving 820 colleagues in 162 sessions, to identify conflicts with Omni values and gather suggestions for improvement.

To ensure consistency in practicing these values, we created the Omnipreneurship Cultural Values Manual. This manual translates ADG’s five core values into daily character traits and behaviours for colleagues, with detailed sections covering individual contributors, middle managers, and senior leaders. It serves as a critical resource for institutionalising, implementing, and operationalising cultural values within our organisation.

The impact of these initiatives has been significant. The group’s overall score on the Omnipreneurship Cultural Index was 85%, with 70% of participants aware of our values. The focus groups provided actionable insights to enhance alignment with our culture, while the manual and virtual event fostered a deeper understanding and embodiment of our core values. By cascading these efforts across all group companies, we have ensured that our commitment to sustainability and value creation is both theoretical and actionable, positioning Omnipreneurship as a transformative model for sustainable growth and societal progress.

Case Study 2

Great Place to Work® 2023

Our commitment to creating an exceptional colleague experience is a cornerstone of our vision and mission, and one of our Group’s top priorities. We believe that a positive work environment significantly influences colleagues’ attitudes towards their jobs and coworkers, enhancing performance levels and productivity. For more than five years, ADG has partnered with Great Place to Work® (GPTW), striving to improve our workplace culture and employee engagement annually. The continuous feedback from our colleagues has been instrumental in developing new initiatives and ideas, which have significantly increased engagement and satisfaction.

This year, our organisation was certified in 12 countries around the world, reflecting our ongoing dedication to excellence in the workplace. Our achievements include being ranked #1 on the Best Workplaces in KSA 2023 – under the category of large organisations and securing top positions in various other countries such as the UAE, Bahrain, Vietnam, and Turkey. These accolades reinforce our successful efforts in promoting a supportive and engaging work environment. The results and actions from these certifications are shared in the Omnipreneurship Council setting targets and driving continuous improvement across all group companies. These achievements highlight our global commitment to creating exceptional workplaces. By focusing on the well-being and satisfaction of our colleagues, we ensure that our work environment not only meets but exceeds expectations, driving both individual and organisational success.



Our Shared Value



Snapshot of our strategic portfolio flagship companies

This section presents the core activities and main ESG initiatives of our portfolio companies.



Type of company:
FPS specialises in the production and distribution of flexible packaging materials. These materials are used across various industries, including food, chemicals, pharmaceuticals and construction.

FTEs:
FPS employs over 4000+ colleagues in 19 countries.

Location:
Headquartered in the Netherlands with 13 production plants, operates in 19 countries.



Type of company:
Petromin is a petroleum product and automotive services company.

FTEs:
Petromin employs over 6000+ colleagues.

Location:
Headquartered in Jeddah, Saudi Arabia, with operations and service centres across the country. Operate in 5 regions, across 40+ countries.



Type of company:
RSI is a construction and modular building solutions company, specialising in large-scale projects and support services for various industries.

FTEs:
RSI employs over 12,000+ colleagues

Location:
Headquartered in Riyadh, Saudi Arabia.



Type of company:
Tanmiah is a leading agribusiness and food production company.

FTEs:
Tanmiah employs over 3,000+ full-time colleagues across its operations.

Location:
Headquartered in Riyadh, Saudi Arabia, Tanmiah operates farming and production facilities across the region. Operates in 7 countries, 20 branches and 6000 + average daily deliveries



Type of company:
Dukan is a growing convenience retail grocery company in Saudi Arabia.

FTEs:
Dukan employs over 390 colleagues.

Location:
Headquartered in Jeddah, Saudi Arabia, Dukan has over 90+ stores across Saudi Arabia



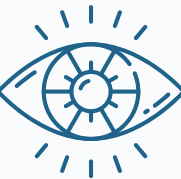
FPS



About Flexible Packaging Solutions

In 2010, Greif Inc. and ADG formed a 50/50 joint venture to establish the Flexible Packaging Solutions (FPS) business with the goal of becoming the market leader in flexible intermediate bulk containers (FIBCs). On April 1st, 2022, ADG successfully completed the acquisition of FPS, achieving full ownership. Our team is inspired by this new structure and is working passionately with our customers to further develop our mutual partnership.

Our Vision



Be the first, safest, and sustainable choice in flexible industrial packaging.

Our Purpose



To continuously support the well-being of stakeholders and communities we touch and improve the sustainability of our products.

FPS Operations

FPS is a global leader in customisable packaging solutions specialising in FIBCs, operating in 19 countries with 13 production locations, 22 sales offices, a recycling hub, a reconditioning centre, 10 testing laboratories, and an R&D centre. Headquartered in the Netherlands, its extensive and integrated manufacturing and distribution network spans Europe, Asia, and North America. FPS focuses on efficiency and cost-effectiveness, offering eco-friendly materials and processes to reduce waste and promote recycling catering to diverse industries such as food, chemicals, pharmaceuticals, and construction. FPS’s solutions portfolio encompasses R&D, optimisations, reconditioning, and recycling.

For more information about FPS’s business, visit our [website](#).

2023 Awards



Gold Medal

EcoVadis

FPS achieved a score of 73 out of 100 in its first assessment in 2023, earning a Gold EcoVadis Medal, placing FPS in the top 4% of all companies assessed and the top 2% in the plastic products manufacturing industry.



Great Place to Work

GPTW

FPS was awarded the Great Place to Work Certification in the Netherlands, Germany, UK, France, Romania, Mexico, Vietnam, China, USA, and Turkey, based on the researched-backed colleague survey analysis.



Excellent Service Provider

Huayou

FPS was honoured as an excellent Service Provider at the 2023 Global Supplier Conference by Huayou Cobalt. This event promotes industry synergy and competitiveness through collaboration and quality-focused cost reduction.



FPS

Sustainability at FPS

Sustainability Governance

FPS’s Sustainability Leadership Team (SLT), consisting of 5 senior executives including the CEO and Vice President of Operations, meet monthly to review and advance their sustainability initiatives. Notably, this team includes the Global Sustainability Head, who also serves as the General Manager of UK and Ireland, the Director of Global Sustainability and Commerical UK, and the Senior Manager of Global Sustainability. Additionally, FPS’s sustainability core team, comprising of 4 key members, meets weekly to oversee all sustainability efforts. Furthermore, the sustainability team actively engages colleagues through social ambassadors and climate change champion groups, which meet monthly to listen, brainstorm, and generate innovative ideas.





Sustainability Vision

Drive to meaningful change for the environmental well-being of our world; ensuring transparency and effective governance principles, and continuous improvement for the people and communities we touch.

As a packaging solutions business, sustainability has always been an integral part of FPS’ company culture. It is at the centre of its strategy to achieve growth, create value for all stakeholders, and accelerate the transition to a sustainable and inclusive world. The key tenets of FPS’ sustainability approach include:

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

Memberships and Alignments

	FPS has been a member since 2023, part of a collective of around 90 companies and allies committed to ending plastic waste in the environment.
	Joined in 2023, aiming to recycle all farm plastics in the UK by 2030. FPS is committed to supporting responsible recycling in the agricultural sector.
	FPS is a member, working to improve working conditions in global supply chains through ethical trade practices.
	Following ADG steps, FPS is a participant of the UNGC. Embedding the 10 principles into its strategies and operations, committing to human and labour rights, environmental safeguarding, and anti-corruption efforts.

Materiality

In determining its material topics in 2023, FPS conducted a materiality assessment closely following the current trends in the plastic industry, global reports, and globally recognised sustainability reporting standards, including GRI and Sustainability Accounting Standards Board (SASB) standards. During this process, FPS evaluated the opinions of its stakeholders with great sensitivity through online surveys sent to seven separate stakeholder groups. The process outcome identified 9 material topics within the framework of 4 main themes: Planet, People, Policy and Product.

Following the analysis and survey findings, FPS determined the 2023 Materiality Matrix, with the approval of the Leadership Team and Sustainability Leadership Team.

			
Planet	People	Policy	Product
Energy and Emissions	Better Working Place	Business Ethics and Integrity	Circular Economy
Waste Management	Local Communities and Stakeholder Engagement	Cybersecurity and Data Privacy	Building Sustainable and Resilient Supply Chain
			Product Quality & Safety

FPS

FPS Governance

Board of Directors (BOD)

FPS focuses on upholding the highest standards of corporate governance practices. Its BOD operates with a two-tier structure designed to elevate corporate management standards. This governance body includes the CEO and CFO. The board features 6 non-executive members, including notable figures such as ADG Chairman and CEO and ADG’s Sustainability Director, and 3 independent members.

Code of Conduct

FPS established a Code of Conduct to set clear ethical standards, ensuring legal compliance, protecting its reputation, and fostering a positive organisational culture. It covers integrity in business dealings, fairness among colleagues, adherence to laws, strict anti-corruption policies, and zero tolerance for harassment and discrimination. These principles are integrated into HR policies, performance reviews, and operational procedures.

New colleagues receive comprehensive training on the code of conduct during onboarding, with ongoing education through regular sessions and workshops. Furthermore, The Code is easily accessible on FPS’s website and MyFPS platform, regularly updated to align with laws and organisational policies.

Grievances Management and Compliance

FPS prioritises ethical conduct and compliance through its 24/7 ethics and compliance helpline, hosted by a third-party provider, ETHICO. This helpline allows colleagues to report violations of

its ethics policy, such as fraud, bribery, financial malpractices, discrimination, harassment, and other unethical activities, without fear of consequences. Similar to ADG, FPS encourages transparency and accountability, ensuring that all reports are carefully evaluated while maintaining confidentiality.

The HR and Legal Department handle these reports, determining appropriate disciplinary actions based on the severity of the violation. Penalties can range from action plans for resolving issues in milder cases to termination of employment for severe violations.

Data Privacy and Cyber Security

In 2023, FPS implemented new and enhanced data privacy and cyber security measures. FPS partnered up with a third-party supplier to monitor and control our systems, utilising four advanced tools:

1. Trend Micro
2. Brand Defense (CTI)
3. CrowdStrike
4. Logsign SIEM

To reinforce its cyber security awareness, FPS provided all colleagues with SoSafe Training, including phishing simulations. In 2023, 725 colleagues engaged with the platform. Additionally, we upgraded ERP systems in Mexico and Chile. FPS also introduced a new VPN MFA tool for remote users and updated PowerBI systems with the help of the COMEX Team. Since 2018, all three of our Türkiye sites have been ISO 27001 certified, reflecting our commitment to securing our customers’ information assets.

FPS People and Community

Colleague Development

Investing in colleague development is crucial for maintaining our high-quality products and services, as well as ensuring our team’s skillsets keep pace with market developments, needs, and innovations. In 2023, we provided an average of 13.8 hours of training for all colleagues. We provide a breakdown of the provided training hours for different colleague groups. In its Great Place to Work assessment, FPS scored an overall 83% within the Trust Index report, with 94% of our colleagues participating in the survey.

Colleague yearly training hours	2022	2023
Average number of training hours per colleague	21	13.8
Male yearly average training hours	21	14.3
Female yearly average training hours	21	13.5
Senior management average training hours	8	9.3
Middle management average training hours	30	23
Junior management/staff average training hours	24	18.2

Diversity and Equal Opportunity

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

FPS recruitment practices ensure candidates are evaluated solely on their qualifications and suitability for the role. Furthermore, 79% of FPS workforce received training on human rights and relevant issues, including business ethics and code of conduct.



FPS

Operational Health and Safety (OHS) Policy and Safety Protocols

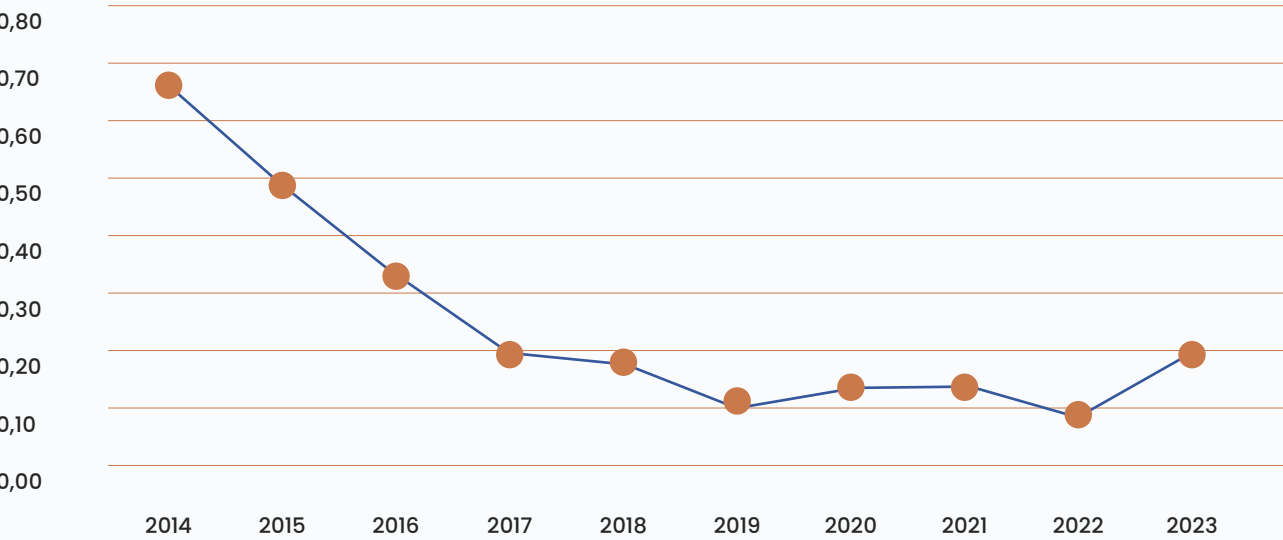
FPS Occupational Health and Safety (OHS) policy includes risk assessment and management, comprehensive colleague training, and emergency preparedness. The OHS policy emphasises incident reporting and investigation, promotes health and well-being programmes, encourages worker participation, and commits to continuous improvement.

In 2023, FPS recorded zero colleague fatalities, thanks to its rigorous safety protocols and proactive measures. FPS monitors the Medical Case Rate (MCR) quarterly, ensuring colleagues receive necessary and appropriate care. This includes maintaining effective Occupational Health and Safety Assessment Series (OHSAS) systems, consulting and involving colleagues, providing needed personal protective equipment, and ensuring continuous compliance with legal requirements.

Medical Case Rate (MCR) *	2023
Q1	0.28
Q2	0.11
Q3	0.32
Q4	0.20
Total colleague fatalities	0

*MCR – Number of medical cases * 200 000 / Man hours worked

Medical Case Rate* (Calendar year based)



Hayati Kapti Sustainability Award

This FPS award recognises exceptional efforts in enhancing FPS’s sustainability performance. The award categories include:



Environmental Improvement

Projects that reduce energy and water consumption, minimise waste generation, and advance green technology practices.



Innovative Approach to Sustainable Products

Innovations that create value for FPS while positively impacting the environment, using sustainably sourced materials and innovative designs.



Social Sustainability

Projects that improve colleague wellbeing, support local communities, and promote diversity and inclusion.

In 2023, FPS Ukraine won the Hayati Kapti Sustainability Award for their “Together We Stand” project, which supported mental health among colleagues and local communities.



FPS

Community Engagements

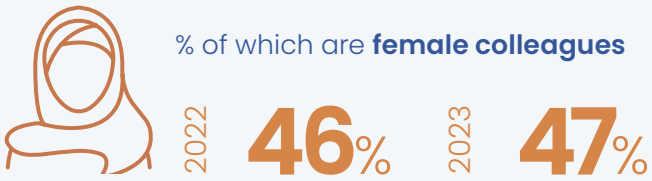
FPS encourages colleague and community engagements across its operations. The below table highlights some of the initiatives that took place in 2023.

MEXICO	<p>Open House Event Introduced children under 10 to their parents’ workplace, emphasised safety at home and work, and engaged children with a drawing contest on protecting the planet.</p> <p>Support for Children in Hospitals Delivered toys to children with cancer and collaborated with NGO FUERZA MEMO to collect soda bottle caps to support children with cancer.</p>
UKRAINE	<p>Together We Stand Supported mental health among colleagues and local communities, demonstrating FPS’s commitment to resilience and sustainability.</p>
UNITED KINGDOM	<p>Transition to 30% Recycled Material Integrated 30% recycled materials into the 1-Loop business, showcasing our commitment to sustainable practices.</p>
GLOBAL	<p>Search Engine Planting Trees Utilised Ecosia as a default search engine to support afforestation, aligning with our commitment to environmental stewardship.</p>

FPS people in numbers*

*Colleague figures cover our global operations.

Full-time colleagues



Full-time colleagues by colleague category



Number of full-time colleagues in senior management
2022 | 2023

17

FEMALE
Number of full-time colleagues in senior management
2022 | 2023

24%

MALE
Number of full-time colleagues in senior management
2022 | 2023

76%

Part time colleagues

Number of Part-time colleagues

2022
58

2023
25

FPS



Number of countries from which FPS has colleagues

2022

19

2023

18

New colleague hires	2022	2023
Total number of colleague hires	601	590
Number of female colleague hires	279	218
Number of male colleague hires	322	372

Colleague turnover rate
Turnover rate for all colleagues

2022

12.2%

2023

22.76%

Parental leave by gender	2023
Number of female colleagues that took parental leave	45
Number of male colleagues that took parental leave	56
Retention rate of female colleagues who went on parental leave and were still employed	75.68%
Retention rate of male colleagues who went on parental leave and were still employed	92.45%

Colleague Satisfaction Score
FPS Trust Index

Colleague satisfaction score (0-100) | 2023

83%

FPS Customer Experiences

FPS is committed is to provide exceptional customer experiences by effectively managing complaints and upholding the highest standards of quality and efficiency. Its customer complaint management process utilises the FPS-QS system, where complaints are promptly recorded by Account Managers or Customer Service Representatives (CSRs). Within 24 hours, a preliminary letter is sent to acknowledge receipt. Following this, a cross-functional team conducts a thorough root cause analysis within two weeks, with Corrective Action Reports (CARs) reviewed by a working group. Finally, a closure letter, along with a complaint response letter, is sent to the customer within four weeks, providing a comprehensive resolution.

Due to FPS’s rigorous processes and focus on ensuring it provides customers with the highest quality products and experience; FPS achieved a score of 96% of customer satisfaction exceeding its set target of 95% by 1%.

Total number of customer complaints | 2023

114

Total number of customer complaints resolved | 2023

114

CSI Score | 2023

96%

Sustainable Products and Services

FPS is dedicated to creating sustainable products and services that positively impact the environment and improve the quality of life for communities worldwide. As part of FPS’s Omniversal Life Impact Programme (OLIP), it developed several innovative solutions to address pressing global challenges.

WaterSafe by FPS

To positively impact at least 30 million lives by 2030, FPS launched the WaterSafe initiative. This product was designed to provide a cleaner and safer alternative for transporting water in developing countries. WaterSafe addresses the issue of contaminated containers often used to transport water from source to home. This product is particularly valuable in areas affected by natural disasters, where access to clean water is often the most urgent need.

FlexiGreen by FPS

FlexiGreen by FPS is initiative focused on creating eco-friendly packaging options that reduce environmental impact. By utilizing sustainable materials and advanced manufacturing processes, FlexiGreen helps lower carbon footprints and promotes the use of recyclable and biodegradable materials.

Reconditioning Business Unit (REBU)

REBU initiative is designed to support the circular economy by promoting the reuse and recycling of packaging materials. REBU encourages customers to return used packaging, which FPS then process and repurpose into new products. This initiative reduces waste, conserves resources, and minimizes environmental impact, reinforcing our dedication to sustainability and innovation.



FPS

FPS Environmental Performance

FPS continuously strives to minimise its ecological footprint by implementing progressive actions across its facilities. In line with this commitment, two of its facilities in Istanbul, Turkey achieved ISO 50001 certification. The initial feedback from these sites has been highly favourable, encouraging FPS to pursue further measures to reduce energy usage and enhance energy conservation efforts. For instance, two windmills at one of its operational sites in Turkey contribute 15% of the total electricity consumption, while FPS's manufacturing facility in Vietnam utilises solar panels that produce approximately 60% of the plant's electricity requirement.

In 2023, FPS recorded a total electricity consumption of 64,591,950 kWh across all its global operations, with 2,762,852 kWh sourced from renewable energy, including solar panels in Vietnam and wind turbines in Turkey, equating to a 5.86% increase compared to 2022. FPS reported a reduction of 4.64% in energy consumption compared to 2022.

Energy Consumption

	Total Renewable Energy Consumption	2022	2,609,811
		2023	2,762,852
	Total Electricity Consumption	2022	67,732,829
		2023	64,591,950

FPS closely monitors and manages its diesel and petrol consumption, prioritising the use of biofuel blends to minimise environmental impact. This comprehensive monitoring allows FPS to identify opportunities for efficiency improvements and implement strategies to optimise its resource use.

Fuel Consumption

Total diesel consumption biofuel blend (litres) - FPS Global company cars	133,519
Total diesel consumption mineral diesel(litres) - FPS Turkey Hadımköy	2,580
Total petrol consumption mineral blend (litres) - FPS Global company cars	59,702
Total resource consumption (litres) - All FPS Entities	195,801

Waste Consumption

Waste management is a key component of FPS's environmental strategy. To this end, FPS classifies and separately collects various types of waste, such as aluminium, metal, plastic, and paper, ensuring recyclable materials are sent for reuse. Additionally, it conducts training programmes to raise colleague awareness about waste segregation and reduction. Furthermore, FPS discourages single-use plastic water bottles and disposable coffee cups, opting instead for reusable glass and ceramic alternatives. Production scraps are recycled and reintegrated into its processes, preventing landfill waste. Finally, hazardous and electronic wastes are managed by licensed disposal companies in compliance with local regulations, ensuring safe and responsible waste management.

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

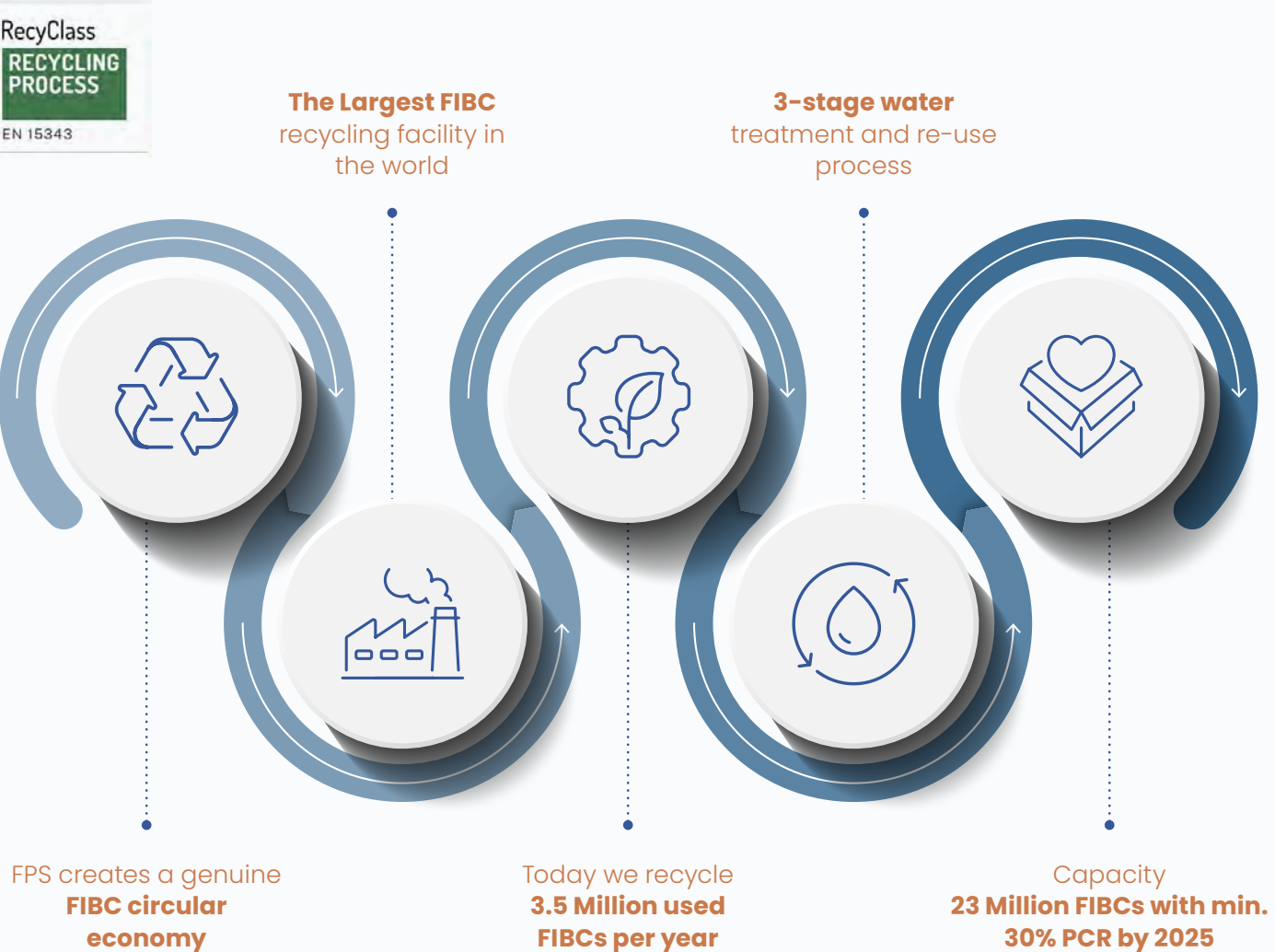
Non-hazardous waste	2022	6,406.43
	2023	8,900.66
Hazardous waste	2022	547.16
	2023	29.5

FPS

FPS Recycling Hub

FPS has launched a Recycling Hub, aiming to lead in sustainable practices within the flexible industrial packaging sector. The hub’s primary objectives include promoting the reuse of materials by ensuring that each product contains at least 30% recycled content and implementing an advanced water recycling system to sustainably manage resources.

The impact of the hub’s initiatives is substantial, reducing emissions by 15% through the use of recycled materials in their production processes. By doing so, FPS not only reinforces its commitment to the circular economy but also sets a benchmark for environmental responsibility in the industry. This strategic approach underscores their role as a model for sustainability and innovation in recycling practices.



Water Consumption

	2022	2023
Utility water consumed in m³	76.26	80.84

Carbon Footprint

FPS recognises the importance of addressing key environmental issues and strives to integrate sustainable practices into every aspect of its business operations. FPS developed and integrated a comprehensive environmental policy, effective from June 1, 2023, providing a framework for action to guide its operations towards a greener and more sustainable future. In 2023, FPS reduced its carbon footprint by 2,860 tCO2e.

	2022	2023
Direct emissions scope 1 (tCO2e)	1,800	1,809
Indirect emissions scope 2 (tCO2e)	26,588	23,728

Supply Chain Overview

In 2023, FPS collaborated with over 2,000 suppliers, allowing it to navigate global supply chain pressures effectively. FPS’s goal is to build a sustainable and resilient supply chain that minimises negative environmental and social impacts while preparing for unexpected disruptions. By cascading sustainable practices through its supply chain and fostering trusted relationships with agile and sustainability-focused supplier partners, FPS ensures its operations remain robust and resilient. Regarding social impacts, FPS assessed 25 suppliers, covering 49% of its total spend on product-related procurement in 2023. No significant actual or potential negative social impacts among these suppliers were identified.

Supplier Due Diligence Process

FPS has a comprehensive Supplier Code of Conduct, which requires suppliers to complete self-assessments covering various topics, sustainability included. After reviewing these assessments, FPS conducts a thorough risk evaluation of their policies and practices. If any suppliers are determined as “high-risk*” receive low scores, FPS develops strategic roadmaps to guide them towards improvement offering support and training. Additionally, FPS encourages our suppliers to adopt renewable energy, reduce waste, and implement water conservation measures. The company’s commitment to sustainable procurement aims to build a resilient supply chain that supports our environmental and social objectives, with 78% of its procurement budget spent on local suppliers in significant locations of operation.

% of budget spent on local suppliers

78%

**High-risk suppliers (Score: 27-35) display significant deficiencies in CSR practices, facing challenges across environmental, social and governance aspects, necessitating substantial improvements to meet industry norms and expectations. Moderate-risk suppliers (Score:17-26) maintain a reasonable focus on CSR but have areas needing improvement as they work towards aligning with established CSR standards. Low-risk suppliers (Score: 7-16) exhibit exemplary corporate social responsibility (CSR) practices, excelling in environmental sustainability, social responsibility, and ethical governance, making them leaders with a positive societal and environmental impact.*

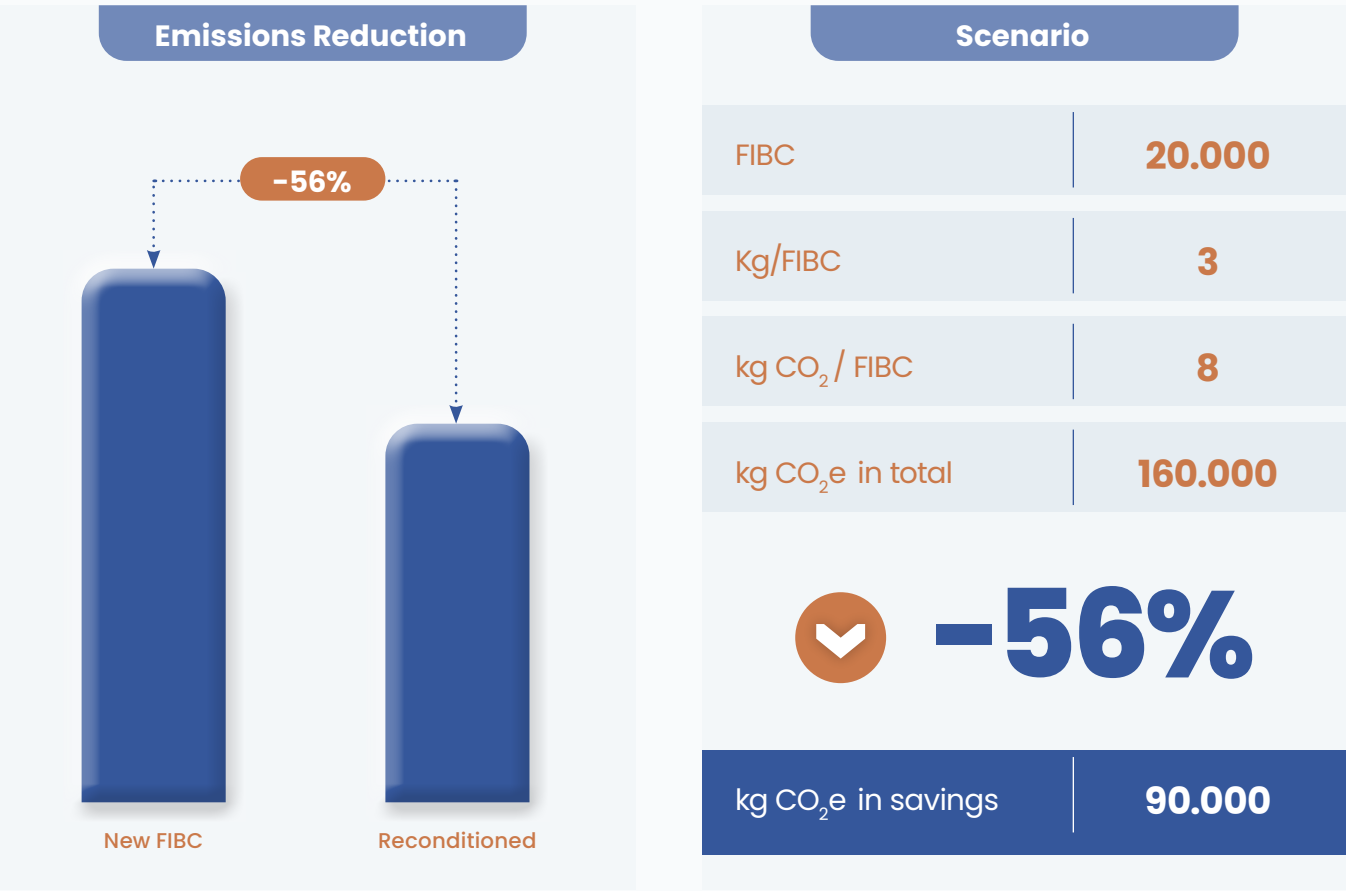
FPS

Case Study 1

Reconditioning Big Bags – Big Impact

The Reconditioning Business Unit (REBU) is dedicated to extending the lifecycle of Flexible Intermediate Bulk Containers (FIBCs) through a comprehensive reconditioning process. This operation, now integrated with our Recycling Hub in Romania, involves several key steps: first, used FIBCs are emptied and stored; next, REBU collects them for cleaning and inspection to ensure they meet stringent quality and safety standards. Once reconditioned, the FIBCs are reused at the filling point, significantly reducing the need for new containers.

Through this process, REBU not only helps minimise waste but also lowers our overall carbon footprint by reducing the demand for raw materials and energy in the production of new FIBCs. By reusing materials and extending the lifespan of existing resources, we are making tangible progress in promoting a circular economy and advancing our sustainability goals. REBU plays a pivotal role in optimising operational efficiency while significantly reducing environmental impact.

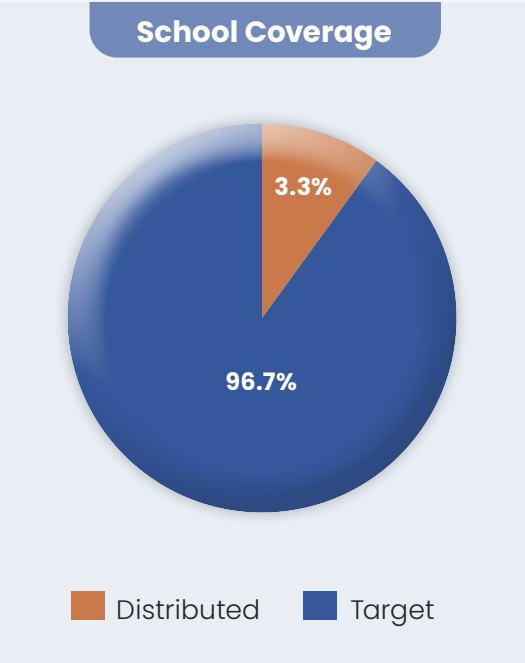


Case Study 2

WaterSafe – Development of Water Security in Kenya

In 2023, we launched our WaterSafe initiative targeting Kenya, where 43% of the population lacks access to clean water, and in developing countries, 80% of illnesses, which account for 70% of all health costs, are linked to unsafe water that is most commonly transported in discarded jerrycans. Through WaterSafe, we have distributed over 68,000 WaterSafe backpacks, primarily targeting households and now focusing on primary and secondary schools. To date, 1,500 out of 43,645 schools in Kenya have received WaterSafe backpacks, each benefiting 30 children per class.

This effort has positively impacted 1 million lives have been impacted by providing access to clean water and improving overall well-being. Our aspirational target is to extend this impact to 25 million lives, further contributing to the health and education of Kenya's population.



Transport



Store



Dispense

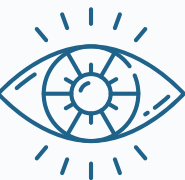
PETROMIN



About Petromin

Founded in 1968, initially as Petrolube, Petromin was established through a royal decree as a joint venture between Saudi Aramco and Exxon Mobil. Subsequently, the Al-Dabbagh Group acquired the company and transformed it into Petromin Corporation. Headquartered in Jeddah, Saudi Arabia, Petromin has become a leading company in the automotive services industry, known for its comprehensive range of services, including quick service centres, fuel retail, automotive maintenance, and express maintenance.

Petromin Vision



To provide personal vehicle owners and vehicle enthusiasts with products and services offering the most comprehensive end to end mobility, convenience, and value in a most professional manner.

Petromin Mission



To be the most customer centric mobility solutions leader in Saudi Arabia by using the latest technology platforms, service, and parts network in a sustainable manner.

Petromin Operations

Petromin stands as a highly advanced provider of automotive services across the Middle East, Central and Southeast Asia. Its expansive reach spans 40 countries, supported by state-of-the-art facilities and a dedicated workforce.

Our Subsidiaries

Petromin Corporation serves as a one-stop shop for all your mobility needs. With an extensive portfolio of 8 business verticals, we are devoted to streamlining your automotive journey from buying a vehicle, maintaining it, selling it and finally upgrading it to future-proof your rides. This section of the report concentrates on Petromin’s ESG performance, with particular attention given to its subsidiary, Petrolube, where relevant.

National Motor Company

Authorised dealer for Nissan, Stellantis and Foton, offering world-class vehicles in Saudi Arabia.

National Transportation Solutions Company

Tech-driven fleet management company transforming eco-friendly transportation across MENA, aligned with Saudi Vision 2030.

National Fuel Company

Saudi-owned fuel station network with 250+ touchpoints across Saudi Arabia and Egypt.

National Car Maintenance Company

Largest multi-brand maintenance provider across KSA, UAE, Egypt, Malaysia, India and Pakistan.

Petrolube

Regional leader in premium lubricants, ensuring high-performance engine protection for 60 years.

National Auto Parts Company

Rapidly growing aftermarket platform offering OE-certified parts across Middle East, Africa and India.

National Auto Trust Company

Gogo Motor, under NATC, provides a comprehensive digital platform for buying and selling cars, offering services from inspection to financing, ensuring transparent transactions across Saudi Arabia.

Electromin

Pioneering Saudi Arabia’s EV charging network, offering customised e-mobility throughout Saudi Arabia and the GCC.

PETROMIN

Awards for 2023

Petromin won 22 awards in 2023 covering the whole spectrum of business. Below are some highlights:

Petromin Corporation

- Forbes Middle East Sustainability Leaders – Sustainability Leadership Award at Summit 2023
- PR Arabia – Best CEO (Automotive Sector) of the Year Award for Petromin Group CEO, Kalyana Sivagnanam

National Motor Company

- 2023 Award Best Medium Sedan Nissan Altima 2023
- 2023 Award Best Small SUV Nissan X-Trail

National Car Maintenance Company

- Gulf Customer Experience Awards (GCXA) – Gold: Best use of Technology – Petromin Express
- Gulf Customer Experience Awards (GCXA) – Silver: Customer Happiness – Petromin Express
- ESG Business Award – Gender Equality & Women Empowerment Award – Petromin Express
- ESG Business Award – Job Creation Award – Petromin Auto Care
- Frost & Sullivan – Competitive Strategy Leadership Award – Petromin Express
- International Customer Experience Awards (ICXA) 23 – Gold: Best Customer Service – Petromin Express

Electromin

- Arabian Business KSA Excellence Awards – Smart Mobility Leadership of the Year’ award
- Middle East Management Excellence Awards 2023 – Winner
- Electromin: Top 10 Sustainable Environment & Supply of Essential Needs Companies in KSA by Forbes Middle East

Petromin’s Strategies

Corporate Strategy

Petromin’s Corporate strategy department conducted a comprehensive 2030 strategy refresh for all its business verticals, significantly enhancing the corporation’s strategic positioning for sustained growth. This involved evaluating Petromin’s current performance baseline and core business strengths, including the brand umbrella.

Furthermore, it included developing an extensive overview of global and local trends, alongside competitor movements impacting Petromin. Through this assessment, the team identified how these trends impact Petromin’s business and corporate strategy, highlighting both risks and opportunities. This provided a clear understanding of where to apply various strategic options and how to establish initiatives for both short-term and long-term goals. A detailed implementation roadmap was then finalized based on this analysis. The diligent work done in developing the Strategy 2030 has equipped Petromin to sustain its competitive edge and achieve its long-term vision.

In addition to conducting a Strategy Refresh exercise, Petromin has multiple

innovation ideas in the innovation pool planned relating to customer facing, colleagues experience, and process improvement and operational efficiency improvement.

Sustainability Strategy

Petromin Corporation has developed a comprehensive sustainability framework focused on various ESG aspects. The framework is overseen by ADG’s sustainability council, which manages all sustainability initiatives. This council conducts quarterly meetings that include the Corporate Strategy team, ensuring coordinated and strategic oversight of sustainability efforts.

By integrating ESG considerations into its decision-making processes, Petromin aims to build a more sustainable and resilient business model. This approach not only supports long-term growth but also ensures that Petromin contributes positively to societal goals, enhancing its reputation and securing its future growth and success.

Alignment

Petromin is dedicated to aligning with Saudi Vision 2030, which prioritises corporate sustainability reporting to measure national contributions and monitor progress.



PETROMIN

Materiality

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



Environmental
Product Carbon Footprint
Opportunities in Clean Technology



Social
Labour Management
Privacy and Data Security
Chemical Safety



Governance
Corporate Behaviour
Corporate Governance



Petromin’s Governance

Board of Directors (BOD)

Petromin is governed by a Board of Directors in accordance with Saudi Arabia’s Companies Law. The Board is responsible for overseeing all major decisions and strategies, ensuring that Petromin’s operations align with its long-term goals. Supporting the Board is an Audit Committee ensuring financial practices and compliance measures are up to standard and that risks are managed effectively. In 2023, there was one case of non-compliance, which was promptly addressed and resolved to prevent future occurrences.

Code of Conduct

Petromin’s organisational culture and management approach are designed based on the Omnipreneurship philosophy. By living these values, Petromin aims to create an environment where integrity, respect, and excellence are paramount. This commitment not only enhances its workplace culture but also strengthens Petromin’s relationships with clients, partners, and the broader community, ensuring that our organisation stands out as a leader in our industry.

Risk Management

In 2023, Petromin conducted risk-based audit engagements using an in-depth methodology that evaluates two dimensions: risk likelihood and risk impact. The exercise identified various risk categories, including strategic, financial, information, people, operational, compliance, fraud, health & safety, data integrity, and cyber attacks risks. By evaluating these areas, Petromin ensures a holistic understanding of the potential threats and vulnerabilities that could impact our operations.

ESG considerations in risk management

Petromin’s operations inherently carry environmental risks, one of the identified potential risks is potential land contamination in the case of a lubricant leaks on the floor while changing oil. Proper safety measures are in place to address this issue. All the floors are coated with high-quality eopxy, which are designed to be oil resistant. This resistance helps prevent the oil from penetrating the surface and causing long-term damage or staining.

While social risks encompass labour management practices, and governance risks include corporate governance, corporate behaviour, ethical conduct, and anti-corruption measures. This integration of ESG considerations helps it build a sustainable and responsible business model, aligned with its commitment to long-term growth and integrity.

Grievances Management

Under Petromin’s grievance management framework, it introduced the “Speak-up” email to serve as a confidential communication channel for colleagues to report incidents of harassment, workplace violations, or any grievances. This platform not only empowers colleagues to voice their concerns without fear of retaliation but also ensures a safe and supportive work environment. Having such a channel is a critical component of Petromin’s efforts to maintain transparency and trust within our organisation.

PETROMIN

Petromin’s People and Community

Colleague Development and Engagement

Petromin offers various training and development opportunities, through regularly conducted workshops, seminars, and e-learning modules covering a wide range of topics, from technical skills to leadership development. In addition to professional growth, Petromin prioritises personal well-being through initiatives that promote physical and mental health. The corporation’s colleague engagement calendar in 2023 outlines the key events and initiatives organised throughout each year to promote engagement, well-being and a sense of community among colleagues.

Event	Description	Attendees
Road to Better Self-Care	Physical Well Being Event was facilitated by external Fitness/Wellness Coach as part of Petromin’s People Agenda focus this year to further promote a culture of Health & Wellness across the group of companies.	50
Saudi Founding Day Celebrating Event	During the Saudi Founding Day celebration, colleagues delved into Saudi culture through experiencing traditional Saudi cuisine, music and heritage through handcrafts and gift items.	300
International Women’s Day Event	During International Women’s Day at Petromin, female colleagues shared their career journeys and success stories, inspiring others and receiving recognition for their achievements. The celebration also featured a luncheon and corporate gifts.	20
Ramadan Iftar	As part of Petromin’s annual Ramadan Iftar event, the corporation invited all colleagues to join breaking fast together and engage with each other outside of the workplace.	All Colleagues
World Day for Culture Diversity Event	Petromin celebrated Cultural Diversity by inviting colleagues to share traditional dishes and wear their national attire, creating an opportunity for cultural exchange and appreciation of diverse backgrounds.	100
World Environment Day	Petromin celebrated World Environment Day under its initiative themed "Our Land, Our Future". Petromin organised several initiatives aimed at raising awareness and taking action to protect our environment. Activities included replacing plastic utensils with wooden ones to reduce waste and promote sustainability, as well as encouraging colleagues to participate by caring for a plant.	All Colleagues

Health and Safety Training

At Petrolube, a subsidiary of Petromin, the Health, Safety and Environment (HSE) training programme is updated annually and distributed to all departments. The training topics are determined based on risk assessments and previous incidents, ensuring that the programme remains relevant and effective.

Given the operational occupational health and safety risks present at Petrolube sites – such as forklift movements, moving parts and equipment, handling chemical additives and lubricants, and the risk of spills – the Petromin team places a strong emphasis on addressing these risks. The team implements mitigation actions to reduce these risks As Low As Reasonably Practical (ALARP) to prevent incidents or injuries. Additionally, Petrolube’s Operations team consistently reports and acts on potential incidents, taking preventive measures to avoid accidents or injuries.

In 2023, over 2,000 training hours were delivered, with sessions conducted in Arabic, English, and Urdu. Training is delivered both internally and through third-party teams, covering essential topics such as basic Fire and Safety Training, basic First Aid, Forklift Safe Driving, Confined Space Entry, Emergency Preparedness, Work at Height, and Spill Control and Dangerous Goods Handling.

Furthermore, training needs are assessed annually by a cross-functional HSE committee, ensuring relevance and compliance with local regulations. The programme, designed on industry best practices and lessons learned from past incidents, is evaluated for effectiveness through short quizzes and observation of daily job performance, ensuring that the knowledge gained is effectively applied in daily operations.

QHSE Policy and Safety Protocols

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

In 2023, Petrolube recorded zero work-related fatalities, showcasing its robust safety protocols. Safety measures include reporting potential incidents, conducting daily huddle meetings and specialised trainings, adhering to detailed Standard Operating Procedures (SOPs), mandatory use of Personal Protective Equipment (PPE), and regular safety audits and inspections.

PETROMIN

Health and Wellbeing

In 2023, Petromin implemented a variety of health and wellbeing programmes designed to support colleagues physical and mental health. The below table outlines the key health and wellbeing initiatives undertaken by Petromin in 2023:

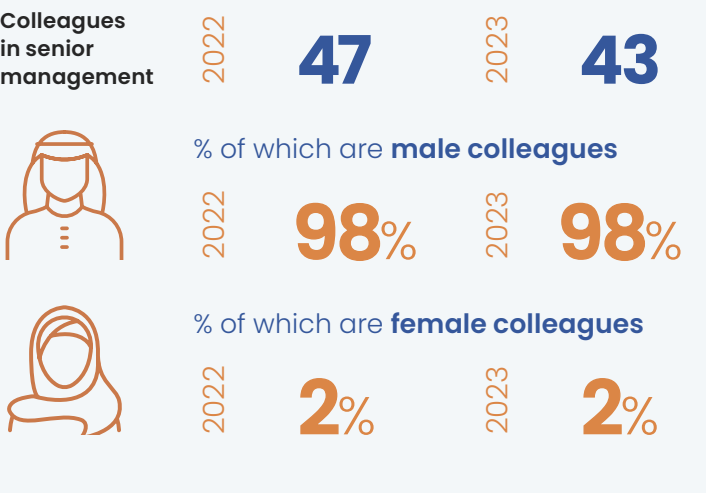
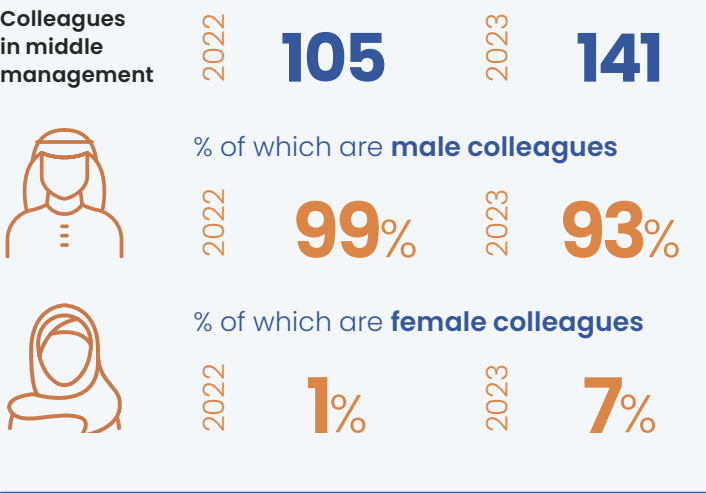
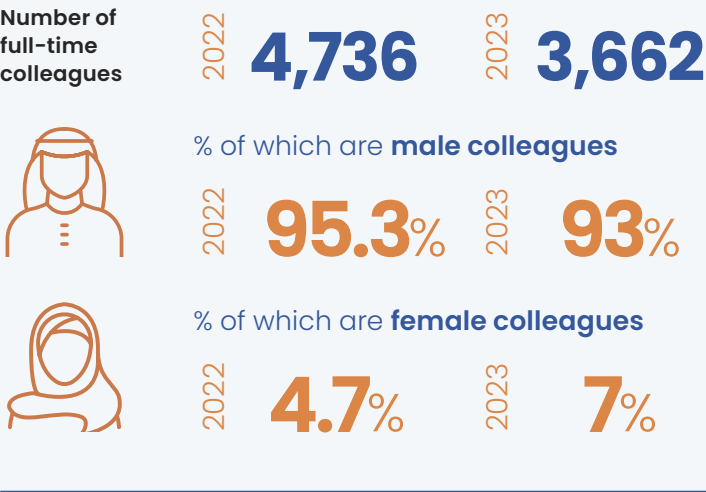
Initiative Name	Description
Wellbees Programme	Collaboration with Bupa to offer health and wellness services, including dietary plans.
Discover the Mind-Body Wellness at Petromin	A comprehensive programme under the Wellbees initiative, focusing on a balanced diet and healthy eating.
Mind-Body Wellness Collaboration Launch	An event to introduce and promote the collaboration between Petromin and Wellbees, focusing on holistic wellness.
Home Based Lab Service	Providing lab services at home to ensure easy access to necessary medical tests.
Wellbees Challenge Toolkit	A toolkit to encourage colleagues to participate in wellness challenges and improve their overall health.
Ramadan Tips	Health and wellness tips specifically tailored for Ramadan, promoting healthy practices during fasting.
Physical Wellbeing Initiative	A fitness programme featuring sessions with a coach to help colleagues start their fitness journey, held in Petromin Office Jeddah.

Diversity and Equal Opportunity

Petromin’s Diversity & Inclusion policy ensures that it implements and enforces guidelines that uphold its commitment to equal employment opportunities, non-discrimination, and inclusion for all candidates and colleagues. Petromin welcomes and values individuals from all backgrounds, including ethnicity, religion, gender, citizenship, age, disability, social background, or any other basis protected by applicable laws. This policy fully complies with applicable laws prohibiting discrimination.

Furthermore, the Diversity & Inclusion Policy applies to job applicants, all colleagues, and certain third parties affected by their relationship with the company. It addresses all aspects of the employment relationship, including recruitment, selection, compensation, development, training, performance evaluations, promotions, transfers, benefits, disciplinary action, and social and recreational programs.

Number of full-time colleagues	2022	4,736
	2023	3,662
Number of local full-time colleagues	2022	1,226
	2023	1,011
Number of expat full-time colleagues	2022	3,510
	2023	2,651



PETROMIN

Full-time colleagues by years of service	2022	2023
0-4 years	2,262	1,640
5-9 years	1,875	1,643
10-14 years	394	239
15+ years	205	140

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

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

Parental leave by gender – all colleagues	2022	2023
Number of female colleagues that took parental leave	NA	0
Number of male colleagues that took parental leave	NA	31

100%

Retention rate of colleagues who went on parental leave and were still employed (2023)

Customer Experience

In 2023, Petromin established a complaint management system to ensure that every customer concern is addressed promptly and effectively, consistently upholding high standards of service.

The customer complaint management system is designed to be both comprehensive and user-friendly, providing multiple channels for customers to voice their concerns. Customers can submit complaints via phone, email, or online channels, ensuring ease of access for everyone. Upon submission of a complaint, customers will receive a SMS with a system reference number acknowledging their complaint and providing a point of reference for future correspondence.

The process begins with an agent categorising the complaint and opening a ticket in the system. This ticket is then assigned to the relevant business unit and the dedicated Complaint Team, thereafter the team thoroughly investigates the issue. They contact the customer to acknowledge receipt of the complaint and communicate the steps being taken to resolve it. The Complaint Team follows up with the concerned business unit and reviews the proposed solution to ensure it effectively addresses the customer’s issue. If the customer is not satisfied with the resolution, the complaint is escalated through three levels: Unit Manager, Director, and ultimately, the Group CEO. This escalation process guarantees that complex issues receive the necessary attention from senior management.

Once a satisfactory resolution is reached, the customer is informed, and any required follow-up actions are taken. All resolved cases are recorded to help identify areas for improvement and ensure that our services continue to meet our customers’ needs.

Submission
Acknowledgement
Categorisation & Ticketing
Assignment
Investigation and Resolution
Follow-up
Closure & Feedback

In 2023, Petromin resolved 100% of its customer complaints, thereby achieving a high customer satisfaction score, with an average service time of just three working days for complaint resolution.

	2023
Total number of customer complaints	8,401
Total number of customer complaints resolved	8,401
CSAT Scores*	94%

*Note: As per Call center 2023 IVR Flow

PETROMIN

Sustainable Products and Services

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

Subsidiary	Initiative	Description	Key Achievements
National Car Maintenance Co.	Eco Steam Car Wash	Launched Eco Steam Car Wash service to address water scarcity and environmental sustainability.	Conducted 47,513 eco-friendly car washes in 2023
	Decarbonisation roadmap	Developing a comprehensive roadmap for transitioning fleets to zero-emissions.	<ul style="list-style-type: none">Measures carbon footprints, designs detailed roadmapsHelps customers report CO2 reductions and claim carbon credits (KSA 2024)Supports long-term customer commitments
National Fuel Company	Environmental Compliance	Ensuring compliance with environmental regulations.	Certified 20 stations through the National Center of Environmental Compliance
	Waste Management	Minimising waste through the principles of reducing, reusing, and recycling.	<ul style="list-style-type: none">Recycled 40% of generated waste in 2022Recycled 63% of generated waste in 2023
Petrolube	Logistics Efficiency	Improving logistics efficiency to reduce carbon footprint.	<ul style="list-style-type: none">Improved trip efficiency by 22%Reduced fleet running by 12 KM/ton (26% reduction)Reduced CO2 emissions by 3.7 tonnes (equal to emissions from 810 cars annually)
Technolube	Solarization Intiative	Partnering with Total Energies to install a solar power system at our Dubai plant.	<ul style="list-style-type: none">Generates 452 kWp of solar power (45% of total power requirement)Reduces CO2 emissions by 500,000 kgs/year
	Energy Management	Implementing an Energy Monitoring System and installing LED lights to optimize energy usage.	Reduced energy intensity from 37.6 KWh/Mt in 2021 to 36.19 KWh/Mt

Petromin’s Community Initiatives

Gender Inclusivity and Women Empowerment

Petromin Nissan opened its first woman-run and led showroom in the Eastern Province, fully operated by national female professionals. This initiative aligns with Saudi Vision 2030, which aims to increase women’s participation in the workforce.

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

Electromin: Promoting Sustainability

Electromin, a subsidiary of Petromin Corporation, focuses on providing smart mobility and new energy solutions. Recently, Electromin collaborated with Nahda Academy International to educate students on the importance of sustainability and the positive impact of electric vehicles. This initiative included hands-on experiences with electric cars and chargers, culminating in an E-karting event for the students. Forty aspiring, all-female winners from the school experienced the exhilaration of E-karting, their joy and excitement as they navigated the track in Electromin E-karts were inspiring. These students are the change-makers of tomorrow, and we are honoured to have played a part in igniting their spark in e-mobility.

In 2023, these initiatives had a significant positive impact on the community and the business. The female technicians and service advisors not only broke barriers in a male-dominated industry but also contributed to a notable increase in customer footfall and revenue. For instance, two service stations in Jeddah saw an average increase of five customers per day and a monthly revenue boost of SR 36,000, with customer satisfaction improving by 8%.

PETROMIN

Petromin’s Environmental Performance

Energy Consumption

Electricity consumption (kWh)	2022	2023
Total electricity consumed	9,320,065	8,115,647
Of which, was from PVs	0*	382,701

*No solar power generated or consumed in 2022.

In 2023, Petromin Corporation achieved a remarkable reduction in electricity consumption, cutting down usage by 1,204,418 kWh, which is equivalent to a 13% reduction compared to 2022. This significant achievement is the result of several energy efficiency initiatives. Petromin replaced halogen lights with energy-efficient LED lights in its plant facilities and offices, leading to substantial energy savings and financial benefits. Specifically, the replacement of 81 halogen lights with 200-watt LED lights in three different areas resulted in notable energy savings.

Moreover, the installation of Variable Frequency Drives (VFDs) on pump motors in the grease mills contributed to a 30% energy saving on these mills. These VFD installations, along with energy audits and the implementation of light sensors in various areas, were pivotal in reducing Petromin’s overall electricity consumption.

Resource Consumption

In 2023, Petromin consumed a significant amount of diesel, primarily for outbound logistics and plant operations such as fuel for the forklifts, oil heaters and steamers. By optimising its logistics and operational processes, Petromin is geared to reduce its reliance on diesel and improve its overall fuel efficiency. The increase in diesel consumption for plant operations was primarily due to the higher production volume at the Technolube Plant, which required more frequent use of forklifts and oil heaters. However, new initiatives are in place to replace diesel-powered forklifts with electric ones, and diesel consumption for trucks has decreased thanks to improved utilisation and logistics optimisations (Logisitics case study).

Electricity consumption (kWh)	2022	2023
Plant operations diesel consumed (litres)	740,465	825,377
Outbound logistics trucks (litres)	3,847,024	2,427,957
Total diesel consumed in 2023 (litres)	4,587,489	3,253,334

Waste Management

Petrolube’s waste management strategy in 2023 focused on reducing waste generation and improving waste diversion practices. It generated a total of 2,174 tonnes of waste, with a significant portion being non-hazardous. The implemented waste reduction initiatives included better waste segregation, recycling programmes, and partnerships with certified contractors for the treatment of hazardous waste. By implementing these measures, Petrolube successfully diverted a large percentage of waste from landfills. While certain types of packaging materials saw increased consumption due to product packaging improvements aimed at avoiding quality complaints and enhancing customer satisfaction, Petrolube remained committed to sustainability. All recyclable waste, excluding general waste, is carefully segregated and recycled through third-party partnerships.

Types of waste generated (tonnes)	2022	2023
General waste to landfill	965	801
Lab chemical waste	4.63	2.3
Rework waste (oil)	11.5	3.2
Plastic waste	134	595
Paper waste	234	309
Wooden pallets waste	145	200
Metal scrap waste	111	241
Total waste generated	1,605	2,151

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

	2022	2023
Non-hazardous waste (98.9% of total waste)	1,606	2,151
Hazardous waste	4.38	23

PETROMIN



Water consumption

Utility Water consumed (m³)	
2022	8,340
2023	10,500

Carbon Footprint

Petromin Corporation strives to reduce its carbon footprint. Its environmental initiatives in 2023 were aimed at lowering both direct scope 1 and 2 emissions. Through energy-efficient upgrades, resource optimisation, and waste management practices, the company made significant progress in reducing its overall emissions.

Direct emissions Scope 1 (tCO2e)	2022	12,287
	2023	10,973
Direct emissions Scope 2 (tCO2e)	2022	6,688
	2023	5,550

Supply Chain Overview

The supply chain is a critical aspect of Petromin’s operations, encompassing several stages from the planning of raw materials to the delivery of finished products. The key components of Petromin’s supply chain include:

- Planning of Raw Materials
- Production and Deployment
- Receiving Raw Materials
- Quality Control on Raw Materials
- Manufacturing Process of Lubricants and Greases
- Logistics and Warehousing
- Quality Assurance and Operations Excellence

Supplier Code of Conduct

In line with its sustainability commitment, Petromin established a Supplier Code of Conduct in 2023, which outlines environmental responsibilities expected from its suppliers. This code ensures that all suppliers comply with relevant environmental laws, demonstrate active stewardship of natural resources, and maintain responsible waste and water management practices. Some key requirements include:

Requirement	Description
Compliance with Environmental Laws	Suppliers must adhere to all relevant environmental laws, regulations, and standards.
Active Stewardship of Natural Resources	Suppliers should implement processes to reduce, reuse, and recycle materials throughout their production/service cycles.
Responsible Waste Management	Proper waste management practices must be maintained
Responsible Water Management	Suppliers should prevent water pollution and implement initiatives for efficient water usage and minimal impact on water resources.

Supplier Due Diligence Process

Petromin started to incorporate environmental criteria into its supplier audits and annual reviews of its sustainability strategies and objectives. This ensures that its supply chain aligns with environmental standards and contribute to its overall sustainability goals. Additionally, Petromin’s existing Code of Conduct mandates fair practices throughout the procurement process and business relationships, valuing the rights and responsibilities of all stakeholders. In 2023, 15% of suppliers were screened based on social criteria, primarily focusing on occupational health and safety.

A notable highlight is the strong representation of local suppliers in Petromin’s supply chain, which not only supports the local economy but also aligns with its commitment to Vision 2030.

	Description	2023
Total number of suppliers	565	439
Number of local suppliers	483	374
Budget spent on local suppliers (SAR)	494,347,071	484,808,578

PETROMIN

Case Study 1

Petrolube: Initiative on Logistics Efficiency

To reduce its carbon footprint, Petrolube has focused on improving logistics efficiency since 2018. By optimising logistics capacity and effective route scheduling, the company has enhanced trip efficiency by 22% and reduced the average fleet running distance by 26% per ton of product delivered. These efforts resulted in a reduction of 3.7 tonnes of CO2 emissions in 2023 compared to the 2018 baseline, equivalent to the annual emissions of 810 cars. This initiative highlights Petrolube’s commitment to sustainability through efficient logistics management.

Trip efficiency (Utilisation)
Improved by 22%

For every Ton we deliver, reduced our
vehicle running by 12KM, 26% reduction.

Saved around 4.3 Million kilometers vehicle running,
reducing 37% (around 3,775 Tonnes of CO2 emissions)

Reduction of CO2 emission
equivalent to 810 cars running per year



Case Study 2

National Car Maintenance Company – Initiative on Eco Steam Car wash

In response to the pandemic-driven shift towards environmentally responsible establishments, Petromin Express launched its Eco Steam Car Wash service in 2020 to address water scarcity in Saudi Arabia. Traditional car washes use around 110 litres of water per wash, whereas the Eco Steam Car Wash uses just 10 litres, saving a remarkable 100 litres per wash. Since its launch, the initiative has conducted over 250K Eco Wash services, saving approximately 20M+ litres of water. In 2022 alone, 45,687 Eco steam car washing services were conducted, saving 4.1 million litres of water. This initiative positions Petromin Express as a responsible business addressing environmental concerns and water scarcity while broadening its customer base. During the year 2023, we conducted 47,513 Eco steam car washing services and saved 3.3 million litres of water. This initiative not only broadened our customer base but also positioned us a responsible and forward-thinking business, addressing both environmental concerns and the pressing issue of water scarcity in Saudi Arabia.





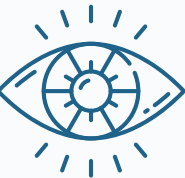
RED SEA INTERNATIONAL



About Red Sea International

Established in 1978, Red Sea International (RSI) is a global leader in designing, planning, producing, managing & operating temporary and permanent modular buildings. Primarily, RSI operates through 3 key principles streams of operation: manufacturing, facilities management and electromechanical contracting. Now headquartered in Riyadh Kingdom of Saudi Arabia and listed on the Saudi Exchange, RSI designs, plans, produces and manages modular buildings for various uses including worker accommodations, apartments, offices, schools and medical centres. In addition to its diverse range of products, RSI offers customisable turnkey solutions such as hospitality services, catering, entertainment, and more.

For over four decades, RSI has been dedicated to meeting its customers’ needs by delivering high-quality, timely, reliable, innovative and durable products, along with unparalleled customer service. For more information about RSI’s business, visit its [website](#).



RSI Vision & Mission

RSI strives to be the supplier of choice for all major regional and multinational companies across the world. We aim to provide our customers with superior innovative solutions for environmentally conscious requirements delivered across the globe.

RSI Operations

RSI stands as a leading and highly advanced provider of modular building solutions across the Middle East, Africa and Asia. RSI’s expansive reach spans 65 countries, supported by two state-of-the-art manufacturing facilities located in Saudi Arabia and the United Arab Emirates.

RSI Divisions

RSI relies on a diversified business model to meet customers’ needs and provide value to its stakeholders. RSI’s divisions offer:

Housing Services

Manufacturing modular buildings that meet international standards, offering faster occupancy and ROI through off-site, sustainable construction. Additionally, providing design, planning, management, leasing and customisable facilities management for corporate clients.

Integrated Facilities Management

Providing comprehensive facilities management globally, ensuring high standards of service and maintenance. With extensive experience in diverse environments, excellence in managing camps, compounds, offices and specialised services.

Electromechanical Contracting

Providing trusted electromechanical contracting services, covering essential electrical and mechanical systems in various environments. With a strong focus on quality and reliability, we ensure that all installations and services meet high standards, supporting efficient, safe, and sustainable operations across industrial, commercial, and residential sectors.

RED SEA INTERNATIONAL

RSI Sustainability Strategy

2023 Awards
Saudi Green Building
Forum | Certificate of
Appreciation Riyadh,
Saudi Arabia 2023



Approach to Sustainability

RSI’s sustainability framework outlines its strategic commitment to sustainability and guides its initiatives and programmes. This framework organises the topics that are most important to RSI’s business and stakeholders, as determined by a materiality analysis in 2022.

S | Safeguarding our future

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

E | Enhancing capabilities & solutions

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

A | Advancing performance

- Governance & Excellence
- Economic Performance
- Innovation & Digital transformation
- Customer Experience
- Sustainable supply chain

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

Increase Profitability: Enhance resource efficiency, including labour, materials, water, and energy.

Minimise Environmental Impact: Implement effective waste management, sustainable material choices, and thoughtful design.

Raise Awareness: Promote sustainability awareness among the workforce, supply chain, clients, and stakeholders, encouraging active participation.

Support Local Communities: Create employment opportunities, positively impact schools, support local well-being, and contribute to local charities and organizations.

Upskill Colleagues: Develop and train colleagues to meet future business demands and individual aspirations.

Alignment



RSI is committed to supporting the Kingdom’s goals for sustainable development, economic diversification, and environmental stewardship.

Materiality

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

Identify

Conduct a peer benchmark and reporting framework evaluation and review internal processes and documents. Identify 15 issues that can have a significant impact on RSI’s business if not managed properly.

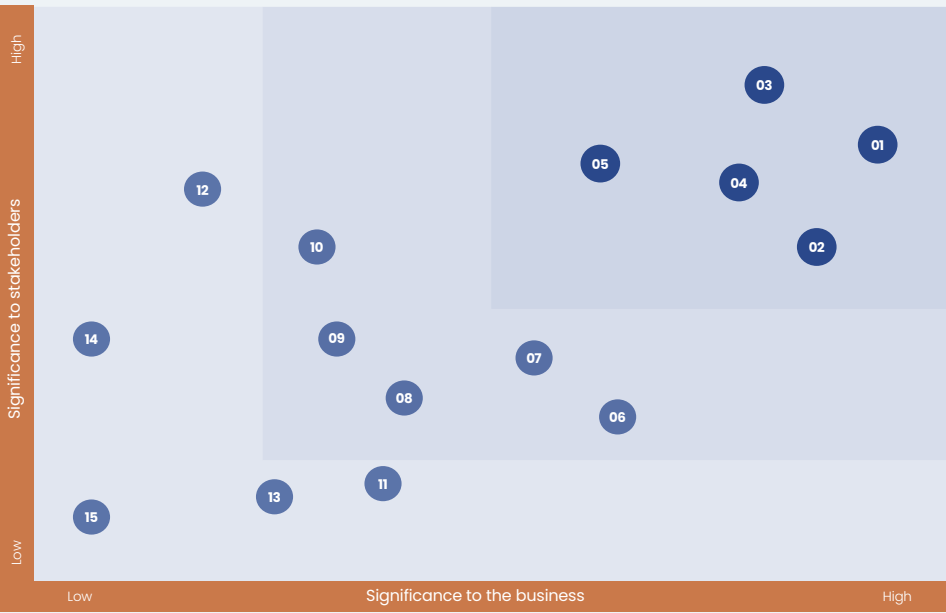
Engage and Assess

Engage with key stakeholders through surveys and collected input.

Analyse and Report

Analyse the collected input and generate the materiality matrix. The materiality of topics is defined based on the likelihood and ability of that topic to impact RSI’s business and how RSI’s performance around that topic affects its stakeholders.

Material Topics	
Most Important	01 Governance & Excellence
	02 Economic Performance
	03 Colleague Development
	04 Energy Management & Climate Change
	05 Health & Safety
Important	06 Customer Experience
	07 Innovation & Digital Transformation
	08 Water Consumption & Management
	09 Waste & Effluents
	10 Sustainable Supply Chain
Least Important	11 Diversity, Inclusion, Human Rights
	12 Sustainable Products & Services
	13 Attracting & Retaining Talent
	14 Community Wellbeing & Engagement
	15 Biodiversity



RED SEA INTERNATIONAL

RSI's Governance

RSI's Board of Directors (BOD)

RSI's governance structure includes a Board of Directors supported by the Executive, Nomination and Compensation, and Audit Committees. These committees ensure effective oversight of strategic direction, financial reporting, and corporate governance. The Board is comprised of 8 members, 5 of which are independent and 2 non-executive directors.

The Board reviews the governance structure and sustainability progress twice a year, ensuring optimal performance.

RSI's Code of Business Ethics Framework ensures ethical and responsible behaviour among colleagues, directors, and third parties, emphasising shared ethics and accountability across all levels. The code is regularly updated to align with RSI's evolving business goals, policies, and overall operating environment. Notably, RSI faced zero cases of non-compliance in 2023, serving as a testament of its focus of maintaining the highest standards of integrity and compliance.



Risk Management

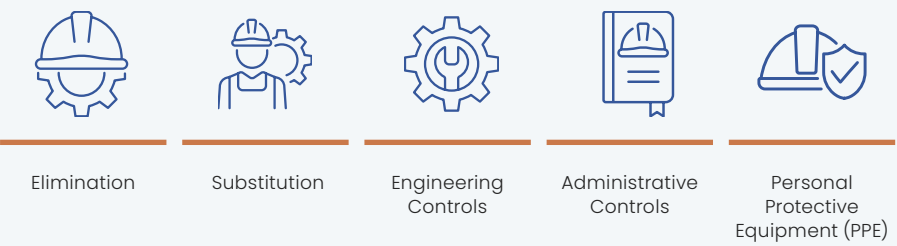
RSI has a comprehensive risk management procedure in place that outlines the identification, assessment, and mitigation strategies for various operational and strategic risks. This procedure includes several key components:

- 1. Quality Risk Assessment: ISO 9001:2015
- 2. Hazard Identification and Risk Assessment (HIRA): ISO 45001:2028
- 3. Environmental Aspect Impact Analysis: ISO 14001:2015

To ensure thorough risk management, RSI classifies activities by geographical areas, production stages, work type (planned/unplanned), and operational conditions (normal, abnormal, emergency). Teams are then selected based on expertise, including process owners, knowledgeable staff, department heads, colleague representatives, the Group QHSE Manager, and technical representatives.

Hazard Mitigation

In identifying hazards for each activity, RSI considers factors such as legal requirements, incident history, and existing safety procedures. The risk assessments evaluate hazard severity, existing control measures, and the likelihood of occurrence, with all details meticulously recorded in the Hazard Register. RSI's control measures follow a hierarchal approach:



By grouping activities and forming expert teams, RSI identifies hazards considering various factors, including slipping/tripping, fire, chemical storage, machinery, working at heights, pressure systems, vehicles, electricity, dust, and ergonomic hazards. The business also accounts for legal requirements, incident history, and existing health and safety procedures.

Grievances Management & Compliance

RSI's whistleblowing policy encourages colleagues, former colleagues and other relevant individuals to report concerns about suspicious activities or illegal acts to protect the public interest and uphold the integrity of RSI.

Once a concern is reported the Chief Internal Auditor will then review the case and determine the appropriate actions, possibly involving the Group Legal Counsel, Compliance Manager and CEO. Throughout the process, all grievances are treated confidentially, only disclosing information as required by law. During the investigation, a statement from the whistleblower may be required to provide further details.

Following the investigation, the team responsible for the review will recommend changes to prevent the recurrence of identified issues. The audit committee then reviews these recommendations, implements the necessary changes, and reports the outcomes to the Board of Directors.

Data Privacy and Cyber Security

RSI prioritises safeguarding data and ensuring robust privacy protections. In 2023, RSI enhanced its cyber security measures by upgrading to an AI-based Endpoint Detection and Response system, enabling real-time threat detection and response. This system, implemented across all its locations, helps prevent unauthorised access and malicious activity. RSI's comprehensive cyber security framework includes regular vulnerability assessments, penetration testing, and incident response planning. Additionally, its colleague training programmes covers social engineering, internet security, phishing, password security, and data protection, empowering staff to identify and mitigate potential threats.

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RSI People and Community

Colleague Development

RSI’s ongoing efforts from 2022 took a significant step forward by establishing the RSI Academy. Now, in 2023, the academy aims to continually expand its training options, improve training requirements, and effectively address skill gaps and challenges. These training sessions cover a wide range of topics, including technical skills, leadership development, and industry-specific certifications.

In 2023, RSI has undergone a transformation plan, gearing up its workforce for productivity and growth. As part of this transformation, training hours saw a 42% reduction from 2022 to 2023. However, we plan to optimise the effectiveness of RSI’s training programmes while preparing colleagues for specialised training and orientation in 2024.

Colleague yearly training hours

Average number of training hours for all colleagues	2022	26
	2023	15

Health and Safety Training

Ensuring the health and safety of colleagues is paramount to RSI and its operations. RSI implemented rigorous health and safety training programmes to create a safe working environment and foster a culture of safety awareness.

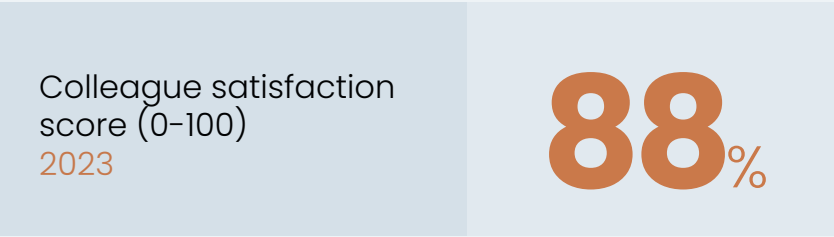
In 2023, RSI recorded zero fatalities for its KSA and UAE operations. Reflecting its high standards of safety, RSI implemented comprehensive safety management processes tailored to each region of operations. Several key strategies contribute to RSI’s safety record:

- Documenting a Robust Safety Policy
- Conducting Safety Training
- Implementing Agile Incident Handling
- Practicing Proactive Risk Management
- Performing Safety Audits and Inspections
- Proactive Safety Measures
- Periodic Inspections

Colleague Wellbeing

Under its efforts to ensure colleague wellbeing, RSI conducted two surveys to gather colleague input and understand their needs and concerns. These surveys form the basis of regular staff meetings, where HR discusses and implements improvements based on the feedback received. Additionally, RSI has a recognition programme to honour long-serving colleagues, celebrating their dedication and contributions to the organisation. Moreover, its “Colleague of the Month” programme recognises exceptional performance and contributions from one colleague each month. These efforts have ensured a positive colleague satisfaction score of 88%.

Colleague Satisfaction Score – RSI Trust Index



Diversity and Equal Opportunity

RSI believes that employing and empowering a diverse workforce gives us a competitive edge in innovation and adaptability. RSI is committed to ensuring that everyone feels heard, included, valued and respected, with equal opportunities for learning and growth. RSI’s efforts focus on building meaningful, respectful relationships across different cultures and backgrounds.

Women Empowerment

Empowering women and recognising their vital contributions to its success is paramount for RSI. 14% of RSI’s senior management and leadership roles are held by women. To support women’s career growth, the company established mentorship programmes, leadership training, and opportunities for visibility and recognition. Furthermore, to cultivate a more inclusive workplace, RSI provides flexible work arrangements and enhanced childcare support.

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Full-time colleagues (KSA)	2022	2023
Number of full-time colleagues	1,249	1,046
Number of local full-time colleagues	403	312
Number of expat full-time colleagues	846	734

High-level manager colleagues

2022 62 2023 44

 % of which are male colleagues

2022 85% 2023 86%

 % of which are female colleagues


2022 15% 2023 14%

Supervisor level colleagues

2022 90 2023 88

 % of which are male colleagues

2022 98% 2023 98%

 % of which are female colleagues


2022 02% 2023 02%

Mid-level manager colleagues

2022 22 2023 21

 % of which are male colleagues


2022 91% 2023 90%

 % of which are female colleagues


2022 09% 2023 10%

Individual contributor colleagues

2022 1072 2023 890

 % of which are male colleagues

2022 97% 2023 97%


 % of which are female colleagues

2022 03% 2023 03%

Full-time colleagues by years of service (KSA)	2022	2023
0-4 years	630	464
5-9 years	466	419
10-14 years	127	119
15+ years	26	46

New colleague hires – by gender	2022	2023
Total number of colleague hires	121	70
Number of female colleague hires	13	61
Number of male colleague hires	108	9

 Senior management – local colleagues Number of local colleagues in Senior Management positions	2022	21
	2023	16

 Colleague turnover rate Turnover rate for all colleagues	2022	14.8%
	2023	15.3%

Parental leave by gender – all colleagues	2022	2023
Number of female colleagues that took parental leave	0	0
Number of male colleagues that took parental leave	12	12
Retention rate of colleagues who went on parental leave and were still employed	50%	60%

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RSI’s Sustainable Products and Services



Through its lean manufacturing process, RSI produces eco-friendly products and services that conserve energy, eliminate material waste, and preserve water. Its advanced modular building techniques allow it to engineer robust structures that promote sustainable living using eco-friendly materials, including PVC ISO-certified composite panels and water-based coatings.

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

RSI’s Environmental Performance

Energy Consumption

In 2023, RSI’s total electricity consumption in both operations, KSA to UAE, increased due to higher usage given the steady increase in the number of projects. Despite the rise, RSI continues implementing energy-efficient measures to optimise its energy use.

	Electricity consumption (kWh) Total electricity consumption	2022	13,058,015
		2023	14,542,509
	Electricity consumption (kWh) Total electricity consumption	2022	1,461,760
		2023	1,961,640

Water Consumption

Water conservation is a critical component of RSI’s sustainability efforts. In 2023, its potable water consumption decreased by 24% compared to the previous year; however, its total utilities water consumption saw a significant increase.

Utilities water consumption	2022	2023
Potable water consumption (litres)	258,000	190,000
Total utilities water consumption (litres)	7,668,072	10,397,453

Resource Consumption

In 2022 and 2023, RSI’s fuel consumption in KSA and UAE operations showed significant increases. This rise can be attributed to its reliance on diesel generators located in remote areas, which serve as the main energy source for camps and are essential in providing power to accommodate colleagues on projects.

Mineral blend (litres) KSA	2022	2023
Total diesel consumption	4,986,881	5,675,222
Total petrol consumption	75,880	52,382
Total resource consumption	5,062,761	5,727,604

Mineral blend (litres) UAE	2022	2023
Total diesel consumption	142,116	335,242
Total petrol consumption	51,424	33,496
Total resource consumption	193,540	368,738

Notably, while diesel consumption increased, petrol consumption decreased in both operations. Moving forward, RSI plans to correct this trend by exploring and implementing more sustainable and efficient energy solutions to reduce its overall resource consumption.



RED SEA INTERNATIONAL

Waste Management

RSI’s approach to waste management ensures that its practices in both KSA and the UAE adhere to stringent environmental and regulatory standards, reflecting RSI’s commitment to responsible waste management.



KSA Operations

In KSA, RSI collects waste generation data from facility and project site admins using the provided Monthly Environmental Report (MER) template. The data received from various locations are compiled into an Environmental KPIs Report. The reporting team, consisting of admins, furnishes the data based on physical verification, waste manifests, and transfer forms signed by hired waste disposal companies. Site admins provided and filled in the data per the template’s required fields and complied with the HS&E and Sustainability Manager guidelines.



UAE Operations

In the UAE, RSI follows a Waste Management Matrix, which identifies the types of waste generated at its facility and the controls implemented to reduce, reuse, or recycle the waste, as well as the followed disposal methods. RSI’s UAE facility is situated in the Jebel Ali Freezone (JAFZA), where disposing of any kind of waste requires permits and a destruction certificate from the JAFZA Environment Health Safety Department (EHS). Only approved third parties are allowed to dispose of waste outside the freezone area. At the facility, RSI provides allocated dustbins for segregating hazardous and non-hazardous waste at designated areas. The warehouse team notifies when the waste is ready for disposal, and the administration team obtains the necessary permits and disposal certificates from JAFZA authorities. The approved third party then disposes of the waste following the Waste Management Matrix and legal requirements

Hazardous Waste Management

In 2023, RSI achieved a 7% reduction in hazardous waste in KSA. Both regions saw improvements in non-hazardous waste management, with enhanced recycling and waste diversion efforts. For example, food waste from the Umluj project, an initiative focused on sustainable development in the Umluj region of Saudi Arabia, was converted into compost, which was then used for landscaping and plantation efforts.

This innovative approach not only reduces the amount of waste sent to landfills but also contributes to the greening of local environments, thereby enhancing biodiversity and promoting sustainable land use practices.

KSA

Types of Waste Generated (kgs)	2022	Types of Waste Generated (kgs)	2023
Solid Municipal Waste (SWM)*	12,391,585	Solid Municipal waste (SMW)*	48,661,713
Food Waste	100,048,325	Food waste	114,878,702
Cardboard	2,607,950	Cardboard	7,681,969
Metals	149,775	Metals	19,289
Plastics	2,000,620	Plastics	1,012,630
Scrap	1,273,913	Scrap	3,845,551

UAE

Types of Waste Generated (tonnes)	2022	Types of Waste Generated (tonnes)	2023
Cardboard Waste	0.49	Aluminum waste	1.54
Empty Buckets	2.62	Galvanized ion (GI)	42.28
Empty Drums	31	Mild Steel	75.42
Galvanized Iron (GI)	16.62	Paint boxes	6.34
Mild Steel (MS)	24.52	Welding machine	1.43
PVC Scrap	11.56	Wire waste	3.16

* Note: Waste other than Garbage (SMW) is recycled. The food waste mainly at the Umluj project has been converted into composite and re-used for landscaping/plantation by the RSG Company.

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Total Waste Generated

Total Waste Generated KSA	2022	2023
Solid waste generation (tonnes)	28,473	176,100
Liquid waste generation* (litres)	115,000,000	107,000,000

Total Waste Generated UAE	2022	2023
Sewerage water recycled (litres)	1,652,436	1,429,873
Total waste generation (tonnes)	740.6	130.2

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

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

Waste type KSA	2022	2023
Hazardous waste*	7,983	7,446
Non-hazardous waste	0	0

Waste type UAE	2022	2023
Hazardous waste	3.302	6.34
Non-hazardous waste	56	124

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

RSI Footprint

Carbon Emissions (KSA & UAE)	2022	2023
Direct emissions – Scope 1	13,938.4	16,185.5
Indirect Emissions – Scope 2	7,977.6	8,143.7

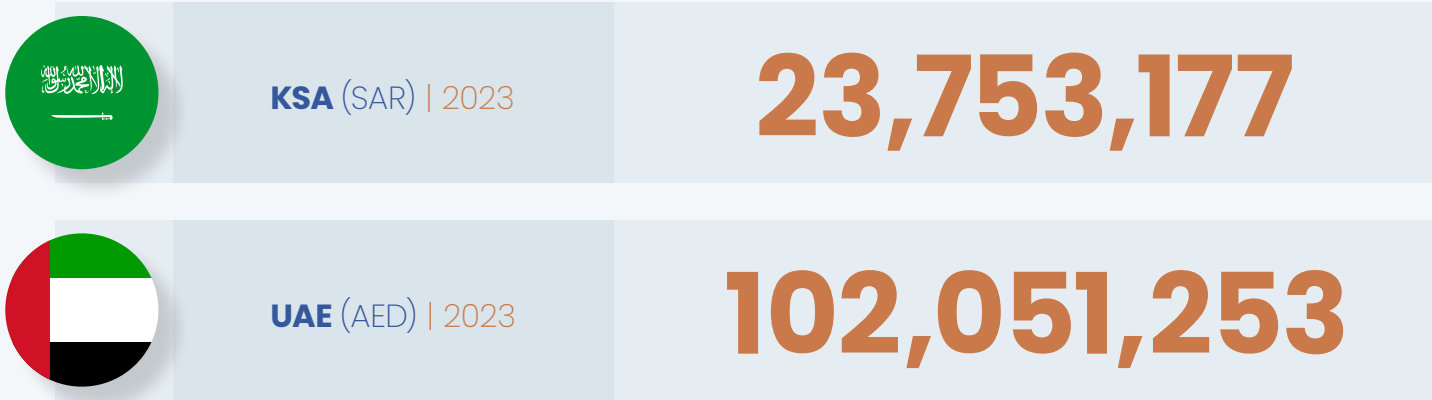
Disclaimer: To prevent double counting, emissions from KSA Scope 2 have been adjusted by removing specific kWh amounts from Scope 2 and reallocating them to Scope 1. This adjustment ensures accurate reporting of energy consumption and emissions distribution.

RSI Procurement

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

In 2023, RSI assessed 10 suppliers in the UAE for their environmental impact. The significant potential negative impacts identified include extreme weather disruptions, flash floods, pollution, and resource shortages. Moving forward, RSI plans to integrate environmental criteria into the screening process for new suppliers. Similarly, in KSA, RSI assessed multiple suppliers with a focus on integrating both environmental and social criteria by 2024.

Suppliers by region 2023	KSA	UAE
Total number of suppliers	1,932	2,893
Number of local suppliers	1,890	507



TANMIAH



About Tanmiah

Tanmiah Food Company (Tanmiah), established in 1962, is one of the Middle East’s leading providers of fresh poultry, processed poultry, and other processed meat products, as well as animal feed and health products. The Company was established in Jeddah as a proprietorship under the name of “Agricultural Development Corporation” owned by H.E Engineer Abdullah Mohammad Ali Al-Dabbagh, the third agriculture minister in Saudi Arabia. In 1991, the shareholders contributed in proportion to their respective shareholding, and the Company was then divided into two limited liability companies, one under the name of “Supreme Foods Company Limited” and the other under the name of the “Agricultural Development Company.” The Company was converted into a closed joint stock company under the name of “Tanmiah Food Trading Company,” pursuant to Ministerial decree of 2019 the Company’s name was changed to “Tanmiah Food Company”, and it was listed in 2021 on the Saudi Exchange.

Tanmiah’s fully integrated business model includes production, further processing, and distribution, with products sold in Saudi Arabia, the UAE, Bahrain, Oman, Jordan, and Kuwait. As of 31 December 2023, Tanmiah operates 126 farms as well as six hatcheries, two feed mills, and four primary processing plants and distributes its products through a network of wholesalers, retailers, and food service outlets, as well as online directly to consumers.

To read about Tanmiah’s ESG performance in more details, check the company’s [ESG report](#).



Our Vision

Our vision is to become the number one global halal sustainable healthy protein company by 2030



Our Mission

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

Sustainability Approach

Tanmiah is driven by a clear vision: to become the number one global halal sustainable healthy protein company by 2030. Its sustainability mission underpins this vision, empowering its people to produce healthy, safe, and affordable products for consumers while creating greater value for colleagues, investors, communities, and the environment.

Tanmiah’s vision is supported by ADG’s Omnipreneurship philosophy of giving, earning, and sustaining. The company’s key focus areas encompass people, agriculture, and the planet, with each facet contributing to a more holistic approach to sustainability.

Tanmiah’s Sustainability Foundation

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

Sustaining People

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

Sustaining Agriculture

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

Sustaining Planet

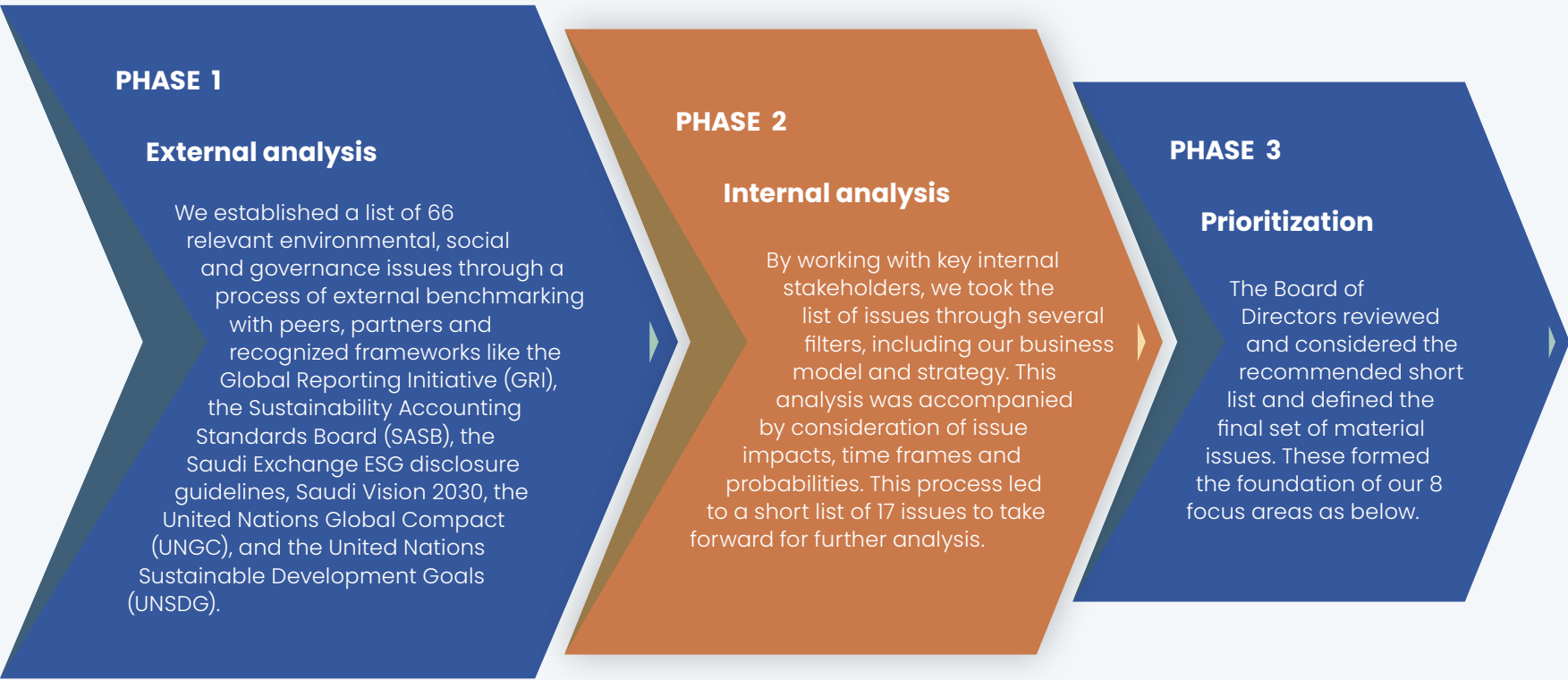
We strive to take a carbon-neutral approach across all our activities. This commitment translates into actions that address climate change by promoting energy efficiency, waste reduction, and sustainable packaging solutions.

TANMIAH

Framework Alignment

Tanmiah focuses on strong oversight and adherence to national and international guidelines positioning it as a leader in responsible business practices.

Materiality and Focus Areas



Building customer trust through high-quality, product safety and responsible labelling



Building resilient ecosystems through continuous innovation and R&D



Reducing waste at every stage of farm-to-fork cycle



Diversity, equity and inclusion



Investment in talent



Strong corporate culture



Health and safety of workforce



Climate and water action

Sustainability Management Approach

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

Board ESG Committee:
Setting the Strategic Direction

The Board ESG Committee, formed in 2022, provides high-level guidance and direction on sustainability matters for Tanmiah. This committee is responsible for:

- Identifying and managing sustainability risks and opportunities.
- Integrating sustainability considerations into Tanmiah’s overall strategy and daily operations.
- Overseeing sustainability initiatives, controls, and reporting.

Three Board Directors participate in the Committee, ensuring a strong link between the board and sustainability efforts. Additionally, Tanmiah’s CEO represents the Executive Management on the Committee.

Management-Level ESG Committee:
Operationalizing Sustainability

Tanmiah established a cross-functional ESG Committee at the management level in 2022. This Committee focuses on operationalizing sustainability initiatives and overseeing performance metrics. Through its work, this committee plays a vital role in ensuring we remain on track to achieve its sustainability goals.

TANMIAH

Sustainable and Responsible Operations

Board of Directors

The Board of Directors comprises ten directors as per Tanmiah bylaws, in line with the Corporate Governance Regulations issued by the Capital Market Authority.

The Board holds the highest governance authority and provides strategic direction for the company. This includes setting and approving the corporate vision, mission, and goals, inherently incorporating sustainability objectives aligned with Tanmiah’s core values. The Board also approves key policies and goals, particularly those related to Environmental, Social, and Governance (ESG) factors. They further ensure sustainability is integrated into the overall corporate strategy by regularly reviewing and monitoring the effectiveness of relevant policies and strategies.

Environmental, Social and Governance (ESG) Committee

The ESG Committee consists of three Board of Directors and two external committee members. The ESG committee assists the Board in fulfilling its oversight responsibilities and performs the duties, obligations, and authorities needed to establish the company’s long-term sustainability.

Name	Membership	Classification
Ms. Hawazen Nassief	Chairperson	Independent
H.E Amr Al-Dabbagh	Member	Non-Executive
Mr. Syed Zulfiqar Hamadani	Member	Executive (CEO)
Mr. Ahmed Osilan	Member	(MD)
Ms. Shahad Nejaim	Member	External

The committee’s focus is to develop an ESG strategy and define ESG priorities and objectives with the goal of further integrating sustainability into Tanmiah’s strategy and operations. The ESG Committee monitors the company’s ESG performance, compliance, and external ratings and assists the Board with oversight of its ESG disclosures. Tanmiah’s ESG Committee held four meetings during the 2023 fiscal year.

Risk Management

Tanmiah categorises risks into four key areas:



Strategic Risks

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



Financial Risks

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



Compliance Risks

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



Operational Risks

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



TANMIAH

ESG Risks

Tanmiah prioritises climate-related risks as a fundamental part of its business, implementing policies that directly and specifically address the management of climate risks. The company provides regular training sessions for the Board and Management Team to keep them up to date on the evolving impacts of climate change and the latest best practices in climate risk management.

Tanmiah’s Risk Management policy identifies and analyses the risks the business might face, including sustainability risks. This policy sets appropriate risk limits and controls and monitors risks and adherence to limits. Furthermore, the policy and risk management systems are regularly reviewed to reflect changes in market conditions and the company.

Compliance

Tanmiah compliance function plays a critical role in the establishment of clear baseline policies and effectively communicating them to relevant business units. The central compliance team further strengthens this process by collaborating closely with designated compliance champions within each unit. Tanmiah’s Corrective Action and Remediation Policy is a key part of its commitment to compliance and good governance, ensuring that it always operates within legal and ethical standards. Tanmiah regularly reviews and updates its policies and procedures, which ensures compliance and operational effectiveness.

Business Conduct

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

 **INTEGRITY**

 **PASSION**

 **RESPECT**

 **FORWARD-THINKING**

 **TEAMWORK**

Tanmiah’s Code of Conduct applies equally to all members of the company, from directors to managers and officers as well as colleagues in all locations. The Code covers the following aspects:

- Commitment to Professional Conduct & Public Morals
- Interacting with third parties
- Protection of Company assets
- Combating financial and administrative corruption
- Gifts and Hospitality
- Conflict of Interest
- Maintaining Confidentiality and Disclosure Mechanisms
- Compliance with Laws, Regulations and Policies
- Business Ethics

100%
of colleagues
at Tanmiah
signed the
Code of
Conduct.

Grievance and Whistleblowing

Tanmiah’s Whistle Blower Policy defines formal procedures for colleagues and other interested parties, to confidentially and anonymously bring to the attention of the Internal Audit and/or Audit Committee any material or significant concerns or complaints without fear of dismissal or retaliation of any kind. This policy applies to all Tanmiah colleagues, including seconded and outsourced colleagues and volunteers, including any consultants or persons working with Tanmiah.

In 2023, 100% of Tanmiah’s colleagues were trained on Anti-Corruption and Anti-Competitive policies. While the company recorded zero cases for anti-competitive behaviour, Tanmiah had five incidents of anti-corruption where 15 colleagues in total were dismissed.



TANMIAH

Maintaining Cyber Security

Tanmiah prioritises cybersecurity measures to protect critical data, reputation, and financial well-being through a comprehensive cybersecurity strategy. Key elements of this strategy include:

Proactive Vulnerability Management

Enhanced Security Monitoring and Threat Detection

Strengthened Access Management and Data Privacy

Improved Email Security

If an incident occurs, an Incident Management Policy is in place, outlining a clear response plan. This policy ensures swift mitigation and minimises any potential disruption to day-to-day operations.

Tanmiah’s KnowBe4 Information Security awareness programme educates colleagues on cybersecurity best practices and helps identify potential phishing attempts. The company is also working with vendors to ensure compliance with the new Personal Data Protection Law of KSA (Under SADAIA). This includes conducting gap assessments, designing missing policies, and documenting data privacy procedures.

Tanmiah recorded
ZERO
data and cyber security breaches in 2023.

Tanmiah’s Social Performance

Talent Development

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



Continuous Learning Culture



Personalized Development Plans (PDP)



Feedback and Coaching



Leadership Development



Cross-Functional Opportunities



Technology-Enabled Learning



Diversity and Inclusion Training



Fostering Transparency and Engagement

In 2023, colleagues at Tanmiah received a total of 47,900 hours of training, averaging 14.8 hours per colleague.

Colleague hours of training per Category	2023
Senior Management (total hours)	296
Middle Management (total hours)	514
Senior Management (hours per colleague)	6.72
Middle Management (hours per colleague)	3.02

These training hours included the following:

- The entire Internal Audit team completed a 24-hour International Certified Auditor on ESG (ICAEA) program, boosting expertise in environmental, social, and governance (ESG) issues.
- 6,911 hours of Occupational Health and Safety (OHS) training delivered to teams.
- KnowBe4 Information Security awareness program equipped teams to identify phishing threats and safeguard company data.
- All procurement team members receive ongoing training on sustainable procurement practices and policies.

TANMIAH

Diversity, Equity, and Inclusion

The strategic approach Tanmiah takes to cultivate a diverse and inclusive workforce fosters a vibrant environment where all colleagues feel valued and empowered to contribute their unique talents.

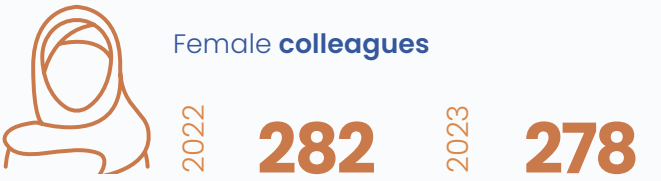
In line with the principles of equity and inclusion, Popeyes, a subsidiary of Tanmiah, acquired the Silver Environment Certification, Mowaamah, from the Ministry of Labor and Social Development, Saudi Arabia, making it eligible to provide the correct environment to hire special needs personnel.

Female Empowerment

Tanmiah has been focused on increasing female representation at all levels of its workforce. The company was one of the first companies in Saudi Arabia to employ women from rural areas, providing them with career opportunities in its production facilities.

Over the past decade, many of these women have progressed into supervisory and managerial roles. While Tanmiah’s current female workforce sits at 9.4%, it’s important to note that the company operate in a sector with significant underrepresentation of women. Nonetheless, Tanmiah’s commitment to improving female staff retention has produced positive results, with a 4.6 percentage point increase to 12.4% this year.

Full-Time colleagues by gender



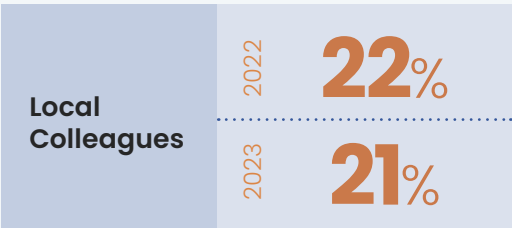
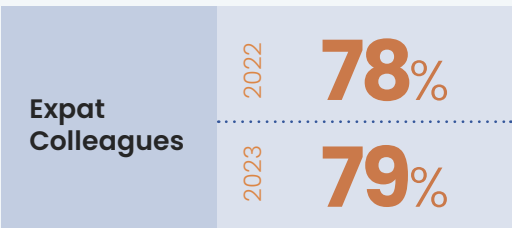
Newly hired colleagues by gender	2022	2023
Male	163	125
Female	66	7
Total	229	132

Turnover by gender	2022	2023
Male	10%	10.4%
Female	17%	12.4%

	Female full-time colleagues by staff category		2023 (#)	2023 (%)
	Senior Leaders		3	7%
	Managers		4	2%
	Supervisory and Professional		109	17%
	Operators and General Support		162	7%
	Total		278	9%

	Male full-time colleagues by staff category		2023 (#)	2023 (%)
	Senior Leaders		41	93%
	Managers		166	98%
	Supervisory and Professional		540	83%
	Operators and General Support		2,206	93%
	Total		2,953	91%

Full-time colleagues by years of service		2023 (#)	2023 (%)
0 – 4 years		2249	70%
5 – 9 years		414	13%
10 – 14 years		201	6%
15 years and more		367	11%



Colleague Engagement and Wellbeing

Due to its focus on colleague engagement and wellbeing, Tanmiah recorded a significant decrease in turnover by 7.17% as compared to 2022. Tanmiah’s colleague high satisfaction can be witnessed through the 4.4/5 ratings the company received in its Annual Colleague Satisfaction Survey of 2023.

OHS Initiatives	2021	2022	2023
Staff Turnover (%)	8.8%	9.4%	2.23%

TANMIAH

Human Rights Management

Tanmiah’s Human Rights policy reflects robust compliance with the applicable laws and regulations, including the Saudi labour law. The policy outlines Tanmiah’s commitments in these areas, including:

- **Forced Labor** – the human rights policy strictly outlines Tanmiah’s commitment to zero tolerance to any form of forced or involuntary labour and no compromise to any non-compliant practices prohibited by the Saudi Labour law. In 2023, the company recorded zero cases of forced labour in its value chain and supply chain.
- **Child Labor** – the policy prohibits the employment of child labour in any operations or supply chain activities. This complies with the provisions of the Saudi labour law, which prohibits the employment of minors under the age of 18. In 2023, Tanmiah had zero cases of child labour in its value chain and supply chain.
- **Working Hours and Wages** – the policy ensures that all colleagues are fairly compensated for their work, in compliance with the Saudi labour law. Additionally, it recognises the importance of work-life balance and provides reasonable working hours and break periods for colleagues.
- **Non-Discrimination** – the policy ensures non-discrimination based on race, ethnicity, gender, religion, age, disability, or any other characteristic protected under the Saudi labour law. Tanmiah is committed to providing equal opportunities for all colleagues, customers, and suppliers. In 2023, Tanmiah had zero cases of discrimination in its value chain and supply chain.
- **Health and Safety** – the policy states Tanmiah’s commitment to providing a safe and healthy work environment to all colleagues, customers, and suppliers. Tanmiah complies with the provisions of the Saudi labour law regarding workplace safety and health, while continuously striving to improve its safety practices.

To ensure full awareness and compliance with the policy, Tanmiah trained 100% of its colleagues on Human Rights and Ethical Standards.

HSE Management

Tanmiah’s commitment to Health and Safety is reflected in its comprehensive group-wide Health, Safety & Environment (HSE) policy.

This policy ensures compliance with all applicable HSE laws and regulations in the geographies where Tanmiah operates. It applies to everyone working within the company’s ecosystem, including colleagues, visitors, contractors, vendors, and suppliers. Tanmiah ensures the enforcement of this policy very seriously by conducting regular internal HSE audits throughout the year.

Furthermore, the company has a Safety Management System (SMS) manual that is continuously being enhanced to align with the international Occupational Health & Safety standard ISO 45001:2018, and the guidelines set forth by the Saudi Human Resources and Social Development Ministry (HRSD). In line with its high commitment to H&S, Tanmiah achieved a 100% certification by NARRC (Nuclear and Radiological

100%
certification by NARRC
(Nuclear and
Radiological
Regulatory
Commission Saudi)

Regulatory Commission Saudi) for its operational sites with X-Ray equipment.

Furthermore, HSE is managed by the HSE Committee. This committee is dedicated to continuous improvement by actively working towards achieving ISO 45001:2018 certification for Occupational Health and Safety Management Systems during 2024.

HSE Risk Management

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

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

OHS KPIs	2021	2022	2023
Lost Hours Due to Injury	288	152	112
Recordable Injury	100%	100%	100%
Fatalities (No Severe Injury)	0	0	1*

*A fatality occurred due to a road accident involving a colleague on their way to work. We provide road safety training to all employees to help prevent such incidents in the future.

HSE Training

Tanmiah follows a detailed approach to identify specific training needs in the following ways:

- **Risk Assessment and Job Analysis:** Conducting systematic risk assessments and job analyses to pinpoint roles or tasks that pose potential health and safety risks. This allows Tanmiah to tailor training programmes to address the specific hazards the staff may encounter in their daily work.
- **Staff Feedback and Incident Reviews:** Encouraging staff feedback on training needs, in addition to reviewing past incident reports to identify recurring issues or potential new hazards.
- **Regulatory Requirements:** Complying with local and international occupational health and safety (OHS) regulations often dictates certain mandatory training requirements. Tanmiah ensures its training programmes incorporate these mandatory elements.

OHS Initiatives	2021	2022	2023
Number of OHS Audits Performed	1	1	1
Safety Talks (OHS Training Conducted in hours)	140	460	6,911
Number of First Aid Cases	32	17	9

TANMIAH

Tanmiah’s Community Relations

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

Charitable Events: Tanmiah actively participates in charitable events, such as serving meals to 200 underprivileged children at the Makkah Kids Charity House quarterly throughout 2023.

Afforestation: In support of the Kingdom’s Vision 2030 and Saudi Green Initiative (SGI), Tanmiah embarked on the “One Million Trees” project which aims at planting one million trees by 2025, playing a crucial role in reducing the regional carbon emissions. Additionally, the company partnered with the National Center for Vegetation Development and Combating Desertification to donate 100,000 trees to Bahrain in support of their environmental goals.

	2021	2022	2023
Number of trees planted (000’s)	200	100	138.5
Equivalent offsetting (tCO2e)*	27,000	56,000	97,118

*Disclaimer: Calculations were tabulated using iTree website.

CSR Contribution	2021	2022	2023
CSR – Spending (in Million SAR)	1.20	1.56	0.5

Sustainable and Responsible Operations

Sustaining Agriculture

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

To maintaining a sustainable agriculture system Tanmiah implements several of practices like introducing ESG screening for 100% of its suppliers. Furthermore, Tanmiah continuously invests in R&D initiatives that explore innovative agricultural practices for a more sustainable future and to help create the best products for its customers. In 2023, Tanmiah increased its investment in R&D by 34% allowing it to introduce innovative products like Omega-3 fresh chicken.

Wellness Starts with Animals’ Welfare

Tanmiah was the first company in the MENA region to implement animal welfare principles and practices across its entire poultry value chain. The company actively maintains its Global Animal Wellness Standards certification from the National Sanitation Foundation (NSF) and continuously strives to improve animal well-being throughout its operations. In 2023, Tanmiah achieved a 96% score in NSF Global animal wellness standard certification for its Hatchery, Broiler Farms, and Primary Processing Plant (PPL). Tanmiah is accredited by the NSF in the following areas:

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

Sustaining Soil Health of the Land We Use

In 2022, Tanmiah formalised a Sustainable Agriculture policy that promotes environmentally friendly practices throughout its operations. From ethically sourced ingredients to carefully chosen facility locations, the company takes steps to minimise its impact and protect biodiversity. The set site selection criteria ensure Tanmiah avoids sensitive ecosystems and minimises pollution. This commitment is reflected in Tanmiah’s zero record of environmental non-compliance over the past year.

Furthermore, Tanmiah focuses on the responsible management of poultry litter to minimise environmental impact and improve soil health. It utilises processed poultry litter and biochar as a natural soil amendment to reduce reliance on synthetic fertilizers and collaborate with experts to develop innovative composting and pyrolysis treatment methods for litter management. In line with these efforts, Tanmiah uses 0% pesticide at all locations.

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Tanmiah’s Environmental Performance

Supplier Code of Conduct

Tanmiah’s supplier code of conduct outlines the expectations for suppliers, emphasising sustainable sourcing as an environmental necessity, and a crucial part of Tanmiah’s business strategy. The policy ensures the prioritisation of procuring goods and services in a way that balances economic needs with both environmental and social responsibilities. Under this code, suppliers are held to the same standards of accountability and honesty as Tanmiah and are expected to exhibit a commitment to ethical behaviour. The detailed Supplier Code of Conduct can be accessed [here](#).

In the past two years, Tanmiah screened 100% of its suppliers in accordance with its supplier code of conduct, including its ESG criteria. Additionally, Tanmiah requires all suppliers to hold certifications from the Global Food Safety Initiative (GFSI). This internationally recognised standard helps ensure consistent food safety practices throughout its supply chain. Any non-compliance may result in corrective action, including warnings, contract termination, or legal action. Tanmiah follows three basic principles:



Supplier Assessment:
Regularly assessing suppliers to ensure compliance with Tanmiah’s sustainability criteria.



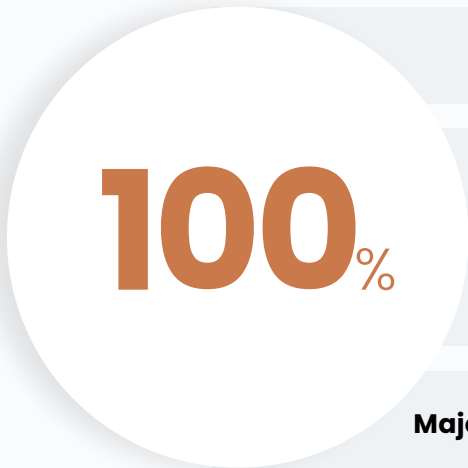
Colleague Training:
All procurement team members receive ongoing training on sustainable procurement practices and policies.



Performance Tracking:
Monitoring and reporting on its sustainable sourcing efforts to continually improve its practices.



226 | Supplier Insights
Number of approved suppliers



Percentage of total suppliers screened on ESG criteria

Percentage of total suppliers screened

Percentage of packaging suppliers ISO 9001 certified

Major non-compliant gaps with corrective actions implemented

Local Procurement

Sourcing locally is a critical focus in Tanmiah’s commitment to responsible business practices. Local sourcing allows for tighter control over critical factors like safety, quality, lead times, and costs. By prioritising local suppliers, Tanmiah can easily mitigate and minimise operational risks and enhance supply chain efficiency.

Local Procurement	2021	2022	2023
Local Procurement Spending (Million SAR)	566.73	642.82	964.13
Total Procurement Spending (Million SAR)	986.38	1,404.48	1,295.04
% Local Procurement Spending/Total Procurement Spent	57%	46%	74.4%

TANMIAH

Clean Energy

Tanmiah aims to reduce its environmental footprint by leveraging renewable energy solutions. Hence, the company implemented a solar power plant with a projected annual production of 960,089 kWh. This will result in an estimated:

- **10.5% reduction in electricity consumption by utilising a reverse metering system with the government, where excess solar energy is fed back to the grid, offsetting Tanmiah’s overall electricity needs.**
- **Reduction of approximately 590,000 kg of CO2 emissions annually.**

Furthermore, Tanmiah partnered with Emerge and EDF to install a 3-megawatt solar power plant at its Al Kharj feed mill location. This project is expected to be operational by 2025 and will generate approximately 8 million kWh of clean energy annually. This shift will result in an estimated reduction of approximately 5,000 tons of carbon emissions per year.

Particulars	2021	2022	2023
Electricity Consumption (million kWh)	75	82	85.382
Electricity Intensity (million kWh/billion SAR revenue)	62.035	47.481	40.794

Although Tanmiah’s overall electricity consumption increased, its consumption was more efficient than last year, achieving a 14% reduction in electricity intensity.

Waste-to-Energy (Biowaste)

This project aims to utilise poultry bio-waste to generate 5.2 MWh of renewable energy per year, significantly reducing Tanmiah’s reliance on fossil fuels. The project is estimated to sequester approximately 27,500 tCO2e annually, decreasing Tanmiah’s environmental impact.

The gasification plant will generate 75 tonnes of biochar daily, a valuable byproduct with an additional carbon sequestration potential of 2-2.5 tons per tonne of biochar. This translates to a further reduction of gross 64,000 tCO2e. Beyond carbon reduction, the waste-to-energy project will also help Tanmiah manage manure responsibly, leading to decreased carbon and ammonia emissions. The project is on track to be operational by 2025.

Tanmiah’s commitment to waste reduction has yielded significant results in 2023 compared to 2022. Recycled waste increased by 26%, waste sent to the landfill decreased by 33% and total waste generated was reduced by 14%. These improvements reflect Tanmiah’s dedicated approach towards sustainable waste management.

WASTE (TONNES)			
TYPE		Generated	Directed to landfill
Hazardous waste	Hatcheries	8.28	8.28
	Total Hazardous waste	8.28	8.28
Non Hazardous waste	Manure waste	93,507	93,507
	Offal Input	28,848	28,848
	Blood and Sludge	41,319	41,319
	Solid waste	35,453	33,705
	Total Non Hazardous waste	199,127	168,531

Water Management

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

Water Management Actions	2022	2023
Water Consumed (megalitres)	3,083	3,411
Wastewater Generated (megalitres)	1,324	1,525.56
Wastewater Recycled (megalitres)	581	710.85
Total Monetary Savings [million SAR per year (disposal cost)]	5.7	5.3

To learn more about Tanmiah’s environmental initiatives, product safety and compliance, research and development achievements, and other innovations to forward its sustainability practices and provide safe and healthy products, visit its annual [ESG report](#).

DUKAN



Dukan Retailing Company is a chain of convenience grocery retail stores headquartered in Jeddah, Saudi Arabia. Founded in 2014, Dukan has grown rapidly, establishing itself as a player in the Saudi retail market with roughly 75 stores across the Western Region, with presence in Jeddah, Makkah, and other cities.

Dukan is currently in a transformation phase aimed at enhancing its operational efficiency, offerings and sustainability practices. In 2023, Dukan dedicated significant efforts to conduct a baseline assessment of its sustainability performance. This assessment was part of a broader initiative to ensure the company creates value through sustainability.

Dukan’s commitment to sustainability reflects a strategic shift to not only meet consumer demand for more sustainable practices but also to lead by example in the retail sector in Saudi Arabia. As the company continues to evolve, it remains focused on expanding its presence while fostering a more sustainable shopping culture.



Our Environmental Footprint





Our Environmental Footprint



Energy Consumption

Our commitment to reducing our environmental impact begins with closely monitoring our energy use. In 2023, our total electricity consumption reached 108,948.85 kWh. At ADG, we recognise the importance of efficient energy management and continue to explore opportunities for enhancing energy efficiency across our operations.

Electricity Consumption (kWh)		2023
Total Consumption		108,948.85



Water Management

We are proud to occupy a building that is entirely self-sufficient in terms of water consumption. The building's integrated water treatment system allows us to meet our needs without relying on external sources or incurring additional water costs. This sustainable setup resulted in an annual water consumption of 346.74 m³ in 2023, reflecting our responsible use of resources.

Water Consumption (m³)		2023
Total Water Consumption		346.74

Ola Hejazi – ‘Water Drop’
Mixed media on canvas
 Framed 350 x 350cm
 2012



Al-Dabbagh Foundation (ADF) commissioned Ola Hejazi to create this unique illustration of all the different shapes and forms of water, depicting its importance in our day to day lives.

The shades of blue evidently become darker from the top of the canvas to the bottom as it highlights the effects of pollution in our environment. The painting could also be seen as a portrayal of the correlation between the global water crisis that millions of people are facing all over the world and the significant need to combat such a devastation.

Al-Dabbagh

www.aldabbagh.com

To learn more about our business and sustainability work, please visit
www.aldabbagh.com

If you would like to find out more about our sustainability ambitions please get in touch:
Shahad Nejaim | Director of Sustainability
s.nejaim@dabbagh.com

AlDabbagh

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